Local versus global food consumption: the role of brand authenticity

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Abstract
Purpose – This paper aims at investigating the contemporary trend toward regional consumption from the perspective of consumers’ search for brand authenticity. In particular, the paper joins literature on brand authenticity from the marketing literature and literature on the local food movement to investigate consumers’ response to authenticity claims in the competition of local and global food brands.

Design/methodology/approach – The paper engages in a series of three experimental studies; one of which uses a Becker–DeGroot–Marschak lottery to assess individuals’ willingness to pay for authenticity claims of (non)global brands.

Findings – Findings show that authenticity perceptions lead to higher brand value independent of brand globalness; while global brands can mitigate competitive disadvantages in localized consumer markets by actively authenticating their brand image.

Originality/value – This paper reveals the usefulness of authentic brand positioning for global beverage brands when competing with local beverage brands to overcome the liability of globalness. To sustainably benefit from the local food movement, local brands thus will require to build up brand images beyond associations of mere authenticity.

Keywords Marketing, Brand authenticity, Global brands, Local brands

Paper type Research paper

Introduction
After decades of food globalization, consumer markets have witnessed an increasing demand for locally grown and processed food and beverages over the past years. This development reflects a general consumer trend toward preferring local products over non-local alternatives as observed worldwide (Zeugner-Roth et al., 2015). While this trend affects industries to differing degrees, its relevance is particularly pronounced in the food and beverage industries. Empirical literature not only reports a heightened relevance of local origin in consumers’ purchase decisions but also higher willingness to pay (WTP) levels for local food as compared to non-local alternatives (Feldmann and Hamm, 2015).

The literature discusses this global phenomenon of food localization from multiple angles. Approaching the phenomenon from an altruism perspective, consumers increasingly opt for local products for the benefit of society. These societal motives are typically either environmental, i.e. minimizing food’s ecological footprint (Tobler et al., 2011), or economic, i.e. supporting local producers, which is a consumer tendency well-established in the consumer ethnocentrism literature (Shimp and Sharma, 1987). Approaching the phenomenon from a self-centric perspective, consumers consume local food products for their personal benefit. This benefit may be functional or symbolic. Functional benefits relate to the quality of food and beverages, which consumers typically perceive to be highest for local food. Irrespective of consumers’ country of origin, consumers tend to judge domestic foods as healthier and as more natural than food from anywhere else (Gineikiene et al., 2016). Symbolic benefits relate to consuming authentic food with tradition and integrity (Ikerd, 2011).

While the above motives are all relevant and integral to the local food movement, this paper specifically focuses on the role of authenticity as a motive for consumers’ local food choices. As consumers associate local brands with authenticity because of their limited size (Holt, 2002) and their perceived linkage to place and heritage (Özsomer, 2012), the movements toward authenticity and localism are strongly entwined. Consumer culture theory views the pronounced relevance of brand authenticity as consumers’ response to decades of increased globalization, homogenization and deterritorialization of consumer goods (Rose and Wood, 2005). Specifically, the alienation of consumers from global food production chains has resulted in a consumer longing for experiencing genuine and real food consumption (Autio et al., 2013; Morhart et al., 2015). Authenticity perception may be evoked, among other things, by products’ origin, craft production, heritage and...
Brand authenticity

Petra Riefler

tradition (Napoli et al., 2013; Bryla, 2015). Empirical evidence shows consumers to value authentic brands for which they are willing to pay higher prices and to spread positive words, among other things (Morhart et al., 2015; Newman and Dhar, 2014).

These movements toward local as well as authentic food products have strategic implications. Emphasizing regional origin in brand communication has turned into a differentiation strategy for local food and beverage companies. As an exemplary illustration, the juice brand Granny's prominently stressed the use of local apples and the non-use of any exotic ingredients in their communication campaigns. Global brands, by contrast, face a competitive disadvantage with regard to brand authenticity perceptions because of their size and global omnipresence (Thompson and Arsel, 2004). To counteract this disadvantage, these companies increasingly integrate brand authenticity claims into their brand communication. As such, Starbucks informs consumers about its founding story on its paper cups, and Heineken stresses the brewery’s adherence to the traditional recipe from 1873.

Conceptually, the worldwide availability of global brands might counteract authentic perceptions as the latter semantically relates to scarce objects (Moulard et al., 2016). According to this view, the scarcity of objects or brands is a shaping factor of brand authenticity. Accordingly, local brands are often seen as the prototypes of authentic brands (Özşomer, 2012). This perspective is, however, in sheer contrast to the managerial practice of creating authenticity for global brands on the one hand, and academic authenticity research using global brands as the context for researching authenticity effects (Hartmann and Ostberg, 2013; Schallehn et al., 2014; Visconti, 2010), on the other. Indeed, these studies show consumers to respond positively to global brands portraying their brand authenticity in their brand communication. These conflicting perspectives describe the unclear role of brand globalness for the effectiveness of brand authenticity. As such, it remains an untapped question of whether global brands benefit similarly (or less) from authentic brand positioning compared to non-global brands. Further, whether incorporating brand authenticity into the global brand positioning as done by brands such as Starbucks is effective in competing with local challengers is another empirically untapped question. Given that brand authenticity might shape today’s competitive landscape of global and local players competing for consumer preference, this question appears critical for both local and global brand management.

Against this background, this paper aims to contribute to the marketing literature by addressing the outlined research gaps. For this purpose, it first investigates whether the effectiveness of brand authenticity is contextualized by brand globalness. Second, the paper examines how authenticity claims in brand communication impact consumers’ choice between local and global alternatives.

In a series of three experiments, the paper shows brand globalness and brand authenticity attributes to independently affect perceived brand value (WTP) for beverage brands. Further, it demonstrates the usefulness of authentic brand positioning for global beverage brands when competing with local beverage brands to overcome the liability of globalness. Consequently, local brands are recommended to build up a broader set of positive consumer perceptions in addition to brand authenticity.

The paper is structured as follows. It first discusses the concept of brand authenticity and its positive downstream effects on consumer response variables. It then develops the hypotheses by delineating the role of brand authenticity in the context of brand globalness and the direct competition of global and local brands. Based on this theoretical background, the paper subsequently presents the three experimental studies. After discussing the empirical findings, the paper highlights managerial implications as well as avenues for future research.

Conceptual background

The concept of brand authenticity

Authenticity is a concept with a long history in multiple disciplines including philosophy, anthropology and sociology (Benjamin, 1936; MacCannell, 1973). Despite differences in conceptual definitions across disciplines, authenticity consistently relates to aspects of being historically grounded and rooted in tradition and heritage.

In the marketing literature, interest in the concept of brand authenticity arose in early 2000. Translating authenticity to the branding context, an authentic brand is in essence perceived as a brand that is real and sincere (Gilmore and Pine, 2007) while motivated by genuine passion (Beverland et al., 2008). This academic interest in brand authenticity developed in parallel with a contemporary focus on authenticity by companies’ brand management. Companies have recognized brand authenticity as a viable attribute for differentiation. Some commentators even assume this development to be a major change in the history of marketing, commenting that “[quality no longer differentiates; authenticity does” (Gilmore and Pine, 2007, p. 23).

Consumers’ longing for authenticity is not a new discovery but has existed for hundreds of years (Grayson and Martinec, 2004). Commercialization, standardized mass-manufacturing and the homogenization of products, however, have revitalized today’s particular meaning of brand authenticity (Rose and Wood, 2005). In today’s global and hyper-competitive marketplace, consumers increasingly use products to reconnect to places, history, culture and one another (Napoli et al., 2013). This revitalized meaning of authenticity can also be understood as a response to times of change and uncertainty when individuals search for something to rely on that offers them continuity (Turner and Mannig, 1988).

Conceptually, literature agrees with brand authenticity to be a socially constructed concept (Leigh et al., 2006). The assessment of authenticity primarily bases upon individuals’ perceptions while not necessarily on the inherent properties of an object (Rose and Wood, 2005). Hence, consumer perceptions are critical for brand authenticity. Drawing upon attribution theory (Kelley, 1973; Moulard et al., 2016) propose three conditions under which individuals perceive human brands (i.e. artists) as authentic, namely:

- the behavior is perceived as unique to that person;
- the behavior is similar over time; and
- the behavior is similar across different stimuli or entities.

The first aspect relates to the differentiation potential as suggested in the branding literature. The other two aspects relate to the continuity argument that is central to authenticity.
Despite differences in the number and scope of dimensions (including, among others, sincerity, quality commitment or craftsmanship), the numerous attempts to conceptualize brand authenticity mainly agree on this consistency aspect (Beverland, 2005; Napoli et al., 2014; Morhart et al., 2015).

Forms of brand authenticity
The large body of authenticity literature has followed Grayson and Martinec’s (2004) distinction of indexical and iconic authenticity. Indexical authenticity bases upon the idea of identifying a real object (e.g. painting or historical site) from its copy or counterfeit. In the context of commodities, it has translated into factual or spatiotemporal connections between a brand and a point of reference such as places, historical events or recipes (Fritz et al., 2017). Iconic authenticity relates to a more symbolic representation, which portrays an idea of how something should be. It is an aura of objects that is of experiential nature and provides a basis for self-authentication (Kozinets, 2002).

Brand communication of brand authenticity
Branding literature has recognized the potential of brand authenticity as a positioning tool (Beverland et al., 2008; Beverland and Farrelly, 2010). Brands portraying themselves as authentic frequently refer to indexical cues (Guèvremont, 2018), which consumers use to deduce brand authenticity (Dwivedi and McDonald, 2018). Beverland (2005) guides brand communication for building authentic perceptions by using dimensions such as heritage, consistency and style.

Heritage is particularly prominent in authentic brand communication linking brands to the longevity of a brand, its historical practices or its spatial places of production and craftsmanship. The longevity of a brand, frequently transported as “since [year]” in brand communication, denotes the extent to which consumers perceive the brand as having existed for a long period of time (Moulaud et al., 2016). As such, a brand’s longevity may serve as an indication of the brand management’s conviction and passion, which, as such, consumers perceive as indicative for a genuine and real interest in the product or service. Empirical research supports this assumption demonstrating heritage cues effectively evoke consumer perceptions of brand authenticity (Morhart et al., 2015; Fritz et al., 2017).

Consumer response to brand authenticity
Consumers’ desire for authentic products, brands and experiences, hence, arises in today’s market context characterized by standardization and homogenization (Arnould and Price, 2000). Conceptual literature proposes consumers to value brand authenticity as an intangible benefit (Beverland, 2009) reflecting continuity from the past to the present (Guèvremont and Grohmann, 2018). In an effort to understand the contemporary meaning of authenticity to individuals, consumer research has studied brand authenticity in multiple contexts including luxury wines (Beverland, 2006), retro brands (Leigh et al., 2006), fast moving consumer goods (Dwivedi and McDonald, 2018), green products (Ewing et al., 2012), restaurants (Phung et al., 2019; Moulaud et al., 2016), tourism sites (Grayson and Martinec, 2004), reality shows (Rose and Wood, 2005), human brands (Moulaud et al., 2015), etc.

With regard to positive downstream effects of perceived brand authenticity, empirical literature provides evidence for positive consumer response on a set of relevant psychological, as well as behavioral variables. Sorting these findings according to the hierarchy of effects (Ajzen and Fishbein, 1980), first, studies show a positive effect of brand authenticity on brand attitude (Ewing et al., 2012; Spiggle et al., 2018). Second, perceived brand authenticity raises quality expectations (Moulaud et al., 2016). Third, brand authenticity increases purchase intentions (Napoli et al., 2014; Fritz et al., 2017), choice likelihood and positive word of mouth (Morhart et al., 2015). Finally, brand authenticity increases consumers’ WTP a price premium (Fritz et al., 2017; Guèvremont and Grohmann, 2018), which is in line with the above perspective on brand authenticity to represent an intangible brand value. A number of studies further document the positive relationship of brand authenticity to consumers’ brand trust (Eggers et al., 2013; Portal, Abratt and Bendixen, 2018), as well as brand attachment (Morhart et al., 2015).

As empirical literature on brand authenticity has grown over the past years, it has moved from examining direct consequences of consumer authenticity to investigating a more nuanced picture on moderating and mediating effects related to brand authenticity. For example, Guèvremont and Grohmann (2018) reveal a mitigating effect of brand authenticity on consumer response to brand scandals, while Portal et al. (2018) show brand warmth and brand competence to mediate effects from brand authenticity to brand trust.

Research gap
Overall, conceptual as well as empirical literature on brand authenticity has steadily grown in the marketing literature over the past decade. It is well documented that consumers value brand authenticity so that the latter is a valuable source of differentiation for brands. However, literature has not yet tapped two critical aspects.

First, the role of brand globalness versus brand localness appears relevant in the effectiveness of brand authentication. As will be elaborated in the following, scarcity is one shaping factor of brand authenticity, which corresponds more to local than global brands. Still, many global brands make considerable efforts in authenticating themselves to counteract perceptions of soullessness caused by their global presence, which shows to be successful in many cases. Against this background, this paper will investigate whether the effectiveness of brand authenticity is contextualized by brand globalness.

Second, despite the frequent argument of brand authenticity to represent a tool for differentiating brands in the marketplace, the context of local versus global brand nature has not yet been addressed by this stream of literature. Given that local brands are inherently linked to a place and limited in reach, they may be seen to represent prototypes of authentic brands, which might assist them in competing with global brands. To better understand the role of brand authenticity in the competition of local and global brands, the paper will examine how brand authenticity impacts consumers’ choice between global and local market offers.

Hypotheses development
Consumer response to global brand authenticity
The opening examples of Starbucks and Heineken referring to their brand heritage in their brand communication are two of
many. In light of the contemporary relevance of brand authenticity to consumers, many global brands currently engage in authentic brand communication. The global authentic 100 ranking by Cohn and Wolfe, in which consumers rank 1,400 brands based on their authenticity (www.authentic100.com), is one measure that demonstrates the concept’s managerial importance. Judging upon its conceptual roots, however, authenticity may be perceived as being associated with scarcity (Holt, 2002). Moulard et al. (2016, p. 425) conceptualize scarcity, which is “the extent to which consumers perceive that the brand’s goods or service outlets are not widely available or accessible”, as a main prerequisite of authenticity perceptions. According to their argument, brand scarcity gives consumers the impression that the brand is not solely focused on aggressive growth but instead takes pride in and is committed to its craft. Consequently, one may view growth strategies and strong market presence to dilute brand authenticity (Thompson and Arsel, 2004; Özsomer, 2012).

This perspective is, however, in sheer contrast to the managerial relevance of authentic global brands on the one hand, and academic authenticity research using global brands as the context for researching authenticity effects (Visconti, 2010; Schallehn et al., 2014), on the other. Judging upon the fact that consumers are willing to construct authentic meaning around global brands with worldwide and highly standardized presence, it seems that the scarcity argument may not be crucial in the development and effectiveness of brand authenticity.

To shed more light on these inconsistent perspectives, it appears relevant to empirically pinpoint the effect of perceived brand globalness on brand authenticity effects. For this purpose, we test the model shown in Figure 1. In line with the reviewed literature, we expect indexical cues of brand heritage to increase perceptions of brand authenticity (Fritz et al., 2017) for both global and non-global brands. We further expect to replicate a positive relationship from brand authenticity perceptions to WTP (Fritz et al., 2017; Guévremont and Grohmann, 2018). The focal relationship is the potential moderating effect of perceived brand globalness for the positive relationship of brand authenticity perceptions to WTP, which depicts consumers’ value perceptions. Based upon the scarcity argument, portraying brands as both authentic and global might dampen the effectiveness of the authenticity claim. To test whether this moderation exists, we formally hypothesize:

**H1.** Brand globalness moderates the positive relationship of brand authenticity to consumers’ WTP, so that the relationship is weaker for global brands compared to non-global brands.

**Figure 1** Conceptual model

**Brand authenticity in the competition of global and local food brands**

Local brands are brands that consumers perceive to be “only available in a specific geographical region” (Dimofte et al., 2008, p. 118). Because of their close linkage to place and heritage (Özsomer, 2012), consumers perceive local brands as highly authentic. Local brands often represent local icons, characterized by uniqueness, originality and local culture (Özsomer, 2012). In a similar vein, cultural proximity (Fritz et al., 2017) and psychological proximity (Guévremont, 2018) are proposed to be relevant drivers of perceived brand authenticity. Such attributions may become particularly salient in a comparative context between global and local brands. At a strategic level, local brands use this mental association of small size and authenticity and compete with global players on the basis of emphasizing a brand image related to craft production, heritage and tradition (Napoli et al., 2013).

Global brands, for numerous decades, tended to pursue a global culture positioning (Alden et al., 1999) because globalness evokes favorable consumer associations of modernity, innovation and success (Steenkamp et al., 2003). In the current competitive climate, however, global brands engaging in a global positioning strategy stressing their worldwide success might nourish their competitive disadvantage of inauthenticity. Therefore, alternative strategies are warranted to challenge the local food movement in consumer markets.

One established strategy of brands to overcome resistance toward globalness and attract more consumer groups is the strategy of glocalization (Robertson, 1995). At the cost of global standardization, brands aim to combine positive associations with both globalness and localness by adapting to local tastes, engaging in local communities and sourcing locally (Rigby and Vishwanath, 2006). These so-called glocal brands attempt to become meaningful to consumers by taking part in their cultural life and gapping distance with proximity. Ultimately, glocal brands attempt to compete with local brands on the latter’s inherent attribute of being local.

Brand authentication might represent an alternative strategy for global food brands to compete against local food brands, which enjoy competitive advantages in terms of high levels of perceived authenticity. Pursuing this strategy, global brands may safeguard favorable associations of brand globalness such as innovativeness (Steenkamp et al., 2003) while highlighting the brand’s relationship to time, heritage or place to nourish consumers’ demand for genuine. Whether such as strategy, which we label as glothentic (global and authentic), is effective in attracting consumers in localizing markets is empirically not yet tested.

In light of the above, the paper investigates the effectiveness of brand authenticity claims of global and local brands in a competitive context. In particular, the paper hypothesizes that:

**H2.** Brand authenticity positioning affects consumer choice between local and global brands.

**Empirical studies**

A series of three experimental studies empirically investigates **H1** and **H2.** In detail, Studies 1 and 2 focus on **H1** using apple juice as the focal product category. This category represents a
considered a threat to the research context because of its traditional local meaning. Study 3 uses packaged coffee drinks as a focal category, which is deliberately different from apple juice because of its inherently global supply chains. This category thus allows examining H2 while extending empirical evidence on H1.

**Study 1**

Study 1 aimed at testing the moderating effect of brand globalness on consumer response (H1) devising a 2 (low/high authentic) × 2 (low/high globalness) between-subjects design. We recruited a sample of 220 students (62 per cent female, average age 22.6 (SD = 3.1) years) at an Austrian university in a lab study.

**Stimuli.** We chose packaging as a useful experimental stimulus because of its relevance to brand communication and consumers’ assessment of brand authenticity (Beverland, 2005). For this purpose, we manipulated bottle labels for apple juice. To rule out potential brand-related confounds referring to brand knowledge and authentic positioning (Morhart et al., 2015), we used a fictitious brand, which ensured the use of extrinsic product cues for affective and evaluative judgments (Magnusson et al., 2011). The label included product information such as ingredients, nutrient content and quantity. For the high-authentic treatments, we added indexical cues of time and heritage (“tradition and quality since 1789” and “traditional processing”) in line with Morhart et al. (2015). To manipulate perceived brand globalness, we added a verbal cue for global availability (“popular in more than 100 countries”), an international trademark sign and an international website address to the high-globalness conditions. The labels were pretested using 40 consumers.

**Procedure.** Respondents were randomly assigned to one of the four treatments. Based on the juice label, respondents indicated their WTP (How much would you be willing to pay for this 1l bottle of juice?). After WTP, we measured respondents’ product category involvement (Zaichkowsky, 1985), price sensitivity (based on Wakefield and Inman, 2003) and situational need (Wertenbroch and Skiera, 2002) as control variables. Finally, we assessed perceived brand authenticity (based on Morhart et al., 2015), perceived brand globalness (Steenkamp et al., 2003) and relevant demographic variables (gender, age, nationality and income). All scales (listed in the Appendix) were measured on seven-points and reached Cronbach’s alpha values above 0.7.

**Manipulation checks.** Table I shows that perceived authenticity was higher in those conditions with authentic labels than in the other conditions (t(220) = −5.28, p < 0.01). Similarly, perceived globalness was higher for those bottle labels which included global aspects than for those which did not (t(220) = −6.57, p < 0.01). The manipulation was thus successful.

**Results.** In the global juice conditions, the authenticity cues significantly increased authenticity perceptions (t(110) = −3.09, p < 0.01), which supports the compatibility of authenticity and globalness cues from a consumer perspective. On average, consumers were willing to pay a premium of 22 per cent for brand authenticity. The high authentic/low globalness condition yielded the highest WTP levels, whereas the low authentic/low globalness condition yielded the lowest levels (Figure 2).

With regard to H1, an ANOVA based upon a log transformation of WTP showed a positive and significant main effect of brand authenticity on WTP for juice (F(1, 1.53) = 8.35, p < 0.01), a non-significant main effect of brand globalness (F(1, 0.02) = 0.65, p > 0.10), and a non-significant interaction term of globalness and authenticity (F(1, 0.13) = 0.73, p > 0.05). The inclusion of control variables did not change these results. Against the reasoning of globalness and authenticity to interact, this finding hints to a value-adding main effect of brand authenticity independent of a food brand’s perceived globalness.

**Study 2**

Study 2 aimed at validating findings from Study 1 while increasing external validity by using an incentive competitive WTP measurement [Becker–DeGroot–Marchak (BDM) lottery] and collecting data from a consumer sample. We recruited 184 consumers in a street collection (response rate: 5.72 per cent). Of these, 182 consumers (52.2 per cent female, average age 34.3 [SD = 11.4]) completed the study. As in Study 1, we devised a 2 (low/high authentic) × 2 (low/high globalness) between-subjects design. For the manipulation, we used the same bottle labels as in Study 1 and attached them to one-liter apple juice bottles. The most important change to Study 1 concerned the WTP measurement using a BDM lottery. All remaining scales were identical to those used in Study 1.

**BDM lottery.** The BDM lottery (Becker et al., 1964) is a non-hypothetical and incentive compatible method. In brief, each respondent is asked to submit a bid (i.e. state the maximum price at which (s)he would be willing to purchase the product). After the bid, a sale price is randomly drawn from an urn, which contains unit prices following real market price distributions (Wertenbroch and Skiera, 2002). Importantly, the price range in the urn is not revealed to participants to avoid anchoring effects (Bohm et al., 1997). In case of a bid higher than or equal to the drawn price, the respondent is obliged to purchase the product at the drawn price. Alternatively, in case of a bid lower than drawn price, the participant is not allowed to purchase. BDM is acknowledged for producing more accurate WTP estimates than many other methods, and thus increasing external validity (Miller et al., 2012).

After ensuring that respondents correctly understood the BDM mechanism, we exposed respondents to a randomly selected one-liter juice bottle. Respondents subsequently indicated their WTP (in EUR), drew a price from the urn and were – depending on the outcome of the BDM – obliged or denied to purchase the bottle for the drawn price. The price range in the urn was based on retail prices for juice (60.99–3.29). Importantly, participants were not endowed but paid from their own money. Subsequently, respondents completed the same questionnaire as in Study 1.

**Manipulation checks.** As for Study 1, the high-authentic labels scored significantly higher on perceived authenticity (t(180) = −5.57, p < 0.01) than the low-authentic labels, while the high-globalness labels scored significantly higher on perceived brand globalness (t(180) = −4.44, p < 0.01) than the low-globalness labels (Table I). The manipulation was thus successful.
Results. As in Study 1, consumers were willing to pay the highest prices for the juice in the high authentic/low globalness condition, whereas the low authentic/low globalness condition yielded the lowest level (Figure 3). Overall, the WTP across conditions was higher in Study 2 than in Study 1 despite using a non-hypothetical measurement in Study 2. This difference is potentially explained by the lower income of the student sample in Study 1.

An ANOVA showed a positive and significant main effect of brand authenticity on WTP for juice ($F(1, 1.53) = 8.35, p < 0.01$), whereas the main effect of brand globalness ($F(1, 0.01) = 0.06, p > 0.10$) and their interaction term ($F(1, 0.13) = 7.32, p > 0.10$) were both again non-significant. Including control variables did not change these results. Again, the moderating effect of brand globalness postulated in $H1$ was empirically not supported.

Discussion. In line with extant literature, Studies 1 and 2 showed brand authenticity to increase WTP for the juice brand.

Study 3

The aim of Study 3 was two-fold. First, it aimed to further validate findings on $H1$ by changing the product category. Coffee is one of the most popular beverages worldwide with a steady increase in per capita consumption in most countries (Samoggia and Riedel, 2018). Second, it aimed to examine $H2$, which related to the role of brand authenticity in a competitive context between local and global brands. For this purpose, we devised a 2 (local/global coffee brand) x 2 (low/high authentic brand story) mixed experimental design. In an online study, we recruited 198 consumers (51 per cent female, average age 25.1 [SD = 3.23]).

Stimuli. For the stimuli, we selected real brands to account for two shortcomings of using fictitious brands in the previous two studies, i.e. low brand familiarity, which represents an unrealistic assumption for many established food brands; and the manipulation of brand globalness based on worldwide availability only. Although the latter is a common and useful manipulation, consumers might have broader associations with global brands than only availability (Steenkamp et al., 2003).

For the global coffee brand, we selected Starbucks, which was repeatedly used as a brand sparking the global vs local discourse (Thompson and Arsel, 2004). For the local competitor, we selected an established and well-known brand in Austria (NOEM). Both brands were pre-tested with regard to brand familiarity and perceived globalness. We changed the manipulation of brand authenticity from packaging cues to brand narrative (vignettes) to further validate results (Beverland, 2009).

Procedure. We randomly assigned participants to conditions. After assessing brand familiarities for both brands, we exposed respondents to two brand narratives, i.e. one (low or high authentic) for the local brand and one (low or high authentic) for the global brand.

Table 1 Means and standard deviations (Studies 1–2)

<table>
<thead>
<tr>
<th>Studies</th>
<th>Non-global brand</th>
<th>Global brand</th>
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<tbody>
<tr>
<td></td>
<td>Low authentic</td>
<td>High authentic</td>
</tr>
<tr>
<td>Study 1</td>
<td>Perceived</td>
<td>4.57 (1.10)</td>
</tr>
<tr>
<td></td>
<td>authenticity</td>
<td>2.61 (1.22)</td>
</tr>
<tr>
<td>Study 2</td>
<td>Perceived</td>
<td>3.69 (1.30)</td>
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<tr>
<td></td>
<td>authenticity</td>
<td>2.42 (1.52)</td>
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The hypothesized moderating effect in $H1$ was not supported suggesting that authenticity affects WTP independent of perceived brand globalness. Hence, against the scarcity argument (Holt, 2002; Thompson and Arsel, 2004), findings propose global brands benefit from authentic claims in their brand communication to a similar extent as non-global brands do. In this light, strategies of authenticating global brands appear sensitive to raise perceived consumer value.

The above findings, however, were yielded in an isolated context, i.e. in the absence of a local alternative. To dig deeper into the usefulness of brand authenticity as a strategy to compete with local brands, Study 3 includes both a global and a local beverage brand in a choice set.

Figure 1 Self-reported WTP (Study 1)

Figure 2 BDM-elicited WTP (Study 2)
for the global brand. The sequence of local and global brands was counterbalanced to avoid order effects. We then measured brand choice holding price constant (Assuming that both products had the same price, which one would you choose?) and self-reported WTP (How much are you willing to pay for this product?). For the control variables, we measured category involvement (Zaichkowsky, 1985), consumer ethnocentrism (based on Verlegh, 2007) to control for potential home bias confounds in favor of the local brand, as well as consumer animosity toward the USA (based on Riefler and Diamantopoulos, 2007) to exclude alternative explanations of country-specific resentments. Finally, we assessed perceived brand globalness and brand authenticity using the same measures as in Study 1. All scales reached Cronbach’s alpha values above 0.7.

Manipulation checks. For the local brand, the high-authentic vignette (M = 4.57, SD = 1.39) scored higher on authenticity than the low-authentic vignette (M = 3.90, SD = 1.36; t(196) = 3.43, p < 0.01). Similarly, for the global coffee brand, the high-authentic vignette (M = 3.96, SD = 1.74) scored higher on authenticity than the low-authentic vignette (M = 3.03, SD = 0.92; t(196) = 4.56, p < 0.01). In the low-authentic treatments, the local coffee brand was perceived significantly more authentic than the global coffee brand (t(194) = 5.22, p < 0.01), which is line with extant literature of associations between localness and authenticity (Özsomer, 2012).

Results. With regard to H1, an ANOVA showed a positive and significant main effect of brand authenticity on WTP for the coffee drink (F(1) = 6.74, p < 0.01), whereas the main effect of brand globalness (F(1) = 0.65, p > 0.10) and their interaction term (F(1) = 0.80, p > 0.10) were both again non-significant. For the control variables, we found brand familiarity (F(1) = 8.79, p < 0.01) and consumer ethnocentrism (F(1) = 0.02, p > 0.01) to significantly impact WTP.

With regard to H2, Table II shows choice patterns for the local and global coffee brands across conditions. In Condition 1, slightly more consumers opted for the local brand than the global brand. Comparing it with Condition 2, the authentic communication strategy of the local food brand did not affect choice patterns. Comparing Conditions 3 and 4, by contrast, the implementation of authentic cues into the global brand story resulted in a significant shift of consumer preference from the local to the global coffee brand (χ²(3) = 16.6, p < 0.01; effect size phi = 0.29).

A binary logistic regression (Table III) on brand choice (0 = local and 1 = global) including the authenticity of the global food brand narrative (0/1) and the authenticity of the local food brand narrative (0/1) as independent variables, and brand familiarities of both brands as covariates, revealed a significant effect of the authentic global brand narrative (exp(B) = 4.16; 95 per cent CI: −2.17 to −0.83). The implementation of authentic elements in the global brand narrative thus increased likelihood of choosing the global coffee brand, which supports H2. The authenticity of the local brand narrative, in contrast, did not significantly impact brand choice.

Discussion. Findings from Study 3 support the assumption of the underlying role of perceived brand authenticity for consumer choice between local and global beverage brands. Increasing the perceived authenticity of the global brand induced a preference shift toward the global coffee brand. The deliberate use of authentic brand cues in the local brand communication did not affect choice patterns, which suggests a ceiling effect of brand authenticity. Taken together, Study 3 empirically supports our argument that global brands can benefit from inducing brand authenticity perceptions in a competitive context to counteract local competition.

Overall discussion and implications

In a series of three experiments, the paper shows global beverage brands benefit from highlighting brand authenticity in its communication. Independent of brand globalness, brand authenticity positively affected perceived value. In a direct choice experiment, we further demonstrate that the use of both global and authentic attributes increased consumer preferences in favor of the global beverage brand.

Relating these findings to the paper’s first research question, i.e. whether brand globalness affects the relationship of brand authenticity to positive consumer response, the conceptual and qualitative literature proposed divergent perspectives on the compatibility of global mass production and brand authenticity (Moulard et al., 2016). The scarcity perspective suggests that global brands may not be authentic as they are not rare but omnipresent. From a consumer lens, the empirical findings show that global brands can effectively leverage authenticity perceptions to value creation. This insight suggests global availability does not counteract authenticity-evoked value perceptions in a branding context. These results support managerial practice to use authentic elements in global brand communication to fuel favorable brand perceptions and consumer behavior.

With regard to the paper’s second objective, i.e. examining the role of brand authenticity in the competition of local and global brands, the empirical findings support the idea that brand authenticity plays a pivotal role. Extant conceptual and qualitative literature (Holt, 2002; Thompson and Arsel, 2004) painted a picture of global brands, being perceived as alienated because of size, as facing a disadvantageous competitive situation compared to revitalized, authentic local competition. Adding to the extant literature, our findings give a fresh perspective on this role of brand authenticity. Against common assumptions, the paper provides first empirical evidence for the potential usefulness of strategically using brand authenticity for global brands to compete in local consumer markets. Portraying the global brand as one with heritage and pedigree, thereby raising perceived brand authenticity, the global brand gained in relative consumer preference. In this vein, an authentication strategy may positively influence consumer decisions guided by brand authenticity considerations.

<table>
<thead>
<tr>
<th>Table II Brand choice (Study 3)</th>
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<tr>
<td><strong>Choice</strong></td>
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<tr>
<td><strong>Brand narratives</strong></td>
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<tr>
<td>Condition 1: both brands low-authentic</td>
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<tr>
<td>Condition 2: local brand high-authentic</td>
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<td>Condition 3: global brand high-authentic</td>
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<td>Condition 4: both brand high-authentic</td>
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For local brands, contrarily, these findings suggest the local movement may be counteracted from non-local companies on the grounds of iconic brand authenticity. In other words, global competitors cannot only evoke brand authenticity perceptions among consumers, but they may also strategically use them to address local competition. Consequently, this finding suggests for local brands brand authenticity alone might not suffice to compete with global players. Strategically, local companies should benefit from the current favorable consumer climate by building up brand images beyond localness and authenticity. Such brand development might simultaneously ensure differentiation from other local companies as consumer markets recently observe a multiplication of small and local food and beverage initiatives intensifying also competition among local companies. Consequently, the potential for differentiation based upon attributes of localness and authenticity is likely to diminish over time.

Conclusion and directions for future research

For decades, food and beverages from all over the world echoed consumers’ desire for the exotic and the new. In the past years, however, consumer preferences have experienced a reversal in favor of local products over global brands. While local brands might fulfill a variety of criteria decisive to contemporary consumers – such as supporting the local economy or reducing the ecological footprint – this paper approached this phenomenon from the angle of consumers’ revitalized taste for brand authenticity (Grayson and Martinec, 2004; Rose and Wood, 2005).

Integrating literature streams of brand authenticity and global branding, this paper adds to the marketing literature by empirically investigating two relevant aspects of brand authenticity in the context of local and global competition. First, against the argument of scarcity being incremental to authenticity perceptions, the paper shows brand globalness to not mitigate the effectiveness of brand authenticity on positive consumer response. This finding supports the notion that global brands may sustain authenticity perceptions by maintaining original designs, features or traditional manufacturing procedures despite high levels of standardization and commodification (Cohen, 1988). This finding also provides empirical evidence for related conceptual claims on the necessity of brand authenticity for global brand credibility (Özsomer and Altaras, 2008).

Second, the paper experimentally shows that brand authenticity impacts consumer choice of global versus local brands. Against extant assumptions, it provides empirical evidence that brand communication inducing consumer authenticity perceptions might be effective in guiding brand preference for global rather than local brands. In our study the local brand, being naturally perceived as authentic by consumers, was not successful in attracting more consumers by stressing its authenticity in its market communication. By contrast, the global brand addressing this competitive advantage of the local brand attracted more consumers by adding brand authenticity to its brand communication. For local brand management, this finding proposes a necessity to expand local brand image beyond localness and authenticity in globalized markets.

While this paper addresses the effectiveness of brand authenticity from multiple angles, it also builds a starting point for future research. First, the paper’s focus on indexical authenticity cues in brand communication does not account for the constructivist perspective of authenticity. The latter perspective approaches authenticity as a self-authenticating act by consumers who appropriate personal meanings to brands or co-create authentic meaning (Grayson and Martinec, 2004). Although indexical and iconic authenticity are seen to be interrelated (Morhart et al., 2015), experimental research on the effect of such iconic elements on consumer response variables represents a fruitful direction for further research.

Second, Study 3 showed a preference shift for the global brand induced by a authentication strategy. Because of the study design, these findings are agnostic on whether non-users can be attracted by this strategy, which is a managerial question that should be tapped in future studies. Relatedly, the literature on preference reversals (Hsee, 1996) documents that consumer preferences may differ between joint and separate evaluations of two options. In the context of Study 3, future research might investigate whether such reversals are observable between local authentic and global authentic brands when presented separately versus jointly.

Finally, the studies were conducted in a highly developed market. In emerging markets, where global brands symbolize prestige (Alden et al., 2013), positioning these brands on brand authenticity might differ in its effectiveness. Further studies investigating boundary conditions on the effectiveness of authentication including market and consumer characteristics should be conducted to gain a better understanding of its usefulness in different markets and consumer segments.

References


**Appendix. Measurement items**

1. **Situational need (based on Wertenbroch and Skiera, 2002):**
   - I am not at all thirsty right now/I am very thirsty right now.

2. **Brand familiarity:**
   - I am not at all familiar with this brand/I am highly familiar with this brand.

3. **Price sensitivity (based on Wakefield and Inman, 2003):**
   - I always buy the fruit juice with the lowest price, even when it is not the brand I actually wanted to buy.
4 Product category involvement (Zaichkowsky, 1985):
   • I am interested in [product category]/I am not interested in [product category].

5 Perceived brand globalness (based on Steenkamp et al., 2003):
   • The brand is sold only in [country]/The brand is sold globally.
   • This is a global brand/local brand.

6 Perceived brand authenticity (adapted from Morhart et al., 2015):
   • The brand builds on long-held traditions.
   • The brand is proud of its heritage.
   • Tradition is safeguarded in the manufacture of this brand.
   • The brand is built upon a history.

7 Consumer Ethnocentrism (based on Verlegh, 2007):
   • [Country] people should not buy foreign products because this hurts [Country] business and causes unemployment.
   • It is not right to purchase foreign products because this puts [Country] people out of jobs.
   • A real [Country] should always buy [Country] products.
   • I always prefer [Country] products over foreign products.
   • We should purchase products manufactured in [Country], instead of letting other countries get rich off us.

All scales used seven-point (semantic or Likert) answer scales with 1 = strongly disagree and 7 = strongly agree.

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