Influence of iconic, indexical cues, and brand schematicity on perceived authenticity dimensions of private-label brands

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ABSTRACT

Consumers respond positively to brands they perceive to be authentic. They use various cues to evaluate brand authenticity. The authenticity scale is made of four dimensions: integrity, credibility, symbolism and continuity. This research investigates the role of PLB's perceived authenticity dimensions and provides empirical evidence that, indexical cue as label and brand schematicity influence perceived authenticity dimensions of private-label brands. Compared with brand-aschematic consumers, brand-schematic consumers are more likely to perceive private-label brands as favorable on all dimensions of authenticity. The results also show that brand schematicity, by influencing integrity and credibility dimensions of PLB's perceived authenticity, increases willingness to buy and makes attitudes toward private-label brands more positive. The same result is obtained with indexical cue (label). Indexical cues influence integrity and therefore increase positive PLB attitude.

1. Introduction

In 2004, Grayson and Martinec pointed out that few consumer research articles focused explicitly on authenticity. Since then, interest in brand authenticity has increased in both consumer behavior research and managerial practice (Morhart et al., 2015). In 2015, an Opinionway survey highlighted that 72% of French people think that brands do not show enough authenticity, while this latter is reassuring and effective for customers (Chardenon, 2015). This survey indicated also that the agri-food sector is, for 20% of French people, the most promising sector of an "authenticity label" and tradition. Consumers strive to differentiate between "real" and "fake" authenticity (Arnould and Price, 2000; Firat and Venkatesh, 1995); they search for authenticity in brands (Arnould and Price, 2000; Beverland, 2005; Brown et al., 2003). Research suggests that authenticity is central to brand status, equity, and corporate reputation (Beverland, 2005; Gilmore and Pine, 2009).

The Authentic 100, a global index proposed by Cohn and Wolf Agency,[2] compiles a list of the highest ranking brands in the world based on consumer perception of authenticity. Luxury and automobile brands are well represented in this index. At the opposite, private label brands are quite absent (Ikea is ranked 31 in the worldwide index and 17 for the French index). However, by focusing on the success of their sales, retailers seek to value and manage their private label brands

(PLBs) (Davis, 2013; PLMA, 2013). For consumers, private label brands (PLB) offer high-quality products at very attractive prices (Davis, 2013; Pauwels and Srinivasan, 2009). Because perceived quality increases the perceived value of PLBs, retailers often add premium tiers to their PLB portfolios (Ter Braak et al., 2013). They use brand positioning to distinguish premium PLBs from classic PLBs, such as the *terroir* brands of *Reflets de France* (Carrefour) or "Mmm!" taste/pleasure (Auchan). Retailers may associate their PLBs with various ingredients (Desai and Keller 2002) to communicate quality of the product (for example, *Label Rouge*) or convey authenticity of the product's origin; for example, *Appellation d'Origine Protégée* (AOP) designates products for which all manufacturing stages are carried out according to methods that are recognized in certain geographical areas and determine the product's characteristics (http://agriculture.gouv.fr).

Brand equity and brand personality concepts have been first examined in manufactured brands context and then, transferred in PLB area (Lombart and Louis, 2016 or Girard et al., 2017). The same phenomenon occurred for perceived brand authenticity of manufactured brands which has been investigated (Choi et al., 2015; Morhart et al., 2015; Napoli et al., 2014). However, brand authenticity has not been studied yet in the area of Private Label Brands.

To evaluate brand authenticity, consumers use various cues, such as indexical and/or iconic cues (Beverland and Farrelly, 2010; Grayson

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and Martinec, 2004; Leigh et al., 2006). But Morhart et al. (2015) highlight that "the list of antecedents considered is not exhaustive and it opens avenues for future research on drivers of brand authenticity." This research therefore investigates first, the influence of iconic cues and indexical cues, but also the effects of individual consumers' brand schematicity (Puligadda et al., 2012) on PLB perceived authenticity. Second, we investigate the mediating effect of authenticity between its antecedents (iconic, indexical cues and brand schematicity) and brand attitude and willingness to buy.

2. Theoretical background

2.1. Perceived brand authenticity

Current authenticity conceptualizations follow three perspectives (Morhart et al., 2015). First, the objectivist perspective defines authenticity as an objectively measureable quality of an entity that can be evaluated by experts (Trilling, 1972). Second, the constructivist perspective refers to authenticity as the projection of one's own beliefs, expectations, and perspectives onto an entity (Wang, 1999). Third, the existentialist perspective of authenticity is related to the self; it infers that authenticity means being true to oneself (Golomb, 1995). These three perspectives of authenticity are intertwined, and each contributes to confer authenticity to objects (Leigh et al., 2006).

Perceived brand authenticity can be defined by the interplay of objective facts (indexical authenticity), subjective mental associations (iconic authenticity), and existential motives about a brand (existential authenticity). Brand authenticity depends on how consumers perceive a brand to be faithful and true to itself and its consumers; it supports consumers being true to themselves (Morhart et al., 2015). Napoli et al. (2014) define three dimensions of brand authenticity content: quality commitment, heritage, and sincerity. Morhart et al. (2015) add a symbolism dimension that represents the importance of symbolic brand qualities in the context of authenticity. Perceived brand authenticity has been measured for various products, such as soft drinks, jeans, coffee (Morhart et al., 2015), fashion brands, and sporting goods (Choi et al., 2015). However, the perceived brand authenticity of private labels has not been evaluated.

2.2. Evaluation of brand authenticity: iconic and indexical cues

To evaluate brand authenticity, consumers use various cues, such as indexical and/or iconic cues (Beverland and Farrelly, 2010; Grayson and Martinec, 2004; Leigh et al., 2006). Iconic cues refer to marketing and promotional cues, such as a brand's advertising or design features that create impressions about the brand's essence (Brown et al., 2003; Leigh et al., 2006). One way for a company to project an authentic image is to feature the historicity, heritage, locality, tradition, and pedigree of the brand in its communication activities (Beverland et al., 2008). When they form brand-authenticity impressions, consumers tend to rely on a communication style based on a brand's virtues and roots (Morhart et al., 2015). This brand communication style influences positively in particular, continuity and integrity authenticity brand's dimensions (Morhart et al., 2015).

Retailers offer PLBs that range from single, standard-tier offerings to multi-tier offerings (Ter Braak et al., 2013). When retailers introduce multi-tier offers, they can choose between two PLB-naming strategies (Keller et al., 2016): They can opt for the same name for all tiers (economy tier, standard tier, and premium tier), such that the PLB name is the store-banner name and/or retailers' logo displayed on the packaging (Kotler, 2000), or they can decide to use different brand names for the different tiers, thereby avoiding any explicit links between PLB names and store banners (Ailawadi and Keller, 2004). In these cases, the banner name is not reflected in the PLB name, nor is the retailer's logo prominently displayed on the packaging. In France, both Carrefour and Leclerc have chosen this strategy for their premium tiers

(*Reflets de France* and *Nos régions ont du talent*, respectively). These brand names focus on brand's roots and feature locality and tradition; they are iconic cues and reflect brand's origin and symbolic quality. They can increase continuity and symbolism dimensions of PLB's authenticity. They lead to our first hypothesis:

H1a. Iconic cue such as PLB's name (premium versus standard PLB brand name) has a positive influence on continuity PLB perceived brand authenticity dimension.

H1b. Iconic cue such as PLB's name (premium versus standard PLB brand name) has a positive influence on symbolism PLB perceived brand authenticity dimension.

Indexical cues refer to attributes that provide consumers with evidence of what a brand claims to be (Morhart et al., 2015). Objective information such as age, country of origin, or actual brand behavior can be used to evaluate brand authenticity. The absence of brand scandals and brand-congruent employee behavior are indexical cues that help consumers form brand-authenticity impressions (Morhart et al., 2015). To confer authenticity, brands may also choose to enhance indexical cues with an ingredient-branding strategy that uses an official signature such as specific labels. For example, an AOP label refers to the conditions in which a food is grown or produced that give the food its unique sensory characteristics (Barham, 2003). A brand and a label are distinct entities. These two "parent" brands develop a co-branded product, known as an ingredient-branded offering (Radighieri et al., 2014). A weaker brand gains more than a stronger brand when its ingredient offering is positively evaluated (Radighieri et al., 2014). In a branding context, indexical cues refer to attributes that provide consumers with evidence for what a brand claims to be (Morhart et al., 2015). Because a label is an official certification from a third party, it gives consumers objective information and thus reinforces credibility and integrity's dimensions of perceived brand authenticity. We hypothesize:

H2a. Indexical cue such as labeling strategy (no label versus label) has a positive influence on credibility PLB perceived brand authenticity dimension.

H2b. Indexical cue such as labeling strategy (no label versus label) has a positive influence on integrity PLB perceived brand authenticity dimension.

Iconic and indexical cues are often mentioned as antecedents of perceived brand authenticity, but Morhart et al. (2015) highlight that "the list of antecedents considered is not exhaustive and it opens avenues for future research on drivers of brand authenticity." Perceptions of iconic or indexical signs are highly influenced by personal predilections and perceptual imperfections (Grayson and Martinec, 2004). Because consumers differ in their perceptual abilities, their individual characteristics—that is, their brand schematicity—may also influence perceived brand authenticity.

2.3. Influence of individual characteristics on perceived brand authenticity

According to Keller (1993, p. 3), "Brand image is defined as perceptions about a brand as reflected by the brand associations held in consumer memory." Brand image is based on attribute associations with various sources, such as advertising and personal product experiences. In consumers' memories, brand authenticity is associated with brand names and stores. Researchers use two key approaches to study the structure of knowledge in memory. One is based on a theory that postulates the existence of a hierarchy of words/concepts (Collins and Quillian, 1969), and the other—the connectionist approach (Collins and Loftus, 1975)—is based on a network of relationships between words/concepts without such a hierarchy. A schema is an organized collection of beliefs and feelings (Solomon, 2004) that allows consumers to assimilate or look for information. It guides consumers' expectations of what information to collect (Komatsu, 1992). A schema is composed of a network of relationships