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What to stress, to whom and where? A cross-country investigation of the effects of perceived brand benefits on buying intentions

Ralf van der Lans a,⁎, Yvonne van Everdingen b,1, Valentyna Melnyk c,2

a Hong Kong University of Science and Technology, Clear Water Bay, Kowloon, Hong Kong
b Rotterdam School of Management, Erasmus University, P.O. Box 1738, 3000 DR Rotterdam, The Netherlands
c School of Communication, Journalism & Marketing at Massey University, Room QB3.11, Quad B, Albany, New Zealand

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ABSTRACT

This paper investigates cross-country differences in the importance of four brand benefits that are commonly stressed in international positioning strategies—quality, uniqueness, leading position, and growing popularity—in determining brand purchase intentions. It also investigates how these effects are moderated by country characteristics, consumer characteristics, and perceptions about competing brands’ benefits, as well as whether they are stable across product categories. To achieve this, we developed a hierarchical Bayesian model that recognizes the ordinal nature of the measurement of purchase intentions and captures scale usage differences in a parsimonious way. The model is estimated using a unique multi-continent, multi-category data set across 19,682 respondents from 25 countries. In total 337 brands across six product categories (fast food, beer, designer brands, athletic shoes and apparel, mobile phones, photography) and two service categories (airlines, credit cards) were assessed. The results show that on average intrinsic benefits (i.e., quality and uniqueness), are most important in determining purchase intentions. The strengths of these effects are significantly influenced by culture and become weaker if more competing brands are perceived to possess these benefits. Companies are therefore advised to trade-off between positioning their brand along a brand benefit that appeals to a country, while ensuring that this positioning is distinct from the positioning of competing brands. If a multinational company prefers using one global strategy, then focusing on quality on quality is recommended.

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1. Introduction

One of the most important roles of brands is their effect on consumer brand consideration and choice (Erdem and Swait, 2004). Brands provide consumers with information about the product, and help in distinguishing the product from competing offerings by emphasizing a particular brand benefit (Strizhakova, Coulter, & Price, 2011). Some companies emphasize one benefit globally, e.g., Apple’s global “Shot on iPhone 6” campaign, emphasizing the quality of pictures taken with the iPhone 6, while other companies stress different benefits across different regions. Audi, for example, stresses its quality (“Perfect”) in the U.S. and Europe, while it highlights being growing in popularity in India (“2 Million Likes. And we still can’t get enough of you”), and being a leading German brand in South Africa (“Most liked German car brand on Facebook”). Yet, even if companies succeed in making consumers believe

⁎ Corresponding author.
E-mail addresses: rlans@ust.hk (R. van der Lans), yeverdingen@rsm.nl (Y. van Everdingen), V.Melnyk@massey.ac.nz (V. Melnyk).
1 Tel.: +31 10 4082054 (voice); fax: +31 10 4089011.
2 Tel.: +64 94140800x43321.
that their brands possess particular benefits, it remains unclear whether these beliefs are likely to have any impact on purchases, and if so, for which benefits. This problem is further amplified as many companies sell their products across various countries, facing different competition and consumer preferences in different regions. Although predicting consumers’ responses to particular brand benefits is a critical issue for companies in the globalized environment, research on responses to particular brand benefits covering many consumers, many countries, many product categories, and many brands doesn’t exist yet to the best of our knowledge.

The goal of this study, therefore, is to bridge this gap by investigating consumers’ brand perceptions and the role these perceptions play in a brand’s purchase intention, based on a large-scale cross-country study. To achieve this goal, we use a unique, existing data set, coming from the worldwide brand study of leading advertising agency DDB, named ‘Brand Capital’. This data set is richer than any of the other data sets used in brand consideration and purchase intention studies to date, in terms of sample size, number of countries, number of product categories, and number of brands. Our data involves 19,682 respondents across 25 countries (covering Asia, North and South America, Europe, and Australia), covering six product categories (fast food, beer, designer brands, athletic shoes and apparel, mobile phones, and photography) and two service industries (airlines and credit cards), and multiple brands per category with a total of 337 brands. For all these brands, the data includes consumers’ perceptions of: i) the brand’s quality, ii) the brand’s uniqueness, iii) whether the brand is a leading brand, and iv) whether the brand is growing in popularity, and finally, how likely they will purchase this brand. DDB managers selected those four benefits based on their clients’ usage of these benefits in international brand positioning practice as well as on their applicability across different product categories (Daily News, 2004) (see Appendix A for examples from business practice).

The data enable us to answer the following three research questions: (1) What importance does a consumer’s perception of a brand’s quality, uniqueness, leading position, and growing popularity have in determining purchase intentions across the globe? (2) How is the strength of these relations moderated by country characteristics, consumer characteristics, and consumers’ perceptions of competing brands in the product category? and (3) Are these results stable across product categories? To answer these questions, we developed an econometric model based on Ying, Feinberg, and Wedel (2006) that recognizes the ordinal nature of the measurement of purchase intentions and captures scale usage differences in a parsimonious way, which is important in a cross-national research (Baumgartner & Steenkamp, 2001). The hierarchical model structure allows explaining differences in the importance of brand benefits across countries, consumers, different competitive situations, and product categories.

By answering the three research questions, our research makes the following contributions to the academic literature. First, we contribute to brand management literature by focusing on four brand benefits—quality, uniqueness, leading position, and growing in popularity. All four benefits are frequently used in managerial practice. Moreover, our study adds to existing brand management studies that focus on brand benefits such as credibility (e.g., Erdem, Swait, & Valenzuela, 2006), price/quality (e.g., Erdem, Keane, & Sun, 2008), and localness/globalness (Steenkamp, Batra & Alden, 2003).

Second, we contribute to a cross-cultural research by investigating the moderating role of country characteristics, and in particular culture (Steenkamp & de Jong, 2010; Vinken, Soeters, & Ester, 2004). We build on and extend Steenkamp and de Jong (2010), who focused on explaining cross-country differences in consumers’ attitude toward local and global products. Specifically, we include four additional brand benefits (besides localness/globalness) and use Inglehart’s culture dimensions to investigate cross-country differences in consumers’ brand perceptions and their subsequent effect on brand purchase intention.

Third, this is the first study investigating the moderating influence of consumers’ perceptions of competing brands on the relation between the brand perceptions of a focal brand and its purchase intention. The lack of attention for the role competing brands play in consumers’ brand purchase intention is surprising, because determining how consumers perceive competitors’ products is an important step in developing a positioning strategy (Kaul & Rao, 1995; Rhim & Cooper, 2005). In this paper, we explicitly account for the percentage of brands in the category that are perceived as having a similar benefit as the focal brand.

Finally, due to the large scale of this study, and especially the number of brands and countries involved, we are able to draw generalizable results on the role of brand benefits in explaining brand purchase intention, across countries, consumers and categories. The results of this study allow companies to gain insights into what brand benefit to stress, to whom and where, enabling them to make informed decisions on their positioning strategies.

The remainder of the paper is organized as follows. The next section provides the conceptual framework, including a literature review on the role of brand benefits in explaining brand purchase intentions, followed by a discussion of the moderators, and product category effects. Subsequently, we describe the data, and explain the econometric model and estimation procedure used to estimate the model parameters. Finally, we present the results, followed by a discussion of both the academic and managerial implications.

2. Conceptual framework

Fig. 1 summarizes our conceptual framework. We investigate to what extent consumers’ perceptions of four brand benefits—quality, uniqueness, leading, and growing in popularity— influence their brand purchase intention, and how these effects are moderated by country, consumer, and category-level competition characteristics. Further, this framework is tested across different product and service categories.

2.1. The importance of brand benefits in purchase intention

For firms, the consumers’ predispositions toward brands are very important, as beliefs about brands influence purchase decisions and thus may have financial consequences for the firm (Fischer, Völckner, & Sattler, 2010). Further, consumers’ particular associations with brands may serve as an important signal to reduce the consumer’s risk of making a purchase mistake (Keller,
Therefore, these brand perceptions or beliefs about a brand’s benefit may strongly influence a consumer’s intention to purchase a brand. However, there is no evidence yet about which brand benefit is the most important determinant of consumer’s purchase intentions. We therefore investigate the effects of four brand benefits (i.e., quality, uniqueness, leading, and growing in popularity) on a brand’s purchase intentions.

2.1.1. Perceived brand benefits

Research has focused on the role of intrinsic benefits, such as a brand’s *quality*, which is considered to be the most distinguishing benefit (Holt, Quelch, & Taylor, 2004). Moreover, brand quality also appears to be one of the most important and universal benefits for influencing consumer choice (Erdem et al., 2008). Namely, brands can reduce the perceived buying risk for the consumer by becoming a credible symbol of a product’s high quality (Erdem & Swait, 1998). Further, higher perceived product quality is also cited as the main reason for consumers to purchase global brands (Levitt, 1983; Steenkamp et al., 2003; Strizhakova et al., 2011). In line with this, we investigate the effect of quality on brand purchase intentions.

*Uniqueness* is another important intrinsic brand benefit, as companies attempt to set the brand apart from the general category, to ensure that the brand “is not perceived as a prototypical example of the overall market but rather as a specialized product.
(Sujan & Bettman, 1989, p. 454).” Companies that implement this strategy signal a product’s uniqueness in a particular category to isolate the product perceptually from the rest of the market, which decreases its substitutability. In the context of new product adoption, uniqueness has been shown to be an important predictor of consumer adoption of new products (Gielens & Steenkamp, 2007; Steenkamp & Gielens, 2003), and we therefore expect uniqueness also to be an important determinant of brand purchase intention.

Further, consumer choice is not only driven by intrinsic (i.e., quality and uniqueness), but also by extrinsic brand benefits (Bielhal & Sheinin, 2007; Libai, Muller, & Peres, 2009). In particular, consumers rely on signals that stress a brand’s performance consistency and credibility, which decrease purchase risk and information search costs (Erdem & Swait, 1998, 2004; Erdem et al., 2006). The consistent performance of a brand and a brand’s credibility can be induced by extrinsic brand benefits, such as whether the brand is a leading brand in the product category, or whether the brand is ‘hip’ or, in other words, growing in popularity. A leading brand is one that is widely sought after and purchased by the population at large, and this popularity will bring a positive contribution to the brand’s image or market sales (Kim & Chung, 1997). A brand that is growing in popularity will be bought by an increasing number of potential users, and may entail word-of-mouth effects, which in turn may enhance consumers’ confidence in purchasing the brand.

In summary, we expect all four brand benefits to positively influence the brand purchase intention, but the strength of these effects may differ across countries, consumers, and product categories, which will be explored in Sections 2.2 and 2.3.

2.1.2. Other brand control variables

Besides the four brand benefits, we control for other benefits identified in the literature, i.e., i) whether the brand is local or global and ii) price level. We include these variables as control variables in our model, as we do not have individual-level information on these variables in our data, and therefore, we have to rely on secondary data at the brand-level (e.g., in the case of airlines, we distinguish between low-cost and full-service carriers, based on objective data sources). Previous research found that price is an important determinant of purchase intention, and its effect is generally negative (Erdem and Swait, 2004). With respect to a brand’s globalness, Steenkamp and De Jong (2010) found large cross-country variations in attitudes toward global and local products, and we, therefore, expect a brand’s globalness to have a direct effect on brand purchase intention. Moreover, because global brands are often perceived to be of higher quality (Holt et al., 2004), we include it also as a moderating variable in our conceptual framework.

2.2. Moderating variables for determining receptivity to brand benefits

In line with other cross-country studies (e.g., Everdingen, Fok, & Stremersch, 2009, Gielens & Dekimpe, 2001, Steenkamp & de Jong, 2010), we include cultural values, economy, and demography as country-level variables in our model. In a similar vein, and based on a large-scale cross-country study on consumer innovativeness (Steenkamp, Ter Hofstede, & Wedel, 1999), at the individual level, we focus on individuals’ values (i.e., ideal self-image, fashion consciousness), economic behavior (sale proneness), and socio-demographics as moderators. The third group of moderators is the category-level variables, and in particular the perceptions about competing brands in a category. Below, we discuss each of these moderators in more detail.

2.2.1. Country-level variables: cultural values, economy, demography

2.2.1.1. Culture. The importance of social considerations, which are likely to influence the effectiveness of the four brand benefits across categories, may systematically differ across cultures (Schwartz, Verkasalo, Antonovsky, & Sagiv, 1997). In line with this, Strizhakova et al. (2011) revealed that the relation between consumers’ use of brands as signals of quality and purchase intention is moderated by culture. Additionally, Erdem et al. (2006) suggest that brands as cues of quality could be particularly useful in countries, such as India, in which the quality of the products may vary widely in a given product category. Hence, there is evidence that culture moderates the importance of particular brand beliefs on purchase intentions; yet, for the four brand benefits, this effect has not been systematically investigated across cultures. We therefore focus explicitly at culture as one of the moderating variables.

The best known frameworks of national or cultural differences are those proposed by Hofstede, Inglehart, Schwartz, and the GLOBE project (Steenkamp & de Jong, 2010; Vinken et al., 2004). For our purposes, we build on recent cross-cultural studies by Steenkamp and De Jong (2010), and Morgeson, Mithas, Keiningham, and Askoy (2011), and adopt the Inglehart framework (Inglehart & Baker, 2000: Inglehart & Welzel, 2005), because its two bipolar dimensions—traditional versus secular—rational and survival versus self-expression values—have clear implications for how consumers respond to branding strategies. This is due to the fact that Inglehart’s framework is grounded, among others, in economic and, in particular, materialism theory, which occupies a central position in consumer culture theory (Arnould & Thompson, 2005). Moreover, the framework accounts for cultural dynamics, because the dimensions are measured regularly and consistently across countries (Tung & Verbeke, 2010).

The traditional versus secular—rational dimension reflects the contrast between traditional societies in which religion is very important and secular—rational societies in which it is not. Societies near the traditional pole emphasize the importance of parent-child ties and deference to authority, along with absolute standards and traditional family values; they reject divorce and abortion. These societies have higher levels of national pride and protectionism. Societies with secular—rational values instead tend to have opposite scores on these aspects. The survival versus self-expression dimension reflects the transition from industrial to postindustrial societies, which creates a polarization between materialistic and post-materialistic values, and thus a corresponding shift from survival to self-expression values. Survival values emphasize hard work, economic and physical security, and familiar norms to...
maximize predictability. Self-expression values emphasize imagination, variety, tolerance of the out-group, interpersonal trust, subjective well-being, quality of life and environmental protection.

Inglehart and Baker (2000) argue that economic development generally promotes a shift toward secular–rational and self-expression values, whereas economic collapses push countries toward survival and traditional values. As societies move along the survival/self-expression dimension, people generally become more "free" to choose the brands they want for themselves, without having to take group norms into account. The effects along the traditional/secular–rational dimension thus should weaken as countries move toward the self-expression pole. Hence, in addition to the main effects of the two dimensions, we also include the interaction between the dimensions in our model.

2.2.1.2. Economy. We include economic wealth of a country as a moderator in our model, as it may influence how consumers choose brands. For example, Keller (2008) found that people in wealthier countries can afford higher quality brands, which generally are associated with higher prices. In contrast, consumers from emerging markets have positive attitudes toward leading Western brands, because of their desire to associate themselves with that lifestyle (Kotabe & Helsen, 2010). For example, there is a growing elite segment in China that buys premium whisky brands (e.g., Johnny Walker).

2.2.1.3. Demography. Population density may also moderate the effect of the four brand benefits on brand purchase intention, because it may affect communication and learning about the characteristics and popularity of brands (Lemmens, Croux, & Dekimpe, 2007). This can work in two directions. In countries with dense populations, people might want to conform to the social norm by buying either the leading brand or a brand that is growing in popularity. In contrast, Arnett (2002) found that consumers from countries in dense populations wanted to differentiate themselves from the community, implying that leading and growing in popularity benefits are less effective.

2.2.2. Consumer-level variables: individual values, economy, demography

2.2.2.1. Individual values. We include two types of variables related to individual values, i.e., a person’s ideal self-image, and the lifestyle variable, fashion consciousness. Fischer et al. (2010) have argued that, in addition to risk reduction in buying, consumers may also use brands to communicate a consumer’s self-concept. For example, consumers often use brands as self-identity signals in relation to both local and global brands (Bhattacharjee, Berger, & Menon, 2014; Strizhakova et al., 2011; Torelli, Özsoyer, Carvalho, Keh, & Maehle, 2012). Consistently, literature highlights the importance of accounting for consumer’s self-image and finds both a compensatory (i.e., a preference for brands that are similar to the ideal self) and a distancing effect (i.e., a preference for brands that are opposite to the ideal self) (Malär, Krohmer, Hoyer, & Nyffenegger, 2011). We extend these insights by investigating how a consumer’s ideal self-image moderates the influence of the four brand benefits on brand purchase intention. In particular, we focus on ‘warmth’ and ‘competence’ as two ideal-self-image variables, as these factors constitute the two universal components of social perceptions (Fiske, Cuddy, & Glick, 2007). The literature indicates that the mechanisms people use to judge others also apply to judging themselves (e.g., Wojciszke, 1994, 2005). Moreover, there is empirical evidence suggesting that warmth and competence not only underlie personality models such as the Big Five model (Digman, 1997), but are also relevant to ideal self-image and self-esteem (Robins, Hendin, & Trzesniewski, 2001; Wojciszke, 2005).

Yet, the direction of the effect of the association of the ideal self-image on the four brand benefits is not clear a priori. On the one hand, compensatory effects are possible. Especially for consumers who feel bad about their current selves, purchasing a brand that comes close to the ideal-self may represent an opportunity to make them feel better (Malär et al., 2011). This would imply that consumers whose ideal-selves are oriented toward warmth, may be more responsive to congruent brand benefits that could allow them to show warmth (e.g., by supporting growing brands, or supporting unique (local) brands). In contrast, consumers whose ideal-selves are oriented toward competence may respond to brand benefits highlighting competence, such as high quality and/or leading brands. On the other hand, ideal-self is often opposite from the actual self. For these consumers, when a brand represents something that is out of their reach, this activates distancing, resulting in a decrease in purchase likelihood (Malär et al., 2011). This would imply the opposite of the above prediction, i.e., consumers whose ideal-selves are oriented toward warmth are likely to have actual-self that is low on warmth, hence, they may be more responsive to brand benefits highlighting competence. In contrast, consumers whose ideal-selves are oriented toward competence may be less competent and thus responsive to benefits highlighting warmth.

Besides a person’s ideal self, we also investigate the moderating effects of fashion consciousness, a lifestyle variable. Lifestyles are driven by consumers’ behavior, norms and values, and relate to how people live and spend their money (Kara & Kaynak, 2001; Kucukemirogiu, 1999). Fashion-conscious consumers feel the need to experience change and variety and strive for the latest fashions to express themselves (O’Shaughnessy, 1987) or impress others (Gould & Barak, 1988), which can be achieved through a stronger focus on brand benefits.

2.2.2.2. Economy. A final important consumer-level variable is a person’s sale proneness, which is defined as “an increased propensity to respond to a purchase offer because the sale form in which the price is presented positively affects purchase evaluations (Lichtenstein, Ridgway, & Netemeyer, 1993).” Consequently, sale proneness may limit the role of other brand benefits in purchase intention decisions, and we, therefore, explicitly take into account the moderating role of this variable.
2.2.2.3. Demography. At the individual consumer level, we control for gender and age. A previous research found that men are more loyal to larger group entities than women (Melnyk, van Osselaer, & Bijmolt, 2009), which makes them more sensitive to appeals that stress what other people in the group are doing (e.g., the brand’s leading position) or to appeals that emphasize high status (Melnyk & van Osselaer, 2012). Younger people also tend to be more influenced by what everybody else is doing. They are therefore more sensitive to leading brand appeals, or, if they deliberately refuse to join the crowd (Arnett, 2002), they would prefer unique appeals.

2.2.3. Category-level competition

Positioning is the process by which a company establishes an image for its product in the minds of customers relative to the image of the products offered by competitors (Ries & Trout, 2001). Therefore, consumers’ perceptions about a brand are not only influenced by this brand’s positioning per se, but are also evaluated relative to how consumers perceive the benefits of competing brands (Kaul & Rao, 1995). Hence, determining how consumers perceive competitors’ products is an important step in developing a positioning strategy (Kaul & Rao, 1995; Rhim & Cooper, 2005). The more brands in a particular product category are perceived to have a similar benefit, the less important this benefit will be in determining brand purchase intention.

2.3. Product category effects

According to Van Osselaer and Alba (2000), perceived brand benefits or cues in product evaluation may differ across categories. Erdem et al. (2008), for example, found that uncertainty avoidance strengthens the effect of brand credibility on choice, but that this effect was stronger for some product categories (more complex, high-involvement products such as personal computers) than for others (lower-involved products such as juice). We, therefore, investigate whether the effects of the four perceived brand benefits on purchase intention and the impact of the moderators on these effects are stable across categories.

3. Data

3.1. Data collection procedures

We have access to a unique multi-continent, multi-category, multi-brand data set, based on a survey from DDB’s worldwide brand study named Brand Capital, covering 26 countries.3 The survey questionnaire contained, among other items, a list of questions about the benefits and the purchase likelihood for different brands from a wide range of categories. The questionnaire was originally developed in English and translated by the research firm’s local partners into local languages. To ensure its quality, a pool of foreign bilingual contractors back-translated the questionnaire and any differences with the original questionnaire were resolved. The questionnaires were self-administered. To ensure accuracy, the responses were entered into the database twice, once by the local research firm and once by Ipsos-Reid, a research firm in charge of the data collection. The two data sets were compared and verified for consistency.

The DDB database includes many different categories and brands. We selected product categories based on the following five criteria: (1) we choose to focus on both physical products and services, (2) the product and service categories should have been investigated in most of the 25 countries, (3) we included product and service categories only if brand perceptions for at least 10 brands were measured, to ensure that we are able to measure consumers’ perceptions on competing brands in the category, (4) the available brands in the product and service category should be a mixture of local and global brands, and (5) respondents should be relatively familiar with the type of product. Following these criteria, six product and two service categories were selected for the study: athletic shoes and apparel, beer, designer brands, fast food, mobile phones, photography, airlines and credit cards. We combined these categories into four overarching product groups, i.e., food (fast food and beer), clothing (designer brands and athletic shoes and apparel), high-tech (mobile phones and photography), and services (airlines and credit cards) to investigate within and/or across product group (dis)similarities. The diverse nature of these categories enables us to draw conclusions about the generalizability of our results across product and service categories and addresses the third research question.

The brands in the data set were selected by DDB managers, in consultation with their clients to ensure that all global and local competitors’ brands on that country’s market were represented in the data. The number of brands included in the selected product and service categories range from 13 for photography to 90 for the beer category, with an average of 42 brands per category. This leads to a total of 337 brands across all categories, and to 1248 brand–country combinations (see Web Appendix A). The initial data contained 20,999 respondents, and 1,041,775 brand ratings. However, we had incomplete information for 1317 respondents about the consumer-level moderators, and respondents were unfamiliar with 21% of the rated brands. We deleted these incomplete cases as well as the unfamiliar brands. Overall, our final data set includes 19,682 respondents who rated 39.2 brands (SD = 13.31) on average across the eight categories, leading to a total of 771,183 brand ratings.

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3 The United States is excluded from the data, because U.S. data did not include information about perceived brand benefits.
3.2 Measurement

3.2.1 Main variables

Respondents' beliefs about the four brand benefits were measured on a dichotomous scale (no/yes), indicating if they would describe a brand as: (1) high quality, (2) unique in the category, (3) leading, and/or (4) growing in popularity. Purchase intention for each brand was measured on a four-point scale, ranging from 1 = “probably or definitely would not buy,” to 4 = “definitely would buy and is one of my favorites.” Purchase intentions and brand benefits were measured with unforced choice scales, so respondents did not answer questions for any brands they did not know (on average, respondents were unfamiliar with 21% of the brands in our data, and as a consequence, these brand/respondent combinations were not included in our analysis).

Country scores on the two national cultural dimensions came from the World Value Survey. We measured economic wealth as the log of GDP per capita in U.S. dollars, while we operationalized the population density as the number of people per square kilometer. Data on these variables were gathered from Euromonitor online, World Development Indicators, and the CIA World Factbook.

The individual-level variables on a respondent’s ideal self-image, i.e., warmth and competence, were both measured with five items (based on Aaker, Garbinsky, and Vohs (2012) and Kervyn, Fiske, and Malone (2012)). Respondents indicated on a seven-point scale to what extent a number of words could be used to describe the person they would ideally like to be (1 = “does not describe ideal self,” to 7 = “definitely does describe ideal self”). The Cronbach alpha for warmth is on average across all countries .72, while the Cronbach alpha for competence is on average .79. Fashion consciousness was measured with 6 items, taken from Darden and Perreault (1976) and Wells and Tigert (1971). On average, the Cronbach alpha is .76. See Appendix B for an overview all individual items of these three variables, and the Cronbach alpha per country.

We calculated the percentage of brands that a respondent definitely would not buy, definitely would buy, probably or definitely would buy, and is one of my favorites. Thus, a brand is distinctive on a certain benefit if only a small percentage of the competing brands within a category are perceived to possess this benefit in the mind of the consumer.

Table 1
Overview of countries, sample sizes, and average scores for consumer- and country-level variables (s.d. in parentheses).

<table>
<thead>
<tr>
<th>Country</th>
<th>Sample size</th>
<th>Consumer-level variables</th>
<th>Country-level variables</th>
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<tr>
<td></td>
<td></td>
<td>Fashion consciousness</td>
<td>Trad./sec. rat.</td>
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<td></td>
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<td>Sale proneness</td>
<td>Surv./self-exp.</td>
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<td>Warmth</td>
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<td>Comp. % female</td>
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<td>Average age</td>
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<tr>
<td>Australia</td>
<td>725</td>
<td>2.36 (.61)</td>
<td>2.74 (.86)</td>
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<td>North America</td>
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<td>2.35 (.61)</td>
<td>3.09 (.82)</td>
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<td>2.92 (.77)</td>
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<td>3.03 (.85)</td>
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<tr>
<td>Norway</td>
<td>762</td>
<td>2.02 (.54)</td>
<td>2.82 (.84)</td>
</tr>
<tr>
<td>Spain</td>
<td>710</td>
<td>2.39 (.53)</td>
<td>2.68 (.80)</td>
</tr>
<tr>
<td>Sweden</td>
<td>775</td>
<td>2.09 (.59)</td>
<td>2.98 (.91)</td>
</tr>
<tr>
<td>UK</td>
<td>802</td>
<td>2.21 (.63)</td>
<td>2.70 (.86)</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>778</td>
<td>2.43 (.60)</td>
<td>2.64 (.82)</td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>768</td>
<td>2.30 (.64)</td>
<td>2.84 (.94)</td>
</tr>
<tr>
<td>Hungary</td>
<td>1038</td>
<td>2.45 (.55)</td>
<td>2.71 (.90)</td>
</tr>
<tr>
<td>Latvia</td>
<td>767</td>
<td>2.57 (.45)</td>
<td>2.94 (.72)</td>
</tr>
<tr>
<td>Total sample</td>
<td>15,682</td>
<td>2.45 (.52)</td>
<td>2.82 (.86)</td>
</tr>
</tbody>
</table>

This measure is closely related to how companies choose positioning strategies, as brands need to be distinctive in the consumer’s mind relative to competition (Ries & Trout, 2001).

3.2.2. Control variables

We cataloged whether a brand is a local or a global brand, using secondary sources (company websites, industry reports, etc.). Based on the categorization of brands by Townsend, Yeniyurt, and Talay (2009) and Depecik, van Everdingen, and Van Bruggen (2014), we categorized a brand as global if it was sold in three or more continents, or in at least 15 countries across two continents. We cataloged data on price levels in the airline and clothing industry (designer brands) to capture pricing strategies that are specific to these categories. For each airline brand, two coders indicated whether it is positioned as a low-cost carrier (= 1) or not (= 0). For each designer brand, two coders specified whether it is positioned as a high-end, expensive brand (1) or not (= 0). Inter-coder reliability was very high, i.e., 92%. The remaining cases were resolved by a discussion among the coders.

3.3. Descriptive statistics

Table 1 summarizes the data across the 25 countries, covering different parts of the world. The selected countries vary substantially on the two cultural dimensions of Inglehart, the GDP per capita and the population density. For each of the categories, Fig. 2 shows the percentage of brands that are being perceived as high quality, unique, leading, or growing in popularity. The results show a stable pattern across the different product and service categories, i.e., about 30–45% of the brands are perceived as a high-quality or a leading brand, while the percentages of brands that are perceived as being unique or growing in popularity are much lower, i.e., on average about 14% and 18%, respectively. Moreover, we found significant heterogeneity of brand perceptions across consumers, which is in line with research using learning models (Ching, Erdem, & Keane, 2013). While the agreement for some brands is high, such as leading for Louis Vuitton (75% across all participants and countries), quality for Emirates (76% in the UAE), growing in popularity for West Jet (67% in Canada) and uniqueness for Becks beer (52% for Japan), overall the agreement on perceived brand benefits is relatively low. As a consequence, we also found significant heterogeneity in the competition variable that is based on these perceptions (standard deviations: .35, .24, .36, and .26, respectively for quality, unique, leading, and growing in popularity).

At the country level we do find significant cross-country variation for all four brand benefits (see Fig. 3). In Japan, for example, 63% of the brands are perceived as leading brands, while in Norway and the Czech Republic only about 16% respectively, 19% of the brands are considered to be a leading brand. Another interesting result is the high percentage of high-quality brands in Brazil (64%), Chile (47%), China (56%), Colombia (50%), and Spain (47%) as opposed to many Western European countries, such as the U.K. (25%), Germany (26%), Denmark (29%), and the Netherlands (26%). Further, respondents from China (31%), the United Arab Emirates (27%), Japan (24%), and Turkey (24%) perceive many brands as unique, while in the U.K. this is only 7%. Finally,
the percentage of perceived growing in popularity brands is highest in China (30%), Colombia (23%), and the United Arab Emirates (24%), and lowest in Sweden (10%), the U.K. (11%), Japan (10%), and Australia (11%).

4. Econometric model

Before introducing the econometric model to test our conceptual framework (Fig. 1), we introduce its notations:

• \( c \in \{1, \ldots, C \} \) is the set of consumers. In our application \( C = 19,682 \).
• \( j \in \{1, \ldots, J \} \) is the set of categories. In our application, \( J = 8 \) (fast food, beer, designer brands, athletic shoes and apparel, mobile phones, photography, airlines and credit cards).
• \( b \in B_j \) is the set of brands in category \( j \). In our application we observe 337 brands across 8 categories (see Web Appendix A for an overview of all brands).
• \( y_{cb} \in \{1, 2, 3, 4\} \) is consumer \( c \)'s purchase intention for brand \( b \) in category \( j \). This purchase intention is measured on an ordinal scale from 1 to 4 as explained above.
• \( u_{cb} \in (-\infty, \infty) \) is consumer \( c \)'s latent purchase intention for brand \( b \) in category \( j \). This variable is estimated by the econometric model and determines the ordinal response \( y_{cb} \) as explained below.
• \( x_{cbk} \in \{0,1\} \) is consumer \( c \)'s belief about whether brand \( b \) in category \( j \) possesses benefit \( k \), where \( x_{cbk} = 1 \) if the consumer believes that the benefit is present and zero otherwise. In our application, \( k \in \{1, \ldots, 4\} \), i.e., quality, uniqueness, leading, and growing in popularity.
• \( z_{bj} \) represents the set of brand control variables. In our application, this set contains three variables, i.e., \( z_{bj1} \in (-1,1) \) represents a brand’s globalness (1 = a global brand, \(-1 = \) a local brand), \( z_{bj2} \in \{0,1\} \) indicates whether a brand is a low-cost carrier (\( z_{bj2} = 1 \)) and is only included for airlines, and \( z_{bj3} \in \{0,1\} \) indicates whether a designer brand is a high-end brand (\( z_{bj3} = 1 \)).
• \( d_{cj} \) represents the set of country-, consumer-, and category-level moderator variables of consumer \( c \) and category \( j \).

As described in the previous section, a consumer’s \( c \) purchase intention \( y_{cb} \) toward brand \( b \) in category \( j \) is measured on a four-point ordinal scale. The ordinal nature of this scale and the limited number of answer categories may have important implications for the measurement of purchase intentions, especially in the presence of scale usage differences that may vary systematically across countries (Baumgartner & Steenkamp, 2001). To control for scale usage differences of purchase intentions across individuals, we 1) followed the approach by Ying et al. (2006), and 2) allowed the intercepts to be correlated across categories. In this approach, the observed ordinal responses \( y_{cb} \) are assumed to be generated from underlying latent purchase intentions \( u_{cb} \), which are comparable across individuals and cultures. Due to scale usage differences, individuals with similar latent purchase intentions
does not include the effects of brand bene-
cause cutoffs are ordered, i.e., con-
cumers, and categories (i.e., normally distributed error term). Finally, to understand how the importance of brand beliefs is moderated across countries,

In order to test our conceptual framework (Fig. 1), we relate consumer c’s belief of the benefits of brand b in category j (X_\text{cjb}) to the latent purchase intention \( u_{\text{cjb}} \): 

\[ u_{\text{cjb}} = \alpha_{\text{cjb}} + \beta_{\text{cjb}} X_{\text{cjb}} + \epsilon_{\text{cjb}} \]

In Eq. (3), parameter vector \( \psi_{\text{cij}} \) captures the effects of \( d_{\text{cij}} \) on the importance of brand beliefs for consumer \( c \) in category \( j \), and \( \psi_{\text{cij}} \) is a normally distributed error term.

In summary, our model relates brand beliefs and control variables to latent purchase intentions, which recognizes the properties of the ordinal purchase intention scale and differences in scale usage. The consumer-specific coefficients of brand beliefs are subsequently explained by country-, consumer-, and category-specific variables. The model is estimated using Markov chain Monte Carlo simulations as explained in Ying et al. (2006). We ran the model using 20,000 draws for the burn-in period, and used the subsequent 30,000 draws to infer parameter estimates. We tested our model on synthetic data and assessed parameter convergence using the convergence diagnostic proposed by Geweke (1992)\(^4\) (see Web Appendix B for a more detailed description of the model likelihood and the synthetic data analysis). To investigate whether the effects of brand beliefs vary across categories, we estimated five versions of our model. In the first version, we allowed \( \theta_{\text{cij}} \) to vary across categories, i.e., the model allows for product category-specific effects. In the second version of our model, we restricted \( \theta_{\text{cij}} \) to be equal across categories, i.e., the model assumes that the effects are similar across all eight categories. In the third version, we restricted \( \theta_{\text{cij}} \) to be equal within the category groups—food, clothing, high-tech, and service—i.e., the model assumes the effects to be similar within product groups, but differ between the four product and service groups. In the fourth version, we allowed \( \theta_{\text{cij}} \) to be different between the product categories (food, clothing and high-tech) and services, but \( \theta_{\text{cij}} \) was restricted within these groups (i.e., the effects are the same for food, clothing, and high-tech, but different from services). The fifth model is a baseline model, and does not include the effects of brand benefits and only includes a consumer and category specific intercept \( \alpha_{\text{cij}} \) in Eq. (2). To compare model fit, we computed the log marginal density (LMD) using Chib’s method (Chib, 1995), as well as the in- and out-of-sample fit statistics: MAD (mean absolute deviation) and RMSE (root mean squared error) and R-square.

\(^4\) Geweke’s (1992) convergence diagnostic tests whether the mean of the first 20% of posterior draws equals the mean of the last 50% of posterior draws. All p-values for this diagnostic were above .05, indicating that the chains of parameter estimates had converged.
## 5. Results

### 5.1. Category effects

Table 2 reports the in- and out-of-sample fit statistics of the five models. Compared to the baseline model (Model 5), adding brand benefits strongly improves model fit. However, category differences do not seem to substantially improve model fit. For all four models that include brand benefits (Models 1 to 4), the MAD, RMSE, and R-square fit statistics are quite similar. Yet, the LMD fit statistic that takes into account the whole model likelihood (including Eqs. (1) and (3); see also Web Appendix B) as well as model complexity favors the model without category-specific effects (Model 2). Hence, our first key finding is that the importance of the four brand benefits in explaining brand purchase intention can be generalized across the four overarching product groups (food, clothing, high-tech, services). In line with this, we base the discussion in the remainder of this section on the second model.

### 5.2. Brand benefits as predictors of brand purchase likelihood

Table 3 reports the results of the first step in the estimation procedure (Eqs. (1) and (2)), i.e., relating the four brand benefits to purchase intention, while Table 4 reports the results of the second step in the estimation procedure (Eq. (3)), i.e., letting the influence of brand benefits on brand purchase intention be moderated by the country-level, consumer-level, and category-level variables. The middle part of Table 3 shows differences in the average category intercepts ($\alpha$ in Eq. (2)), with both fast food and athletic shoes and apparel receiving the highest purchase intentions ($\alpha = -0.04$) and credit cards the lowest ($\alpha = -0.50$). Moreover, the covariance matrix of brand dummies (see also middle part of Table 3) reveals substantial heterogeneity across consumers that are positively correlated, indicating that consumers having a relatively high purchase intention in one product category tend to have a higher purchase intention.
Moreover, there is substantial heterogeneity in the cutoffs $\kappa$ across individuals ($\Sigma_{k,11} = .21$ and $\Sigma_{k,22} = .40$) that are positively correlated ($\Sigma_{k,12} = .03$). This highlights the importance of controlling for scale usage differences of respondents.\footnote{We conducted a post-hoc analysis by focusing at the regression results of $\log(\kappa_3 - \kappa_2)$ to see whether cutoffs vary across country-level dimensions. Scale usage differences appear to vary systematically across cultures and demographics, but unexplained differences between individuals within countries are more important (R-square = .02).}

The influence of the four brand benefits (Table 3) is estimated for the average consumer across all countries, i.e., by imputing the characteristics of the average consumer in Eq. (3). All effects are significant, and none of the 95% posterior intervals contain zero, implying that the four brand benefits are important predictors of brand purchase likelihood. On average, quality appears

![Fig. 4. Importance of brand benefits across countries.](image-url)
Fig. 5. Moderating effects of Inglehart’s cultural dimensions on brand benefits.
to be the strongest predictor ($\gamma = 2.01$), while growing in popularity is the least important predictor in explaining brand purchase likelihood ($\gamma = 1.23$). This is in line with research suggesting that quality is one of the most important and universal benefits for influencing consumer choice (Erdem et al., 2008; Strizhakova et al., 2011). This is further highlighted in Fig. 4, which depicts the importance of the four brand benefits for average consumers in each of the 25 countries in our sample. It shows that for many countries quality appears to be the most significant benefit in explaining brand purchase likelihood, although the strength of the importance shows some variation. Interestingly, uniqueness appears to be the main driver in all South American countries, and countries in the Middle East (i.e., Saudi Arabia, United Arab Emirates, Turkey), and Hungary.

With respect to the control variables, a higher price level reduces the purchase intention for designer brands (i.e., high-end brands $\beta = -0.64$), and respondents prefer low cost carriers rather than full service airlines ($\beta = 0.28$). Further, the respondents have a higher preference for global brands than for local brands, although the parameter estimate is relatively small ($\beta = 0.01$).

5.3. Effect of moderating variables

Table 4 shows that all three groups of moderating variables (country characteristics, consumer characteristics and perceptions of competing brands) significantly moderate the effect of the four brand benefits on a brand’s purchase intention. Importantly, as indicated by the standardized coefficients, the effects of country-level variables, especially culture, and competition are stronger compared to individual-level variables. Especially the significant moderating effect of competition is an important finding, as this is the first study including the influence of consumers’ perceptions of competing brands on the relation between the brand perceptions of a focal brand and its purchase intention. For each of the moderating variables, we discuss the results in more detail below. Due to the importance of culture, we will pay relatively more attention to the influence of this moderator.

5.3.1. Country-level moderators

5.3.1.1. Culture. The two bipolar cultural dimensions (traditional/secular–rational and survival/self-expression) and their interaction significantly influence the strength of the relation between the brand benefits and the brand’s purchase intention. To interpret these findings, Fig. 5 plots the effects of the two cultural dimensions on the relation between the four brand benefits and purchase intention, while keeping the effects of all other moderating variables at their mean values. The x-axis shows values for the survival/self-expression dimension, while the values on the y-axis represent purchase intention. Based on the information from these plots, we developed Fig. 6 to further interpret these findings. This figure plots for each region along the two bipolar cultural dimensions the two most important brand benefits as derived from Fig. 5, which resulted in four clusters.$^6$ To obtain this plot, we created a large two-dimensional grid ranging from $-1.8$ to 2 for the y-axis (corresponding to the traditional/secular–rational dimension), and from $-1.33$ to 2.3 for the x-axis (corresponding to the survival/self-expression dimension), with grid size of .002.

$^6$ Note that Cluster I (top-left corner of Fig. 6) combines two regions in which leading & quality and unique & leading are the most important benefits. We decided to combine these two relatively small regions, because each involves only one country (respectively, Latvia and Hungary). The average importance of each of the four benefits (quality, unique, leading, and growing in popularity) in each cluster is as follows: Cluster I (top-left: 1.69; 1.20; 1.74; 1.47); cluster II (top-middle and bottom-right: 1.88; 1.19; 1.45; 1.06); cluster III (top-right: 1.98; 1.65; 1.48; 1.07); cluster IV (bottom-left: 2.28; 2.62; 2.16; 1.71).
This grid, which covers all countries in our data set, corresponds to a matrix of size (1816 × 1901), corresponding to combinations of different values of the two cultural dimensions. Subsequently, we computed the expected value of the four brand benefits along these two combinations of cultural values. Fig. 6 plots those regions on the grid corresponding to the two most important benefits.

Several patterns emerge from Figs. 5 and 6. First, all benefits appear to have the strongest effect on purchase intention for survival/traditional countries, i.e., the lower left part of Fig. 6. This also corroborates the results in Fig. 4 that show the highest importance of all brand benefits for Turkey, Saudi Arabia, and the United Arab Emirates. These results follow previous research that shows that consumers in survival cultures respond positively to both local and global product benefits (Steenkamp & de Jong, 2010), and that traditional cultures show higher levels of overall customer satisfaction (Morgeson et al., 2011).

Second, the strongest interaction effect between the two cultural dimensions is found for the influence of uniqueness on purchase intention ($\theta = 0.46$ — see Table 4 and Fig. 5). For secular—rational countries, the importance of uniqueness is increasing if countries move along the survival/self-expression dimension (see solid line in Fig. 5), while for traditional countries we observe the opposite effect (see the dashed line “traditional/secular—rational = −1” in Fig. 5). This is further highlighted in Fig. 6 (and footnote 4) showing the importance of uniqueness in the lower left (cluster IV), and to a lesser extent also the upper right part (cluster III). This finding is in line with Inglehart and Welzel’s idea that there are strong economic, cognitive, and social constraints on an individual’s choice and autonomy in “survival” societies. Hence, consumers from secular—rational survival societies may be more sensitive to what everybody else is doing and thus avoid unique products. As societies move toward the self-expression pole, bringing more freedom, the importance of uniqueness increases.

Third, a similar pattern, though less pronounced, is found for quality. For secular—rational countries (see solid line in Fig. 5), the influence of quality increases along the survival/self-expression dimension, while for traditional countries (see the dashed line “traditional/secular—rational = −1” in Fig. 5), the influence of quality is slightly decreasing along this dimension. Consequently, the influence of quality appears to be most important in determining purchase intentions for cultures with above-average scores on the survival/self-expression dimension (see Figs. 5 and 6). This is in line with Inglehart and Welzel (2005) who argue that the middle values of the survival self-expression dimension represent materialistic societies, where consumers value impressing others and themselves with material possessions, hence giving higher emphases on quality. Moving further along the survival/self-expression dimension, the quality of experience replaces the quantity of commodities as the prime criterion for making a good living. There is a difference, though, between countries that score average on the survival/self-expression dimension and countries that score high on this dimension. In the latter group of countries—Finland, Norway, Sweden, Denmark, and the Netherlands (see the upper right cluster in Fig. 6), the importance of quality is closely followed by the importance of the brand’s uniqueness, while in the former group of countries—Japan, Germany, Czech, France, Italy, Spain, the U.K., Australia and Canada (see the cluster in the middle in Fig. 6)—the second most important determinant is the leading benefit.

Fourth, we find a comparable interaction pattern for the influence of both the leading and growing in popularity benefits (see Fig. 5). For traditional countries, the effect of both brand benefits decreases along the survival/self-expression dimension, while for secular—rational cultures this effect is much weaker. In survival, secular—rational countries (the upper left cluster of Fig. 6), the influence of the leading benefit on brand purchase likelihood appears to be strongest. In Latvia and Hungary, leading is the most important brand benefit in determining purchase intention, while in China the influence of being perceived as a leading brand is similar to the influence of being perceived as a high quality brand on purchase intention. Latvia and Hungary differ, however, on their second most important benefit, i.e., in Latvia it is quality; while for Hungary it is uniqueness.

Finally, it is interesting to note that growing in popularity is in none of the four cultural clusters among the two most important determinants of purchase intention (see Fig. 6), and thus plays the weakest role in purchase intention across all cultures.

5.3.1.2. Economics. Table 4 shows that GDP per capita is significantly moderating the effect of all four brand benefits on purchase intention, though in different directions. It weakens the effect of the importance of a brand’s uniqueness ($\theta = −0.01$) on purchase intention, while it strengthens the effect of all other brand benefits ($\theta = 0.00$, $\theta = 0.01$, and $\theta = 0.01$ for quality, leading, and growing in popularity respectively). Thus consumers from richer countries are more likely to purchase brands that are leading, of higher quality, or growing in popularity.

5.3.1.3. Demographics. Table 4 further shows that the influence of leading ($\theta = −0.09$), and growing in popularity ($\theta = −0.07$) on purchase intention appears to be negatively influenced by population density, implying that consumers in dense countries do not conform to the social norm by buying leading or growing in popularity brands. This finding is consistent with the idea of Arnett (2002) that consumers may want to differentiate themselves from the community. We also find a significant negative moderating effect of population density on the relation between perceived quality and purchase intention ($\theta = −0.04$).

5.3.2. Consumer-level moderators

5.3.2.1. Ideal self-image. Interestingly, the effect of the quality benefit on purchase intention is stronger for respondents scoring high on warmth as their ideal self-image ($\theta = 0.08$), but weaker for respondents scoring high on competence ($\theta = −0.07$). This suggests a distancing rather than compensatory effect (Malår et al., 2011). In contrast, for the uniqueness benefit we find a compensatory effect, i.e., the effect of uniqueness on brand purchase intention increases for respondents who consider being competent as their ideal self-image ($\theta = 0.10$). This is in line with theory stating that the warmth component is associated with prosocial behavior and cooperative intentions (Aaker et al., 2012), and therefore, consumers will not specifically prefer unique brands, but rather brands that anyone else is buying.
5.3.2.2. Fashion consciousness. We find a significant, positive moderating effect of fashion consciousness for the quality ($\theta = 0.14$), leading ($\theta = 0.06$), and growing in popularity ($\theta = 0.29$) brand benefit. For brands that are growing in popularity, and especially the leading brands, this is not a surprise, because fashion-conscious people are more likely to buy popular brands. Further, fashion conscious people are often focused on brands’ prestige, which is perceptually linked to high quality (Casidy, 2012).

5.3.2.3. Economy—sale proneness. Sale proneness appears to be significantly moderating the influence of quality ($\theta = -0.07$), and to a lesser extent also uniqueness ($\theta = -0.05$), but it doesn’t significantly moderate the effects of leading and growing in popularity. Apparently, the influence of the uniqueness and quality benefit in explaining a brand’s purchase intention decreases if a person scores higher on sale proneness, i.e., if they shop a lot for products that are on sale. Sale prone people focus more on promotions, rather than on a brand’s uniqueness and quality when deciding which brand to buy.

5.3.2.4. Demographics. With respect to gender, the directions of the effects are consistent across all four brand benefits, but it appears not to be significant for uniqueness. This suggests that the effects of quality, leading, and growing in popularity brand benefits on purchase intentions tend to be stronger for men than for women ($\theta = -0.11, \theta = -0.12, \theta = -0.07$ respectively). For age, we find that it positively moderates the effect of being a high quality brand ($\theta = 0.004$), and a growing in popularity brand ($\theta = 0.002$), while it negatively moderates the effect of uniqueness ($\theta = -.001$) and being a leading brand ($\theta = -0.002$), on purchase intention. This implies that the influence of a brand’s quality and growing in popularity benefit on purchase intention is stronger for older people, while the influence of leading and a brand’s uniqueness is more apparent for younger persons.

5.3.3. Category-level moderator: competition

For all four brand benefits, we find a significantly negative moderating effect of competition ($\theta = -0.81, -1.71, -0.98,$ and $-0.07$ for quality, unique, leading, and growing in importance respectively). This implies that the more brands in the product category are perceived as having a particular brand benefit, the weaker the effect of this particular brand’s benefit on purchase intention. These results are consistent with the idea that brands need to be distinctive in the consumer’s mind relative to competition (Ries & Trout, 2001) and highlight the importance of accounting for competition in the category. Moreover, we find that the effect of competition for uniqueness is much stronger compared to the other benefits. Indeed, for a brand to be perceived as unique, this depends on how other brands in the category are perceived, resulting in stronger competition for this benefit in the minds of consumers.

5.3.4. Brand-level moderator: brand globalness

Regarding brand globalness, the direction of the moderating effect is consistent across all four benefits ($\theta = -0.03, -0.02, -0.02,$ and $-0.02$ for quality, unique, leading, and growing in popularity, respectively), but it isn’t significant for the uniqueness benefit. This implies that being a global brand reduces the importance of the brand’s quality, leading position or growing in popularity in purchase intentions for that brand. This cannibalization effect is consistent with the idea that global brands are chosen because they already signal brand’s quality and prestige (Steenkamp et al., 2003), hence reducing the effectiveness of any further quality or category leadership signal.

6. Discussion

Based on a unique multi-continent, multi-category data set involving 19,682 respondents from 25 countries and their responses to 337 brands across six diverse product categories and two service categories, we find a consistent pattern of results. Importantly, all four brand benefits (quality, uniqueness, leading, and growing in popularity) are important predictors of a brand’s purchase likelihood. However, these positive effects are significantly reduced as more competing brands are perceived to have a similar brand benefit. Importantly, the effects of the four brand benefits differ substantially across cultures, and to a lesser extent also across consumers, but are similar across product categories.

6.1. Academic implications

Our study makes three important contributions to the marketing literature. First, we contribute to the brand management literature (Erdem et al., 2008; Strizhakova et al., 2011), by demonstrating that quality, uniqueness, leading and growing in popularity brand benefits are all important factors in determining a brand’s purchase likelihood across countries and product categories. In line with previous research (e.g., Erdem et al., 2008), we find that on average across all countries, quality, closely followed by the uniqueness of a brand, is the most important brand benefit in determining brand purchase intentions. We may, therefore, conclude that intrinsic brand benefits are on average more important in determining brand purchase intentions than extrinsic brand benefits.

Second, we contribute to cross-cultural research (Steenkamp & de Jong, 2010; Vinken et al., 2004) by showing that culture, in particular the Inglehart framework (Inglehart & Baker, 2000; Inglehart & Weizel, 2005), strongly moderates the susceptibility to different types of brand benefits across the globe. This way we contribute to the global standardization versus local adaptation debate on marketing strategy (van der Lans et al., 2009), and in particular on brand positioning (Alden, Steenkamp, & Batra, 1999; Steenkamp & de Jong, 2010). Steenkamp and De Jong (2010) have shown the influence of the Inglehart dimensions on the attitude toward local and global products. We use these cultural dimensions to identify cross-country differences in the role of brand benefits, other than a brand’s globalness, in determining brand purchase intentions. Based on the Inglehart dimensions, we distinguish four cultural clusters for the 25 countries in our data, and show which combination of brand benefits are most valued in these clusters. Thus, the Inglehart dimensions...
are not only relevant for explaining cross-cultural differences in attitudes toward local and global products, but also for cross-cultural differences in explaining the relevance of other brand benefits in explaining purchase intentions.

Third, this is the first study to empirically demonstrate that competition significantly moderates the effect of all four brand benefits on purchase intention, i.e., if consumers perceive other brands in the category to have a similar perceived benefit as the focal brand, its effect on the focal brand’s purchase intentions is significantly reduced. These results are consistent with the idea that brands need to be distinctive in the consumer’s mind relative to competition (Ries & Trout, 2001) and highlight the importance of accounting for competition in the category.

Fourth, we contribute to the stream of literature on the ideal self-image (e.g., Malär et al., 2011) and the stream of literature on warmth and competence dimensions in marketing (Aaker, Vohs, & Mogilner, 2010; Aaker et al., 2012; Kervyn et al., 2012). Whereas previous research relates actual and ideal self-image constructs mainly to brand preferences (e.g., Aaker, 1999) and to brand attachment (e.g., Malär et al., 2011), we show that a consumer’s ideal self-image in terms of warmth and competence moderates the influence of the relation between a brand’s benefits and brand purchase intention. Our results are consistent with the idea that ideal-self is often opposite from the actual self, i.e., the distancing effect (Malär et al., 2011). For example, we find that consumers who score high on warmth as their ideal self-image, actually value competence related benefits such as a brand’s quality more than consumers scoring high on competence (who are more responsive to benefits highlighting uniqueness).

Finally, due to the lower number of product categories considered, i.e., two (Erdem et al., 2006) or at most four product categories (Steenkamp et al., 2003), previous research did not allow investigating whether or not the effects of brand benefits on purchase intention are category-specific or can be generalized across many categories. Our results across eight categories involving hundreds of different brands indicate that the effects of the perceived benefits on purchase intentions are generalizable across product categories and services.

6.2. Managerial implications

Our results provide important insights for the managers on the potential responses to different brand positioning strategies across countries and product categories as well as on the standardization versus adaptation debate. The results suggest that a consumer’s perception of a brand as either high quality, unique, leading, or growing in popularity is likely to increase purchasing likelihood across countries and product categories. Yet, the strength and the direction of those effects, although stable across product and service categories, systematically differ across cultures. Fig. 6 displays four cultural clusters with for each cluster the two brand benefits that have the strongest effect on purchase intentions. Across these clusters, the most important benefit varied, suggesting that if a company aims to appeal to mainstream customers in each country, adapting its positioning strategy across regions is crucial. Hence, brand managers can use our model to gain insights into whether or not a particular (re-)positioning strategy is worth considering in a given country and for a given target group.

It is important to note that companies should take into account not only the cultural differences determining consumers’ receptivity to particular brand benefits, but also how competitive brands are perceived. For example, our results suggest that reinforcing a quality positioning is the most effective tool in most secular–rational countries (e.g., the Netherlands, Scandinavian countries, Germany), but many competing brands are already perceived as high quality in these countries (see Fig. 3), which may reduce the response to this benefit. As another example, our results suggest that in most Latin countries (Argentina, Brazil, Chile, and Mexico), as well as in the Middle East, companies may want to highlight the uniqueness of their brands. This could be a very effective strategy, because most brands in these regions are perceived as either high quality or leading brands (see Fig. 3). Thus campaigns, such as the Mercedes Benz campaign “Unlike any other,” and the Hummer campaign “Like nothing else,” both stressing the brand’s uniqueness, are likely to work well for these regions. Our results further suggest that brands are frequently perceived as leading (see Fig. 3), which may reduce the effectiveness of this positioning. Yet, it is likely to appeal to consumers in regions like the Baltic countries, and to a lesser extent in China. Hence, the Haier campaign suggesting that it is “The #1 laundry brand in the world,” can be effective in these markets. Moreover, although perceptions of brands as growing in popularity are found to be the least effective in determining purchase intentions, consumers also perceived a limited amount of brands as growing in popularity. Thus, if companies would consider using this positioning strategy, the most promising regions are likely to be Eastern Europe and, to some extent, China.

Thus far we gave examples of strategies for specific regions, but if a company prefers using one global positioning strategy, then focusing on quality travels well. As Fig. 6 shows, across the four cultural clusters, quality is either the most important or the second most important brand benefit in explaining brand purchase intention. Hence, standardized positioning strategies that emphasize quality, such as “Gillette, the best a man can get,” likely will be effective in large parts of the world. Also, the quality benefit is least affected by competition, enhancing its further appeal as a global strategy.

Finally, although our analysis applies to mainstream consumers, our model can also be used to predict purchase intentions of different consumer segments. For instance, younger consumers prefer brands perceived as unique. Another interesting finding from our research is that all four brand benefits seem to be more effective for men than for women. Hence, companies targeting female consumers may want to consider alternative niche positioning strategies, such as those based on emotions or based on consumer’s self-concept (e.g., the L’Oreal’s campaign “Because you are worth it”).

6.3. Limitations and further research

Our research offers opportunities for future research to extend our findings. First, although we included four common brand benefits that are general and can be used across industries and countries, more specific appeals need to be addressed as well. For example,
future research might feature industry-specific brand benefits, such as best service, or niche positioning strategies, based on emotions (e.g., pride—see de Hooge (2014)), or the consumer’s self-concept (e.g., Harley Davidson’s “We fulfill dreams of personal freedom”). Although we shed some light on the effects of ideal-self concepts in terms of warmth and competence, more research is needed to investigate the congruity between the brand’s values and the self-concept. Second, we looked only at the effect of perceived brand benefits on purchase intentions and future research should investigate how these benefits translate into actual purchases. Conversely, our measures of brand’s globalness/localness and price levels are based on secondary data, while it would also be interesting to investigate the effects of these perceived (rather than actual) brand benefits (e.g., Davvetas, Sichtmann, & Diamantopoulos, 2015). Third, extending the model to capture dynamic patterns using customer panel data would be an interesting avenue. For example, do customers prefer other brand benefits over time? As Inglehart and Baker (2000) note, the position of countries along the two bipolar dimensions is not fixed but rather changes over time, due to economic factors or demographic changes. Similarly, consumer-level characteristics change over time, including household size, age, and financial situations, which may affect brand preferences. Fourth, it would be interesting to see how the marketplace differences in terms of branding would impact the effectiveness of certain brand benefits by including the share of unbranded and counterfeiting products as additional moderator in the model. Finally, although the goal of our research was to investigate the outcomes of particular brand perceptions, the question of the antecedents of these perceptions also represents an interesting and important avenue for future research. For example, future research could investigate the mechanics of creating a particular positioning strategy and whether or not company’s positioning strategy actually translates into the corresponding brand perception.

Acknowledgments

We thank Daan de Raaf and DDB for sharing the data with us.

Appendix A. Examples of companies using the four brand benefits in their communication

Companies stressing high quality benefit:
- Gillette: “The best a man can get”
- Toyota: “The best built cars in the world”
- Levis: “Quality never goes out of style”

Companies stressing uniqueness benefit:
- Apple: “Think different”
- Mercedes-Benz: “Unlike any other”
- Sandiline: “Unique as you are”

Companies stressing leading brand benefit:
- Blackberry: “The #1 selling brand in America”
- Haier: “The #1 laundry brand in the world”

Companies stressing growing in popularity benefit:
- Avis: “We’re no. 2. We try harder”
- ING Direct: “1 million customers and growing”

Appendix B. Measurement scales for warmth, competence, and fashion consciousness

<table>
<thead>
<tr>
<th>Warmth</th>
<th>Cronbach alpha across all countries</th>
</tr>
</thead>
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<td>Affectionate</td>
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<tr>
<td>Careful</td>
<td></td>
</tr>
<tr>
<td>Caring</td>
<td></td>
</tr>
<tr>
<td>Genuine</td>
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<td>Trustworthy</td>
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<table>
<thead>
<tr>
<th>Competence</th>
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<td>Capable</td>
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</tr>
<tr>
<td>Confident</td>
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</tr>
<tr>
<td>Intelligent</td>
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<tr>
<td>Practical</td>
<td></td>
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<tr>
<td>Successful</td>
<td></td>
</tr>
</tbody>
</table>

(continued on next page)
Appendix B (continued)

Fashion consciousness Cronbach alpha across all countries

I work at trying to maintain a youthful appearance .76
Dressing well is an important part of my life .62
I have more stylish clothes than most of my friends .74
I enjoy looking through fashion magazines .74
I enjoy getting dressed up .74
It is important to me to wear clothes in the latest style .74

<table>
<thead>
<tr>
<th>Country</th>
<th>Warmth</th>
<th>Competence</th>
<th>Fashion consciousness</th>
</tr>
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Web Appendix

The web appendix to this article can be found online at http://dx.doi.org/10.1016/j.ijresmar.2016.05.002.

References
