



Contents lists available at ScienceDirect

Journal of Business Research

journal homepage: www.elsevier.com/locate/jbusres

Exploring the effectiveness of foreign brand communication: Consumer culture ad imagery and brand schema incongruity

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ARTICLE INFO

Keywords:

International advertising
Consumer culture ad imagery
Schema incongruity
Ad attitudes

ABSTRACT

Drawing from international branding literature and schema incongruity research, the present study (a) assesses foreign brand communication effectiveness by juxtaposing three alternative advertising approaches based on local, foreign and global consumer culture imagery, and (b) investigates the mechanism underlying consumers' responses to foreign brand communication. In a 2 (*foreign brand schema vs. control*) × 3 (*local vs. foreign vs. global ad type*) full-factorial, between-subjects experiment with a consumer sample, we find that ads portraying global consumer culture imagery only moderately violate consumer perceptions of brand foreignness and lead to more favorable ad attitudes. Furthermore, moderated-mediation analysis shows that when the global ad imagery is meaningfully linked to the foreign brand, perceptions of credibility increase and positively influence ad attitude. However, if consumers cannot make sense of the ad, this effect is reversed and negatively influences subsequent responses. Theoretical and managerial implications of the findings are discussed and future research directions identified.

1. Introduction

International marketing literature identifies three basic consumer culture positioning strategies that brands may adopt in the international marketplace. These can be differentiated according to whether the brand is positioned as a symbol of the *global* consumer culture (GCC), the *local* consumer culture (LCC), or a specific *foreign* consumer culture (FCC) (Alden, Steenkamp, & Batra, 1999). Extant research indicates that brands can gain potential advantages by being associated with all three consumer culture alternatives (Alden et al., 1999; Nijssen & Douglas, 2011). GCC benefits the brand via increased perceptions of quality, prestige, and credibility associated with the notion of globalness (Steenkamp, Batra, & Alden, 2003), whereas LCC contributes to brand equity by linking brands to the local culture and strengthening consumer–brand identification (Özsomer, 2012; Schuiling & Kapferer, 2004). Finally, brands linked to FCC benefit from the associations consumers hold with a distinct and positively valued foreign culture (Alden et al., 1999; Brannen, 2004).

In line with this threefold conceptualization, recent research in international advertising has explored the potential benefits of employing local, foreign, or global consumer culture advertising imagery (Akaka & Alden, 2010; Cui, Yang, Wang, & Liu, 2012; Nijssen & Douglas,

2011; Okazaki, Mueller, & Taylor, 2010; Zhou, Poon, & Wang, 2015). However, extant literature has not taken into account whether or not the consumer culture conveyed by the ad conforms to pre-existing consumer perceptions about the nature of the brand (i.e., the *brand schema*, Halkias, 2015). Imagine, for example, that a foreign brand is about to launch a new advertising campaign and can choose among employing a FCC, LCC, or GCC theme. In the case of FCC, brand communication is consistent with the consumers' pre-existing schema of the brand, thus positively influencing brand identification and making the content of communication more relevant (Zhou et al., 2015). Alternatively, the company may choose to employ a GCC advertising theme, trying to capitalize on the symbolic value associated with the notion of globalness (Akaka & Alden, 2010), or a LCC advertising theme, in an attempt to leverage brand equity by connecting with the local market (Westjohn, Singh, & Magnusson, 2012). Both of these advertising options, however, represent instances of *brand schema incongruity* as the ad theme involved (local/global) does not match consumers' schema (foreign) of the brand. A key – and, as yet, unanswered – question is therefore: could the potential benefits of highlighting a different consumer culture in brand communications be undermined by the violation of consumers' existing brand perceptions?

Drawing from international branding literature and schema incongruity research, the present study empirically addresses the above

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<http://dx.doi.org/10.1016/j.jbusres.2017.04.018>

Received 9 November 2016; Received in revised form 22 March 2017; Accepted 23 April 2017
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question by directly comparing three different advertising approaches (i.e., FCC, GCC, and LCC ad types) for a brand with an explicit foreign brand schema. Specifically, we demonstrate that GCC ad imagery for a foreign brand only mildly violates consumers' brand perceptions and, subsequently, leads to more favorable responses than FCC and LCC ads. Importantly, we further show that if consumers (cannot) make sense of the ad message, GCC ads have a (negative) positive indirect effect on ad attitude by (decreasing) increasing the credibility of brand information provided in the ad.

Our findings contribute to international advertising by (a) explicitly taking into account different degrees of ad–brand schema incongruity (i.e., moderate and extreme incongruity), (b) directly juxtaposing three different advertising approaches and illustrating the differential impact of alternative consumer culture imagery on communication effectiveness for brands with a pre-existing (here, foreign) schema, and (c) demonstrating that the effectiveness of employing an alternative consumer culture in advertising is contingent upon the meaningfulness of the ad–brand schema relationship.

In managerial terms, our study offers valuable insights for practitioners wishing to optimize foreign brand communications by pointing out the relative benefits and pitfalls of alternative consumer culture advertising approaches. This is particularly relevant for brands that are, in principle, well-suited for adopting alternative communication approaches but lack empirical evidence as to which alternative is likely to yield the best results. According to our findings, managers of foreign brands must be wary of the fact that the benefits of incongruent consumer culture advertising can only be reaped if the ad message can be meaningfully linked to the brand's schema.

2. Theoretical development and research hypotheses

2.1. Consumer culture imagery and ad–brand incongruity

A significant portion of international marketing research has focused on how a brand's global, foreign or local nature influences consumer behavior (Steenkamp et al., 2003). Alden et al. (1999) identified three corresponding consumer culture alternatives and suggested that each one of them can be used to determine how a brand is communicated to the target audience (Alden et al., 1999; Nijssen & Douglas, 2011). First, brands associated with the global consumer culture (GCC) emphasize the notion of globalness, which is a rather abstract notion, free of implications connected to narrow cultural norms (Akaka & Alden, 2010; Kjeldgaard & Askegaard, 2006). Brands portrayed as global signal worldwide recognition and acceptance accompanied with perceptions of superior quality and prestige (Dimofte, Johansson, & Bagozzi, 2010; Steenkamp et al., 2003). Second, by adopting a local consumer culture (LCC) imagery, brands establish a connection with the particular local context, endorse local elements (e.g., cultural values, traditions, icons, or resources) and create a sense of belonging to and identification with the local society (Ger, 1999; Özsomer, 2012; Schuiling & Kapferer, 2004; Westjohn et al., 2012). Third, brands associated with a foreign consumer culture (FCC) are charged with distinct meanings that are attached to a specific, non-domestic consumer culture (Alden et al., 1999). Here, the symbols or attributes of a specific foreign culture can add value to consumers by generating a sense of uniqueness and exoticness often associated with foreignness (Alden et al., 1999; Brannen, 2004).

While in principle foreign brands can be well-suited for all three advertising alternatives (i.e., FCC, GCC, and LCC ads), ad messages that are *not* based on the foreign consumer culture will naturally involve some sort of discrepancy with existing consumers' brand perceptions. According to psychological theory, the phenomenon in which incoming stimulus information is not compatible with existing knowledge and expectations is known as *schema incongruity* (Mandler, 1982). In a marketing communication context, schema (in)congruity refers to ads that (do not) conform to consumers' expectations as specified by

existing brand knowledge (Halkias & Kokkinaki, 2014, 2017). Therefore, if an advertisement for a foreign brand is based on either local or global imagery, the ad will inevitably be incongruent with the consumers' brand schema to some extent.

In line with the above reasoning, our first hypothesis deals with the extent of perceived incongruity and suggests that for a brand with a foreign identity, a global ad theme is likely to be perceived as less incongruent than a local ad theme. This expectation is based on two key reasons. First, schematic brand perceptions already tied to a specific, non-domestic consumer culture, make it harder to establish additional associations with the – also very specific – local culture conveyed by a LCC ad. In contrast, the notion of globalness is more abstract, more open to interpretation, and not tied to narrow cultural norms as the notion of localness (Kjeldgaard & Askegaard, 2006). It is exactly this difference in the level of specificity that makes it easier for a foreign brand to associate itself with the *broader* global culture (as conveyed by a GCC ad imagery) rather than with another *specific* local culture (as conveyed by a LCC ad). Second, local consumers are more likely to intuitively associate a new foreign brand with the notion of globalness, and hence with the GCC, due to increased inferences that the brand might also be available elsewhere. In simple words, it is reasonable for consumers to think that “*if this foreign brand is available in my country, it may also be available in other countries too.*” World-wide availability, distribution, and foreign ownership are typical assumptions consumers make regarding the nature of global brands (Johansson & Ronkainen, 2005). Hence, the notions of foreignness and globalness (although distinct) may also intertwine from a consumer perception perspective. Recent experimental work by Winit, Gregory, Cleveland, and Verlegh (2014) corroborates this line of argument, showing that foreign/non-global brands are systematically rated higher on perceived brand globalness than local/non-global brands. Given that this pattern has been replicated across multiple product categories (Winit et al., 2014), there is considerable empirical evidence to suggest that perceptions of foreignness are closer to the notion of globalness as opposed to that of localness. Consequently, compared to LCC ads, advertising based on GCC should be less incongruent for foreign brands.

H₁. For a foreign brand, a GCC ad will be perceived to be more incongruent than a FCC ad but less incongruent than a LCC ad.

Advertising communication is traditionally developed on the premise of the match-up hypothesis, suggesting that the ad content should be consistent with consumers' brand perceptions in order to be relevant, comprehensible, and persuasive (Keller, 1993). Congruity or correspondence between the stimulus and the schema has been shown to facilitate brand identification, increase processing fluency, and induce more favorable consumer attitudes (Aaker & Keller, 1990; Batra, Lenk, & Wedel, 2010; Brannon & Brock, 2006; Mazodier & Merunka, 2012). For instance, Dahlén, Lange, Sjödin, and Törn (2005) showed that advertising congruity (as opposed to incongruity) with the brand schema increases the credibility of the ad and leads to a more positive ad attitude. In an international marketing context, Zhou et al. (2015) found that attitude toward the ad is (less) more favorable when culturally (mis)matching elements (e.g., a model's ethnicity and the culture attached to the particular product category) are used in advertisements. From a different perspective, Spielmann (2016) recently showed that a match between the origin-typicality of a product and the origin-typicality of the brand cues employed in advertising is more effective than a mismatch in improving subsequent attitudes.

In contrast to the above findings, however, other research on schema incongruity suggests that deviations from established brand beliefs can sometimes positively influence consumer responses (Halkias & Kokkinaki, 2014, 2017). More specifically, based on Mandler's (1982) three-level conceptualization of schema incongruity, Halkias and Kokkinaki (2014) conducted a series of experiments and found that when ad–brand incongruity is moderate, consumers' responses are significantly more favorable as compared to both congruity

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