Andreas Strebinger

**Does the perceived globalness of a brand enhance quality and prestige perceptions of consumers? A critical review**

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Abstract

Recently, several papers claim to have found empirical evidence for a positive impact of the “perceived globalness” of a brand (PBG) on the consumer evaluation of the quality and the prestige of the brand. From these studies, it has been concluded that consumers generally prefer brands which they perceive to be global brands rather than local brands. This paper critically reviews the empirical evidence and the theoretical rationale given for PBG effects on quality and prestige. It finds the empirical evidence to be inconclusive and sometimes even contradictory and the theoretical rationale to be unconvincing. The article identifies three potential confounds of PBG from which several alternative hypotheses are formulated. It concludes with suggestions how to discern between competing hypotheses in future research.

Key-words: International Brand Management, Perceived Brand Globalness, Global Brands, Local Brands
Does the perceived globalness of a brand enhance quality and prestige perceptions of consumers? A critical review

1 Introduction

Perceived brand globalness (PBG) is defined as the extent to which consumers believe that a certain brand is available and bought globally (Steenkamp et al. 2003, p. 64). Objective brand globalness (OBG), that is, the extent to which a brand is really successfully sold around the globe, is sometimes used as a proxy of PBG (Johansson/Ronkainen 2005). It nevertheless is a conceptually and empirically distinct construct. Particularly, consumers with a low extent of product category and brand involvement, low international mobility and a low level of interest and education in business matters may be assumed to mistake global brands for local ones.

Recently, several papers claim to have found empirical evidence for a positive impact of PBG on the consumer evaluation of the quality and the prestige of that brand. From a practical point of view, these findings would have enormous consequences for the viability and sustainability of local branding strategies.

This paper therefore assesses the existing empirical evidence for the claim that consumers prefer brands because they perceive them to be global (section 2). Section 3 then discusses potential theoretical explanations given in the literature to explain this alleged image advantage due to PBG separately for the quality (3.1) and the prestige (3.2) dimension. I conclude that (a) it is doubtful whether consumers form attitudes towards “global brands in general” at all; that (b) alleged PBG effects reported in literature are probably mostly confounds with the brand equity of specific global brands, with the effects of a particular country / region of origin or with the effects of a particular country / region of brand success; and that (c) effects of PBG, if any, are limited in scale and scope and are likely to be caused by effects different from the ones proposed in the literature. Section 4 briefly gives suggestions for future research.

2 Empirical evidence for a positive effect of PBG

When citing empirical evidence for a positive effect of PBG on brand image, researchers (e.g., Dimofte et al. 2008; Özsomer/Altarus 2008, p. 5) and practitioners (Yu 2003) typically refer to the following three studies: Steenkamp et al. (2003), Johansson und Ronkainen (2005), and Holt et al. (2004). In a sample of Korean and U.S. consumers, Steenkamp et al. (2003) report positive effects of PBG on perceived quality and prestige of brands in the categories of cola drinks, facial cream, tooth paste, and TV sets. While these authors had some of the strongest global brands (Nivea, Sony, Coca Cola, Colgate) compete against sometimes rather weak local competitors as their stimulus brands, they did control for brand-specific brand equity, a potential confound with brand globalness (Dimofte/Johansson/Ronkainen 2008). Unfortunately, they also control for virtually all potential strengths of local brands, namely “brand familiarity”, “country of origin”, and a potential status of a brand as a “national icon”. The study thus cannot provide conclusive evidence of a general superiority of global brands over local brands. This is even more true given that in the U.S. sample of Steenkamp et al., the positive impact of PBG is found only for the non-ethnocentric half of the sample.

Using a comprehensive data set collected by Landor / Young&Rubicam on brands in eight countries (the U.S., France, the UK, Germany, Italy, Spain, Sweden, and Japan), Johansson and
Ronkainen (2005) conclude that PBG significantly improves the attitude towards a brand in the categories of cars, athletic shoes, and processed food, but not in the categories of toys, soft drinks, apparel, tires, beer, snacks, beauty products, or PCs. The apparent contradictions of these findings to (a) the author’s own expectations, to (b) other papers on this subject, and to (c) when businesses in reality use local vs. global branding strategies is to my mind the result of severe methodological limitations of the study. Besides using OBG as a proxy for PBG and an inadequate analysis design that does not address the multi-level nature of the data, the authors in their regression analyses correct the effect of brand globalness for differences in perceived quality and brand familiarity. Their analyses thus only inform about effects of brand globalness other than its effects mediated through perceived brand quality and brand familiarity, and not about the effects of brand globalness on perceived quality and familiarity. The descriptive results offered by the authors show that – contrary to the conclusions drawn by the authors – local brands enjoy, on average, greater brand familiarity and higher esteem than global brands and are on par with the latter regarding perceived quality (see Figure 1).

The third article frequently cited as an empirical proof to the claim that global brands dominate local brands on perceived prestige and perceived quality is by Holt et al. (2004). In a qualitative study these authors conducted focus groups in which 1,500 urban consumers between 20 and 35 years in 41 countries had to discuss the meaning of “global brands”. Holt and his colleagues conclude from the results that in the eyes of younger, urban consumers around the globe, “global brands” have three characteristics: They serve as a quality signal, they convey a global myth and they bear great social responsibility. Unfortunately, the authors expect the reader to trust their expertise in interpreting the results of their qualitative study, as they do not offer any data or analyses beyond a couple of verbatim consumer statements meant to illustrate the authors’ interpretation. In a second, quantitative study with 1,800 consumers in 12 countries they aim at statistically deriving the importance of these three characteristics in explaining brand preferences. This study investigated consumer preference formation within sets of well-known global brands (Nokia, Motorola, Samsung Mercedes, Ford, Toyota, BP, Shell, Exxon Mobil; Dannon, Nestle, Kraft, Nike, Reebok, and Adidas). It therefore seems inappropriate to quote its findings as evidence of the superiority of global brands vis-à-vis local brands.

Besides, the design of the qualitative study of Holt et al. (2004) runs the risk of investigating a mental category (i.e., the category of “global brands”) that respondents construe only during and for their focus group participation, one that does not exist otherwise. Some empirical evidence substantiating such a suspicion has recently been provided by Dimofte et al. (2008). In an online panel of 719 U.S. consumers aged between 18 to 45 years, they find their respondents to neither agree nor disagree with the statement “Global brands have higher quality than other brands”. More strikingly, however, their study 1 finds a significant disagreement with a statement that brand globalness would be important when making brand choices, even among a group of consumers which the authors identified as “proglobals” (see Figure 2). Their second study compares the attitudes that younger, well educated U.S. consumers hold towards a fictitious drinker “of a local brew” vs. a drinker of a “leading import beer”. Unfortunately, this completely confounds the concrete positioning of whatever “a local brew” and a “leading import beer” stand for among younger U.S. consumers with any effect that PBG might have.

Likewise, Strizhakova et al. (2008) report mild disagreement to a construct termed “global citizenship” (measured by items like “buying global brands makes me feel like a citizen of the world”) by college students from the U.S. and Eastern Europe. Bauer et al. (2007) find, on
average, only ambivalent or neutral agreement with items stating higher quality of global fashion and cosmetics brands in a sample of young, highly educated German consumers. In an experiment they find evidence that PBG is positively related to brand quality and prestige. Given their experimental manipulation (a fictitious cell phone brand using either an English advertising slogan or a German one), this finding may be subject to various confounds discussed later.

Building on the Y&R brand asset evaluator’s data for packaged food and beverages brands, Schuiling and Kapferer (2004) categorize 744 brands in four countries (France, Germany, the UK, and Italy) into brands which are available locally or regionally only and brands which are available in more than one country. With the exception of a modest advantage of internationally available brands in the item of “fun”, they find significant differences favoring local brands only, most notably for the attributes „trustworthy“, „reliable“, and „healthy“ (Figure 3).

Overall, researchers advocating that PBG increases quality and prestige perceptions have provided mixed or inconclusive empirical evidence, at best. This is particularly remarkable as many of the studies used only strong global brands as stimuli, internationally minded samples of young, well-educated consumers, and corrected for potential strengths of local brands (brand familiarity, potential preferences for brands from their own country, national iconic status). From a theoretical perspective, the whole construct of PBG may well be elusive. In a series of excellently designed experiments, Gürhan-Canli (2003) demonstrated convincingly that consumers are reluctant to form a shared overall attitude even towards the products of one and the same family brand, unless the cognitive costs of doing so are low and the expected benefits are high, i.e. there is low variability among the products of the brand. Given this finding, it seems implausible to expect the consumer to form an overall attitude towards a group of brands as disparate in quality and prestige as Toyota, Armani, BP, Dom Perignon, Ikea, Coca Cola, Walmart, Mercedes, McDonald’s, HSBC, UBS, Fedex, Mastercard, H&M, and Volkswagen, given that there is far more variance within the groups of “global brands” and “local brands” than between them and given that there is a far weaker rationale for consumers to form a shared attitude towards global brands than there is to form a shared attitude towards the products of a family brand. I therefore think that much of the evidence for an effect of PBG on both quality and prestige perception may be due to mere confounds.

3 Theoretical explanations for PBG effects and their potential confounds

3.1 PBG and perceived quality

The prevailing theoretical rationale for assuming a positive effect of PBG on quality perceptions may be termed the “world consensus hypothesis” as it assumes that consumers infer higher quality from the fact that a global brand which is bought by many people around the globe must be good (Steenkamp/Batra/Alden 2003, p. 54; Dimofte/Johansson/Ronkainen 2008, p. 115). The problem with this hypothesis is that relying on a consensus with the world requires the consumer to make two assumptions: Firstly that consumer needs and wants around the globe are very similar and secondly that the company basically sells the same products and services around the globe. The first assumption would require the consumer to be either very knowledgeable about the demand in other countries, to invest a lot of cognitive energy and time in checking this assumption, or to be very superficial in his or her reasoning. Regarding the second assumption, Study 1 of Dimofte et al. (2008) demonstrates that consumers, on average, are unclear or undecided as to the degree of standardization of the products and services of global brands and
that it is exactly those consumers favoring global brands (“proglobals”) who think that global brands do rather not standardize products and services globally. This is incompatible with the world consensus hypothesis.

Ruling out the world consensus explanation, there is need to search for other explanations of why studies nevertheless have found positive effects of PBG on consumer quality perceptions. There are three potential confounds of PBG that lead to new hypotheses as to why PBG seemingly affects quality: (1) the brand equity of concrete global brands, (2) effects of an implied or inferred specific country or region of origin of the brand, and (3) effects of an implied or inferred specific country or region of brand availability/success. Table 1 provides an overview of alternative theoretical explanations for the empirical findings of previous research studies. Out of these alternative hypotheses, only H2 and H5 would truly involve brand globalness, and even they would, in their practical implications, substantially differ from the world consensus hypothesis.

Confounding PBG with the brand equity of specific global brands

Global brands may, albeit under a somewhat restrictive set of conditions, offer substantial advantages in R&D, sourcing, production, and marketing (e.g., Jain 1989; Steenkamp/Batra/Alden 2003, p. 53; Schuiling/Kapferer 2004; Keller 2008) which may be used by the firm to provide the consumer with higher quality and/or higher value for their money. It may be that consumers correctly perceive these supply-side synergies of global brands for certain industries (e.g., “As Ikea buys millions of each piece of furniture, they are getting them for a lower price”; “As a global brand, IBM has greater research capabilities”). In this case, they may develop heuristics related to PBG (e.g., “global brands are technologically more advanced”, “global brands offer better value for money”), providing global brands, on average, with a brand equity advantage over local brands (see H2 in Table 1). However, in order to correctly detect supply-side benefits of global brands, consumers would have to be able to correctly distinguish between objectively local brands and objectively global brands, a prerequisite which seems to be somewhat doubtful for many product categories. The question whether and when consumers hold supply-side heuristics pro or contra global brands warrants further research. For example, such heuristics could lay a theoretical fundament for a positive effect of brand globalness in cases where brands rely on technological excellence or greater value in their positioning. This explanation would, however, substantially differ in its practical implications from the world consensus explanation for a PBG effect. In the absence of such heuristics leading to a general brand equity advantage of global brands, choosing (Holt/Quelch/Taylor 2004; Strizhakova/Coulter/Price 2008) or priming concrete local vs. global brands (e.g., “a local brew” vs. “a leading import beer”) runs the risk of confounding alleged effects of PBG with the brand equity of specific (types of) brands.

Confounding PBG with a specific country- or region-of-origin

Commendably, Steenkamp et al. (2003) correct for brand-specific effects, and Bauer et al. (2007) use a fictional brand as an experimental stimulus in their study 1. Unfortunately, Bauer et al. (2007) who attempt to prove positive effects of PGB on perceived quality and Alden et al. (1999) who attempt to prove the existence of a “global consumer culture” may have confounded, through their choices of measuring or manipulation PBG, “globalness” with a specific country or region of brand origin. Both stress the English language as a major indicator of “globalness” which may as well be just an indicator of a brand origin in the English-speaking world, particularly in the U.S. The fact that U.S. students could identify only 5% (other countries: 26%)
of a randomly selected sample of commercials as being “global” in the study of Alden et al., speaks, to my mind, in favor of a brand origin rather than a brand globalness interpretation.

**Confounding PBG with a specific country or region of brand availability/success**

This leaves Steenkamp et al. (2003) as the only study free from potential confounds of brand equity and brand origin, as they control for quality-related aspects of the country-of-origin. Unfortunately, their study may suffer from the third potential confound of PBG which is a specific country or region of brand availability/success.

Even more interesting is the question of what effect such a truly global imagery of the buyers of a brand would have on perceived quality. It seems highly doubtful that the knowledge of a brand being successfully sold in a considerably less developed country should be a positively valenced and diagnostic information to consumers in a much more highly developed country. As discussed earlier, this is the reason why an unconditional world consensus hypothesis seems implausible. A more plausible expectation would be a positive impact of a brand’s success in “reference markets” with similar needs and wants in the case of non-monotonic attributes (e.g., similar tastes for food items) or in “lead markets” with more advanced or at least equally high demands regarding monotonic attributes (e.g., processor speed for computers, see H3 in Table 1).

Alternative consumer heuristics that are cognitively less effortful than the consensus with lead markets would be the assumptions that consumers simply infer a high competence of a company from the fact that it is successful in highly advanced markets. I will call this the “competence through lead markets” hypothesis (H4 in Table 1).

Strangely, one of the most obvious advantages of global brands has gone largely unnoticed in the literature. Technically compatible systems (e.g., worldwide usability of a cell phone, globally used software), globally usable financial services (e.g., credit cards and banking services), global opportunities to collect and redeem customer loyalty rewards (e.g., with a global hotel brand) and internationally seamless transportation services (e.g., parcel services, airline networks) all can create demand-side synergies, that is, benefits of a global presence of a brand for the customer (H5 in Table 1). These benefits should be more relevant, the higher the international mobility of a particular target group is.

Summarizing, theoretical considerations do seem to favor a positive effect of the mere fact that a company is present in more than one market on the perception of the quality of the brand. However, different hypotheses lead to different predictions as to (a) in which and how many markets a brand should be perceived to be present in order to maximize consumer quality perception (just lead/reference markets or “the world”), and (b) which customer characteristics mediate and moderate this effect. In practice, brands with a strong emphasis on quality and technology seem to use multi-ethnic or local models in their brand communication. With the exception of Corporate Social Responsibility messages, they do not stress their presence in developing countries in developed countries, though (see Figure 4 for some examples).

**3.2 PBG and brand prestige**

The multi-ethnicity of models used by brands stressing quality and technological superiority in their positioning is in a striking contrast to the almost complete uni-ethnicity of the models used by global prestige brands such as Chanel, Gucci, or Hugo Boss (see Figure 5): With a few exceptions, models used by prestige brands are Caucasian, even and especially in Non-Western countries such as the middle east (Harris/Attour 2003), and this is, as data from China
demonstrates, a widespread and accepted practice to add prestige to a brand (Zhou/Belk 2004). This observation casts doubt on the interpretation of the empirical finding and the theoretical rationale of a prestige effect of PBG. For the purpose of this paper, I define “prestige” as the formal or informal power and status generally ascribed to a person by society based on monetary or non-monetary resources (e.g., valuables, knowledge, relations, spiritual capabilities) acquired through past or likely future success or through heritage. In marketing research, the perceived prestige of a brand is typically equated with the extent to which its purchase, ownership, and usage is perceived to be a signal of high status among significant others (e.g., Park et al. 1991; Kirmani et al. 1999; Zhou et al. 2008).

The dominant theoretical rationale is that global brands would enable younger, urban, and highly educated consumers to demonstrate cosmopolitanism (Bauer 1984; Batra et al. 2000; Steenkamp/Batra/Alden 2003, p. 55) and their participation in a “global (consumer) culture” (Hannerz 1990; Kapferer 2002, p. 169; Alden et al. 2006). Global brands thus are, according to this hypothesis which I term the “cosmopolitanism hypothesis”, passports to “global citizenship” (Strizhakova/Coulter/Price 2008). In principle, the same three confounds of PBG are possible as with brand quality. To the best of my knowledge, none of the PBG proponents has ever used global brands like Walmart, Ikea, McDonald’s, Bic or H&M as stimuli in testing higher prestige through brand globalness, making the brand samples used in their studies not representative of global brands. Steenkamp et al. (2003) do control for individual brand equity, but do not, just as Bauer et al. (2007), effectively control for prestige effects associated with a known or inferred country/region of origin. In my view, however, most studies claiming to provide evidence for a prestige effect of PBG simply confound “brand globalness” with “Western” and particular North-American or Western-European brand availability/success. They do so by priming Western culture through Latin vs. Cyrillic or Chinese scripture (Strizhakova/Coulter/Price 2008) and by measuring (Alden/Steenkamp/Batra 1999; Alden/Steenkamp/Batra 2006) or manipulating (Bauer et al. 2007) PGB by the use of English brand names and slogans.

The cosmopolitanism hypothesis is to my mind clearly unsuitable to explain any prestige effects of PBG. Ample empirical evidence since the late 1960s demonstrates, consumers try to corroborate or enhance their social status through buying and using a brand associated with an idealized user who either reflects their current social status (“actual self”) or the social status they would like to have or to achieve (e.g., Sirgy 1985; Malhotra 1988; Graeff 1996; Aaker 1999). For this to work, the image of the idealized user of the brand has to (a) exhibit an implied social status higher or at least equal to the status of the target groups of the brand and (b) must be as clear and unambiguous as possible with regard to this social status to provide the buyers of the brand with a diagnostic signal of status to be sent to others. Prestige brands thus have to be linked to an unambiguous imagery of the idealized user of the brand with traits symbolizing high social status (e.g., wealth/high income, a prestigious profession, sophisticated and exclusive activities). It is hard to see why, according to the cosmopolitanism hypothesis, this fundamental mechanism should not apply to the geographical and cultural background of the idealized user. Rather, to maximize the prestige value of a brand, brand positioning would have to link it to the most prestigious cultural and geographical background which currently is, even among Non-Westerners looking for prestige (Batra et al. 2000, Zhou/Belk 2004), perceived to be the Western culture and, geographically, North America (economic success and power) and Western Europe (sophistication and prosperity). And this is exactly what global prestige brands do (Harris/Attour 2003; Zhou/Belk 2004; see also Figure 5 for some examples).
Steenkamp (2003, p. 55) as well as Bauer et al. (2007) both quote the example of Nivea as a brand using a cosmopolitan appeal in its positioning. In many countries, the Nivea brand positioning combines high quality with a touch of prestige. However, when examining its advertising more closely, it becomes apparent that the brand still wants to be associated with developed countries and Western culture (see Figure 1 and Figure 6 for examples). One of the best documented attempts to position a global brand in a truly cosmopolitan fashion failed miserably. In 1997, British Airways decided to get rid of everything British in its branding. Its CEO, Robert Ayling, shed the use of “British”, repositioned the company under the acronym “BA” as “the world’s favourite airline” and replaced the Union Jack on the tail fins of its planes by various multi-cultural “world images” (e.g., delftware, Chinese calligraphy) created by artists from all over the world. Unexpectedly, it was the business class and first class passengers thought to be most cosmopolitan who were, according to market research data, alienated by this cosmopolitan positioning and left the airline in droves (BBC News 1999). In 1999, the airline became “British” again and returned to an updated Union Jack at its tail fins (Figure 8).

This is not to say that there is no truly cosmopolitan consumer segment or that all globally shared cultural models are necessarily Western or showing Caucasian models. For example, young African-American urban culture has become a role model for many youth in North America, and racism fortunately seems to be on the decline, especially with young people. Yet all of these developments as well as the brands which build their images on them share an anti-establishment appeal, partly blended with elaborate anti-globalist, anti-racist attitudes, partly with open or even violent rebellion against the establishment. This is the opposite to “prestige” as it was defined above. But it is to say that with regard to prestige, it is still and maybe even to an increasing extent the Western cultural model which is stressed around the globe. This is, of course, highly problematic from an ethical point of view, especially the implicit racial component in it. But it obviously reflects cultural stereotypes held today around the globe and can only be obscured and not removed by calling it “cosmopolitanism”.

According to an alternative hypothesis which I term “cultural model hypothesis” (H7 in Table 2), college students in Moscow or Kiev, when visiting a Starbucks’ shop, do not identify with Peruvian or Turkish college students visiting a Starbucks’ shop in their respective countries, but with college students in NYC or Chicago. And, to state the obvious, prestige-sensitive women buying Prada shoes in Shanghai, Tokyo or Dubai do not do so to be part of a community of affluent Algerian, Brazilian, and Indonesian women all wearing Prada shoes too, but to identify and be identified with idealized Prada wearers in Paris or L.A. If there is something global to this process of prestige creation, it is not the elimination of cultural stereotypes around the globe in the minds of brave new cosmopolitan consumers, but global convergence in these stereotypes through global media and cultural material. And this is, in fact, what would truly yield a viable explanation for advantages globally available prestige brands: They can be used around the globe (Özsomer/Altarus 2008, p. 8). Globally available prestige brands thus can offer frequent travelers or migrants demand-side synergies as their prestige travels to many countries (H8 in Table 2).

4 Directions for future research and managerial implications

One particularly important area for future research should be the question whether an abstract category of “global brands” and the perception of “brand globalness” exist at all in the consumers’ minds. Another line of research could experimentally test for the effects of brand
globalness. Given the scarcity of empirical studies and their theoretical as well as methodological shortcomings, giving managerial recommendations with regard to the usage of brand globalness in brand communication seems premature. Until further research, it appears to be impossible to give any advice as to if, when and how brand globalness should be part of brand positioning. If, in fact, the perceived “American-ness”, “European-ness” or “Affluent World-Ness” of brands were the true cause of the observed preference for “global brands”, demonstrating a brand’s success in Brazil or India would actually decrease rather than increase brand equity.
References


### Table 1: Hypotheses relating perceived quality to perceived brand availability

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Consumer heuristic according to hypothesis</th>
<th>Assumptions to be made by consumers</th>
<th>Cost-benefit ratio for consumer</th>
</tr>
</thead>
</table>
| H1) World Consensus (Steenkamp/Batra/Alden 2003; Dimofte/Johansson/Ronkainen 2008) | “In the more countries a brand is successfully sold, the higher brand quality will be, as so many people would not buy an inferior brand.” | • “Consumers all over the world have similar needs and wants.”  
• “The products and services of the brand are basically the same everywhere.” | unfavorable as the heuristic either has low diagnosticity (if assumptions not checked) or requires a high degree of cognitive effort or pre-existing knowledge |
| H2) Supply-Side Synergies | “Being active globally provides a company with advantages in sourcing, R&D, production etc., so they can deliver higher quality and/or better value for my money.” | • “Being active globally provides a company with advantages in sourcing, R&D, production etc.” | low cognitive costs, diagnosticity restricted to those attributes with regard to which the heuristic used implies advantages of global brands |
| H3) Consensus with Reference or Lead Markets | “If a brand is successfully sold in markets which are similar to my country / more advanced than my country, its quality must be good, because otherwise people there would not buy it.” | • “In country / region x, consumers expect similar attributes / more from a brand than consumers in my country / I do.”  
• “The products and services of the brand are basically the same in these countries as in mine.” | medium cognitive costs (knowledge or check only required for lead/reference markets), medium to high relative diagnosticity (depending on consumer ability to evaluate the brand on the basis of central arguments). |
| H4) Competence through Lead Markets | “If a brand is successfully sold in markets which are equally or more advanced than my country, this shows that the company is highly competent, hence the quality of the brand will be high in my country, too.” | • “In country / region x, consumers expect more from a brand than consumers in my country / I do.” | cognitive costs low (as no assumptions about homogeneity of products and services required), low to medium diagnosticity |
| H5) Demand-Side Synergies | “As company x is active globally, I can use their products / collect rewards globally / in global transportation or communication, get a seamless service.” | • “Local brands cannot offer these benefits.” (i.e., international strategic alliances of local brands, e.g., in the airlines industry or telecommunication are not perceived to provide the same amount of synergies) | diagnosticity high for those synergies affected (e.g., rewards points, technological compatibility), as these are search attributes, but restricted to certain industries and moderated by consumer mobility or interconnectedness |
Table 2: Hypotheses relating perceived brand prestige to perceived brand availability/success

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Central assumption</th>
<th>Consumer group identifies with / wants to be identified with ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>H6) Cosmopolitanism Hypothesis (Bauer 1984;</td>
<td>Global brands enable younger, urban, and highly educated consumers to</td>
<td>everybody who is also cosmopolitan</td>
</tr>
<tr>
<td>Batra et al. 2000; Steenkamp/Batra/Alden 2003;</td>
<td>demonstrate cosmopolitan.</td>
<td></td>
</tr>
<tr>
<td>Alden/Steenkamp/Batra 2006; Strizhakova/Coulter/Price 2008).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H7) Cultural Model Hypothesis</td>
<td>Consumers take particular cultures as models for what they aspire to be. With</td>
<td>affluent, powerful and/or accomplished idealized users in</td>
</tr>
<tr>
<td></td>
<td>regards to prestige, this cultural model currently is the Western culture.</td>
<td>countries prototypical of the prevailing cultural model for</td>
</tr>
<tr>
<td></td>
<td></td>
<td>prestige</td>
</tr>
<tr>
<td>H8) Demand-Side Synergies Hypothesis (Özsomer/Altar 2008)</td>
<td>A brand which is associated with a particular type of user globally enables</td>
<td>the particular type of user associated with the brand globally</td>
</tr>
<tr>
<td></td>
<td>its buyers to demonstrate their status, personality, and values globally.</td>
<td>(not necessarily an affluent/powerful/ accomplished idealized user, can personify any type of status, personality, values)</td>
</tr>
</tbody>
</table>
**Johansson and Ronkainen (2005):**

**Local vs. Global Brands**

Figure 1: Descriptive Results of Johansson and Ronkainen (2005)

<table>
<thead>
<tr>
<th></th>
<th>Local Brands (n=416)</th>
<th>Global Brands (n=178)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Familiarity*1</td>
<td>61.4</td>
<td>82.2</td>
</tr>
<tr>
<td>Perceived Quality*2</td>
<td>26.4</td>
<td>26.2</td>
</tr>
<tr>
<td>Esteem*1</td>
<td>64.3</td>
<td>79</td>
</tr>
</tbody>
</table>

1...reversed ranking among Top 150 brands 2...rating score *...significant difference at the .05 level
A global brand is available in most countries.  
When traveling abroad, one can buy global brands.  
People across the world are able to recognize global brands.  
A global brand is familiar to many people around the world.  
Global brands are basically the same everywhere.  
Global brands do not customize their products to local tastes.  
Global brands have higher quality than other brands.  
Global brands have the highest quality in their category.  
Choosing a global brand saves time compared to choosing another brand.  
Global brands are a safer choice than other brands.  
Global brands are more innovative than other brands.  
Global brands are often ahead of market trends.  
Global brands are the most dominant brands.  
Dominating the competition describes global brands.  
The ethical behavior of a global brand is an important part of its image.  
Global brands have greater social responsibilities than other brands.  
Being more cosmopolitan is part of the appeal of global brands.  
I do not find that there is a unique aura about a global brand.  
I think that global brands are more exciting.  
To me, global brands are more stylish.  
Attitude toward global brands.  
Global brand importance in choice.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Total Sample</th>
<th>Antiglobals</th>
<th>Proglobals</th>
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<tbody>
<tr>
<td>A global brand is available in most countries.</td>
<td>5.05</td>
<td>4.37</td>
<td>5.47</td>
</tr>
<tr>
<td>People across the world are able to recognize global brands.</td>
<td>5.12</td>
<td>4.73</td>
<td>5.46</td>
</tr>
<tr>
<td>Global brands do not customize their products to local tastes.</td>
<td>3.81</td>
<td>4.30</td>
<td>3.70</td>
</tr>
<tr>
<td>Global brands have higher quality than other brands.</td>
<td>4.03</td>
<td>3.30</td>
<td>4.35</td>
</tr>
<tr>
<td>Global brands have the highest quality in their category.</td>
<td>3.88</td>
<td>3.26</td>
<td>4.13</td>
</tr>
<tr>
<td>Choosing a global brand saves time compared to choosing another brand.</td>
<td>4.19</td>
<td>3.62</td>
<td>4.48</td>
</tr>
<tr>
<td>Global brands are a safer choice than other brands.</td>
<td>4.21</td>
<td>3.57</td>
<td>4.56</td>
</tr>
<tr>
<td>Global brands are more innovative than other brands.</td>
<td>3.96</td>
<td>3.43</td>
<td>4.32</td>
</tr>
<tr>
<td>Global brands are often ahead of market trends.</td>
<td>4.36</td>
<td>3.81</td>
<td>4.68</td>
</tr>
<tr>
<td>Global brands are the most dominant brands.</td>
<td>4.52</td>
<td>4.68</td>
<td>4.70</td>
</tr>
<tr>
<td>Dominating the competition describes global brands.</td>
<td>4.53</td>
<td>4.66</td>
<td>4.65</td>
</tr>
<tr>
<td>The ethical behavior of a global brand is an important part of its image.</td>
<td>5.37</td>
<td>5.22</td>
<td>5.62</td>
</tr>
<tr>
<td>Global brands have greater social responsibilities than other brands.</td>
<td>4.53</td>
<td>4.25</td>
<td>4.82</td>
</tr>
<tr>
<td>I do not find that there is a unique aura about a global brand.</td>
<td>4.39</td>
<td>4.83</td>
<td>4.13</td>
</tr>
<tr>
<td>I think that global brands are more exciting.</td>
<td>3.59</td>
<td>2.90</td>
<td>3.93</td>
</tr>
<tr>
<td>To me, global brands are more stylish.</td>
<td>3.67</td>
<td>3.00</td>
<td>3.97</td>
</tr>
<tr>
<td>Attitude toward global brands.</td>
<td>4.56</td>
<td>2.45</td>
<td>5.53</td>
</tr>
<tr>
<td>Global brand importance in choice.</td>
<td>2.92</td>
<td>2.30</td>
<td>3.23</td>
</tr>
</tbody>
</table>

Dimofte et al. (2008), study 1  
Survey on Global Brands

n=719 US consumers from 18 to 45 years, online panel  
Scale from 1=completely disagree to 7=completely agree

Figure 2: Descriptive Results (Study 1) of Dimofte et al. (2008)
Schuiling and Kapferer 2004: Local vs. International Packaged Food and Beverages Brands

Data: Young&Rubicam Brand Asset Valuator

n=744 packaged food and beverages brands (local: 397; international: 347) in Germany, France, Italy, UK
* ... significant difference at the .05 level

Figure 3: Results of Schuiling and Kapferer (2004)
Figure 4: Multi-ethnic models for communicating quality and competence
Figure 5: Uni-Ethnicity of model communicating prestige
Figure 6: Direct Mail of Nivea (Canada 2008)

Figure 7: Nivea's emphasis on Europe as a country of reference (Canadian Website 2007/08)
Old Union Jack Tail Fin (pre-1997)

Tail Fins “World Images” (1997-1999)

New Union Jack Tail Fin (since 1999)

Figure 8: Development of British Airways Tail Fin