White Rose Research Online

eprints@whiterose.ac.uk
https://eprints.whiterose.ac.uk
Universities of Leeds, Sheffield and York

Deposited via The University of Leeds.

White Rose Research Online URL for this paper:
https://eprints.whiterose.ac.uk/id/eprint/144065/

Version: Accepted Version

Article:
Guo, X, Heinberg, M and Zou, S (2019) Enhancing Consumer Attitude Toward Culturally Mixed Symbolic Products from Foreign Global Brands in an Emerging-Market Setting: The Role of Cultural Respect. Journal of International Marketing, 27 (3). pp. 79-97. ISSN: 1069-031X

https://doi.org/10.1177/1069031X19843912

© 2019, American Marketing Association. This is an author produced version of a paper published in Journal of International Marketing. Reprinted by permission of SAGE Publications.

Reuse
Items deposited in White Rose Research Online are protected by copyright, with all rights reserved unless indicated otherwise. They may be downloaded and/or printed for private study, or other acts as permitted by national copyright laws. The publisher or other rights holders may allow further reproduction and re-use of the full text version. This is indicated by the licence information on the White Rose Research Online record for the item.

Takedown
If you consider content in White Rose Research Online to be in breach of UK law, please notify us by emailing eprints@whiterose.ac.uk including the URL of the record and the reason for the withdrawal request.

UNIVERSITY OF LEEDS
University of Sheffield
UNIVERSITY of York

Enhancing consumer attitude toward culturally mixed symbolic products from foreign global brands in an emerging market setting: the role of cultural respect

Xiaoling Guo
Business School
University of International Business and Economics
10 Huixin East Street, Chaoyang District, Beijing
100029 China
Tel: +86 13020063710
E-mail: xiaoling.guo@uibe.edu.cn

Martin Heinberg*
Leeds University Business School
Marketing Division
University of Leeds
Maurice Keyworth Building
Leeds, LS2 9JT, United Kingdom
Tel: +44 113 332379
E-mail: M.Heinberg@leeds.ac.uk

Shaoming Zou
Robert J. Trulaske, Sr. College of Business
University of Missouri
Department of Marketing
403 Cornell Hall
Columbia, MO 65211-2600
U.S.A
Tel: +1 573 882-3282
E-mail: Zou@missouri.edu

*Corresponding Author

This research was sponsored by the National Natural Science Foundation of China (No.71472044) and “the Fundamental Research Funds for the Central Universities” in UIBE, China (No. CXTD9-03). We gratefully acknowledge the very helpful comments and suggestions of the anonymous reviewers.

Enhancing consumer attitude toward culturally mixed symbolic products from foreign global brands in an emerging market setting: the role of cultural respect

ABSTRACT

The extant literature has not examined the conditions that govern integrative and exclusionary reactions to cultural hybrid products with sufficient detail. Within an emerging market setting, this study explores how culturally mixed symbolic products (CMSPs) from foreign global brands can avoid antagonistic consumer attitudes. Building on social categorization theory, we argue that foreign global brands are viewed as belonging to an out-group and may thus encounter difficulties in tapping local cultural capital, resulting in a negative relationship between brand globalness and consumer attitude toward CMSPs. However, we contend that product category moderates the above relationship such that there is a stronger negative effect for non-food products than for food-products. Moreover, we theorize that (a) cultural respect by foreign global companies directly enhances consumer attitudes towards CMSPs, and (b) cultural respect attenuates the negative brand globalness – CMSP attitude link. The above hypotheses are tested using a representative consumer sample from eight provinces/municipalities in China (n = 646). Results provide important implications for global companies on how to benefit from local cultural resources in their localization processes.

Keywords: Global Brands; Culturally Mixed Symbolic Products; Emerging Markets; Perceived Brand Globalness; Product Local Iconness; Cultural Respect; Social Categorization Theory

Introduced in 2005, Starbucks moon cakes are one of the big success stories of the Seattle-based coffee chain in China. However, they did not sell well initially. Only after combining "the mid-autumn festival theme with its coffee culture, creating a new kind of moon cake" (Wei 2015) did Starbucks manage to turn the product with the unusual Western taste into a desired consumer choice. From a marketing perspective, this mixing of two cultural elements in one product is an innovative and exciting strategy. It moves beyond simple adaptation of an existing product to the Chinese market to an integration of local iconic attributes into a new product. These include the moon cake itself (which can be traced back to the Ming Dynasty, 1368-1644), the special importance of "home" and the Chinese tradition of gift giving. The latter ones are the themes of a recent Starbucks advertising campaign for the moon cake (Zhang 2016). The local cultural heritage is combined with Starbucks attributes (e.g., the Mermaid logo and Starbucks flavors, which both have a global/Western appeal) into a successful new product: the Starbucks moon cake.

In the literature, cultural mixing refers to "the coexistence of representative symbols of different cultures in the same space at the same time" (Hao et al. 2016, p. 1257) and has been studied in relation to cultural icons (Chiu and Cheng 2007), brand names (Hao et al. 2016), and products (Cui et al. 2016; Peng and Xie 2016). We define a culturally mixed symbolic product (CMSPs) as a product that blends culturally rooted local symbols with a foreign brand's global symbols. Unlike adaptations of existing products, CMSPs are generally designed specifically for a local market. Thus, CMSPs exclude products with simple adaptations to local tastes (e.g., special Starbucks Frappuccino flavors) and products with localizations that can be easily adapted to different markets (e.g., a Starbucks mug depicting images from a certain country or city). Such products either lack the symbolic elements or merely add some local nuances to a global prototype (see Table 1 for more examples).

[-------Insert Table 1 here-------]

CMSPs are relevant to international marketing scholars and managers alike, because they can evoke two possibly contrary consumer reactions. One is a positive consumer attitude, such as enhanced perception of product creativity, resulting from integrative responses (e.g., Chiu et al. 2011; Peng and Xie 2016). Another is an antagonistic attitude of consumers towards CMSPs, also referred to as an exclusionary reaction (Torelli et al. 2011), that can result from concerns of cultural erosion or even cultural contamination (Chiu et al. 2011; Torelli et al. 2011). Although consumers are capable of integrating theoretically opposed processes (Steenkamp and de Jong 2010), the two opposing consumer reactions to CMSPs have never been studied jointly in previous research (Table 2). As a result, little is known about the underlying processes of the two types of consumer reactions and the boundary conditions necessary for these effects. This gap in the existing literature needs to be filled in order to advance theory and offer useful guidance for managers.

While two streams of research, namely standardization/adaptation and global/local brand positioning, are related to the phenomenon of CMSPs, neither has examined the conditions that govern integrative and exclusionary reactions with sufficient detail. The standardization research regularly considers standardization or adaptation of an existing product as two extremes of the same continuum and examines factors that affect the degree of standardization/adaptation (e.g., Krautz and Hoffman 2017; Papavassiliou and Stathakopoulos 1997; Westjohn and Magnusson 2017). As such, this stream of literature has overlooked benefits and drawbacks of a hybrid positioning strategy, formed by strong elements of both global and local symbolism.[1] While few studies in the literature on global and local iconic positioning move beyond such an adaptation-standardization continuum (e.g., Xie, Batra, and Peng 2015; Heinberg, Ozkaya, and Taube 2017), they largely address consumer perceptions of local brands globalizing exclusively (e.g., Özsomer 2012; Swoboda,

Pennemann, and Taube 2012; Winit et al. 2014) and overlook global brands employing cultural adaptations (one notable exception being Sichtmann, Davvetas, and Diamantopoulos 2018). This gap in the literature has prompted a recent call for research to address the "hybridization of cultural products" (Gürhan-Canli, Sarial-Abi, and Hayran 2018, p. 110).

The purpose of the present study is thus to investigate consumers' integrative and exclusionary reactions to CMSPs simultaneously and to explore boundary conditions that can mitigate consumers' exclusionary reactions. We aim to fill the gaps in the existing literature, advance insights into the mechanism through which the two types of consumer reactions shape the attitude towards CMSPs, and explore how foreign global brands can mitigate consumers' exclusionary reactions to CMSPs in emerging markets. Specifically, we seek to contribute to the literature in several ways. First, rather than studying consumers' integrative and exclusionary reactions separately, like prior studies (Table 2), we investigate the two types of consumer reactions simultaneously and show that indeed both reactions can coexist and that their processes are connected. As such, exclusionary and integrative reactions towards CMSPs can be understood as two sides of the same coin as they are linked by a common mediator: product local iconness. We employ social categorization theory to establish that foreign global brands possess an out-group character. Building on this idea, we develop a general framework to show that, while exclusionary reactions are manifested in a negative relationship between brand globalness and CMSP attitudes, integrative reactions like perceived creativity and ascribed cultural respect exhibit a positive effect on CMSP attitude. Cultural respect was not previously discussed as an integrative process of cultural mixing, as the extant literature has focused solely on perceived product creativity (Peng and Xie 2016).

[-------Insert Table 2 here-------]

Second, we investigate product category as a contingency condition for exclusionary consumer reactions towards CMSPs. Product category has already been suggested as a potent

moderator in the global branding literature (e.g., Davvetas and Diamantopoulos 2016; Özsomer 2012). However, its potential effects regarding the out-group character of global brands are yet to be investigated. We demonstrate that the negative mediation of brand globalness – product local iconness – CMSP attitude is diminished in the case of food CMSPs and thus provide important guidance for global managers as they strive to employ both global and local cultural resources to develop effective marketing strategies.

Finally, we bring a new variable, namely cultural respect, into research on global branding and theorize that it is not only a driver of attitudes towards CMSPs but also a moderator for the exclusionary consumer reaction. Despite some work related to human resource management or services (e.g., Conway and Swift 2000; Peltokorpi and Froese 2014), to the best of our knowledge, ascribed cultural respect has not received much attention as a positive aspect of product adaptations in the international marketing literature. According to our theoretical argument, consumers consider the motivation of companies for introducing CMSPs. We argue that embedding local symbols may evoke the feeling of a deep understanding and respect of the host country's culture by the foreign global brand. A local style of product design, or allusion to local stories in packaging and communication may stress cultural empathy and respect and thus diminish the out-group character of global brands, reducing exclusionary consumer reactions to CMSPs.

The remainder of this article is organized as follows. We first present a pilot study to extract the major themes linked to CMSPs in our research context. Next, we briefly elaborate the overarching theory of our study, social categorization theory. After that, we develop research hypotheses based on the theory and the exploratory pilot study. We then test the research hypotheses in our main study, which is conducted in China. We conclude with a discussion of the findings and their theoretical and managerial implications.

PILOT STUDY

CMSPs are not well-understood in the international marketing field. In light of the novelty of CMSPs, we first conduct qualitative interviews to learn the beliefs, feelings, and attitudes of interviewees related to CMSPs and to better understand the phenomenon. In-depth interviews are particularly valuable to orient oneself to a new research field and to "identify the appropriate variables and relationships" (Laurent 2000, p. 181), which then can be tested in a quantitative study. The purpose of our pilot study is twofold: (1) to explore how consumers view CMSPs in a consumption setting; and (2) to extract the most frequently mentioned themes concerning CMSPs so as to provide a guide for the main study.

Method

We conducted ten individual interviews. The selected interviewees were educated urban Chinese consumers aged 26-42 (Web Appendix 1). Generally, these consumers are familiar with foreign global brands and pay attention to new product offerings such as foreign products featuring Chinese cultural elements. The interviews were conducted face-to-face in locations where interviewees feel comfortable such as meeting rooms in libraries or quiet corners in coffee shops. After obtaining approval from interviewees, the interviews were recorded. We used pictures to facilitate the association elicitation of interviewees (Miles, Huberman, and Saldana 2014). At the onset of the interviews, the interviewer first presented a series of pictures depicting CMSPs in a randomized order to each interviewee. The choice of products was based on three criteria: products needed to (1) belong to an established foreign global brand; (2) have had a market presence for at least two years; and (3) be clearly assigned to either food or non-food categories (e.g., clothes, shoes, watches, etc.) (Web Appendix 2 develops the rationale behind each criterion). Based on these criteria, we chose ten pictures depicting the following products: Starbucks moon cake, HP Peony laptop, Adidas

shoes with jade ring, Swatch Chinese ink painting watch, Swarovski Peking Opera thematic necklace, KFC Youtiao (fried bread), Ferrari "Song Dynasty's Ge-kiln" sports car, Barbie girls in Chinese brides' traditional costume, Häggen-Dazs ice-cream hot pot, Burberry *Fu* scarf.

After showing these products, the interviewer first discussed the products that interviewees were familiar with, based on a semi-structured interview guide (Marschan-Piekkari and Welch 2004). We were especially interested in participants' knowledge, experience, feelings and attitudes concerning CMSPs. After that, interviewees were invited to also look at the other products again and consider more general questions (e.g., what is the company's intention for introducing such products, what are their future prospects, are there any differences among these products). Following the interview, participants were debriefed with a short explanation of our research objectives and each received a small gift (valued about 20 USD). After the interview, the recordings were fully transcribed into written form, resulting in a script of about 20,000 Chinese words. The transcript was complemented by inserting notes on the way interviewees expressed particular statements (Marschan-Piekkari and Welch 2004). Afterwards, the transcripts were content-analyzed, first on a within-case analysis, focusing on each respondent separately, and then across respondents to compare common themes (Miles, Huberman, and Saldana 2014).

Themes Extracted

Cultural Respect as Triggering Integrative Responses. Respondents recognized the creative aspect of CMSPs and referred to them as "*unique"* (male, 38 years old), "*novel"* (female, 39 years old) or "*innovative products*" (male, 27 years old). However, beyond this enhanced creativity, interviewees intriguingly also considered the motivation of firms for such new product launches. They unanimously concluded that CMSPs are, at least partially, a gesture of cultural respect to Chinese culture. One respondent (male, 36 years old) remarked

for example, "*When foreign firms use Chinese cultural elements in their products, they try to tell consumers that they are interested in our market, attaching great importance to Chinese culture and make efforts to be culturally respectful. To me, it is definitely a good thing."*

Importantly, respondents connected the respect for their own culture with localization efforts of the global firm. As another respondent (female, 43 years old) pointed out, *"by absorbing Chinese cultural elements into their new product design, I think they are trying to show that they really care about us, and they show respect to our culture."* Respondents often referred to this expression of respect through symbolic localization as *Jiediqi* (grounded in the local context) by the global company (male, 36 years old; male, 39 years old). In other words, CMSPs help to ground global brands by providing a local foundation to the product. The respectful way local symbols are embodied within CMSPs, therefore, seems to be an explanatory key for integrative responses towards this form of cultural mixing.

Exclusionary Reactions Possible, But Less Frequent. Quite interestingly, though the general attitude of interviewees was positive, a few critical comments were made by the interviewees. For example, one respondent (male, 36 years old) remarked that "*Barbie comes from the West. If I only buy one Barbie for my 5-year-old daughter, I will definitely buy the Western style, the authentic one, not the Chinese one. The mixed one might be more for the purpose of collection.*" Another interviewee (female, 43 years old) observed, in regard to the Burberry scarf, that the local element (a Chinese character) was bluntly added to the product, and that the Western design and the Chinese character do not combine well. As such, "*it seems that the company does not really understand our culture, or it has not taken the mixing very seriously.*" Both cases show that there might exist a global-local iconic antagonism; local iconic symbols might be inappropriately employed or just not integrate well with global brands. Indeed, according to the existing literature (e.g., Torelli and Ahluwalia 2012), exclusionary responses often result from cultural mixing; each culture activates a particular

schema and two schemas might be incompatible. However, it has also been remarked that such responses can be decreased by careful cognitive elaborations (Torelli et al. 2011). As such, it is not surprising that interviewees that were asked to intensely reflect on CMSPs might show a less negative reaction in general.

More Expectations for Cultural Mixing for Food Products. Being locally and culturally grounded, food represents a particular product category that demands more localization measures (Özsomer 2012). The interviewees were more familiar with culturally mixed food products (e.g., KFC Youtiao, Starbucks moon cake, Starbucks rice pudding, Häagen-Dazs moon cake) than with non-food products. They either consumed them frequently (KFC Youtiao) or have received them as gifts from friends previously (Starbucks moon cake, Häagen-Dazs moon cake). Importantly, respondents recognized that food products might be a special case. For example, one respondent (male, 27 years old) pointed out that CMSPs might be more successful for food compared to other products; "*For foods, I like to try different things."* Other respondents emphasized that food brands need to be especially attentive to local habits to be successful. One respondent (male, 39 years old) remarked, *"[…] food products are different. Wherever these brands go, they must adapt to the local culture. Foods are specific to ethnic groups, more than clothes or electronic devices."* As such food CMSPs might face a lower risk of exclusionary processes since consumers may be more open to and expect more cultural mixing in this product category.

Discussion

Interviewees reflected on both integrative and exclusionary attitudes towards CMSPs and it emerged that both processes might happen in parallel. For the integrative process, while some respondents stress the innovative/creative characteristics of culturally mixed products, the expression of cultural respect by foreign companies was a recurring theme in the interviews. In addition, we gained some preliminary evidence that consumer attitudes

toward CMSPs may depend upon the product category. To better understand the effects elicited from our qualitative study, we rely on social categorization theory, which will be briefly introduced below.

CONCEPTUAL FRAMEWORK AND HYPOTHESES

Theoretical Background

According to social categorization theory, people categorize themselves in terms of groups they belong to (i.e., in-groups) or do not belong to (i.e., out-groups) to determine their social identities and their social belongingness (Tajfel and Turner 1979; Turner 1985). As individuals seek to achieve a positive self-image and a sense of self-worth, they often display an in-group favoritism compared to referent out-groups. For example, it has been found that in-group members are prescribed with more positive attributes, receive more support, and are allocated more rewards than out-group members (e.g., Gaertner et al. 1989; Tajfel 1970). Importantly, neither the groups nor the biases are set in stone. Former out-group members can be re-categorized to an in-group status or face less discrimination after cooperation between both groups (Gaertner et al. 1989). Moreover, respect shown by out-group members can increase the tolerance of in-group members (Simon and Schaefer 2018) and decrease the bias that in-group members hold against them (Simon, Mommert, and Renger 2015).

Research has shown that consumers form their self-identity and communicate to others through their brand choices (e.g., Fournier 1998). As such, the social cognition effects of the out-group / in-group categorization also translate to brands. In-group brands (i.e., brands associated with groups individuals feel a part of) are rewarded with favorable consumer attitudes, whereas out-group brands (i.e., brands associated with groups individuals do not feel a part of) receive less positive attitudes. Research has revealed that consumers

exhibit strong self-brand connections to in-group brands but weak self-brand connections to out-group brands (e.g., Escalas and Bettman 2005). Although preliminary research has indicated how out-group brand attitudes can be overcome, for example by a moral identity of the in-group (Choi and Winterich 2013), it is not clear what out-group brands can contribute to overcome the unfavorable attitudes from in-groups towards their products.

In the current research, foreign global brands and global companies are out-groups for local consumers. However, in the case of foreign global brands, such an out-group status does not imply that consumers hold negative image or quality perceptions toward global brands (Strizhakova and Coulter 2015; Xie, Batra, and Peng 2015). Even for consumer animosity, which presents an extreme case of social categorization, it has been shown that consumers can have unbiased quality judgements of out-group brands (Klein, Ettenson, and Morris 1998). As foreign global brands outperform local brands in emerging markets in terms of brand image and quality, such an out-group bias would only show strongly in the marketplace if compared to local brands of similar image and quality (Dimofte, Johansson, and Ronkainen 2008). At present, such local brands are rare in emerging markets; however, we have recently witnessed a surge in brand equity of emerging market brands and it has been predicted that the out-group status of foreign global brands in emerging markets will be revealed more openly in the future (Credit Suisse 2018). Indeed, the out-group status of foreign global brands has already been indicated by consumers disapproving the mixing of global and local elements (Heinberg, Ozkaya, and Taube 2017). However, by absorbing local cultural symbols in a respectful way, we anticipate that foreign global brands may overcome the out-group bias of local consumers and in turn enhance consumer attitudes towards CMSPs. This argument is developed in greater detail below.

Research Hypotheses Development

Exclusionary Reactions to CMSPs. The literature has long recognized the positive effects of a global brand positioning on product evaluations. Brand globalness, usually defined by a brand's global reach and embodied consensus values of globalization (Özsomer 2012), is known to enhance brand attitudes (Batra et al. 2000), and to foster brand quality and brand image perceptions which in turn enhance brand purchase likelihood (Steenkamp, Batra, and Alden 2003). However, the literature also reports some conflicting results. The link between brand globalness and prestige did not always cross the significance threshold in previous studies (e.g., Özsomer 2012). Moreover, Dimofte, Johansson, and Ronkainen (2008) argue that the association of brand globalness with quality might originate from a selection bias, because the global brands used in existing analyses are usually strong brands.

For CMSPs, we anticipate a negative relationship between brand globalness and consumer attitudes towards CMSPs, after controlling for established cognitive and affective effects associated with global brands (e.g., Xie, Batra, and Peng 2015). According to social categorization theory, consumers hold unfavorable attitudes towards brands associated with an out-group (Escalas and Bettman 2005). We argue that the more global a foreign brand is perceived, the more CMSPs will be seen as part of the out-group, which would lead to unfavorable consumer attitudes.

Concretely, foreign global brands may evoke feelings of perceived competition, or even threat to the local culture. Globalization presents challenges to emerging market consumers as it may lead to confusion about their cultural identity and alienation between generations (Heinberg, Ozkaya, and Taube 2017). Moreover, consumers are also directly vulnerable to globalization through threats like job losses (Hampson, Ma, and Wang 2018; Shimp and Sharma 1987). Thus, globalization may even cause consumers to perceive foreign brands as invaders to the local culture (Heinberg 2017). Applied to CMSPs, an exposure to symbols of two different cultures may lead consumers to attribute themselves more to the in-

group, increasing the felt distance to the out-group (i.e., foreign global brands) (Chiu, Mallorie, and Keh 2009; Torelli et al. 2011). The mixing of home culture and a foreign/global culture might then result in strong exclusionary reactions like concerns of cultural erosion or cultural contamination (Chiu and Cheng 2007; Cui et al. 2016; Torelli et al. 2011; Yang et al. 2016). Such responses to culturally mixed objects stem from an underlying fear of foreign/global cultures. Consumer reactions thus can be viewed as "emotional, reflexive responses evoked by perceived threats to the integrity and vitality of one's heritage culture" (Chiu et al. 2011, p. 667). Therefore, we hypothesize:

H1: *Brand globalness* is negatively related to consumer *attitude towards CMSPs*.

According to the above argument, the negative influences of brand globalness on attitudes towards CMSPs are rooted in an antagonism between the global positioning inherent in the foreign global brand (out-group brand) and the local symbolism of culture, heritage, and country embedded in the product (i.e., product local iconness; Özsomer 2012) and cherished by local consumers (in-group). This perceived antagonism among emerging market consumers has already been noted in the literature in the form of global company animosity or consumer reactance to the acquisition of local brands by global companies (Alden et al. 2013; Heinberg, Ozkaya, and Taube 2016). Importantly, because of our focus on CMSPs, we are interested in *product* local iconness. As such, it is the product that is initially charged with local iconic attributes, not the brand. The brand itself is a global brand and feedback effects to brand perception would be another research avenue. Therefore, our approach is distinct to previous studies, which are mainly concerned with *brand* local iconness (e.g., Özsomer 2012; Steenkamp, Batra, and Alden 2003). Local iconness can be gained if objects are associated with symbols of local culture, heritage, and country (Özsomer 2012); a Cappuccino machine,

for example, may trigger an Italian cultural schema (Torelli and Ahluwalia 2012). As such, also CMSPs, which are built around local symbols, may enjoy such a local iconic status.

Different from previous literature where brand globalness and localness were put in a parallel position (e.g., Steenkamp, Batra, and Alden 2003; Swoboda and Hirschmann 2016), we argue that they build a causal chain, connecting brand globalness, product localness and consumer responses. The logic to explain the causation is the antagonism between the foreign global brand and the local iconness of the product. Özsomer (2012) has taken a similar sequential logic, but from the opposite angle of local brands globalizing. We argue that the reason why brand globalness reduces the attitude towards CMSPs is that a global brand positioning decreases the symbolic value of the particular product as an icon of local culture. In other words, brand globalness has a negative effect on attitudes towards CMSPs, because it is an out-group brand that sells or creates an in-group product. As such, the mental boundary between out-group and in-group becomes mixed, leading to exclusionary reactions. Recent findings have shown that consumers in emerging markets view brands that are global and local iconic at the same time as less attractive than those that are either global or local iconic (Heinberg, Ozkaya, and Taube 2016). Other studies on culture mixing find similar exclusionary reactions (Chiu, Mallorie, and Keh 2009; Torelli et al. 2011). These consumer reactions may encompass an enlarged perceived distance between two cultures or concerns of 'cultural contamination' (Cheon, Christopoulos, and Hong 2016; Yang et al. 2016).

In summary, to test the chain of argument that the attractiveness of CMSPs of global brands is inhibited by the perception of a cultural antagonism of a foreign global brand (out-group) and a local iconic product (in-group), we hypothesize:

H2: *Product local iconness* mediates the negative relationship between *brand globalness* and consumer *attitude towards CMSPs*.

The global branding literature has long recognized that consumers jointly consider the origin of the brand and the product category (Davvetas and Diamantopoulos 2016; Özsomer 2012; Strizhakova and Coulter 2015). One important reason for this joint consideration is that the social categorization introduced above applies not only to brands, but to product categories as well. Specifically, certain product categories may be associated more with the in-group than others (Aguirre-Rodriguez, Bóveda-Lambie, and Montoya 2014). Food, in particular, is commonly "regarded as the product category that is most often consumed in traditional and locally idiosyncratic ways" (Alden et al. 1999, p. 79). Johansson and Ronkainen (2005, p. 346), for example, find that the "globality of product categories" is lowest for snacks and processed foods. In fact, food is considered as something that is closely tied to local culture, lifestyles and tradition, and thus is more frequently positioned by highlighting local cultural elements (Alden, Steenkamp, and Batra 1999; Steenkamp 1997). Such efforts will lead to a higher perception of localness of food than other product categories, regardless of brand origin. Furthermore, this in-group association of food products is also driven by a stronger need for localization of food products. Freshness is a key quality attribute and evaluation criterion for food across countries. In fact, freshness is much more important than other evaluation criteria like ease of use, appearance, or the packaging for food products (Steenkamp 1997). Therefore, a certain amount of localization is inevitable for food categories, no matter where the brand originates from (van Mesdag 2000). In addition, localization of food products is also prudent for firms, since consumers at large may prefer food products from their own country to those from other countries (Gineikiene, Schlegelmilch, and Ruzeviciute 2016) and consumers view local brands superior to global brands in food categories, but inferior in non-food categories (Davvetas and Diamantopoulos

2016). The preference bias of consumers for local food again translates to a stronger localization of food products compared to non-food products.

We argue that food CMSPs are viewed as closer to the in-group than non-food CMSPs; as such, the out-group bias (in our case the negative effect of brand globalness on product local iconness) is attenuated. The reason is that the food product category already demands a certain localization from global brands, and thus associates them more with the in-group. For example, out-group parent brands with in-group product category extensions are perceived as more culturally fitting than in-group parent brands with an out-group product category extension (Aguirre-Rodriguez Bóveda-Lambie, and Montoya 2014). Therefore, the "misfit" between global and local symbols of CMSPs is perceived as less severe for food products and the bicultural exposure effect (Chiu et al. 2009; Torelli et al. 2011) would play a less relevant or even a non-significant role for food products. However, for non-food categories, the global brand image is connected to stronger out-group associations, feeding the antagonism of the global – local iconic perception.

The findings in our pilot study also support the above logic; interviewees are more likely to accept culturally mixed food products than those from other categories. Empirical research provides further evidence. A recent study has shown that products higher in value expressiveness like clothing or perfume have more pronounced effects of cultural mixing than products low in value expressiveness like mineral water or crackers (Keh et al. 2016). Another study has also demonstrated that the negative relationship between consumer global connectedness and local brand (relative to global brand) purchase is non-significant for food (Strizhakova and Coulter 2015). Therefore, we hypothesize:

H3: The negative effect of *brand globalness* on *product local iconness* is stronger for non-food CMSPs than for food CMSPs.

Integrative Reactions to CMSPs. Cultural respect is defined as the extent to which global/foreign brands/firms skillfully and tactfully take account of local consumers' feelings regarding local traditions, symbols, and cultural heritage in their company actions. Such respect represents an attitudinal appraisal or tactful embracing of local culture by an out-group, in our case foreign global brands/firms.

Drawing on social categorization theory, two theoretically distinct processes triggered by respect have been identified. First, respect expressed from the out-group may enhance the tolerance of the in-group towards the out-group (Simon and Schaefer 2018). Second, respect from the out-group may lead to a re-categorization of out-group and in-group (Simon et al. 2015). These effects are theoretically distinct, as tolerance does not imply that "people give up their objections to out-group norms and practices but rather mutual accommodation." (Verkuyten and Yogeeswaran 2017, p.72). Re-categorization as a common group, however, implies "a higher level of social inclusiveness" (Simon, Mommert, and Renger 2015, p. 617), which diminishes differences between in-group and out-group. In the following we argue that cultural respect may trigger both effects, whereas the former would lead to an increase of attitudes towards CMSPs, the latter implies a moderation of the negative out-group effects, which would result in an attenuation of the negative link between brand globalness and product local iconness.

According to the idea of pluralism, successful integration consists of two processes, out-group members aspiring to become part of a larger collective (in our case the in-group) and the in-group to value and welcome diversity brought about by various out-groups (Glazer 1997). Out-group respect plays a critical role in facilitating such integration because it triggers the reciprocal respect of the in-group and enhances their tolerance (Simon and Schaefer 2018). Verkuyten and Yogeeswaran (2017) established acceptance as a key

component of tolerance, indicating that out-group practices will be better accepted as a result of tolerance. Although social tolerance has been mainly studied in pluralistic societies where majority groups and minority groups interact, the out-group and in-group distinction is applicable to the marketplace where global/foreign brands encounter local consumers and local brands (Gineikiene, Schlegelmilch, and Ruzeviciute 2016). Empirical studies from the cultural mixing literature have provided initial evidence. From an individual's cultural sensitivity point of view, a culturally polite advertising message may evoke the perception of the inflow of the foreign brand as a "polite visit" in the local community" (Li, Kreuzbauer, and Chiu 2015, p. 217) and bring about favorable consumer attitudes. Moreover, people tend to engage in a cultural protection mind-set and negatively evaluate culturally mixed products, when consumers perceive that the local culture is modified by a foreign culture (Cui et al. 2016). Cultural respect of the out-group may then have the opposite effect, increase tolerance of the in-group, and lead to a cultural learning mind-set, which tends to view foreign cultures as resources that complement local culture (Leung and Chiu 2010). On the basis of these arguments and the preliminary findings of our pilot study, we hypothesize:

H4: *Cultural respect* is positively related to consumer *attitude towards CMSPs*.

Further, we posit that product local iconness mediates the relationship between cultural respect and CMSP attitude. This reflects the idea of pluralism that sees integration of an out-group as a two sided process: a considerate move of the out-group towards the in-group is mirrored by enhanced tolerance and acceptance from the in-group (Glazer 1997). The mediation hypothesis thus resembles this notion. If consumers perceive that CMSP introduction is motivated by cultural respect, we would expect that this process is facilitated by an attempt of the out-group, i.e., the global brand, to position its products to become more

locally appealing. As such, consumers may believe that the product is specially designed for local people, better fits local needs and tastes, and thus becomes more locally iconic. In other words, CMSPs can be viewed as introducing home culture into global products.

Additionally, as elicited from the interviews in our pilot study, global companies launching products with Chinese cultural elements are viewed to be on the ground. The Chinese phrase *Jiediqi* very well signifies the importance of being grounded in local context, not in abstract terms. Showing local responsiveness through CMSPs thus may help to better connect a global brand to local consumers.

All these arguments point to a positive relationship between cultural respect and product local iconness. Local iconness, in turn, may facilitate more positive consumer attitudes toward CMSPs. Products with higher local iconness possess rich cultural capital, help consumers identify with their local culture, and thus lead to more favorable consumer responses (Steenkamp, Batra, and Alden 2003; Özsomer 2012). Therefore, we hypothesize:

H5: *Product local iconness* mediates the relationship between *cultural respect* and consumer *attitude towards CMSPs.*

While the above arguments build on an increase in tolerance of in-group members triggered by cultural respect from out-group members (Simon and Schaefer 2018), we now turn to a second potential effect of cultural respect. Simon, Mommert, and Renger (2015) established that respect from out-group members facilitates re-categorization of the original in-group and out-group as a common group. This implies a lowering of distance towards the out-group (Choi and Winterrich 2013), instead of its mere tolerance. Re-categorization may, therefore, enhance the attractiveness of former out-group members (Gaertner et al. 1989).

Applied to CMSPs in particular, such a re-categorization would imply that the out-group bias would decrease when local consumers perceive the launch of CMSPs by foreign global companies as a gesture of cultural respect, leading to a reduction of the inherent tension and possible conflict between global and local cultures. As stated above, the exclusionary reactions toward CMSPs result mainly from consumers' concern about local cultural contamination even erosion, viewing CMSPs as forms of cultural intrusion (Hao et al. 2016). The perception of cultural respect may lower perceptions of cultural intrusion, as it diminishes the distance between out-group and in-group.

On the basis of above arguments, we propose that the hypothesized negative relationship between brand globalness and product local iconness for non-food products is moderated by consumers' perception of cultural respect. Thus:

H6: For *non-food products, cultural respect* attenuates the negative link from *brand globalness* to *product local iconness.*

The conceptual framework is presented in Figure 1.

[------Insert Figure 1 here------]

MAIN STUDY

Assessment of Key Assumption

China was selected as the context for our main study. China is in the focus of practitioners and scholars due to its market size and growth momentum (Kumar and Steenkamp 2013). Moreover, Chinese consumers are both keen on global brands and strong in cultural pride (e.g., Tian and Dong 2011).

First we employed a pilot study to assess if our key assumption, that foreign global brands are indeed viewed as out-group brands, is correct. Building on the social distance scale from Bogardus (1933), we developed a three item seven-point scale of perceived social distance to brands (If you think of [brand] as a relative/neighbour/friend, please indicate how close you feel to it? (similar to very distant - close relative / neighbour at the other end of the street - next door / stranger - close friend) (Cronbach's alpha = .895). We would expect that brands more ascribed with out-group characteristics are perceived as more socially distant than brands with in-group characteristics. We then selected five well-known foreign global brands (Adidas, KFC, Apple, Starbucks, and Nestlé) and paired them with their key local rival from the same product category (Lining, Yonghe King, Huawei, Zhangyiyuan teahouse, and Yili). Such a match is naturally imperfect, as most local brands still need to catch up with foreign global brands in terms of brand image and quality. However, by comparing the perceived distance of consumers to local and foreign brands, we can gain a first understanding if foreign global brands are viewed as belonging to an out-group despite their potentially stronger positioning.

We relied on an online panel from a reputable Chinese panel provider (n = 500). Respondents were between 18-55 years of age and originated from five cities, where all brands have a strong presence (Beijing, Shanghai, Guangzhou, Chengdu, and Tianjin). Each respondent was randomly allocated to one of the 10 brands, but was labeled as qualified only after he/she matched the brand with the correct product category. Results reveal, that local brands (M = 5.46) are viewed as significantly less socially distant than foreign global brands (M = 4.96), $p < .001$, indicating that foreign global brands are viewed more as out-group brands, while local brands are viewed as belonging to the in-group. Moreover, the difference between local and foreign global brands in terms of distance is still significant, when assessing non-food brands ($p < .001$) and food brands separately ($p < .05$). Finally, we relied

on a regression to examine if there is an interaction effect between origin and product category. In accordance with our theoretical argument, the interaction effect is significant (B = .496; p = .041), which suggests that foreign global food brands are indeed less ascribed with out-group characteristics than foreign global non-food brands.

Product Selection

A second pilot study with 48 MBA students in a business school of a prestigious university in Beijing was conducted to identify products that are viewed as *culturally mixed* by consumers. Students received extra credit for their participation. As general categories we included food and clothes (including accessories), because they were considered as culturally meaningful symbolic products in previous studies (Steenkamp and de Jong 2010; Strizhakova and Coulter 2015). In a first step, we selected six products with Chinese cultural elements and global brand names by scanning business magazines (three foods: KFC Youtiao; Häagen-Dazs ice-cream hot pot; Starbucks moon cake; three non-foods: Adidas shoes with jade ring, Charlotte Olympia panda design high heels, Swatch Chinese ink painting watch). Second, we presented these products to respondents, provided a brief introduction of each product in random order, paired with a picture of the real product, and asked respondents to indicate to what extent they perceive the product as *culturally mixed* (seven-point scale:1=no cultural mixing at all, 7= highest degree of cultural mixing). Table 1 displays the means and significance test results of a t-test against the mid-value of the scale.

From the above list, we chose two food products (namely Starbucks moon cake and KFC Youtiao) and two non-food products (namely Swatch Chinese ink painting watch and Adidas shoes with jade ring) for the main study, all of which were clearly perceived as culturally mixed products based on our pilot study. Charlotte Olympia panda design high heels and Häagen-Dazs ice cream hot pot were deleted because consumer ratings displayed

that the elements of cultural mixing might not be easily identifiable to consumers, as the mean value did not significantly exceed the mid-value of the scale.

Sampling and Data Collection

We aimed for a sample to resemble the diverse Chinese population and thus used quota sampling. Data was collected by TNS Global market research, which is one of the largest market research agencies worldwide and has a strong presence in China. Eight cities from eight different provinces/municipalities were selected to represent both the most developed 1st-tier cities (Beijing, Shanghai, and Guangzhou) and lesser-developed cities. For a better geographical distribution, the cities were picked from provinces representing four different regions of China (East, South, Northeast, and West. See Table 3).Trained professional interviewers used mall-intercepts to recruit participants for personal interviews; interviewers then read the questions to respondents and used a tablet to enter answers directly. The face-to-face interview process is costly, but is known to result in high-quality data (Malhotra 2011). The interviewer first asked respondents to rate their brand familiarity with KFC, Starbucks, Adidas and Swatch, then chose the brand respondents were most familiar with for the survey. The total number of respondents was 646 (KFC, 166; Starbucks, 172; Adidas, 162; Swatch 144). Sample characteristics are presented in Table 3.

[------Insert Table 3 here-------]

Measurement and Control Variables

All our measurements were adapted from previous studies (see Table 4) and were assessed with seven-point Likert-type scales (1 = "strongly disagree," and 7 = "strongly agree"). Specifically, we measured the dependent variable, consumer attitude towards CMSPs, using three items adapted from Till and Busler (2000). Perceived product local iconness and perceived brand globalness were measured with the established scales developed by Steenkamp, Batra and Alden (2003) with minor word modification: "brand"

was replaced by "product" for each item for local iconness (but not for globalness). The reason is that we are interested in the perception of the product and not in a possible feedback loop to the global brand as such. Finally, the variable *cultural respect* measures the extent to which the respondents perceive the introduction of a CMSP as an expression of cultural respect by the global brand. We adapted the measurement scale from Li (2013) who used it in an advertising context. To ensure idiomatic equivalence, we used the translation-back-translation method (Steenkamp, Batra, and Alden 2003).

[-------Insert Table 4 here-------]

First, we checked face validity by asking five marketing professors to assess our measures. For this, we provided short definitions of the constructs and our measurement scales. All items used were evaluated as "highly representative", or "somewhat representative", while no items were considered to be "not representative at all" (Katsikeas, Samiee, and Theodosiou 2006). Then, we performed confirmatory factor analysis to test our scales rigorously for validity, reliability, as well as possible bias. Standardized factor loadings of the four constructs are above the .7 threshold, or reasonably close (Hair et al. 2010). Cronbach's alpha coefficients are well above the widely accepted thresholds (Bagozzi and Yi 1988), as they range between .746 and .823. In support of convergent validity, the average variance extracted (AVE) of all constructs lies at or above .5 (Table 4). In addition, the AVEs are found greater than the squared correlation between constructs (Table 5), indicating the presence of discriminant validity of the measures (Fornell and Larcker 1981). Finally, our measurement model displays excellent fit values (CFI = 0.995; RMSEA = 0.021; $\chi 2$ (48) = 61.132) (Hu and Bentler 1999).

[-------Insert Table 5 here-------]

To mitigate the threat of common method variance bias from the beginning, we used an appropriate questionnaire design suggested by MacKenzie and Podsakoff (2012). Post hoc,

we ran the partial correlation procedure, where a theoretically unrelated marker variable acts as a surrogate for common method variance (Lindell and Whitney 2001; Podsakoff et al. 2003). We deem the selected item "Humankind can control the level of pollution" as a reasonable choice for a marker variable. Choosing the lowest correlation between the marker variable and a construct from our model as an estimate for common method variance (Lindell and Whitney 2001), we reached CMV adjusted correlation estimates. After correcting for the potential correlation inflation from CMV, correlations previously significant all remained significant at the same level and dropped only slightly in size (e.g., correlation of brand globalness with cultural respect: .228 (instead of .243 without correction for CMV). Additionally, we re-ran the models controlling for CMV with the help of the marker variable. All hypotheses still received support. Therefore, the evidence shows that CMV in our data is not a serious concern. Moreover, in order to test for multicollinearity, we checked the variance inflation factor. We reached a value of 2.26, which is well below the cut-off point of 10 (Hair et al. 2010), suggesting multicollinearity is not a problem in our analysis.

Finally, we included a number of control variables as covariates to eliminate potential confounding effects. First, we accounted for developmental differences between consumers from tier one and lower tier cities with a dummy variable *City*. Second, *brand familiarity* ("I am very familiar towards [brand]") might influence respondents' attitudes towards specific CMSPs (Steenkamp, Batra, and Alden 2003). Third, *brand attitude* ("I very much like [brand]") and *product quality* ("The overall quality of [product] is very high" and "The quality of [product] is higher than competing products") are implemented to control for the established affective and cognitive processes that have been found to be related to a brand's/product's global and local perceptions (e.g., Özsomer 2012; Xie, Batra, and Peng 2015). Fourth, *perceived creativity* ("The mixing of Chinese and Western in this product brings forth new ideas") is included to control for the established integrative effects related to

cultural mixing (e.g., Leung et al. 2008). Finally, *National Identity* ("I see myself as a Chinese" and "Being Chinese is important to me") controls for individual differences in home country bias (Verlegh 2007). Covariates that address issues related to the brand (i.e., brand familiarity and brand attitude) are modelled solely on the dependent variable attitudes towards CMSPs; the other control variables concern attitudes about the product, consumer values, or developmental differences and thus might have an effect on perceived product local iconness as well as attitudes towards CMSPs. Therefore, we include them as covariates to both mediating and dependent variables.

Results

According to our theoretical reasoning, CMSPs combine iconic aspects of the global brand with local symbols. For our products to meet this requirement, respondents are expected to view them as both, originating from a global brand and as a local iconic product. Our products support this notion; the selected CMSPs are evaluated as highly global and locally iconic at the same time (brand globalness $M = 6.006$; product local iconness $M = 4.807$; which are significantly higher than the mid-value of the scale, $p<.001$). Additionally, we would expect our food and non-food CMSPs to differ according to product local iconness. The reason is that expected localization for food products is higher in general (Steenkamp 1997). Our initial test also supports this notion; food CMSPs are viewed as significantly more local iconic than non-food CMSPs ($p<.05$), but both groups do not differ in terms of brand globalness ($p>.5$). Despite this difference, both food and non-food CMSPs are viewed as highly global and local iconic at the same time (brand globalness, $M_{\text{food}} = 5.975$, $M_{\text{non-food}} = 6.035$; product local iconness, $M_{\text{food}} = 4.899$, $M_{\text{non-food}} = 4.723$; all values are significantly higher than the mid-value of the scale, $p<.001$).

The software Mplus and a maximum likelihood estimator were used for calculations of a structural equation model. We chose a sequential procedure to assess hypotheses. Model

1 includes the effects of both independent variables, cultural respect and perceived brand globalness, as well as control variable effects on consumer attitude towards CMSPs. Along established findings of brand globalness (e.g., Özsomer 2012; Xie, Batra, and Peng 2015), we find that both favorable brand attitudes (.080) and perceived quality (.306) drive consumer attitude towards CMSPs. Moreover, similar to previous findings on culturally mixed products (e.g., Leung et al. 2008), we confirm that perceived creativity of the products enhances consumer attitudes towards CMSPs (.339). Additionally, both our hypothesized effects are significant; supporting H1, perceived globalness of a brand decreases the consumer attitudes towards CMSPs (-.136); a cultural respect motivation of the company as perceived by the consumer increases consumer attitudes towards CMSPs (.358) in support of H4.

The mediation hypotheses are tested with the help of a bootstrap (5000) mediation test (Hayes 2017; MacKinnon 2008). The 95% confidence intervals for the indirect effect of product local iconness clearly exclude zero for the brand globalness – CMSPs attitude relationship [-.086; -.007], as laid out in H2. H5 specified the indirect effect for the cultural respect – product local iconness – CMSP attitude relationship and receives empirical support as the 95% confidence interval excludes zero [.102; .339]. The fit indices display an increasingly better fit for model two compared to model one. Therefore, we obtained additional support for the mediator as developed in H2 and H5 (Table 6). When testing the mediation individually for the product groups (see Web Appendix 3, Table 1), we find both mediations supported for non-food products [-.145; -.002] (for the brand globalness – product local iconness – CMSP attitude relationship) and [.005; .380] (for the cultural respect – product local iconness – CMSP attitude link). For food products, the mediation is only supported when cultural respect is the independent variable [.116; .401], but it has to be rejected for the mediation when brand globalness is the independent variable [-.059; .052]. To test if this difference in mediation is rooted in the difference of the brand globalness –

product local iconness path depending on product category, we ran an additional model testing the interaction between product category (non-food = 1; food = 0) and brand globalness leading to product local iconness (Table 6, Model 3). We find a significant interaction effect (B = -.171; p<.01) and thus obtain support for the notion that the negative effect of brand globalness on product local iconness has a significantly stronger effect size (i.e., leading to a stronger decrease) for non-food products compared to food products (H3). As such, product category is indeed a boundary condition for the negative effect of brand globalness on product local iconness and CMSP attitude.

According to H6, there is a three-way interaction between product category, brand globalness and cultural respect on product local iconness. This would imply that the moderation of cultural respect on the relationship between brand globalness and product local iconness is stronger for non-food products than for food products. This interaction is tested in Model 4 and we find this effect significant (B = .123; p<.01), supporting our hypothesis. This moderated mediation effect becomes more transparent, when calculating values for the brand globalness – product local iconness – CMSP attitude mediation depending on different levels of cultural respect and separated by product category (Web Appendix 4, Table 1). We chose the following three levels of cultural respect: low (i.e., one standard deviation below the mean); medium (i.e., mean), and high (i.e., one standard deviation above the mean). Confidence intervals for the mediation effect for non-food products reveal a decrease in the indirect effect of brand globalness on CMSP attitude with rising levels of cultural respect from [-.112; -.017] (low cultural respect) to [-.079; -.009] (medium cultural respect), and [-.061; .014] (high cultural respect). As such, the negative indirect effect of brand globalness decreases in size and does not cross the significance threshold for high levels of cultural respect. As expected, no such effect is visible for food products. Regardless of the level of cultural respect, the effect of brand globalness on CMSP attitude does not cross the

significance threshold (i.e., [-.045; .046] for low, [-.032; .052] for medium, and [-.041; .084] for high levels of cultural respect). As such, cultural respect attenuates the mediation of local iconness of the brand globalness – CMSP attitude link only for non-food products and we find support that the cultural respect of global brands can decrease their out-group status for non-food products.

[------Insert Table 6 about here------]

DISCUSSION

Drawing on social categorization theory, we tackle an emerging phenomenon – Culturally Mixed Symbolic Products – in an emerging market setting in this research. We found that foreign global brands are prescribed with out-group characteristics by local consumers, and examined strategies for foreign global brands to overcome this out-group bias. While we identified both exclusionary and inclusionary processes, we could observe that the exclusionary reaction is only present for non-food products. Moreover, in case consumers ascribe high levels of cultural respect to the foreign global brand, exclusionary reactions can be attenuated further.

Theoretical Contributions

The findings of our study make several important theoretical contributions to different streams of literature. First, we contribute to a better understanding of the "hybridization of cultural products" (Gürhan-Canli, Sarial-Abi, and Hayran 2018, p. 110) by demonstrating that exclusionary and integrative reactions to bicultural exposure can occur simultaneously. The existing discussion about CMSPs, led mainly by cultural psychologists, treats exclusionary and integrative reactions separately and mainly focuses on exclusionary ones (Chiu et al. 2009; Torelli et al. 2011). This stands in sharp contrast with many real-world

examples of successful CMSPs and thus calls for research to shed light on the drivers and processes of consumer attitudes towards CMSPs. The current investigation confirms previous exclusionary and integrative processes (i.e., the bicultural exposure effect and ascribed perceived creativity as a result of mixing) and reveals an additional integrative mechanism, namely cultural respect through culturally mixed symbolic localization. This provides more specific insights than the general understanding of the extant literature that foreign brands may profit from perceived brand localness to enhance purchase intention (Sichtmann, Davvetas, and Diamantopoulos 2018). Moreover, our research provides evidence that exclusionary and integrative reactions, two seemingly opposite processes, can co-exist and evolve through the same pathway. Indeed, globalness is found to curb product local iconness, whereas cultural respect is found to facilitate it.

Second, we identify product category as a boundary condition for potential exclusionary reactions towards CMSPs. While non-food CMSPs face exclusionary reactions, as evident in the negative relationship between brand globalness and product local iconness, food CMSPs avoid such a negative influence of globalness. As such, emerging market consumers value localization attempts of food brands more than those of non-food brands. We, therefore, add to the knowledge of product category contingency effects. Prior studies suggest that for food products, local brands are perceived as iconic or superior compared to global brands (Davvetas and Diamantopoulos 2016; Özsomer 2012). However, the reason for this preference of local food is still ambiguous, as category symbolism was not supported as an explanatory variable in this regard (Strizhakova and Coulter 2015). Our research thus adds to this stream of research that the in-group association of product category is important. We find that the in-group association is stronger for food products, which can explain the preference for local food products as well as consumers' openness to symbolic adaptations. For such in-group categories like food, consumers themselves demand sincere product

localizations, which diminishes potential exclusionary reactions to CMSPs. This idea is also in line with previous findings that out-group parent brands can build on the in-group character of the product category to enhance their acceptance by in-group members (Aguirre-Rodriguez Bóveda-Lambie, and Montoya 2014).

Finally, we observe that ascribed cultural respect to foreign global brands does not only enhance attitudes towards CMSPs, but also lowers the exclusionary effects. As such, cultural respect is a fundamental factor that increases in-group tolerance and may additionally facilitate the re-categorization of the in-group and the out-group as one common group. Applied to brands, we found that the perceived motivation of cultural respect ascribed to global brands induces consumers to try unusual (i.e., culturally mixed) products, which we relate to tolerance and more pluralistic views induced by out-group respect (Verkuyten and Yogeeswaran 2017). This is important, as the knowledge of how out-group brands can actively enhance brand attitudes from in-group consumers is limited (Choi and Winterich 2013). In addition, cultural respect can attenuate the negative effect of brand globalness on product local iconness, which we witness for non-food products. To our best knowledge, this investigation is the first to introduce cultural respect to the field of global branding. Other disciplines, like sociology, have only recently widened the focus of respect from intragroup to intergroup relationships (Simon, Mommert, and Renger 2015). By incorporating the respect concept into the global branding literature, this study discovers an additional benefit of adaptation. The literature has established several benefits of adaptation like cultural proximity to the consumer, flexibility to respond to the unique needs from local customers, and a more intense penetration of the local market (e.g., Hollensen 2017). Our research demonstrates that in addition to these benefits, consumers also take account of a firm's motivation for adaptation. If consumers perceive cultural respect as the driver of introducing

CMSPs, firms benefit from more favorable consumer attitudes as well as from a decrease of exclusionary reactions caused by a firm's foreignness and globalness.

Managerial Implications

This investigation also provides practical guidelines for brand managers of global companies as they tap into local cultural resources in emerging markets such as China. First of all, it shows that global companies, like local companies, can very well make use of local cultural capital, which is available to both. Despite emerging business practices in this vein, theoretical examination has been lacking. The findings of the current research reinforce the feasibility of such a strategy. Following this, the more important question is how to profit from local cultural resources. Global companies must avoid exploiting local cultural resources. Instead, they are encouraged to show respect in a sincere and serious manner.

In fact, the difficult bit for global brands is to find out how to tap local symbolism in a way so that local consumers perceive it as respectful. One example of a CMSP that was not successful is the Burberry *Fu* scarf that we also included in the qualitative pilot study. First pictures of the *Fu* scarf were widely shared and commented in social media. *Fu*, the Chinese character for prosperity/luck, is a symbol for the Chinese New Year festival and Burberry scarves were sold with the Chinese character stitched in bright red thread. However, consumers saw the scarf as more of a sales tactic than a sign of cultural respect. The reason is a price increase of about 30 percent compared to the normal model; more importantly, local culture was not tapped correctly. For the Chinese New Year festival, the *Fu* character typically is displayed upside-down, meaning, that prosperity/luck has arrived. Burberry missed this important cultural cue and, therefore, failed to convey deep respect and understanding for the Chinese culture (Jie 2015). As such, consumers did not perceive a motivation of respect, nor would they prescribe the product with local iconness.

Global brand managers can also gain insight about how to position their brands in communication campaigns. Applicable but not limited to culturally mixed products, our study shows that the global-local joint positioning is safer for food companies than for non-food companies. Therefore, global food companies, including beverage companies, can adopt a cultural localization or brand extension to a higher degree without triggering the global-local antagonism. However, non-food companies must be very prudent in doing so, because consumers do not expect a localization to the same extent. Therefore, localization of global brands may activate the bicultural exposure effect for non-food products. Global brands thus need to recognize that their globalness could become an obstacle to tap local cultural capital. In case they employ CMSPs as a vehicle for a cultural localization, a sensitive manner, local knowledge, and honest respect to the local community are key success factors.

LIMITATIONS AND FUTURE RESEARCH

The current investigation has several limitations, which provide avenues for future research. First, the research was conducted in a single emerging market (China), which may limit the generalizability of our findings. Although our sample is representative for the Chinese population, the findings we obtained in this country might not transfer to other emerging markets or developed markets. However, it should be noted that exclusionary reactions to mixed cultural objects exist in emerging and developed markets alike (Chiu, Mallorie, and Keh 2009). In addition, the antagonism between local culture and globalization also exists in developed countries (Alden et al. 2013); therefore, we are positive that the results are transferable. Nevertheless, we recommend a test of this assumption.

Second, a number of methodological issues may constrain the validity of our results. While we gain confidence in our findings as they are repeated with different research designs,

future studies need to consider these concerns. Face-to-face interviews, used both in our qualitative pilot study and main study may be prone to social desirability bias. While our online quantitative pilot study confirms the results from these data collections, an experiment could further increase confidence in results. In addition, respondents in the main study were allocated to brands based on familiarity. Although we still witness a healthy variance for our dependent variable, we acknowledge that this allocation may lead to self-selection bias. Moreover, we have only included products with a high degree of cultural mixing. Future research needs to vary this mixing, which would also allow insights into the optimal degree of mixing to maximize the benefit of cultural respect. Likewise our CMSPs only cover a small sample and mainly include luxury/semi-luxury brands (with the exception of KFC). This bias was rooted in the level of brand symbolism that we require from CMSPs. Additional research is thus needed to broaden the scope of these types of products. Moreover, we included national identity as a covariate in order to reveal consumer reactions to CMSPs beyond the national identity influence. Future research needs to consider more consumer-level psychological variables, such as a poly-cultural mind-set, which emphasizes the dynamic and interactive nature of cultures. Future research also should look into the contribution of culturally mixed iconic products to the brand equity of the global brand. In case CMSPs are an indication for a company's cultural sensitivity, how does it contribute to company performance in the long run?

Third, the out-group status of foreign global brands deserves further attention. One interesting avenue for future research would be to investigate certain contexts where the out-group status becomes a benefit and consumers utilize it to differentiate themselves. Another rewarding field are emerging market brands globalizing. Research indicates that the risk of exclusionary reactions towards domestic global brands is lower in emerging markets than in developed economies (Özsomer 2012). Moreover, our quantitative pilot study allows an

indicative test of this assumption and we do not observe out-group characteristics (see Web Appendix 5). It remains for future research to investigate this important issue in more detail.

Finally, our study is only the first step to establish attribution of cultural respect as an important advantage of localization efforts of global brands. Future research needs to examine other potential moderators of the exclusion/integrative mechanism as well as antecedents of cultural respect. Attribution theory suggests that out-group members may suffer more from traits-based attribution than in-group members (Morris, Larrick, and Su 1999). It would be worthwhile to investigate this in light of potentially more selfish/strategic motives for introducing certain CMSPs rather than as an expression of cultural respect. In addition, it would be rewarding to investigate how cultural respect is related to specific schemata activated by cultural symbols and if it is advantageous to activate schemata congruent with schemata triggered by the product category. Moreover, future research regarding the product category could trigger interesting results. While our choice for the food/non-food moderator is based on previous finding (Davvetas and Diamantopoulos 2016; Özsomer 2012), the explanatory mechanism of this contingency effect deserves further attention. Likewise, other product categories may be ascribed with certain motivations of firms for cultural adaptations. This again may moderate exclusionary and integrative processes.

References

Alden, Dana L., James B. Kelley, Petra Riefler, Julie A. Lee, and Geoffrey N. Soutar (2013), "The effect of global company animosity on global brand attitudes in emerging and developed markets: Does perceived value matter?" *Journal of International Marketing*, 23(2), 17–38.

_____, Jan-Benedict E.M. Steenkamp, and Rajeev Batra (1999), "Brand positioning through advertising in Asia, North America, and Europe: the role of global consumer culture," *Journal of Marketing*, 63(1), 75–87.

Aguirre-Rodriguez, Alexandra, Adriana M. Bóveda-Lambie, and Detra Y. Montoya (2014), "Exploring ethnic consumer response to crossover brand extensions," *Journal of Business Research*, 67(4), 457–63.

Bagozzi, Richard P., and Youjae Yi (1988), "On the evaluation of structural equation models," *Journal of the Academy of Marketing Science*, 16(1), 74–94.

Batra, Rajeev, Venkatram Ramaswamy, Dana L. Alden, Jan-Benedict E.M. Steenkamp, and S. Ramachander (2000), "Effects of brand local/nonlocal origin on consumer attitudes in developing countries," *Journal of Consumer Psychology*, 9(2), 83–95.

Bogardus, Emory S. (1933), "A social distance scale," *Sociology & Social Research*, 17, 265–71.

Chen, Xia, Angela K.-Y. Leung, Daniel Y.-J. Yang, Chi-yue Chiu, Zhong-quan Li, and Shirley Y. Y. Cheng (2016), "Cultural threats in culturally mixed encounters hamper creative performance for individuals with lower openness to experience,"*Journal of Cross-Cultural Psychology*, 47(10), 1321–34.

Cheon, Bobby K., George I. Christopoulos, and Ying-yi Hong (2016), "Disgust associated with culture mixing: why and who?"*Journal of Cross-Cultural Psychology*, 47(10), 1268–85.

Chiu, Chi-yue and Shirley Y. Y. Cheng (2007), "Toward a social psychology of culture and globalization: some social cognitive consequences of activating two cultures simultaneously,"*Social and Personality Psychology Compass*, 1(1), 84–100.

_____, Leeann Mallorie, and Hean Tat Keh (2009), "Perceptions of culture in multicultural space: joint presentation of images from two cultures increases in-group attribution of culture-typical Characteristics," *Journal of Cross-Cultural Psychology*, 40(2), 282–300.

_____, Peter H. Gries, Carlos J. Torelli, and Shirley Y. Y. Cheng (2011), "Toward a social psychology of globalization," *Journal of Social Issues*, 67(4), 663–76.

Choi, Woo Jin, and Karen Page Winterich (2013), "Can brands move in from the outside: how moral identity enhances out-group brand attitudes," *Journal of Marketing*, 77(2), 96–111.

Conway, Tony, and Jonathan S. Swift (2000), "International relationship marketing - The importance of psychic distance," *European Journal of Marketing*, 34(11/12), 1391–414.

Credit Suisse (2018), "The Credit Suisse 2018 EM consumer survey: a new direction for the Chinese and Indian consumer," (March 21), (accessed September 5, 2018), [available at https://www.finews.asia/high-end/26647-survey-emerging-credit-suisse-consumer-china-indonesia-india].

Cui, Nan, Lan Xu, Tao Wang, William Qualls, and Yanghong Hu (2016), "How does framing strategy affect evaluation of culturally mixed products? The self-other asymmetry effect," *Journal of Cross-Cultural Psychology*, 47(10), 1307–1320.

Davvetas, Vasileios, and Adamantios Diamantopoulos (2016), "How product category shapes preferences toward global and local brands: A schema theory perspective," *Journal of International Marketing*, 24(4), 61–81.

De Keersmaecker, Jonas, Jasper van Assche, and Arne Roets (2016), "Need for closure effects on affective and cognitive responses to culture fusion," *Journal of Cross-Cultural*

Psychology, 47(10), 1294–306.

Dimofte, Claudiu V., Johny K. Johansson, and IIkka A. Ronkainen (2008), "Cognitive and affective reactions of U.S. consumers to global brands," *Journal of International Marketing*, 16(4), 113–35.

Escalas, Jennifer E., and James R. Bettman (2005), "Self-construal, reference groups, and brand meaning," *Journal of Consumer Research*, 32(3), 378–89.

Fornell, Claes, and David F. Larcker (1981), "Evaluating structural equation models with unobservable variables and measurement error," *Journal of Marketing Research*, 18(1), 39–50.

Fournier, Susan (1998), "Consumers and their brands: developing relationship theory in consumer research," *Journal of Consumer Research*, 24(4), 343–73.

Fu, Jeanne H.-Y., Zhi-xue Zhang, Fang-jun Li, and Yik Kiu Leung (2016), "Opening the mind: effect of culture mixing on acceptance of organizational change," *Journal of Cross-Cultural Psychology*, 47(10), 1361–1672.

Gaertner, Samuel L., Jeffrey Mann, Audrey J. Murrell, and John F. Dovidio (1989), "Reducing intergroup bias: The benefits of recategorization," *Journal of Personality and Social Psychology,* 57(2), 239–49.

Gineikiene, Justina, Bodo B. Schlegelmilch, and Ruta Ruzeviciute (2016), "Our apples are healthier than your apples: deciphering the healthiness bias for domestic and foreign products," *Journal of International Marketing*, 24(2), 80–9.

Glazer, Nathan (1997), *We are all multiculturalists now*. Cambridge, MA: Harvard University Press.

Gürhan-Canli, Zeynep, Gülen Sarıal-Abi, and Ceren Hayran (2018), "Consumers and brands across the globe: research synthesis and new directions," *Journal of International Marketing*, 26(1), 96–117.

Hair, Joseph F., William C. Black, Barry J. Babin, Rolph E. Anderson, and Ronald L. Tatham (2010), *Multivariate data analysis: a global perspective*. Upper Saddle River NJ: Prentice Hall.

Hampson, D. P., Shuang Ma, and Yonggui Wang (2018), "Perceived financial well-being and its effect on domestic product purchases: An empirical investigation in Brazil," International Marketing Review, 35(6), 914–35.

Hao, Jia, Dongmei Li, Luluo Peng, Siqing Peng, and Carlos J. Torelli (2016), "Advancing our understanding of culture mixing," *Journal of Cross-Cultural Psychology*, 47(10), 1257–67.

Harush, Raveh, Alon Lisak, and Miriam Erez (2016), "Extending the global acculturation model to untangle the culture mixing puzzle," *Journal of Cross-Cultural Psychology* 47(10), 1395–408.

Hayes, Andrew F. (2017), *Introduction to mediation, moderation, and conditional process analysis,* 2nd ed. New York, London: The Guilford Press.

He, Jiaxun, and Chenglu Wang (2017), "How global brands incorporating local cultural elements increase consumer purchase likelihood: an empirical study in China," *International Marketing Review*, 34(4), 463–79.

Heinberg, Martin (2017), "Outbreaks of animosity against the West in China: effects on local brand consumption," *International Marketing Review*, 34(4), 514–35.

_____, Erkan Ozkaya, and Markus Taube (2016), "A brand built on sand: is acquiring a local brand in an emerging market an ill-advised strategy for foreign companies?" *Journal of the Academy of Marketing Science*, 44(5), 586–607.

_____, _____, and _____ (2017), "The influence of global and local iconic brand positioning on advertising persuasion in an emerging market setting," *Journal of International Business Studies*, 48(8), 1009–22.

Hollensen, Svend. (2017). *Global Marketing*,7th ed. Pearson: Harlow, UK.

Hu, Litze, and Peter M. Bentler (1999), "Cutoff criteria for fit indexes in covariance structure analysis: conventional criteria versus new alternatives," *Structural Equation Modelling: A Multidisciplinary Journal*, 6(1), 1–55.

Jie, Yang (2015), "What the Fu? Backlash for Burberry over Chinese scarf design," *The Wall Street Journal*. (January 20), (accessed June 16, 2017), [available at https://blogs.wsj.com/chinarealtime/2015/01/20/what-the-fu-backlash-for-burberry-over-chinese-scarf-design/].

Johansson, Johny K., and Ilkka A. Ronkainen (2005), "The esteem of global brands," *Journal of Brand Management*, 12(5), 339–54.

Katsikeas, Constantine S., Saeed Samiee, and Marios Theodosiou (2006), "Strategy fit and performance consequences of international marketing standardization," *Strategic Management Journal*, 27(9), 867–90.

Keh, Hean Tat, Carlos J. Torelli, Chi-yue Chiu, and Jia Hao (2016), "Integrative responses to culture mixing in brand name translations: the roles of product self-expressiveness and self-relevance of values among bicultural Chinese consumers," *Journal of Cross-Cultural Psychology*, 47(10), 1345–60.

Klein, Jill G., Richard Ettenson, and Marlene D. Morris (1998), "The animosity model of foreign product purchase: An empirical test in the People's Republic of China," *Journal of Marketing*, 62(1): 89–100.

Krautz, Carolin, and Stefan Hoffmann (2017), "The tenure-based customer retention model: a cross-cultural validation," *Journal of International Marketing,* 25(3): 83–108.

Kumar, Nirmalya, and Jan-Benedict E.M. Steenkamp (2013), *Brand breakout: how emerging market brands will go global*. Basingstoke: Palgrave Macmillan.

Laurent, Gilles (2000), "Improving the external validity of marketing models: a plea for more

qualitative input," *International Journal of Research in Marketing*, 17(2-3), 177–82.

Leung, Angela K.-y. and Chi-yue Chiu (2010), "Multicultural experiences, idea receptiveness, and creativity," *Journal of Cross-Cultural Psychology*, 41(5), 723–41.

_____, William W. Maddux, Adam D. Galinsky, and Chi-yue Chiu (2008), "Multicultural experience enhances creativity: the when and how," *The American Psychologist*, 63(3), 169–81.

_____, Lin Qiu, and Chi-yue Chiu (2014), "The psychological science of globalization," in *The Oxford handbook of multicultural identity: Basic and applied perspectives*, Ying-yi Hong and Veronica Benet-Martinez, eds. New York: Oxford University Press, 181–201.

Li, Dongmei (2013), *Cultural politeness in international marketing*. Dissertation. Singapore, Nanyang Business School, Nanyang Technological University, Singapore.

_____, Robert Kreuzbauer, and Chi-yue Chiu (2015), "Globalization and exclusionary responses to foreign brands," in *Handbook of culture and consumer behavior,* Sharon Ng and Angela Y. Lee, eds. New York: Oxford University Press, 203–32.

Lindell, Michael K. and David J. Whitney (2001), "Accounting for common method variance in cross-sectional research designs," *Journal of Applied Psychology*, 86(1), 114–21.

MacKenzie, Scott B. and Philip M. Podsakoff (2012), "Common method bias in marketing: causes, mechanisms, and procedural remedies," *Journal of Retailing*, 88(4), 542–55.

MacKinnon, David P. (2008), *Introduction to Statistical Mediation Analysis*. New York: Taylor & Francis.

Malhotra, Naresh K. (2011), *Basic marketing research*. Boston: Pearson Higher Ed.

Marschan-Piekkari, Rebecca, and Catherine Welch (2004), *Handbook of qualitative research methods for international business*. Cheltenham: Edward Elgar.

Miles, Matthew B., A. Michael Huberman, and Johnny Saldana (2014), *Qualitative data analysis: a methods sourcebook*. Thousand Oaks, California: SAGE Publications, Inc.

Morris, Michael W., Richard P. Larrick, and Steven S. Su (1999), "Misperceiving negotiation counterparts: when situationally determined bargaining behaviors are attributed to personality traits," *Journal of Personality and Social Psychology*, 77(1), 52–67.

Özsomer, Ayşegül (2012), "The interplay between global and local brands: a closer look at perceived brand globalness and local iconness," *Journal of International Marketing*, 20(2), 72–95.

Papavassiliou, Nikolaos, and Vlasis Stathakopoulos (1997), "Standardization versus adaptation of international advertising strategies: Towards a framework," *European Journal of Marketing* 31 (7): 504–27.

Peltokorpi, Vesa, and Fabian J. Froese (2014), "Expatriate personality and cultural fit. The moderating role of host country context on job satisfaction," *International Business Review*, 23(1), 293–302.

Peng, Lu-luo, and Tian Xie (2016), "Making similarity versus difference comparison affects perceptions after bicultural exposure and consumer reactions to culturally mixed products," *Journal of Cross-Cultural Psychology*, 47(10), 1380–94.

Podsakoff, Philip M., Scott B. MacKenzie, Jeong-Yeon Lee, and Nathan P. Podsakoff (2003), "Common method biases in behavioral research: a critical review of the literature and recommended remedies," *Journal of Applied Psychology*, 88(5), 879–903.

Shi, Yuanyuan, Jing Shi, Yu L. L. Luo, and Huajian Cai (2016), "Understanding exclusionary reactions toward a foreign culture: the influence of intrusive cultural mixing on implicit intergroup bias," *Journal of Cross-Cultural Psychology*, 47(10), 1335–44.

Shimp, Terence A., and Subhash Sharma (1987), "Consumer ethnocentrism: construction and validation of the CETSCALE," *Journal of Marketing Research*, 34(August), 280–89.

Sichtmann, Christina, Vasileios Davvetas, and Adamantios Diamantopoulos (2018), "The relational value of perceived brand globalness and localness," *Journal of Business*

Research, https://doi.org/10.1016/j.jbusres.2018.10.025, forthcoming.

Simon, Bernd, Alex Mommert, and Daniela Renger (2015), "Reaching across group boundaries: Respect from outgroup members facilitates recategorization as a common group," *British Journal of Social Psychology*, 54(4), 616–28.

_____, and Christoph Daniel Schaefer (2018), "Muslims' tolerance towards outgroups: Longitudinal evidence for the role of respect," *British Journal of Social Psychology*, 57(1), 240–49.

Steenkamp, Jan-Benedict E.M. (1997), "Dynamics in consumer behavior with respect to agricultural and food products," in *Agricultural marketing and consumer behavior in a changing world*, B. Wierenga, A. van Tilburg, K. G. Grunert, J.-B. E.M. Steenkamp, and M. Wedel, eds.New York: Springer US, 143–88.

_____, and Martijn G. de Jong (2010), "A global investigation into the constellation of consumer attitudes toward global and local products," *Journal of Marketing*, 74(6), 18–40.

_____, Rajeev Batra, and Daniel L. Alden (2003), "How perceived brand globalness creates brand value," *Journal of International Business Studies*, 34(1), 53–65.

Strizhakova, Yuliya and Robin A. Coulter (2015), "Drivers of local relative to global brand purchases: a contingency approach," *Journal of International Marketing*, 23(1), 1–22.

Swoboda, Bernhard, and Johannes Hirschmann (2016), "Does being perceived as global pay off? An analysis of leading foreign and domestic multinational corporations in India, Japan, and the United States," *Journal of International Marketing*, 24(3), 1–30.

_____, Karin Pennemann, and Markus Taube (2012), "The effects of perceived brand globalness and perceived brand localness in China: empirical evidence on Western, Asian, and domestic retailers," *Journal of International Marketing* 20(4), 72–95.

Tajfel, Henri (1970), "Experiments in intergroup discrimination," *Scientific American,* 223(5), 96–102.

_____ and John C. Turner (1979), "An integrative theory of intergroup conflict," in *The Social Psychology of Intergroup Relations*, W. G. Austin and S. Worchel, eds. Monterey, Calif: Brooks-Cole, 33–47.

Tian, Kelly, and Lilly Dong (2011), *Consumer-citizens of China*. *The role of foreign brands in the imagined future China*. London and New York: Routledge.

Till, Brian D., and Michael Busler (2000), "The match-up hypothesis: physical attractiveness, expertise, and the role of fit on brand attitude, purchase intent and brand beliefs," *Journal of Advertising* 29(3), 1–13.

Torelli, Carlos J., and Rohini Ahluwalia (2012), "Extending culturally symbolic brands: a blessing or a curse?" *Journal of Consumer Research*, 38(5), 933–47.

_____, and Shirley Y.-Y. Cheng (2011), "Cultural meanings of brands and consumption: a window into the cultural psychology of globalization," *Social and Personality Psychology Compass*, 5(5), 251–62.

_____, Chi-yue Chiu, Kim-pong Tam, AI K. C. Au, and Hean Tat Keh (2011), "Exclusionary reactions to foreign cultures: effect of simultaneous exposure to cultures in globalized space," *Journal of Social Issues*, 67(4), 716–42.

Turner, John C. (1985), "Social categorization and the self-concept: a social cognitive theory of group behavior," in *Advances in Group Processes: Theory and Research*, E. J. Lawler, eds. Greenwich, Conn: JAI Press, 77–122.

van Mesdag, Martin (2000), "Culture-sensitive adaptation or global standardization: the duration-of-usage hypothesis," *International Marketing Review*, 17(1), 74–84.

Verkuyten, Maykel, and Kumar Yogeeswaran (2017), "The social psychology of intergroup toleration: a roadmap for theory and research," *Personality and Social Psychology Review* 21(1), 72–96.

Verlegh, Peter W. J. (2007), "Home country bias in product evaluation: the complementary

roles of economic and socio-psychological motives," *Journal of International Business Studies*, 38(3), 361–73.

Winit, Warat, Gary Gregory, Mark Cleveland, and Peeter Verlegh (2014), "Global vs. local brands: how home country bias and price differences impact brand evaluations," *International Marketing Review* 31(2): 102–28.

Wei, Xin Yue (2015), "*Marketing research: Starbucks in China*," (accessed July 25, 2017), [available at http://daxueconsulting.com/starbucks-in-china/].

Westjohn, Stanford A., and Peter Magnusson (2017), "Export performance: a focus on discretionary adaptation," *Journal of International Marketing* 25(4): 70–88.

Xie, Yi, Rajeev Batra, and Siqing Peng (2015), "An extended model of preference formation between global and local brands: the roles of identity expressiveness, trust, and affect," *Journal of International Marketing*, 23(1), 50–71.

Yang, Daniel Y.-J., Xia Chen, Jing Xu, Jesse L. Preston, and Chi-yue Chiu (2016), "Cultural symbolism and spatial separation: some ways to deactivate exclusionary responses to culture mixing," *Journal of Cross-Cultural Psychology*, 47(10), 1286–93.

Zhang, Tracy (2016), "Starbucks reminds Chinese youth 'home is where the heart is' – New Campaign," *Social Brand Watch*, (September 2), (accessed June 5, 2017), [available at http://socialbrandwatch.com/starbucks-reminds-chinese-youth-home-heart-new-campaign/].

Endnotes

[1] It needs to be acknowledged that strategic fit-related studies (e.g., Katsikeas, Samiee, and Theodosiou 2006) recognize the presence of numerous strategic combinations between marketing strategy standardization and adaptation. However, such studies often still neglect a hybrid positioning that includes both strong global and local iconic elements.

Table 1: T-test of identification as culturally mixed products (significantly higher or lower than four, mid-value of scale)

Product	**Symbolic attributes linked to local culture**	**Symbolic attributes linked to global brand and Western culture**	**mean**	***t***	***p***
Swatch Chinese ink painting watch	Chinese traditional black-white ink painting on the dial and wristband	Swatch Originals design, which is "the heart and soul of Swatch creativity"	5.22	6.470	0.000***
Starbucks moon cake	Form of moon cake, home appeal, gift in a festival emphasizing reunion	Starbucks taste, Mermaid logo on product	5.08	3.364	0.003**
KFC Youtiao	Form and colour of Youtiao, traditional Chinese breakfast item	Commercials stress promise of safety and cleanliness connected to Western fast food in China for KFC Youtiao. Also ingredients reflect special quality promise of Western brands (no alum added)	4.92	2.623	0.015*
Adidas shoes with jade ring and red snake skin design	Jade, symbol of gentlemen in ancient China; snake skin alluding to Chinese zodiac sign (year of the snake)	Adidas iconic sneaker's shape (Superstar). Shoes were introduced in 1969 and relaunched many times. Rap group Run DMC even dedicated a song to the shoes (My Adidas)	4.72	2.628	0.015*
Charlotte Olympia panda design high heels	Pandas exist in China only and are often seen as a symbol of China and Chinese culture	Charlotte Olympia is famous for its high heels (tagline: the higher the heel, the better you feel); shoes made in Italy	3.92	-2.249	0.805
Häagen-Dazs ice cream hot pot	Hot pot is a popular food style in China, promoting the meaningfulness of eating together with friends or family	Häagen-Dazs, iconic in China for its deserts, has built their hot pot treat around its ice cream flavours and cakes	3.61	-0.931	0.362

Note：*** p<0.001；** p<0.01；* p<0.05.

Table 2: Literature review of studies on culture mixing

	Exclusionary reactions when exposed to cultural mixing	**Integrative responses when exposed to cultural mixing**
General attitude	Negative	Positive
Concrete consequences	• Enlarged cultural differences (Chiu et al. 2009; Peng and Xie 2016) • Incompatibility between cultures (Torelli et al. 2011) • In-group attribution (Chiu et al. 2009; Torelli et al. 2011) • Feeling of disgust (Cheon, Christopoulos, and Hong 2016) • Negative product evaluations (Torelli and Ahluwalia 2012; Torelli and Cheng 2011; Torelli et al. 2011)	• Creativity performance (Chen et al. 2016; Leung et al. 2008; Leung, Qiu, and Chiu 2014) • Organizational change acceptance (Fu et al. 2016) • Positive product evaluations (He and Wang 2017; Keh et al. 2016; Peng and Xie 2016)
Underlying process	• Bicultural exposure (Chiu et al. 2009; Torelli et al. 2011) • Concern about cultural contamination (Chiu and Cheng 2007; Torelli et al. 2011; Yang et al. 2016) • cultural intrusion perception (Cui et al. 2016) • ***Perceived antagonism between brand globalness and a product's local iconness (present study)***	• Product creativity perception (Peng and Xie 2016) • ***Cultural respect (present study)*** • ***Enhanced product local iconness (present study)***
Product category moderating factor	• ***Product category: food vs. non-food (present study)***	• Product category value expressiveness (Keh et al. 2016)
Contextual moderating factors	• Mortality salience (Torelli et al. 2011) • Competition with out-groups (Torelli and Cheng 2011) • Closeness between presented objects (Yang et al. 2016) • Thoughtful elaboration about cultural complexities (Torelli et al. 2011) • Cultural symbolism of objects (Yang et al. 2016) • Cultural politeness of foreign culture (Li 2013)	• Cultural threat perception (Chen et al. 2016)
Individual moderating factors	Cognitive dispositions • Need for cognition (Torelli et al. 2011) • Need for closure (De Keersmaecker, Assche, and Roets 2016; Fu et al. 2016) • Openness to experiences (Chen et al. 2016) Values • Patriotism (Cheon, Christopoulos, and Hong 2016) • Multicultural orientation (Shi et al. 2016) Identity • Local cultural identification (Shi et al. 2016) • Balanced global-local identity (Harush, Lisak, and Erez 2016)	• Need for existential concerns (Leung et al. 2008) • Openness to experiences (Chen et al. 2016; Leung et al. 2008; Leung and Chiu 2010) • Autonomy values (Keh et al. 2016)

Table 3: Sample characteristics

Category		**n = 646**
Geographic distribution	1st tier cities: 264 (40.87%) Beijing (90) Shanghai (88) Guangzhou (86)	Lower tier cities: 382 (59.13%) East China: Shandong Province (78); Jiangsu (78) South China: Guangxi Province (75) Northeast China: Liaoning Province (77) West China: Sichuan Province (74)
		Chinese population (according to National Bureau of Statistics)
Female respondents	49.5%	48.8%
Age groups		
15-19	7.3%	7.4%
20-30	25.4%	24.5%
31-40	20.3%	22.2%
41-50	20.3%	21.2%
51-65	26.8%	24.7%

Table 4: Measurement model

Construct and item wording	**λ**	**Mean (std)**
Cultural respect (Li 2013) **CA / CR / AVE**	.775 /.775 /.535	
The introduction of [specific CMSP] by [brand] reflects a favorable view of Chinese culture by [brand].	.699	5.025 (1.328)
The introduction of [specific CMSP] by [brand] communicates respectful attitudes of Chinese culture by [brand].	.761	5.132 (1.313)
The introduction of [specific CMSP] by [brand] reveals the positive attitudes [brand] shows towards Chinese culture.	.733	4.992 (1.299)
Perceived brand globalness (Steenkamp, Batra, and Alden 2003)	.746 /.745 /.500	
To me, this is a global brand.	.773	6.226 (1.430)
I think that consumers overseas buy this brand.	.679	5.800 (1.539)
This brand is sold only in China.*	.664	5.961 (1.600)
Perceived product local iconness (Steenkamp, Batra, and Alden 2003)	.788 /.788 /.553	
I associate this product with things that are Chinese.	.690	4.876 (1.362)
To me, this product represents what China is all about.	.747	4.833 (1.333)
To me, this product is a very good symbol of China.	.791	4.721 (1.381)
Attitude towards CMSP (Till and Busler 2000)	.823 /.826 /.611	
Overall, I am in favor of this product.	.793	4.813 (1.418)
My attitude toward this product is positive.	.730	4.700 (1.396)
I like this product.	.819	4.656 (1.505)

Goodness of fit statistics for CFA: CFI = 0.995; RMSEA = 0.021; $\chi 2$ (48) = 61.132

λ = standardized factor loadings (CFA); CA = Cronbach's Alpha; CR = Composite reliability; *reverse coded

Table 5: Correlation matrix

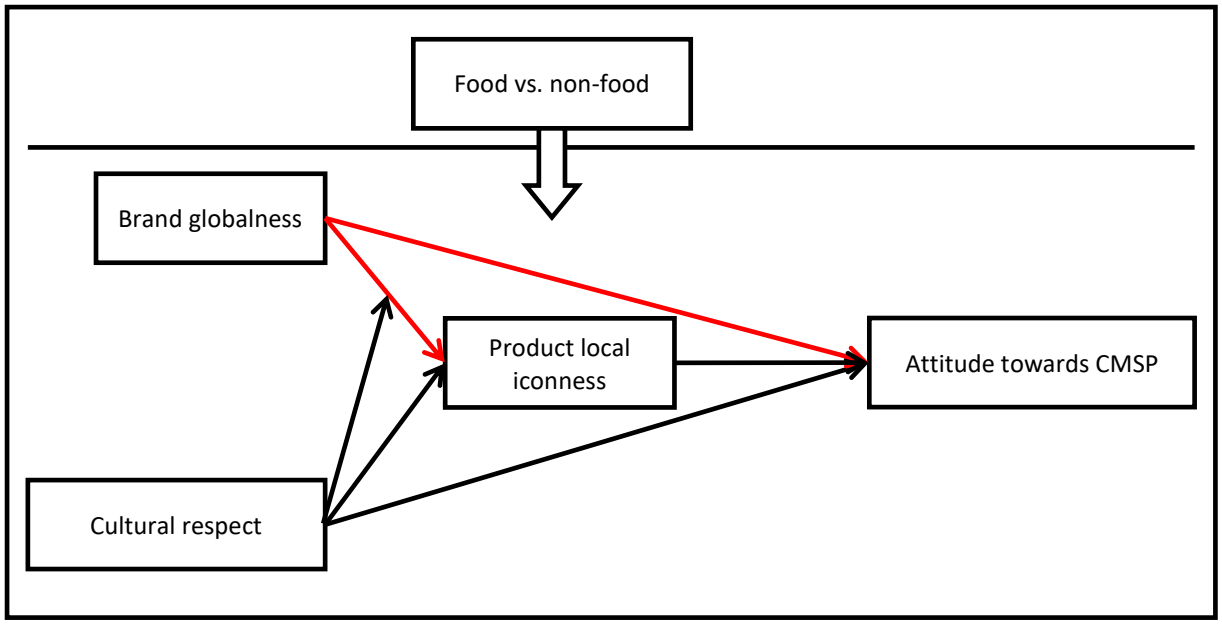
		1	2	3	4	5	6	7	8	9	10	11
1	Cultural respect		.059	.525	.383	.003	.013	.020	.339	.260	.014	.001
2	Perceived brand globalness	.242***		.008	.004	.012	.006	.013	.030	.015	.038	.001
3	Perceived product local iconness	.725***	.091†		.546	.001	.003	.036	.218	.347	.007	.008
4	Attitude towards CMSPs	.619***	.065$^{n.s.}$	.739***		.000	.001	.041	.381	.476	.013	.000
5	City	-.052$^{n.s.}$	.110*	-.030$^{n.s.}$	.001$^{n.s.}$		.000	.003	.000	.000	.014	.025
6	Brand familiarity	.113*	.054$^{n.s.}$	.057$^{n.s.}$	.024$^{n.s.}$	-.001$^{n.s.}$		.225	.005	.000	.000	.000
7	Brand attitude	.140**	.114*	.191***	.203***	-.059$^{n.s.}$	.474***		.052	.017	.001	.010
8	Product quality	.582***	.173***	.467***	.617***	.012$^{n.s.}$	.067$^{n.s.}$	.227***		.224	.005	.062
9	Perceived creativity	.510***	.124**	.589***	.690***	.013$^{n.s.}$	.008$^{n.s.}$	.131***	.473***		.010	.000
10	National identity	.119†	.194***	.085†	.115*	.120*	.004$^{n.s.}$	.024$^{n.s.}$	.071$^{n.s.}$	.098†		.004
11	Product category	-.030$^{n.s.}$	-.028$^{n.s.}$	.088*	.021$^{n.s.}$	-.158***	.011$^{n.s.}$	.100*	.249***	-.016$^{n.s.}$	-.081$^{n.s.}$	

Values below are correlations, values above squared correlations, † p<.1; * p<.05; ** p<.01; *** p<.001; n.s. = not significant.

Table 6: Results of structural equation modelling

Effect	Model 1: Causal variables			Model 2: Mediation test			Bootstrap (5000), 95% confidence int.	Model 3: Moderated mediation: Product category			Model 4: Moderated mediation: Cultural respect			Hypotheses
	B	*beta*	*p*	*B*	*beta*	*p*	*B*	*B*	*beta*	*p*	*B*	*beta*	*p*	
Controls														
City➔CMSP attitude	.020	.019	n.s.	.021	.020	n.s.	[-.044; .089]	.021	.020	n.s.	.021	.019	n.s.	
Brand familiarity➔CMSP attitude	-.075	-.071	†	-.066	-.061	n.s.	[-.144; .016]	-.065	-.060	n.s.	-.066	-.058	n.s.	
Brand attitude➔CMSP attitude	.080	.109	**	.071	.095	*	[.014; .133]	.071	.095	*	.071	.091	*	
Product quality➔CMSP attitude	.306	.292	***	.206	.194	***	[.065; .348]	.204	.193	**	.206	.185	**	
Perceived creativity➔CMSP attitude	.339	.501	***	.288	.419	***	[.208; .367]	.286	.418	***	.288	.400	***	
National identity➔CMSP attitude	.061	.049	n.s.	.036	.027	n.s.	[-.062; .193]	.034	.026	n.s.	.037	.026	n.s.	
City➔ Product local iconness				-.015	-.017	n.s.	[-.079; .047]	-.004	-.004	n.s.	-.002	-.002	n.s.	
Product quality➔Product local iconness				.206	.222	***	[.054; .339]	.176	.196	*	.173	.138	*	
Perceived creativity➔Product local icon.				.206	.354	***	[.141; .272]	.209	.360	***	.207	.254	**	
National identity➔Product local iconness				.048	.043	n.s.	[-.070; .171]	.056	.051	n.s.	.063	.040	n.s.	
Product category➔Product local iconness								.105	.061	n.s.	.078	032	n.s.	
Hypothesized relationships														
Brand globalness➔CMSP attitude (direct)	-.136	-.148	***	-.081	-.087	*	[-.168; -.004]	-.079	-.085	*	-.083	-.085	*	H1
Cultural respect➔CMSP attitude (direct)	.358	.328	***	.104	.094	n.s.	[-.083; .295]	.100	.091	n.s.	.107	.092	n.s.	H4
Product local iconness➔CMSP attitude				.417	.354	***	[.214; .619]	.423	.358	***	.415	.470	**	
Brand globalness➔Product local iconness				-.088	-.111	*	[-.168; -.017]	.000	.000	n.s.	-.089	-.081	*	
Brand globalness➔CMSP attitude (indirect)				-.037	-.043	*	[-.086; -.007]							H2
Brand globalness➔CMSP attitude (total)				-.117	-.133	**	[-.201; -.043]							
Cultural respect➔Product local iconness				.474	.506	***	[.325; .633]	.485	.518	***	.565	.428	***	
Cultural respect➔CMSP attitude (indirect)				.198	.179	***	[.102; .339]							H5
Cultural respect➔CMSP attitude (total)				.301	.274	***	[.146; .479]							
Product category * Brand globalness➔Product local iconness								-.171	-.109	**	-.164	-.062	*	H3
Product category * Cultural respect➔Product local iconness											.041	-.016	n.s.	
Brand globalness * Cultural respect➔Product local iconness											-.028	-.023	n.s.	
Product cat. * Brand global. * Cultural respect➔Product local icon.											.123	.051	**	H6
CFI			.919			.941	-			-			-	
RMSEA			.057			.049	-			-			-	
$\chi 2$ (df)			467.885 (150)			378.754 (147)	-			-			-	
R^2 (CMSP attitude)			.567			.601	-			.601			.638	

Figure 1: Conceptual framework



Note: black (red) lines represent positive (negative) effects according to hypotheses.

Web Appendix 1 Participants in qualitative pilot study

No	Age	Gender	Occupation	Education	City
1	26	F	Graduate student	Bachelor	Beijing
2	27	M	NGO employee	Master	Beijing
3	28	F	Foreign company employee	Master	Beijing
4	31	F	Foreign company employee	Master	Beijing
5	35	F	Entrepreneur	Master	Beijing
6	36	M	University faculty	Ph.D.	Hangzhou
7	38	M	Ph.D. student	Master	Beijing
8	39	M	University faculty	Ph.D.	Nanjing
9	39	F	University faculty	Ph.D.	Baoding
10	43	F	Radio drama script writer	Master	Tianjin

Web Appendix 2 Logic behind criteria that guided the choice of products for qualitative pilot study

As developed in the manuscript, respondents were shown a series pictures of culturally mixed symbolic products at the onset of our individual depth interviews. The choice of products was guided by the following three conditions: (1) products had to belong to an established global foreign brand; (2) have a market presence of at least two years; and (3) be clearly assigned to either food or non-food categories (clothes, shoes, watches, etc.).

The first two criteria were used to ensure that respondents were familiar with the respective brand and perceived it as global. Only then could the launch of new products with local cultural iconic meaning be perceived as an expression of cultural respect or elicit the bicultural exposure effect. Moreover, the culturally mixed products needed to be in the market long enough so that consumers already have initial knowledge and some first-hand experience. The third criterion was included to delve into the potential moderating effect of the product category. Previous literature has observed differences between food and non-food categories related to a product's value expressiveness, symbolism, and perceived quality (Keh et al. 2016; Özsomer 2012; Strizhakova and Coulter 2015).

Web Appendix 3 Mediation test separated by groups

For a clearer view of the group differences implied by H3, we have recalculated Model 2 (Mediation model) for food and non-food products separately and display results in Table 1 below.

Rendering further support for our hypothesis regarding the moderation of product category (H3), we find that the mediation brand globalness – product local iconness – CMSP attitude can only be supported for non-food products (B = -.053; p <.05), but not for food products (B = -.003; n.s.). The 95% confidence intervals for this mediation confirm this finding, as they do not include zero in the case of non-food product [-.145; -.002], but include zero in the case of food products [-.059; .052]. The second mediation, as hypothesized in H4 (cultural respect – product local iconness – CMSP attitude) is supported for both product category groups: non-food products (B = .162; p <.005; [.005; .380]); food products (B = .232; p <.001; [.116; .401]).

Table 1: Results of structural equation modelling

Effect	Model 2: Separated by groups								Hypotheses
	Food products n=338			Bootstrap (5000), 95% confidence int.	Non-food products n=308			Bootstrap (5000), 95% confidence int.	
	B	*beta*	*p*	*B*	*B*	*beta*	*p*	*B*	
Controls									
City➔CMSP attitude	.029	.028	n.s.	[-.075; .112]	-.022	-.002	n.s.	[-.103; .095]	
Brand familiarity➔CMSP attitude	-.019	-.019	n.s.	[-.149; .054]	-.100	-.088	†	[-.223; .009]	
Brand attitude➔CMSP attitude	.093	.142	**	[.021; .167]	.022	.026	n.s.	[-.076; .115]	
Product quality➔CMSP attitude	.184	.187	†	[.091; .396]	.254	.209	*	[.003; .540]	
Perceived creativity➔CMSP att.	.220	.329	***	[.131; .287]	.353	.505	***	[.242; .452]	
National identity➔CMSP attitude	.077	.177	n.s.	[-.131; 222]	-.081	-.029	n.s.	[-.655; .509]	
City➔ Product local iconness	.022	.022	n.s.	[-.112; .128]	-.028	-.038	n.s.	[-.096; .048]	
Product quality➔P. local icon.	.189	.195	*	[.013; .350]	.140	.163	†	[-.042; .360]	
Perceived creativity➔P. local icon.	.229	.347	***	[.103; .316]	.193	.391	***	[.141; .256]	
National identity➔P. local icon.	-.077	-.015	n.s.	[-.166; .236]	.112	.056	n.s.	[-.226; .718]	
Hypothesized relationships									
Brand globalness➔CMSP attitude (direct)	-.028	-.031	n.s.	[-.160; .083]	-.117	-.125	*	[-.266; .029]	
Cultural respect➔CMSP attitude (direct)	.044	.042	n.s.	[-.147; .243]	.152	.130	n.s.	[-.180; .492]	
P. local icon.➔CMSP attitude	.454	.448	***	[.247; .654]	.351	.249	*	[.011; .768]	
Brand globalness➔P. local icon.	-.007	-.008	n.s.	[-.127; .117]	-.151	-.229	***	[-.271; -.071]	H3
Brand globalness➔CMSP attitude (indirect)	-.003	-.004	n.s.	[-.059; .052]	-.053	-.057	*	[-.145; -.002]	
Brand globalness➔CMSP attitude (total)	-.031	-.035	n.s.	[-.163; .083]	-.170	-.182	**	[-.306; -.053]	
Cultural respect➔P. local icon.	.511	.499	***	[.336; .733]	.462	.557	***	[.211; .674]	
Cultural respect➔CMSP attitude (indirect)	.232	.224	***	[.116; .401]	.162	.139	*	[.005; .380]	
Cultural respect➔CMSP attitude (total)	.276	.266	***	[.110; .459]	.314	.269	**	[.042; .603]	
CFI			.939				.919		
RMSEA			.048				.060		
$\chi 2$ (df)		261.629 (147)				308.458 (147)			
R^2 (CMSP attitude)			.649				.611		

Note: B = unstandardized slope estimate; *beta* = standardized slope estimates; *p* = *p*-value; † $p<.1$; * $p<.05$; ** $p<.01$; *** $p<.001$; n.s. = not significant.

Web Appendix 4 Moderated mediation test separated by groups

For a clearer view of the group differences implied by H6, we have recalculated Model 3 (Moderated mediation model) for food and non-food products separately and display results in Table 1 below.

According to the three-way interaction as specified in H6, we would expect differences according to product category in a way that for non-food products, the mediation of brand globalness – product local iconness – CMSP attitude is moderated by different levels of cultural respect; whereas such a moderation is not present for food products. To examine this idea, we thus test the mediation for low levels of cultural respect (i.e., one standard deviation below the mean), medium levels of cultural respect (i.e., mean) and high levels of cultural respect (i.e., one standard deviation above the mean). For non-food products, we receive the following results: low level of cultural respect (B = -.058; p <.05; [-.112; -.017]); medium level of cultural respect (B = -.039; p <.05; [-.079; -.009]); high level of cultural respect (B = -.020; n.s.; [-.061; .014]). As such, the mediation seizes to cross the significance threshold for high levels of cultural respect. Compared to this, for food products, the mediation is never significant, regardless of the level of cultural respect: low level of cultural respect (B = .000; n.s.; [-.045; -.046]); medium level of cultural respect (B = .010; n.s.; [-.032; .052]); high level of cultural respect (B = .019; n.s.; [-.041; .084]).

Table 1: Results of structural equation modelling

Effect	Model 3: Separated by groups								Hypotheses
	Food products n=338			Bootstrap (5000), 95% confidence int.	Non-food products n=308			Bootstrap (5000), 95% confidence int.	
	B	*beta*	*p*	*B*	*B*	*beta*	*p*	*B*	
Controls									
City➔CMSP attitude	.040	.037	n.s.	[-.062; .151]	-.003	-.003	n.s.	[-.107; .100]	
Brand familiarity➔CMSP attitude	-.016	-.015	n.s.	[-.128; .111]	-.108	-.092	†	[-.201; .010]	
Brand attitude➔CMSP attitude	.094	.138	*	[.021; .173]	.021	.023	n.s.	[-.060; .114]	
Product quality➔CMSP attitude	.221	.218	**	[.071; .362]	.288	.202	**	[.070; .477]	
Perceived creativity➔CMSP att.	.225	.327	***	[.145; .319]	.339	.465	***	[.251; .444]	
National identity➔CMSP attitude	-.001	-.001	n.s.	[-.133; .210]	.022	.022	n.s.	[-.114; .212]	
City➔ Product local iconness	.021	.021	n.s.	[-.085; .124]	-.035	.045	n.s.	[-.114; .039]	
Product quality➔P. local icon.	.252	.258	***	[.109; .413]	.221	.218	**	[.088; .390]	
Perceived creativity➔P. local icon.	.224	.336	***	[.153; .305]	.194	.373	***	[.136; .245]	
National identity➔P. local icon.	.045	.046	n.s.	[.156; .200]	.058	.082	n.s.	[-.046; .221]	
Hypothesized relationships									
Brand globalness➔CMSP attitude (direct)	-.016	-.019	n.s.	[-.095; .063]	-.085	-.097	*	[-.175; .005]	
Cultural respect➔CMSP attitude (direct)	.048	.051	n.s.	[-.074; .176]	.095	.096	n.s.	[-.043; .235]	
P. local icon.➔CMSP attitude	.467	.452	***	[.291; .666]	.416	.297	**	[.149; .068]	
Brand globalness➔P. local icon.	.021	.026	n.s.	[-.068; .108]	-.094	-.150	**	[-.166; -.032]	H3
Brand globalness➔CMSP attitude (indirect – cultural respect low)	.000	-.001	n.s.	[-.045; .046]	-.058	-.072	*	[-.112; -.017]	
Brand globalness➔CMSP attitude (indirect – cultural respect medium)	.010	.012	n.s.	[-.032; .052]	-.039	-.045	*	[-.079; -.009]	
Brand globalness➔CMSP attitude (indirect – cultural respect high)	.019	.024	n.s.	[-.041; .084]	-.020	-.017	n.s.	[-.061; .014]	H6
Brand globalness➔CMSP attitude (total – cultural respect low)	-.015	-.020	n.s.	[-.102; .069]	-.144	-.169	***	[-.232; -.057]	
Brand globalness➔CMSP attitude (total – cultural respect medium)	-.006	-.007	n.s.	[-.089; .078]	-.125	-.142	**	[-.268; -.040]	
Brand globalness➔CMSP attitude (total – cultural respect high)	.003	.005	n.s.	[-.092; .101]	-.105	-.114	*	[-.197; -.012]	
Cultural respect➔P. local icon.	.381	.422	***	[.278; .494]	.335	.475	***	[.246; .447]	
Cultural respect➔CMSP attitude (indirect)	.178	.191	***	[.102; .275]	.139	.141	**	[.048; .241]	
Cultural respect➔CMSP attitude (total)	.226	.242	***	[.125; .341]	.234	.237	***	[.123; .349]	
Brand globalness * Cultural respect ➔Product local iconness	.020	.028	n.s.	[-.054; .096]	.046	.093	†	[.0004; .096]	
R^2 (CMSP attitude)			.634				.645		

Note: B = unstandardized slope estimate; *beta* = standardized slope estimates; *p* = *p*-value; † *p*<.1; * *p*<.05; ** *p*<.01; *** *p*<.001; n.s. = not significant.

Web Appendix 5 Investigation concerning the out-group character of domestic global brands

To investigate if also domestic brands that globalize are perceived to belong to an out-group, or if this status is only applicable in the case of foreign global brands, we have also included Huawei, one of most global emerging market brands at present (Interbrand 2018) in our quantitative pilot study.

Despite Huawei's high level of globalization, Huawei is still viewed to belong more to the in-group than its foreign counterpart (Apple) ($M_{Apple} = 4.62$; $M_{Huawei} = 5.92$, $p < .001$). It needs to be noted that such a pairwise comparison can only be a first examination as it is only based on one specific brand pair and on a relatively small sample size (n = 100). Nevertheless, the result indicate that domestic global brands are not viewed as out-group members.

This idea is also confirmed by a further t-test of Huawei's social distance against the social distance to the four other domestic brands in our sample (Lining, Yonghe, Zhangyiyuan teahouse, and Yili). Huawei is viewed to belong more to the in-group than the other domestic brands ($M_{Other} = 5.35$; $M_{Huawei} = 5.92$, $p < .01$). These results are in accordance with the findings from Özsomer (2012) that emerging market consumers view domestic brands globalizing positively.

References

Interbrand (2018), "Best global brands 2018 rankings," (accessed February 1, 2019), [available at https://www.interbrand.com/best-brands/best-global-brands/2018/ranking/]

Keh, Hean Tat, Carlos J. Torelli, Chi-yue Chiu, and Jia Hao (2016), "Integrative responses to culture mixing in brand name translations: the roles of product self-expressiveness and self-relevance of values among bicultural Chinese consumers," *Journal of Cross-Cultural Psychology*, 47(10), 1345–1360.

Özsomer, Ayşegül (2012), "The interplay between global and local brands: a closer look at perceived brand globalness and local iconness," *Journal of International Marketing*, 20(2), 72–95.

Strizhakova, Yuliya and Robin A. Coulter (2015), "Drivers of local relative to global brand purchases: a contingency approach," *Journal of International Marketing*, 23(1), 1–22.