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Will You Speak Up for Me?
Inducing Retail Store Managers' Engagement with Supplier Brands across Cultures

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Abstract

Many consumer goods multinational companies (MNCs) operate host-market subsidiaries that are responsible for managing relationships with local retailers. These retailers often follow a decentralized approach by formally involving their store managers in key decision-making processes involving the MNCs' brands. While store managers play a key role in the success of MNCs' brands, two key questions remain unanswered: (a) what drives a store manager's psychological engagement with MNCs' brands across cultures? and (b) do cultural differences matter to translating store managers' psychological brand engagement into constructive brand voice behavior? We answer these questions using a multilevel dataset spanning nine Latin American countries/MNC subsidiaries, five data sources, and three time periods. Findings reveal that uncertainty avoidance exerts a differing moderating influence on the relationship of MNC-retailer relationship investment and store manager's MNC brand knowledge with psychological brand engagement, whereas individualism and uncertainty avoidance positively moderate the effect of MNC's extra-contractual incentives on a store manager's psychological brand engagement. Also, psychological brand engagement takes on a more important role in leading store managers to speak up, at lower levels of long-term orientation. Finally, we show that inducing store managers to engage in constructive brand voice behavior increases time-lagged, objective data on MNC's salesperson performance.

Keywords: Culture; Brand Engagement; Retail Store Managers; Buyer-Seller; MNCs; Multilevel

INTRODUCTION

Research attention in domestic buyer-seller research has recently focused on understanding customer brand engagement (e.g., Kumar & Pansari, 2016; van Doorn et al., 2010). This attention has led to the realization that brand engagement comprises two distinct but interrelated constructs (e.g., Heller, Chylinski, de Ruyter, Keeling, Hilken, & Mahr, 2021; Prentice, Han, Hua, & Hu, 2019): psychological brand engagement (i.e., the extent to which the customer is investing her/his cognitive and emotional energy into the supplier's brand at work), and behavioral brand engagement (i.e., the behavioral manifestations that have a brand focus, beyond purchase), which is the consequence of psychological brand engagement.

Despite this research interest, we still lack understanding on how companies' efforts to engage customers with their brands are affected by cross-cultural differences (Donthu, Kumar, Pandey, & Lim, 2021; Samiee, Katsikeas, & Hult, 2021). Specifically, the extant international business (IB) and international marketing (IM) buyer-seller research has primarily focused on key outcomes such as relationship performance (e.g., Leonidou, Palihawadana, Chari, & Leonidou, 2011) or relationship quality (e.g., Leonidou, Samiee, Aykol, and Talias, 2014; Skarmeas & Robson, 2008), while paying less attention to customer engagement.

Furthermore, prior IB/IM buyer-seller studies have taken a cross-border perspective by focusing, for example, on how an exporting supplier from one country builds effective relationships with an importer in another country (e.g., Leonidou et al., 2011). Although this perspective has contributed invaluable insights on how suppliers enter foreign markets, it does not address the ongoing or ex post (i.e., post market entry) management of channels in foreign markets. This, however, is key to many multinational companies (MNCs) that often choose to enter a foreign market by building subsidiaries, which must manage external channel partners in that market (Grewal, Saini, Kumar, Dwyer, & Dahlstrom, 2018). Specific to a consumer goods setting, MNCs' subsidiaries may choose to sell to local consumers in the foreign market through local channel partners, such as retailers (Gabrielsson, Kirpalani, & Luostarinen, 2002; Keegan & Green, 2008). In

such settings, MNCs may employ their own local salespeople to sell to these retailers (Alon & Jaffe, 2013; Keegan & Green, 2008). Clearly, these interactions between MNCs' subsidiaries and retailers are not cross-border, as they involve local individuals from the same culture. Rather, given that MNCs establish subsidiaries across multiple countries, examining how MNCs engage foreign channel partners, such as retailers, requires a shift from a cross-border focus to a cross-cultural one.

However, such cross-cultural nuances have been neglected in the extant IB/IM literature. This is surprising given evidence suggesting that the success of many consumer goods MNCs such as Puma (2020) or Unilever (2021) depends on their ability to manage relationships with retailers around the world. Yet, engaging overseas retailers with suppliers' brands constitutes a particularly challenging task for MNCs. For example, the Australian supermarket Woolworths refused to stock Coca Cola's new product Coca Cola No Sugar, which was set to replace Coke Zero, because the retailer wasn't convinced on the need for the brand replacement (Davis, 2019). In another example, Adidas faced problems in the US market when the retailer Dick's Sporting Goods displaced Adidas from its shelves to make space for another brand, which the retailer viewed as being a better fit for female consumers (Germano, 2015).

One plausible reason for such failures is that MNCs underestimated the key role retail store managers play in supporting their brands (Schwalm & Harding, 2000). Although many retailers follow a centralized approach in key decision-making processes involving supplier brands (e.g., merchandising or buying), others employ a decentralized structure in which store managers are formally involved in these processes. Indeed, given their knowledge of local conditions and unique proximity to consumers' needs within retailer companies, store managers of some retail chains decide on the product mix of their stores (Bell, Lal, & Salmon, 2004), decide on in-store promotion/pricing (Namin & Dehdasgti, 2019), or propose ideas to the retailer's headquarters for new or more effective practices (Chang & Harrington, 2000). For example, Carrefour's store managers have decision-making authority over ordering and displaying merchandise in their stores (Vidalon and Denis, 2013), Barnes & Noble empowers store managers to curate their shelves based

on local tastes (Trachtenberg, 2020), whereas Bed Bath & Beyond leverages the knowledge and independence of its store associates to offer products tailored to regional tastes (Nasdaq, 2013). In addition, store managers are evaluated on how well their store performs on financial objectives (Thomas, Barr, Cron, & Slocum, 1998). Thus, they may be more psychologically engaged with MNCs' brands that are not only differentiated from other competitive brands, but also provide in-store promotion/display or allowances that influence retailer performance (Murry & Heide, 1998), thereby helping store managers achieve their individual objectives. Accordingly, retail store managers who psychologically engage with MNCs' brands may provide more support to these brands during their involvement in retailers' key decision-making processes, thus exerting an immense influence on the international success of MNCs. Unfortunately, two pressing questions remain unanswered.

Firstly, what drives a store manager's psychological engagement with MNCs' brands across cultures? Understanding the antecedents of psychological brand engagement under different cultural conditions is key considering findings in the IM buyer-seller literature. For example, prior studies show that customers in high uncertainty avoidance cultures may respond with higher levels of trust and commitment to a supplier's relationship marketing efforts compared to customers in low uncertainty cultures (Samaha, Beck, & Palmatier, 2014). Given that customer engagement has its theoretical roots in relationship marketing (Brodie, Hollebeek, Jurić, & Ilić, 2011), it is likely that store managers from different cultures will respond differently to MNCs' efforts to psychologically engage them. Yet, our understanding of these cultural nuances is worryingly scant.

Secondly, do cultural differences matter for translating store managers' psychological brand engagement into behavioral brand engagement? To date, knowledge regarding this important aspect of international retailing is strikingly limited. This is disconcerting given that previous theoretical work supports the view that individualistic cultures encourage people to display their emotions both verbally and nonverbally (Gupta, Pansari, & Kumar, 2018). Thus, it stands to reason that the link between psychological and behavioral brand engagement may be moderated by culture. Beyond this

gap, Gupta et al. (2018) discuss two types of engagement behaviors: customer behaviors that are directed to the supplier company (e.g., providing suggestions for improvement), and customer behaviors that are directed to other customers, outside the buying company (e.g., word-of-mouth). Yet, business customers (e.g., retailers) rely on teams that comprise peers from multiple functions that influence each other during key decision-making processes (Reinartz & Berkmann, 2018). Thus, retail store managers may engage in a third type of brand engagement behavior – that is, constructive brand voice behavior, which is directed toward influencing peers within the buying company (Ferguson & Johnston, 2011). Unfortunately, the moderating effect of culture on the link between psychological brand engagement and constructive brand voice behavior has not received any attention in the extant IB/IM buyer-seller literature.

Against this backdrop, our overriding objective is to examine the antecedents and consequences of retail store managers' psychological engagement with MNCs' brands across cultures. To this end, we depart from prior cross-border, buyer-seller research and take a cross-cultural perspective, thus making three novel contributions to the IB/IM buyer-seller literature.

First, we shed light on an overlooked, yet key issue for MNCs working with retailers. Specifically, we disentangle the antecedents of a retail store manager's psychological engagement with MNCs' brands under different cultural conditions. We find that (a) the positive effect of MNC-retailer relationship investment on a store manager's psychological brand engagement is amplified under higher levels of uncertainty avoidance and lower levels of individualism; (b) the MNC's extra-contractual incentives increase a store manager's psychological brand engagement for cultures with high individualism and uncertainty avoidance; and (c) uncertainty avoidance weakens the positive relationship between a store manager's MNC brand knowledge and her/his psychological brand engagement.

We also investigate whether cultural differences matter to translating psychological brand engagement into behavioral brand engagement. To examine this issue, we introduce a novel type of behavioral brand engagement to the IB/IM literature that fits our retailer context. Specifically, we

focus on constructive brand voice behavior, which, based on prior work in employee voice behavior (Maynes & Podsakoff, 2014), we define as a store manager's voluntary expression of ideas, information, or opinions focused on effecting organizationally functional change to the context of the relationship with an MNC's brand and directed toward her/his peers *within* the retailer company. Our findings indicate that cultures characterized by lower levels of long-term orientation offer stronger contexts for store managers' psychological brand engagement to manifest into speaking up to other retailer members about how to improve the MNC's brand. Finally, our study reveals that constructive brand voice behavior increases the MNC's salesperson performance (i.e., objective, archival data on percent of quota achievement), supporting the significance of this type of behavioral brand engagement for the IB/IM literature.

Second, although MNCs constitute an area of growing importance in the IB literature, there has been little empirical investigation to understand how MNCs manage relationships with channel partners after they have entered foreign markets (see Grewal et al., 2018). We thus delve into the nuances of MNCs' channel relationships in foreign markets by focusing on how the subsidiaries of a major MNC build relationships with retail store managers across cultures. This focus also allows us to identify the key role that retail store managers play in supporting MNCs' brands across countries/MNC subsidiaries, a role that has been overlooked in prior IB/IM work.

Finally, despite the fact that cross-cultural research is multilevel in nature, to date, IB studies have not paid much attention to examining the cross-level interaction effects of culture at the country level on relationships at the individual level (Kirkman, Lowe, & Gibson, 2017; Tung & Stahl, 2018). We thus follow the recommendations of previous researchers (Taras, Kirkman, & Steel, 2010) and build a multilevel conceptual model that spans three levels: retail store manager, MNC's salesperson, and country/MNC subsidiary (Figure 1). We test our model by assembling a multilevel, international dataset that spans nine Latin American countries/MNC subsidiaries, five data sources, and three time periods: survey data at the MNC's salesperson level (Time 1 or T1); survey and objective (archival) data at the retail store manager level (Time 2 or T2); objective

(archival) data at the MNC's salesperson level (Time 3 or T3); and two sources of secondary data at the country/MNC subsidiary level (T3). This design allows us to examine the moderating effect of culture at the country/MNC subsidiary level on the relationships at the store manager level.

[Figure 1 goes about here]

CONCEPTUAL MODEL

Given our interest in examining the antecedents and consequences of store managers' psychological engagement with MNCs' brands across cultures, we draw on the conceptual framework developed by van Doorn et al. (2010). This framework delineates the antecedents and consequences of customer engagement behavior, thus serving as the overarching theoretical perspective in which we ground our conceptual model. According to van Doorn et al., their framework has its theoretical roots in three lines of research: relationship marketing (e.g., Bolton, 1998), customer cocreation (Lusch & Vargo, 2006), and exit-voice theory (Hirschman, 1970). These theoretical roots provide a conceptual fit with our study setting given that we examine how retail store managers psychologically engage with brands in the context of the MNC-retailer relationship (i.e., an aspect of relationship marketing), and voluntarily offer recommendations to their peers in their company on how to improve processes related to MNCs' brands (i.e., an aspect of both cocreation and exit-voice theory).

We extend van Doorn et al.'s framework with insights from related research that distinguishes between psychological and behavioral brand engagement (e.g., Prentice et al., 2019), highlights the relational nature of the antecedents to customer engagement (e.g., Brodie et al., 2011), and establishes national culture as a contextual variable (e.g., Gupta et al., 2018). Building on this framework and literature insights, we subsequently elaborate on the foundations of our conceptual model (Figure 1).

First, although van Doorn et al.'s (2010) framework recognizes that there are psychological processes embedded in customer-brand connections and experiences that lead to engagement behaviors, the framework focuses on customer engagement behavior. Recently, however, the

customer engagement literature both theoretically (e.g., Heller et al., 2021) and empirically (e.g., Harrigan, Evers, Miles, & Daly, 2018; Prentice et al., 2019) supports the view that psychological brand engagement is a precursor of behavioral brand engagement. We adopt this view in our study at the retail store manager level.

Second, van Doorn et al. (2010) focus on two general categories of antecedents to brand engagement that are of interest in our research: supplier-focused (i.e., requiring the active involvement of the supplier), and customer-focused factors (i.e., requiring the active involvement of the customer). Additionally, subsequent studies (e.g., Brodie et al., 2011; Hollebeek, Srivastava, & Chen, 2019) embed customer engagement within a broader relational perspective, suggesting that engagement may also be influenced by relational or dyadic antecedents – that is, relationship-focused factors (i.e., requiring the active involvement of both the supplier and customer).

Given our context of supplier-retailer relationship, we align these three factors to our setting to propose MNC-retailer relationship investment (i.e., relationship-focused factor), MNC's extra-contractual incentives (i.e., supplier-focused factor), and retail store manager's MNC brand knowledge (i.e., customer-focused factor) as antecedents of psychological brand engagement at the store manager level. Drawing from the work of Palmatier, Dant, and Grewal (2007) on relationship-specific investments in interorganizational relationships, we define MNC-retailer relationship investment as the bilateral investments that both parties (i.e., MNC and retailer) have made to build and maintain a strong, cooperative relationship. Based on prior work on channel relationships in domestic markets (Kashyap, Antia, & Frazier, 2012), we define MNC's extra-contractual incentives as the unilateral investment that the MNC has made in its retailer relationships in the form of extra monetary-based payments, beyond the standard contract, to motivate specific actions to represent the MNC's brands. It should be noted that these incentives are implemented by the MNC's subsidiary with the aim to improve promotion/support of its brands within retail stores in local markets, rather than change the brand characteristics that are centrally defined by the MNC's headquarters and are globally adopted by its subsidiaries (Birnik & Bowman, 2007). For our construct of retail store

manager's MNC brand knowledge, we draw on Löhndorf and Diamantopoulos (2014), who studied how employees' brand knowledge influences their identification with their company. We adapt their definition to our context and define retail store manager's MNC brand knowledge as the degree to which the store manager has a good understanding of the distinct brand identity (i.e., what a supplier's brand is) and knows what the brand promises to its customers.

Third, van Doorn et al.'s (2010) framework predicts the beneficial influence of behavioral brand engagement on key financial outcomes for the supplier. Accordingly, we consider the positive effect of a store manager's constructive brand voice behavior on an MNC's salesperson performance – that is, the percent of net sales quota achieved from a salesperson's activities with her/his customers (i.e., retail store managers in our setting). This expectation is aligned with the reality of an MNC's salesperson hitting quotas by calling on a group of customers in a specific territory in a specific country/MNC subsidiary (Hohenberg & Homburg, 2016).

Finally, although van Doorn et al. (2010) do not explicitly include culture in their framework, they do propose that context – which they define (p. 258) as the "political/legal, economic/environmental, social, and technological aspects (P.E.S.T.) of the society" within which buyers and sellers exist – moderates the relationship between the antecedents and customer engagement. We extent their framework by considering culture manifested at the country/MNC subsidiary-level as a key contextual factor that can act as a moderator of relationships among constructs at lower levels, a view supported in the IB literature (e.g., Kirkman, Lowe, & Gibson, 2006; Tung & Stahl, 2018). Although our context involves business transactions between MNCs' subsidiaries and retailers in foreign markets that aim to meet business objectives (e.g., sales/profits), prior studies stress that culture is the most influential aspect of international marketing channels research, as it has been found to significantly influence channel management and strategy decisions (Hoppner & Griffith, 2015).

Furthermore, we do not anticipate that every cultural dimension at the country/MNC subsidiary level moderates all relationships at the retail store manager level. This is consistent with

recent IB/IM studies that have developed hypotheses for one or just a few cultural dimensions based on theoretical arguments (e.g., Jiang, Colakoglu, Lepak, Blasi, & Kruse, 2015; Westjohn, Magnusson, Peng, & Jung, 2021). It should be noted, however, that we do not rely on this precedent in previous studies to justify the selective use of cultural dimensions. Rather, we adopt a theoretically stringent approach. Specifically, we draw on the influential work of Hofstede, Hofstede, and Minkov (2010) as well as related IB/IM research (e.g., Gupta et al., 2018; Samaha et al., 2014) to nail down the conceptual logic of cultural dimensions that may act as moderators (see first column in Table 1). Then, we carefully examine whether the conceptual logic of the moderators fits with the conceptual logic of each main effect (see first row in Table 1). Thus, we only formulate moderating hypotheses for specific cultural dimensions, which have a conceptual fit with the theoretical mechanism of the main effects in our conceptual model (see second through fifth column in Table 1). Accordingly, guided by our theoretical approach, we include uncertainty avoidance, individualism, and long-term orientation as hypothesized moderators in our model and develop formal hypotheses for them (Table 1). In so doing, however, we do not hypothesize every possible interaction between these dimensions and the main effects in our model. Rather, we only focus on dimensions whose conceptual logic fits the mechanism of the main effect (see Table 1).

[Table 1 goes about here]

First, the theoretical mechanisms of the main effects of MNC-retailer relationship investment, MNC's extra-contractual incentives, and retail store manager's MNC brand knowledge on a store manager's psychological brand engagement are based on mitigating uncertainty, ambiguity, or risk (see Table 1). Because these theoretical mechanisms fit with the conceptual logic of uncertainty avoidance (i.e., a culture whose members highly value activities that reduce uncertainty, risk, and ambiguity), we formally hypothesize moderating effects of uncertainty avoidance on these main effects. However, the conceptual logic of the main effect of a retail store manager's psychological brand engagement on her/his constructive brand voice behavior is based on motivating the expression of thoughts and emotions (see Table 1). Thus, because there is no fit

between the conceptual logic of the main effect and that of uncertainty avoidance, we do not formulate a hypothesis for the moderating effect of uncertainty avoidance on this main effect.

Second, the conceptual logic of individualism deals with "in-group" relationships (Hofstede et al., 2010: p. 101), where the in-group refers to either an interfirm relationship (Hoppner, Griffith, & White, 2015) or a workplace group (Hofstede et al., 2010). In our context, the in-group refers to either the MNC-retailer interfirm relationship or the group in which the store manager works in the retailer company. Accordingly, there is good fit between the conceptual logic of individualism and the conceptual logic for the main effects involving the constructs of MNC-retailer relationship investment, MNC's extra-contractual incentives, and retail store manager's constructive brand voice behavior (see Table 1). This is so because the first two constructs are defined in the context of the interfirm relationship, whereas the third one is defined in the context of the workgroup. Accordingly, we formulate hypotheses for the moderating effects of individualism on these three main effects. However, the conceptual logic for the main effect of a retail store manager's brand knowledge on her/his psychological brand engagement is based on mitigating ambiguity and uncertainty (see Table 1). Further, there is no reference to an in-group in this effect, as brand knowledge focuses on the individual and the personal meaning about a brand stored in her/his memory (see Keller, 2003). Thus, because there is no fit between the conceptual logic of this main effect and individualism, we do not hypothesize a moderating effect.

Third, the conceptual logic of long-term orientation rests on the idea that individuals restrain and not display their emotions and thoughts (Gupta et al., 2018; Hofstede et al., 2010). This logic fits well with the theoretical mechanism explaining the impact of retail store managers' psychological brand engagement on their constructive brand voice behavior, given that this main effect is also based on the expression of emotions and thoughts (see Table 1). Thus, we formulate a moderating hypothesis for this main effect. However, the conceptual logic of long-term orientation does not fit with the theoretical mechanisms linking MNC-retailer retailer relationship investment, MNC's extra-contractual incentives, and retail store manager's MNC brand knowledge with a retail

store manager's psychological brand engagement. This is so because these mechanisms deal with mitigating ambiguity/uncertainty/risk, engaging in self-serving behaviors, or increasing mutual interdependence and reciprocity (see Table 1). Thus, we do not formulate moderating effects of long-term orientation on these three main effects.

Further, again guided by our theoretical process, we do not include the masculinity, power distance, and indulgence dimensions in our model, given that there is no conceptual logic linking these dimensions to any of our main effects. First, "masculinity-femininity is about a stress on ego versus a stress on relationship with others, regardless of group ties" (Hofstede et al., 2010: p. 146). However, as mentioned earlier, our study relationships are largely defined in the context of an in-group. In addition, according to Hofstede et al. (2010), whenever relationships are predetermined by group ties, and independence (dependence) from in-group ties is of interest, individualism (collectivism) rather than masculinity is the appropriate dimension. Again, there is no fit between the conceptual logic of masculinity and that of our main effects (see first row in Table 1). Second, power distance refers to the notions of hierarchy and dependence in subordinate-superior relationships (Hofstede et al. 2010) or differences in status (Samaha et al., 2014). However, none of our main effects' conceptual logic deals with these notions (see first row in Table 1). Finally, the conceptual logic of indulgence pertains to "enjoying life and having fun" (Hofstede et al., 2010: p. 281), which does not fit with the conceptual logic of our main effects (see first row in Table 1). Notwithstanding these theoretical arguments, we empirically consider the moderating effects of all six dimensions on all main effects at the retail store manager level to offer more comprehensive support of our moderator selection (see Additional Analyses section).

HYPOTHESIS DEVELOPMENT

Given our focus on the moderating effects of culture, we do not formulate hypotheses on the main effects at the retail store manager and MNC's salesperson levels (Figure 1). Rather, we formally hypothesize the cross-level moderating influences of culture at the country/MNC subsidiary level on the main effects at the store manager level. For the sake of clarity, however, we present the

conceptual logic of the main effects both in the build-up of the subsequent moderating hypotheses and in Table 1. Specifically, for each hypothesized moderating effect, we start off by describing the theoretical mechanism for the main effect, and then we proceed to formulate the moderating effect by showing how the moderator influences this theoretical mechanism.

Interactions of Culture with the Antecedents of Retail Store Manager's Psychological Brand Engagement

Uncertainty avoidance. Regarding the main effect, we posit that the MNC-retailer relationship investment, which entails a bilateral activity where parties jointly invest resources to create a cooperative relationship, signals genuine commitment to the relationship as these investments are not recoverable outside the relationship (Anderson & Weitz, 1992). Specifically, parties make investments that not only demonstrate good faith but also bind both parties to the relationship such as when one party trains its employees to sell the other party's products or adopt a common order processing system (Anderson & Weitz, 1992). Because of this mutual commitment to the relationship, parties shift their focus to promoting norms of mutual interdependence and reciprocity (Anderson & Weitz, 1992; Xie, Suh, & Kwon, 2010) that mitigate the uncertainty and ambiguity (Larson, 1992), which retail store managers experience in their relationship with the MNC. We thus expect that this reduced uncertainty and risk motivates managers to invest their cognitive and emotional energy/resources into the MNC brand, thereby increasing their psychological brand engagement.

The theoretical mechanism for the main effect above suggests that factors that influence individuals' perceptions of risk/uncertainty should influence the effect of the MNC-retailer relationship investment on store managers' psychological brand engagement. We therefore posit that uncertainty avoidance –which captures the extent to which people tolerate uncertainty and ambiguity (Hofstede et al., 2010) – will exert a synergistic moderating effect. Specifically, people in high uncertainty avoidance cultures feel anxiety when faced with uncertain, risky, or ambiguous situations, and consequently value strategies to reduce risk (Hofstede et al., 2010; Samaha et al.,

2014). One such risk reduction strategy comprises supplier-retailer bilateral relationship investments, which reduce risk and uncertainty about the motives and intentions of the other party (Larson, 1992). We expect that these reduced levels of uncertainty are valued more by store managers in high uncertainty avoidance cultures (relative to low uncertainty cultures), thereby motivating them to invest more cognitive and emotional energy/resources into the MNC's brand, which increases their psychological brand engagement. Thus:

> Hypothesis 1a: The higher the uncertainty avoidance in a culture, the stronger the positive relationship between the MNC-retailer relationship investment and a retail store manager's psychological brand engagement.

We expect a main effect of the MNC's extra-contractual incentives on psychological brand engagement because such incentives enact a risk reduction mechanism, which is a result of the supplier signaling unilateral commitment to the relationship with the retailer (Anderson & Weitz, 1992). Financial incentives offered outside of formal contracts to motivate additional efforts and cooperation with the MNC's specific brand initiatives represent a costly initiative for suppliers (Kashyap et al., 2012). This is costly because the supplier assumes the consequences in the case of relationship termination. Store managers may thus view such investments as a credible pledge of MNC investment to the retailer relationship, which mitigates concerns for supplier self-serving behaviors (Anderson & Weitz, 1992; Jap & Ganesan, 2000). Furthermore, extra-contractual incentives may reduce uncertainty by clarifying how store managers can receive remuneration for their efforts at the local level (Gilliland & Bello, 2001). Thus, we posit that the reduced levels of risk will motivate retail store managers to invest their cognitive and emotional energy/resources into the MNC's brand, thereby increasing their psychological brand engagement with the brand.

We propose that uncertainty avoidance will exert a synergistic effect on this main effect. Specifically, uncertainty avoidance should enhance the importance of the MNC's extra-contractual incentives for retail store managers, and thereby strengthen their psychological brand engagement. To elaborate, the risk-reduction mechanism enacted by extra-contractual incentives should be highly valuable

to store managers in a high uncertainty avoidance culture where stability and continuation are appreciated (Samaha et al., 2014) and where individuals feel threatened/stressed by ambiguous or unknown situations (Hofstede et al., 2010). Thus, compared to store managers in low uncertainty avoidance cultures, we expect that store managers in high uncertainty avoidance cultures will be more motivated to invest their cognitive and emotional energy/resources into an MNC's brand when the supplier offers higher levels of extra-contractual incentives, thereby increasing their psychological brand engagement. Hence:

> Hypothesis 1b: The higher the uncertainty avoidance in a culture, the stronger the positive relationship between the MNC's extra-contractual incentives and a retail store manager's psychological brand engagement.

According to prior research on internal branding (Löhndorf & Diamantopoulos, 2014), brand knowledge reflects an individual's deep understanding of the brand's identity and values. In our context, we expect that this enhanced understanding gives store managers the ability to recognize the MNC's differentiated brand positioning from competitive brands (Keller, 2003), as well as to ascertain the influence of the MNC's brand on their own store performance. Indeed, prior work shows that brand knowledge reduces customers' uncertainty (Erdem, Swait, & Louviere, 2002) by signaling product quality and by strengthening brand equity (Kenning, Grzeskowiak, Brock, & Ahlert, 2011). Accordingly, we expect the benefits of deep brand knowledge offer retail store managers with strategies to mitigate the ambiguity and uncertainty they experience regarding the MNC's brand as markets shift and store trends emerge. Thus, we posit that these reduced levels of ambiguity/uncertainty will energize more investment of cognitive and emotional energy/resources into the MNC's brand, thereby increasing store managers' psychological brand engagement.

Given this theoretical mechanism for the main effect, we expect that uncertainty avoidance will exert a synergistic effect by amplifying the value of MNC brand knowledge in motivating retail store managers' psychological brand engagement. Specifically, we posit that the reduction of risk and uncertainty stemming from deeper MNC brand knowledge will be highly valued by managers in high uncertainty cultures. Indeed, previous studies highlight that individuals in high uncertainty cultures feel

threatened/stressed by ambiguous or unknown situations (Hofstede et al., 2010). Accordingly, these individuals highly value activities that reduce uncertainty, risk, and ambiguity (Samaha et al., 2014) and strive to improve their knowledge and ability to mitigate uncertainty in their job (Hohenberg & Homburg, 2016). We therefore expect the reduced ambiguity and uncertainty emanating from brand knowledge will energize store managers in higher uncertainty cultures to invest more cognitive and emotional resources/energy into the success of the MNC's brand. Thus:

> Hypothesis 1c: The higher the uncertainty avoidance in a culture, the stronger the positive relationship between a retail store manager's MNC brand knowledge and a retail store manager's psychological brand engagement.

Individualism. MNC-retailer relationship investment pertains to bilateral activities, which both the supplier and the retailer are engaging in, and which realign parties' self-interests, thereby increasing norms of mutual interdependence and reciprocity (Anderson & Weitz, 1992; Xie et al., 2010). These norms create an environment conducive to the pursuit of collective goals and a sense of "we-ness" (Jap & Ganesan, 2000). We thus suggest that these norms, which are observable to the parties in the relationship (Anderson & Weitz, 1992), will motivate retail store managers to invest their cognitive and emotional energy/resources into the MNC's brand, thereby increasing their psychological brand engagement.

Based on the main effect's theoretical mechanism above, we expect that individualism will exert an antagonistic effect by weakening the impact of MNC-retailer relationship investment on store managers' psychological brand engagement. Individualism represents one pole in the individualism-collectivism dimension of national culture and refers to the independence of the individual from an in-group (Hofstede et al., 2010). Thus, people in individualistic cultures are not governed by reciprocity norms and mutual interdependence and are less "concerned with the collective well-being of their entire group" (Samaha et al., 2014: p. 82). This means that people in individualistic cultures are less motivated to maintain harmony in relationships, thus leading them to prioritize relationships that offer personal benefits rather than mutual benefits (Beck, Chapman, &

Palmatier, 2015). This lack of responsiveness to the well-being of the in-group should buffer the influence of norms of mutual interdependence and reciprocity that store managers experience when both the supplier and the retailer have invested resources in the relationship (Anderson & Weitz, 1992; Xie et al., 2010). Thus, an individualistic culture should weaken the effect of MNC-retailer relationship investment on store managers' motivation to invest their cognitive and emotional energy/resources into the MNC's brand. Conversely, this effect should be strengthened in collectivistic cultures, where individuals are expected to respond favorably to norms of mutual interdependence and reciprocity (Samaha et al., 2014). Thus:

> Hypothesis 2a: The higher the individualism in a culture, the weaker the positive relationship between the MNC-retailer relationship investment and a retail store manager's psychological brand engagement.

As mentioned previously, we suggest a positive effect of the MNC's extra-contractual incentives on psychological brand engagement. The conceptual logic for this main effect is that extra-contractual incentives signal that the MNC will not engage in self-serving behaviors, given that such incentives represent a unilateral investment that the MNC makes in the relationship with the retailer that is very costly to design and deploy (Kashyap et al., 2012). Thus, extra-contractual incentives are viewed by retailers as nontransferable investment pledges that an MNC is making to the collective goals of the relationship (Gilliland & Bello, 2001). Accordingly, extra-contractual incentives will motivate retail store managers to invest their cognitive and emotional energy/resources into the MNC's brand, thereby increasing their psychological brand engagement.

We expect that individualism exerts a synergistic effect by strengthening this main effect. Specifically, individualistic cultures value self-reliance, independence, and individual goal attainment (Samaha et al., 2014), which creates an expectation for everyone to look after themselves (Matsumoto, Nezlek, & Koopmann, 2007). Because of this tendency, people within cultures high on individualism have been socialized to expect self-serving behaviors to occur more frequently in their daily lives compared with individuals in collectivistic cultures (Chelminski & Coulter, 2007;

Hoppner et al., 2015; Samaha et al., 2014). As such, individuals should show greater appreciation for unilateral supplier commitment because experiencing commitment is less common in individualistic cultures (Homburg, Kuester, Beutin, & Menon, 2005). We therefore expect that extra-contractual incentives that are unilaterally offered by an MNC should be more instrumental for store managers in individualistic cultures, as managers perceive these incentives to be a strong signal of genuine MNC commitment to the retailer relationship that curbs self-serving behaviors. Thus, compared to individuals in collectivistic cultures, the additional monetary rewards unilaterally offered by MNCs beyond a standard contract will motivate store managers in individualistic cultures to invest higher levels of cognitive and emotional energy/resources into improving the MNC's brand performance, thereby increasing their psychological brand engagement. Thus:

> Hypothesis 2b: The higher the individualism in a culture, the stronger the positive relationship between the MNC's extra-contractual incentives and a retail store manager's psychological brand engagement.

Interactions of Culture with Retail Store Manager's Psychological Brand Engagement

Prior work on employee engagement (i.e., investment of an individual's cognitive and emotional energy in her/his work) has shown that engagement is explicitly a motivational concept that has behavioral consequences (Rich, LePine, & Crawford, 2010). Specifically, engagement creates a positive state of activation or arousal (Langelaan, Bakker, van Doornen, & Schaufeli, 2006; Maslach & Leiter, 1997) that motivates behaviors (Parker & Griffin, 2011), such as sharing ideas with peers to improve the functioning of the organization (Rich et al., 2010). This view is supported by marketing research suggesting that customer engagement behaviors result from motivational drivers (van Doorn et al., 2010), such as psychological engagement, which comprises cognitions (e.g., thoughts) and emotions (Heller et al., 2021; Prentice et al., 2019). We draw from this literature to suggest a positive main effect of a retail store manager's psychological brand engagement on her/his constructive brand voice behavior. Specifically, we expect that investing high levels of cognitive and emotional energy/resources into the focal MNC's brand (i.e., psychological brand engagement) creates a positive state of activation or arousal that

motivates retail store managers to express their thoughts and emotions about the MNC's brand to their peers within the retailer company (i.e., constructive brand voice behavior). We next elaborate on how long-term orientation and individualism moderate this main effect.

Long-term orientation. We predict that long-term orientation will exert an antagonistic moderating effect, in that it will suppress the importance of a retail store manager's psychological brand engagement with the MNC's brand for enacting constructive brand voice behaviors. Specifically, long-term orientation refers to cultures that focus on future attainments (Hohenberg & Homburg, 2016) and long-term goals (Beck et al., 2015), thus encouraging the delayed gratification of individuals' material, social, and emotional needs (Matsumoto et al., 2008). As mentioned previously, psychological brand engagement refers to the store manager investing cognitive and emotional energy into the MNC's brand at work. Drawing on earlier work on employee engagement (Rich et al., 2010), this investment implies that, in our context, store managers are cognitively vigilant and attentive to the brand and express their emotions about the brand openly while performing their job. Previous customer engagement research, however, has suggested that individuals in long-term orientation cultures restrain displays of emotion (Gupta et al., 2018). This postulation is consistent with results from a series of cross-cultural studies, which finds that individuals in cultures high on long-term orientation are more likely to regulate their emotional reactions and suppress their emotional expressivity (Matsumoto et al., 2007), as well as curb their intellectual curiosity and creativity (Matsumoto et al., 2008). These findings suggest that emotional and intellectual expression can threaten a long-term perspective in interpersonal relationships and the maintenance of social order (Matsumoto et al., 2008). Accordingly, compared to individuals in cultures low on long-term orientation, individuals in cultures high on long-term orientation will regulate their emotions and thoughts more. This situation will buffer the motivation to express thoughts and emotions that store managers are experiencing as a result of their psychological brand engagement with the MNC's brand, thereby weakening the effect of psychological brand engagement on constructive brand voice behavior. Thus:

Hypothesis 3: The higher the long-term orientation in a culture, the weaker the positive relationship between a retail store manager's psychological brand engagement and a retail store manager's constructive brand voice behavior.

Individualism. We expect that higher levels of individualism act as a synergistic mechanism that increases the motivation to express the thoughts and emotions that store managers experience as a result of psychological brand engagement with the MNC's brand, thus leading to higher levels of constructive brand voice behavior. Prior work states that, compared to people in collectivistic cultures, people in individualistic cultures are more likely to be encouraged to express their emotions (Gupta et al., 2018) or cognitions (e.g., thoughts) by engaging in behaviors such as speaking up (Hofstede et al., 2010) or voicing their concerns (Chelminski & Coulter, 2007). This heightened emotional and cognitive reactivity in individualistic cultures should therefore increase the motivation to express the thoughts and emotions that store managers are experiencing because of their psychological brand engagement with the MNC's brand. Accordingly, store managers' psychological brand engagement should have a stronger influence on their constructive brand voice behavior in individualistic cultures, and a weaker influence in collectivist cultures. Thus:

Hypothesis 4: The higher the individualism in a culture, the stronger the positive relationship between a retail store manager's psychological brand engagement and a retail store manager's constructive brand voice behavior.

RESEARCH METHODS

Research Design and Sample

According to the extant IB literature, appropriate testing of cross-cultural differences requires a research design that allows for sample comparability (Lee & Green, 1991). In our context, this requires that the supplier/brand with which customers engage is held constant across cultures, thereby ruling out any alternative explanations for differences in results across cultures. We followed these guidelines and secured cooperation from a leading MNC that is headquartered in a developed market and that operates in the sporting goods industry. The MNC follows a "branded

house" strategy (Lei, Dawar, & Lemmink, 2008) by manufacturing and marketing a variety of branded goods (e.g., shoes, clothing), which all share the same corporate brand name. Although the MNC works with independent distributors in a limited number of countries, the MNC primarily sells to consumers in most countries through a network of (a) owned physical and online retail stores and (b) independent retailers. Regarding owned retail stores, our focal MNC refers to them as mono-brand stores because they carry the corporate brand name and sell only the MNC's branded goods. Regarding independent retailers, our focal MNC distinguishes between two retail store types. The first type refers to stores that specialize in sporting goods only, but sell a variety of brands (i.e., the focal MNC's goods as well as competing goods) and thus our focal MNC refers to them as multi-brand athletic stores. The second type refers to stores that offer a wider range of product categories (including sporting goods from the MNC and its competitors), and thus our focal MNC refers to them as hybrid stores. Given our interest in retail store managers' engagement with the MNC's brand, we focus on both types of independent retailers (i.e., multi-brand athletic stores and hybrid stores). The MNC sells to these retailers via its own subsidiaries that it has established throughout Europe, the Americas, Africa, Australia, and Asia.

However, there is a dearth of empirical IM buyer-seller work that focuses on Latin America. Indeed, in their review article, Hoppner and Griffith (2015) conclude that Latin American countries have rarely, if ever, been examined in an international channel relationship context and call for further research. This lack of attention is surprising given the economic importance of the region for MNCs worldwide. Specifically, with a population of about 650 million consumers in 2019, Latin America surpasses the European Union and United States, whereas Latin America's GDP of USD 5.6 trillion in 2019 makes the region fourth only to the United States, China, and the European Union in terms of economic power (World Bank, 2021). Accordingly, we focus on independent retailers in the Latin American region.

We conducted a 3-month period of project planning (e.g., multiple video calls and email exchanges, in-person visit to the MNC's headquarters) to gain a deep understanding of the context

under investigation and increase the internal validity of our research. These efforts also resulted in the VP of Sales' endorsement of the study to retail store managers and salespeople employed in MNC's subsidiaries in the region. Specifically, the VP of Sales compiled a list of 80 independent retailers that were large retail chains (i.e., operating at least 3 stores across the region according to the MNC's definition), with only a few of them (6.5%) operating in more than one country in the region. Furthermore, given our study objective of understanding retail store managers' engagement, we worked closely with the VP of Sales to ensure that the independent retailers in our sample are following a decentralized structure, in that each retail store in a chain constitutes an independent entity. This implies that retail store managers in our sample are not only responsible for sales in their store but also are formally involved in their chain's key decision-making processes that involve the MNC's brands (e.g., merchandising, in-store promotion/displays) and work closely with other employees in their company (e.g., buyers, merchandisers, and planners) to make suggestions on how to improve these processes. Finally, given our objective of examining how MNCs' subsidiaries build relationships with store managers, we worked closely with the VP of Sales to ensure that the independent retailers in our sample are operating in Latin American countries in which the MNC operates subsidiaries, which sell to retailers through their own salesforce, rather than through independent distributors. These realities of our setting imply the following key facts.

First, because of the key role store managers play in the selected independent retailers, the MNC requires its salespeople to call on individual store managers in their assigned territory within a specific country/MNC subsidiary. Accordingly, our research design is multilevel given that retail store managers are nested within salespeople, which are nested within countries/MNC subsidiaries. Thus, there are three different units/levels of analysis in our study (Figure 1): retail store managers (level 1), MNC's salespeople (level 2), and countries/MNC subsidiaries (level 3).

Second, the MNC sells to retailers in a specific country through a subsidiary established in the same country. This implies that, in Chile, for example, the MNC's local subsidiary maintains its own salesforce by hiring, training, and employing Chilean salespeople that interact only with

Chilean retail store managers employed by independent retailers in Chile (i.e., there are no cross-border interactions with retailers outside of Chile). This matching of salespeople and retail store managers allows testing of the cross-cultural relationships in our conceptual model.

Data Collection

Data collection occurred in a three-stage process over the course of several months, thus allowing temporal separation of construct measurement. Further, data was sourced from five different sources: MNC's salesperson survey, retail store manager survey, MNC's objective (archival) data, and two sources of secondary data (see Figure 1). Specifically, the VP of Sales kicked-off the process by asking national sales managers in each country/MNC subsidiary to compile two email lists: (a) MNC's salespeople; and (b) retail store managers. Data collection then proceeded in three stages.

In the first stage (T1 in year 1), a brief salesperson survey was distributed to the list of MNC's salespeople (i.e., 143 salespeople, in total); we received 113 responses. As discussed in the Additional Analyses section, although we primarily employ data from this survey for testing an Expanded Model, we still use two constructs from this survey as covariates of the MNC's salesperson performance throughout all analyses (see Figure 1).

In the second stage, about six months later (T2 in year 2), the store manager survey was distributed to the retail store manager list (i.e., 423 store managers, in total); we received 218 responses. We eliminated one retail store manager survey due to excessive missing data. Using a unique codification scheme provided by the sponsoring company, we later matched salespeople's and store managers' responses together, thus creating a multilevel dataset that comprises 53 MNC's salespeople (for a 37.1% response rate) and 217 store managers (for a 51.3% response rate). We use this dataset in subsequent analyses. We also matched this dataset to objective (archival) data, provided by the MNC, on two major attributes of the retailers: retail store type (i.e., multi-brand athletic stores vs. hybrid stores) and account type (i.e., whether the MNC categorizes retailers as field regular accounts or as key accounts).

In the third stage, twelve months after the completion of the salesperson survey (T3 in year 2), we matched the multilevel dataset to (a) objective (archival) MNC's salesperson performance data made available to us by the MNC; (b) secondary data on the cultural dimensions and income distribution for the countries included in our sample; and (c) two constructs from the MNC's salesperson survey data at T1. Regarding the income distribution data, which is employed in subsequent analyses as a covariate to both T2 and T3 constructs, we use annual data at the end of T3 to measure this construct, given that both T2 and T3 refer to the same fiscal year (i.e., year 2). Regarding the MNC's salesperson survey data, we used two constructs from this survey at T1 (i.e., salesperson overall experience and salesperson company experience) as a basis for calculating the same constructs at T3 by shifting the initial responses at T1 by one year (see Figure 1). For example, if a salesperson had responded for overall experience at T1 with 7 years, given that T3 data is collected one year after the completion of the salesperson survey at T1, we set the salesperson's overall experience at T3 to 8 years.

The retail store managers' average tenure was 12 years. Most retail chains could be classified as field regular accounts (54.4%) followed by key accounts (45.6%). In terms of retail store type, 83.9% were multi-brand athletic stores and 16.2% were hybrid stores. On average, salespeople had 4.4 years of company experience, and 6.5 years of overall experience. Of the matched sample, the distribution of countries/MNC subsidiaries was as follows: Argentina (27.2%), Chile (16.1%), Mexico (13.4%), Colombia (12.9%), Peru (12%), Brazil (12%), El Salvador (3.7%), Dominican Republic (1.4%), and Venezuela (1.4%).

Surveys and Measures

The salesperson and retail store manager surveys were administered in the local language. Initially, the surveys were designed in English and later translated into the local languages spoken in the region (i.e., Spanish-Latin American and Brazilian Portuguese) with the help of a professional translation agency. Then, we worked together with the agency to translate the surveys back into English in order to ensure equivalence of translated constructs.

Core constructs. The core constructs of our model span three levels: retail store manager level, MNC's salesperson level, and country/MNC subsidiary level. Specifically, store managers provided survey responses on the measures of MNC-retailer relationship investment, MNC's extra-contractual incentives, as well as their MNC brand knowledge, psychological brand engagement, and constructive brand voice behavior. We measured the extent of *MNC-retailer relationship investment* with a three-item scale adapted from Palmatier et al. (2007). *MNC's extra-contractual incentives* was measured with a five-item scale borrowed from Kashyap et al. (2012). *Retail store manager's MNC brand knowledge* was measured with a three-item scale adapted from Löhndorf and Diamantopoulos (2014). *Retail store manager's psychological brand engagement* was captured through two dimensions – namely, retail store manager's cognitive and emotional engagement. We measured each dimension with a three-item scale adapted from Rich et al. (2010). We multiplied the mean score of the two dimensions with their factor loadings and then computed the average score to create the higher-order construct of retail store manager's psychological brand engagement. *Retail store manager's constructive brand voice behavior* was captured by means of a five-item scale adapted from Maynes & Podsakoff (2014). We measured *MNC's salesperson performance* using objective (archival) data on the percent of net sales quota achievement. We use the natural log of this measure in our analyses to normalize the variable's distribution. Finally, we measure the cultural dimensions of *individualism, uncertainty avoidance*, and *long-term orientation* at the country/MNC subsidiary level using secondary data obtained from Hofstede's (2022) program.

Covariates. Following recommendations that have been set forth in the IB literature (e.g., Cuervo-Cazurra, Anderson, Brannen, Nielsen, & Reuber, 2016), we include theoretically and statistically relevant covariates (i.e., those having significant zero-order correlation with the dependent variables) while estimating the model. The choice of the covariates also reflects the multilevel nature of our model, spanning three levels: retail store manager, MNC's salesperson, and country/MNC subsidiary (see Figure 1).

At the retail store manager level, we consider six covariates. Specifically, *retail store type* (dummy variable: 1 = multi-brand athletic store; 2 = hybrid store) and *account type* (dummy variable: 1 = field regular account, 2= key account) were captured with objective (archival) data provided by the MNC. Also, retail store managers provided survey responses on the measures of *retail store manager's company experience* (years), *retailer's dependence on MNC*, *retailer's commitment to MNC*, and *MNC's contract enforcement*. We measured retailer's dependence on MNC and retailer's commitment to MNC on a three-item scale, each drawn from Palmatier et al. (2007). We measured MNC's contract enforcement with a four-item scale drawn from Samaha, Palmatier, & Dant (2011). We transformed (i.e., natural logarithm) retail store manager's company experience to normalize its distribution.

At the MNC's salesperson level, we consider two covariates, which were collected through the salesperson survey: *MNC's salesperson overall experience* (years), and *MNC's salesperson company experience* (years). We transformed (i.e., natural logarithm) the raw values of salesperson overall experience to normalize its distribution. However, we did not transform the salesperson company experience because the raw values of this variable are asymptotically normally distributed.

Our sample of store managers and salespeople are drawn from emerging markets (i.e., Latin American countries). According to Gallup (2013), widening income inequality and diminishing work engagement are two major issues faced by companies in emerging markets. Therefore, at the country/MNC subsidiary level, we control for income distribution (in)equality (i.e., *Gini coefficient*) using secondary data from World Bank (2020).

Measurement Model

Traditional multigroup confirmatory factor analysis (CFA) methods are widely used to test measurement equivalence in cross-cultural studies. However, these methods impose constraints that require data to pass the stages of configural, metric, and scalar invariance. This often causes measurement equivalence to fail where the data set is multilevel and consists of many groups of relatively small size (Kim, Cao, Wang, & Nguyen, 2017). As Asparouhov and Muthén (2014, p. 495) suggest, "[W]ith many groups, the usual

multiple-group CFA approach is too cumbersome to be practical due to the many possible violations of invariance, and the modification index exploration could well lead to the wrong model due to the scalar model being far from the true model." In response, Asparouhov and Muthén (2014) propose the Alignment Method (AM) to eliminate the shortcomings of traditional methods. The AM is based on the configural invariance model, which is estimated by allowing factor loadings and intercepts to be free across groups and by fixing factor means and variances to be 0 and 1, respectively (Kim et al., 2017). Since the AM does not assume equal parameters and uses the most appropriate model to reveal the differences in parameters across groups, it produces the highest number of groups with measurement equivalence at the item and scale level (Kim et al., 2017). Because our dataset consists of multiple countries/MNC subsidiaries of relatively small size, we conducted the AM at the item level for each scale in the store manager survey[1]. The results revealed that two items in the MNC's extra-contractual incentives failed the measurement invariance test. After removing these two items from the scale, we found evidence for measurement equivalence.

Next, we assessed the reliability and validity of the store manager measures by conducting a CFA. The measures exhibited convergent validity as all factor loadings were statistically significant (see Table 2). Table 3 indicates that the scales' composite reliabilities and average variance extracted (AVE) scores exceeded the threshold values of 0.70 and 0.50, respectively (Bagozzi & Yi, 1988). Also, the AVE scores were greater than the squared intercorrelations between any two constructs, supporting the discriminant validity of the constructs (Table 3).

[Tables 2 and 3 go about here]

Correction for Common Method Variance Bias

We employed the unmeasured latent method factor technique (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003) to assess the extent to which the cross-sectional data used to test the relationships at the retail store manager level are likely to be affected by common method variance bias. Despite a significant chi-square difference ($\Delta\chi^2 = 48.77$; $\Delta df = 30$, $p < 0.05$) before and after the method factor was included in the measurement model, trait factors explained 71 percent of the variance, whereas the method factor

explained only 7 percent of the variance in the measurement model. Nevertheless, we entered the imputed method factor in the model as an additional covariate to minimize bias in model estimation.

Correction for Endogeneity Bias

Our model identifies the MNC-retailer relationship investment as an important factor influencing a retail store manager's psychological brand engagement. However, several exogenous factors that are not directly considered in the model may determine the level of the MNC-retailer relationship investment. More importantly, these exogenous factors may be correlated with the error term of store manager's psychological brand engagement. Therefore, ignoring the endogeneity of the MNC-retailer relationship investment might cause a biased estimation of the model. We corrected for endogeneity bias by employing Garen's (1984) procedure. That is, we estimated the residual values by regressing the MNC-retailer relationship investment on all the variables (i.e., core and covariates) in the model. Next, we created the product term of the residual values with the MNC-retailer relationship investment variable. We included both the residual values and the product term as additional covariates in our model estimation.

Analytical Approach

We take a multilevel analytic approach to estimate the model by following recent studies in the IB literature (e.g., Chabowski, Samiee, & Hult, 2017; Kirkman et al., 2017; Tung & Stahl, 2018). Specifically, our dataset is multilevel in that retail store managers are nested within salespeople, which are nested within countries/MNC subsidiaries. Hence, there are three different units/levels of analysis in our study: retail store managers, MNC's salespeople, and countries/MNC subsidiaries. Accordingly, observations in such datasets are not independent (Hofmann 1997) as responses from retail store managers are clustered within the responses of salespeople, and responses from salespeople are in turn clustered within specific countries/MNC subsidiaries. Multilevel models take the nested nature of data into account. For example, responses from a store manager in Argentina, are not pooled together with responses from store managers in Brazil. Rather, multilevel modeling methods estimate parameters for each group (i.e., country/MNC subsidiary in our study), given that group belonging gives rise to variation

in the parameters compared in the model (e.g., Raudenbush & Bryk, 2002). Although it seems as if countries are pooled together and analyzed as one large group, this is not what multilevel modeling does technically in the background. In our dataset, for example, the model is estimated for each retail store manager by taking into account between-country and between-salesperson variation. Therefore, the parameters and their standard errors estimated at the retail store manager level are adjusted for country- and salesperson-level random effects (i.e., unobserved heterogeneity).

Two issues are important when conducting multilevel analysis. First, there should be between-level variation of dependent variables at the salesperson and country/MNC subsidiary levels. Second, clusters must be large enough for standard errors to be reliably calculated (Preacher, Zyphur, & Zhang, 2010). Both issues should be considered to accurately estimate relationships and standard errors at the retail store manager level. Specifically, between-country/MNC subsidiary differences explain 5 percent of the total variance in retail store managers' constructive brand voice behavior ($ICC(1) = 0.054$, $F(8, 208) = 2.450$, $p < 0.015$), 10 percent of the total variance in retail store managers' psychological brand engagement ($ICC(1) = 0.099$, $F(8, 208) = 4.453$, $p < 0.001$), and 36 percent of the total variance in the MNC's salesperson performance ($ICC(1) = 0.359$, $F(8, 208) = 14.107$, $p < 0.001$). In addition, 20 percent of the variance in a store manager's constructive brand voice behavior ($ICC(1) = 0.197$, $F(52,164) = 2.020$, $p < 0.000$) and 16 percent of the variance in a store manager's psychological brand engagement ($ICC(1) = 0.157$, $F(52,164) = 1.747$, $p < 0.004$) reside between salespeople. As LeBreton & Senter (2008) state, multilevel modeling should be used when the ICC(1) exceeds 0.05, which is clearly the case in our study. Despite the significant between-level variation, however, our sample includes a limited number of countries. In what follows, we detail how we took this into account while testing our model in two phases (i.e., baseline model and hypothesized model).

Baseline Model. As Figure 1 depicts, our model assumes that store managers' constructive voice behavior will have a cross-level effect on the MNC's salesperson performance. Though not formally hypothesized, testing this cross-level effect is important in terms of demonstrating the nomological validity and managerial relevance of our model, as it has not been tested before within the context of

MNCs. Therefore, before estimating the hypothesized model, we examine the baseline model (i.e., no interaction effects). Accordingly, we estimated the baseline model using the "Type = Twolevel Random" with "Estimator = Bayes" option in Mplus 8.7 for three reasons. First, since we did not have a sufficient number of countries in the sample for a three-level analysis, we created eight dummy variables (with Dominican Republic as the reference group) and entered them as covariates in the model to control for non-independent observations due to cross-country differences[2]. Second, we performed a two-level random slope analysis since the preliminary results showed that the variance of the slopes between the variables at the retail store manager level was statistically significant (e.g., Aguinis, Gottfredson & Culpepper 2013). Third, the model is complex, given that we had to consider random slopes, divide the latent variables of a retail store managers' psychological brand engagement and constructive voice behavior into "within" and "between" components to avoid conflated estimation, and test the cross-level effect of a retail store manager's constructive voice behavior on the MNC's salesperson performance. Bayesian estimation is highly effective at converging complex models like ours and produces results similar to the full information maximum likelihood estimator (Asparouhov and Muthén 2010).

While estimating the model, we considered the potential significant effects of three independent variables (i.e., MNC-retailer relationship investment, MNC's extra-contractual incentives, and retail store manager's MNC brand knowledge) on a retail manager's constructive voice behavior to check whether the fit of the model could improve. Subsequently, we entered the significant effect of a retail store manager's MNC brand knowledge on her/his constructive brand voice behavior in the model. We assessed model fit and parsimony with the Deviation Information Criterion (DIC), as the Bayesian estimation with random slopes does not provide traditional fit indices per se. We checked the Potential Scale Reduction (PSR) value to ensure that the model is estimated with enough iterations to provide stable parameter estimates (i.e., an assessment of model convergence). Specifically, we continued to estimate the model with an increasing number of iterations until we reached an acceptable PSR value (i.e., < 1.05, see Zyphur & Oswald, 2015).

Hypothesized Model. As in the baseline model, we took into account the limited number of countries in our sample while estimating the hypothesized model. That is, we began with a two-level model (i.e., retail store managers nested within salespeople), treating country-level variables at the salesperson level, and accounted for country-level variability using robust standard errors[3]. This analytic approach enabled us to test the hypothesized cross-level interaction effects of cultural dimensions. Accordingly, following pioneering work in the field (e.g., Muthén & Satorra, 1995; Wu & Kwok, 2012), we employed the "Cluster = Salesperson", "Stratification = Country", and "Type = Complex" options in Mplus 8.7 to estimate the model simultaneously using composite scores of the multi-item constructs.

The "Type = Complex" performs an aggregated analysis when data are multilevel because it does not model parameters on within- and between-levels, whereas standard errors are cluster-adjusted using the Huber-White's robust sandwich estimator (Muthén & Satorra, 1995; Wu & Kwok, 2012). In our model, we achieve cluster-adjustment of standard errors by using the "Cluster = Salesperson" and "Stratification = Country" option. We centered the variables at the retail store manager level on their group mean, while all other variables were centered on their grand mean (Hofmann & Gavin, 1998). We employed bootstrapping (20,000 samples) to obtain 95% confidence intervals for interaction effects as well as simple slopes, and then plotted significant interaction effects (see Web Appendix A). As in the baseline model, we entered the significant effect of a retail store manager's MNC brand knowledge on her/his constructive brand voice behavior in the model. In addition, we include the non-hypothesized interaction effect of a retail store manager's MNC brand knowledge and individualism on the store manager's psychological brand engagement during model estimation. This allows us to take a conservative approach in model estimation – that is, testing all possible interaction effects of a retail store manager's MNC brand knowledge with uncertainty avoidance and individualism on her/his psychological brand engagement simultaneously.

RESULTS

Baseline Model

Baseline model results reveal a good fit (estimated parameters = 71, DIC = 867.70) with a significant improvement over the null (i.e., no predictors) model (ΔDIC = 404.31). We reached the PSR value of 1.001 and the lowest model deviance at the iteration of 30,000. As Table 4 shows, MNC-retailer relationship investment (b = 0.197, 95% CI [0.022, 0.368]), MNC's extra-contractual incentives (b = 0.152, 95% CI [0.060, 0.243]), and retail store manager's MNC brand knowledge (b = 0.276, 95% CI [0.087, 0.463]) are positively related to a retail store manager's psychological brand engagement. In addition, a retail store manager's psychological brand engagement is positively related to her/his constructive brand voice behavior (b = 0.210, 95% CI [0.043, 0.377]). Further, we found that the cross-level effect of a retail store manager's constructive brand voice behavior on the MNC's salesperson performance is positive and significant (b = 0.108, 95% CI [.009, 0.207]). These findings support the nomological validity of the model. Next, we present the results of the model in which hypothesized interaction effects are estimated.

[Table 4 goes about here]

Hypothesized Model

Moderating role of uncertainty avoidance. As Table 5 shows, the interaction effect of MNC-retailer relationship investment and uncertainty avoidance is related positively to retail store manager's psychological brand engagement (b = 0.025, SE = 0.011, p = 0.022). Specifically, the relationship between the MNC-retailer relationship investment and a retail store manager's psychological brand engagement is stronger for cultures with high uncertainty avoidance (b = 0.370, SE = 0.109, p = 0.001, 95% CI [0.156, 0.584]) than for cultures with low uncertainty avoidance (b = 0.058, SE = 0.144, p = 0.686, 95% CI [-0.225, 0.341]). Therefore, H1a is supported.

[Table 5 goes about here]

The interaction effect of MNC's extra-contractual incentives and uncertainty avoidance is related positively to retail store manager's psychological brand engagement (b = 0.014, SE = 0.004, p = 0.001). Specifically, the relationship between the MNC's extra-contractual incentives and a retail store manager's psychological brand engagement is stronger for cultures with high uncertainty avoidance (b = 0.130, SE =

0.058, p = 0.024, 95% CI [0.017, 0.242]) than for cultures with low uncertainty avoidance (b = -0.049, SE = 0.054, p = 0.366, 95% CI [-0.155, 0.057]). Hence, H1b is supported.

Contrary to our expectations, the interaction effect of retail store manager's MNC brand knowledge and uncertainty avoidance is related negatively to retail store manager's psychological brand engagement (b = -0.018, SE = 0.008, p = 0.020). Thus, H1c is not supported.

Moderating role of individualism. The interaction effect of MNC-retailer relationship investment and individualism is related negatively to retail store manager's psychological brand engagement (b = -0.009, SE = 0.004, p = 0.043). Specifically, the relationship between the MNC-retailer relationship investment and a retail store manager's psychological brand engagement is stronger for cultures with low individualism (b = 0.321, SE = 0.114, p = 0.005, 95% CI [0.098, 0.544]) than for cultures with high individualism (b = 0.108, SE = 0.130, p = 0.408, 95% CI [-0.147, 0.362]). Hence, H2a is supported.

The interaction effect of MNC's extra-contractual incentives and individualism is positively related to retail store manager's psychological brand engagement (b = 0.004, SE = 0.001, p = 0.012). Specifically, the relationship between the MNC's extra-contractual investments and a retail store manager's psychological brand engagement is stronger for cultures with high individualism (b = 0.085, SE = 0.042, p = 0.049, 95% CI [0.0004, 0.167]) than for cultures with low individualism (b = -0.055, SE = 0.022, p = 0.802, 95% CI [-0.049, 0.038]). Therefore, H2b is supported.

The interaction effect of retail store manager's psychological brand engagement and individualism is not related to retail store manager's constructive brand voice behavior (b = -0.003, SE = 0.005, p = 0.586). Hence, H4 is not supported.

Finally, the non-hypothesized interaction effect of retail store manager's MNC brand knowledge and individualism is not related to retail store manager's psychological brand engagement (b = -0.001, SE = 0.004, p = 0.806).

Moderating role of long-term orientation. The interaction effect of retail store manager's psychological brand engagement and long-term orientation is related negatively to retail store manager's constructive brand voice behavior (b = -0.016, SE = 0.007, p = 0.023). Specifically, the relationship

between a retail store manager's psychological brand engagement and her/his constructive brand voice behavior is stronger at lower levels of long-term orientation (b = 0.379, SE = 0.155, p = 0.014, 95% CI [0.076, 0.682]) than at higher levels of long-term orientation (b = 0.096, SE = 0.164, p = 0.558, 95% CI [-0.225, 0.417]). Therefore, H3 is supported.

ADDITIONAL ANALYSES

We conducted a set of additional analyses to assess the robustness of our conceptual model.

Additional Covariates

We tested our model with additional, theoretically plausible covariates, which may influence our three dependent variables (see Figure 1): retail store manager's psychological brand engagement and constructive voice behavior, as well as MNC's salesperson performance. Specifically, we consider four covariates: two at the country/MNC subsidiary level (i.e., relative market share of the focal MNC, and cultural distance), one at the MNC's salesperson level (i.e., salesperson's attentiveness), and one at the retail store manager level (i.e., MNC's dependence on retailers).

First, although prior studies have not investigated the effect of relative market share on retail managers' psychological brand engagement or constructive brand voice behavior, Hughes and Ahearne (2010) have found that selling a high market share brand not only affects brand performance but also leads salespeople to spend more effort selling the brand. Accordingly, we suggest that the relative market share of the focal MNC may capture the extent of competition in a specific Latin American country, and thus signal the relative strength or image of the focal MNC's brand in that country. Specifically, we extend the findings of Hughes and Ahearne (2010) by arguing that the higher the MNC's relative market share, the higher the level of a retail store manager's psychological brand engagement and constructive brand voice behavior. We measured the focal MNC's relative market share in each country/MNC subsidiary with objective data compiled from Mergent Online, Mergent Intellect, D&B Hoovers, and Euromonitor. For each country/MNC subsidiary, we took the average of the MNC's market share over the months covered in our study.

Second, we consider the cultural distance of each country/MNC subsidiary from the MNC's

country of origin. Previous studies have emphasized that when cultural distance increases, the quality of the relationship between parties is disrupted, and as a result, conflict and disagreement increase and the level of cooperation decreases (e.g., Luo, 2008). Hence, we expect that, as the cultural distance of each country/MNC subsidiary from the MNC's country of origin increases, store managers' psychological brand engagement and propensity to speak up will tend to decrease. We measured the cultural distance between any two countries (i.e., the MNC's country-of-origin and a Latin American country in the sample) using the Euclidean distance formula and based on the cultural dimension scores of those countries (i.e., power distance, individualism, masculinity, long-term orientation, uncertainty avoidance, and indulgence) (Kogut & Singh, 1988). Given that these dimensions are time invariant over the months examined in our study, we employ the latest available scores at T3.

Third, based on prior key studies emphasizing that the high-quality level of social relationships between parties can motivate customer engagement (e.g., Brodie et al., 2011), we suggest that a salesperson's responsive and reliable behaviors in her/his relationship with retailers may influence store managers' psychological brand engagement and constructive brand voice behavior, as well as her/his sales performance. Hence, we use MNC's salesperson diligence, defined as a salesperson's extent of responsiveness and reliability, as a proxy of salesperson attentiveness (Ahearne, Jelinek, & Jones, 2007). We measure MNC's salesperson diligence with a five-item scale (Ahearne et al., 2007; Cronbach's α = .90), which was included in the MNC's salesperson survey at T1. Given that there is no theoretical reason to expect attentiveness to significantly vary over the months examined in our study, we consider this covariate with all three dependent variables.

Fourth, prior empirical work suggests that larger retailers are more likely to operate stores across countries (Vida, Reardon, & Fairhurst, 2000) and have more bargaining power vis-à-vis suppliers (Draganska, Klapper, & Villas-Boas, 2010). Thus, we argue that retailers that operate retail stores in more than one Latin American country (i.e., cross-border retailing) may be bigger and have more power, which increases an MNC subsidiary's dependence on those retailers. Hence, in addition to the retailer's dependence on the MNC and the MNC's contract enforcement, we control for the MNC's dependence on

retailers by using a dummy variable (0 = retailer does not operate retail stores in other Latin American countries, 1 = retailer operates retail stores in other Latin American countries), which is based on archival data provided by the sponsoring MNC at T3. Given that there is no theoretical reason to expect this variable to significantly vary over the months examined in our study, we consider this covariate with all three dependent variables.

We used the baseline model to test the effect of all four additional covariates on all three dependent variables in a single model (see Web Appendix C). Due to multicollinearity between the cultural dimensions and the additional covariates such as cultural distance (see Web Appendix B, Illustration 4), we excluded cultural dimensions from the model. Thus, the estimated model is identical to the baseline model (Table 4). The additional covariates model (estimated parameters = 81, DIC = 877.92) achieves a significant improvement over the null (i.e., no predictors) model (ΔDIC = 404.31). However, none of the additional covariates shows a significant relationship with any of the dependent variables and adding these variables to the baseline model did not cause a significant decrease in model deviation (ΔDIC = 10.22, Δ*df* = 10, p = 0.424). Hence, following Cuervo et al.'s (2016) suggestions, we do not include these four covariates in our models.

Non-Hypothesized Interaction Effects

As Table 1 indicates, there is no theoretically plausible rationale to hypothesize the moderating role of (1) uncertainty avoidance in the retail store manager's psychological brand engagement-constructive brand voice behavior relationship, and (2) individualism in the retail store manager's MNC brand knowledge-psychological brand engagement relationship. Likewise, we do not hypothesize the moderating role of long-term orientation in the relationships between retail store manager's psychological brand engagement and (3) MNC-retailer relationship investment, (4) MNC's extra-contractual incentives, and (5) retail store manager's MNC brand knowledge. We thus re-estimated our full model (Model 2, Table 5) after adding these interaction effects (see Web Appendix D, Alternative Model 1). We found that none of these effects

were statistically significant and the fit of Alternative Model 1 did not increase significantly ($\Delta\chi^2_{(4)}$ = 7.49, p = 0.112). This finding supports the robustness of Model 2 (Table 5).

The Moderating Role of Power Distance, Masculinity, and Indulgence

As delineated in the Conceptual Model section, we focus on the moderating role of uncertainty avoidance, individualism, and long-term orientation, thereby excluding the dimensions of power distance, masculinity, and indulgence from our conceptual model. To demonstrate the robustness of our model – that is, the three cultural dimensions we focus on are more relevant than power distance, masculinity, and indulgence – we tested three alternative models (see Web Appendix D): Alternative Model 2 estimates the moderating role of power distance by controlling the effect of uncertainty avoidance and long-term orientation; Alternative Model 3 estimates the moderating role of masculinity by controlling the effect of uncertainty avoidance and individualism; and Alternative Model 4 estimates the moderating role of indulgence by controlling the effect of uncertainty avoidance, individualism, and long-term orientation. We measure the culture dimensions of *power distance*, *masculinity*, and *indulgence* at the country/MNC subsidiary level using Hofstede's (2021) secondary data. As we report in Web Appendix D, the relationship between the three independent variables (i.e., retail store manager's MNC brand knowledge, MNC's extra-contractual incentives, MNC-retailer relationship investment) and a retail store manager's psychological brand engagement, as well as the relationship between a retail store manager's psychological brand engagement and her/his constructive voice behavior are not moderated significantly by power distance, masculinity, and indulgence. These findings support the robustness of our conceptual model, in that individualism, uncertainty avoidance, and long-term orientation are the most relevant dimensions to explain the cultural contingencies of the proposed relationships examined in our study.

The Expanded Model

Given that the MNC's salesperson survey was rolled out at T1, it is plausible that salesperson-related variables may predict the antecedents of MNC brand engagement measured in the retail store manager survey rolled out at T2 (i.e., MNC-retailer relationship investment, MNC's extra-contractual incentives, and retail store manager's MNC brand knowledge). Accordingly, we test an Expanded Model that

considers MNC's salesperson knowledge-related variables (i.e., salesperson overall experience in years, and salesperson company experience in years), MNC's salesperson effort-related variables (i.e., salesperson relationship marketing investment, salesperson time spent in store in hours), and MNC's salesperson opportunity-related variables (i.e., salesperson number of customers) as T1 drivers of the antecedents of MNC brand engagement measured at T2. We measure salesperson relationship marketing investment – that is, the investments that a salesperson makes to build and maintain strong customer relationships – with a three-item scale borrowed from Palmatier, Jarvis, Bechkoff, & Kardes (2009).

We begin by testing the main-effects model. Results reveal that none of the T1 drivers are related significantly to any of the retail store manager-related variables. In addition, the main-effects model does not indicate better fit or lower deviance (AIC = 773.92, BIC = 925.60) than Model 1 reported in Table 5 (AIC = 766.10, BIC = 884.40). Nevertheless, we still explore the moderating role of each cultural dimension. To avoid multicollinearity (see Web Appendix B, Illustration 4), we enter the six cultural dimensions, as well as their interaction with the T1 drivers, into the model one at a time (see Samaha et al., 2014). Our analyses indicate no significant interaction effect for any of the six cultural dimensions. The fit of Model 2 in Table 5 (AIC = 755.12, BIC = 900.49) was better than that of any of these models (Individualism Model: AIC = 785.33, BIC = 957.23; Uncertainty Avoidance Model: AIC = 784.58, BIC = 956.49; Long-Term Orientation Model: AIC = 784.38, BIC = 957.23; Power Distance Model: AIC = 785.73, BIC = 957.63; Masculinity Model: 785.66, BIC = 956.47; Indulgence Model: AIC =785.76, BIC = 957.67).

DISCUSSION

Theoretical Implications

In this study, we set out to examine the antecedents and consequences of a retail store manager's psychological engagement with MNCs' brands across cultures. In doing so, we advance the existing IB/IM literature in three major ways.

First, our study contributes to the global customer engagement stream of research by responding to Donthu et al.'s (2021) recent call for more research in the area. Indeed, there are only

a handful of theoretical (Gupta et al., 2018; Hollebeek, 2018) and empirical (Kumar & Pansari, 2016; Roy, Balaji, Soutar, Lassar, & Roy, 2018) IM studies on how customer engagement is affected by country conditions. We broaden this stream of research by uncovering an intricate pattern of cultural boundary conditions that differentially affect the three antecedents of psychological brand engagement (Table 4). For example, the finding that long-term orientation (but not individualism) moderates the relationship between psychological brand engagement and constructive brand voice behavior offers contrasting insights compared with prior IM buyer-seller work. Specifically, Samaha et al. (2014) find that individualism, rather than long-term orientation, moderates relationships among key relational constructs (e.g., trust and commitment). So, while customer engagement has its theoretical roots in relationship marketing (Brodie et al., 2011), our study extends current knowledge by showing that customer engagement functions differently than other relational constructs under the same cultural conditions. Besides these contributions, exploring long-term orientation adds to the extant IB literature, given the lacuna of empirical research involving this dimension (Taras et al., 2010), especially as a country-level moderator of individual-level relationships (Kirkman et al., 2006). Collectively, these findings help IB/IM buyer-seller research move towards building theory on how customer engagement operates across cultures. For example, Gupta et al.'s (2018) conceptual framework predicts that culture moderates the relationship between experience (i.e., an antecedent) and emotions (i.e., a construct conceptually close to psychological brand engagement). In light of our findings, we suggest that Gupta et al.'s framework be refined to also include the moderating effects of culture on the relationships between emotions and customer engagement behaviors.

In addition, by introducing a novel type of behavioral brand engagement (i.e., constructive brand voice behavior), we extend prior IM buyer-seller studies that have focused on customer engagement behaviors that are either directed to the supplier company or other customers outside the buying company (Gupta et al., 2018; Roy et al., 2018). We test the brand voice scale across

countries and retailer/store types, as well as with time-lagged, objective (archival) data on MNC's salesperson performance, thereby contributing a valid measurement instrument to IB/IM scholars.

Second, our study offers a vital contribution to the IB/IM buyer-seller research by examining how MNCs' subsidiaries build relationships with retailers across cultures. Whereas the exporter-importer relationship has been extensively studied in prior IB/IM buyer-seller work (e.g., Leonidou et al., 2014), the ex post (i.e., post foreign market entry) management of external channel partners by foreign subsidiaries has been almost entirely neglected in previous studies. Specifically, the handful of studies that have been conducted to date are either conceptual (Grewal et al., 2018) or focus solely on distributors rather than retailers and do so without accounting for the effects of national culture (Grewal, Kumar, Mallapragada, & Saini, 2013). Yet, understanding how MNC's subsidiaries manage relationships with retailers across countries is key for many consumer goods MNCs, which often establish subsidiaries that employ local salespeople that sell to local retailers, as a way to get their products to consumers in foreign markets (e.g., Alon & Jaffe, 2013; Keegan & Green, 2008). Given that MNCs usually operate subsidiaries across multiple countries, MNCs must be mindful of the idiosyncrasies of host-market environments when managing retailer relationships. Specifically, this study is one of the first to address this gap by showing that successful management of ex post relationships with retail store managers in foreign markets must be harmonized with the host-market culture rather than be streamlined across countries.

Third, prior IB studies suggest that multilevel cross-cultural research is needed as it has received remarkably little attention in prior IB studies (Chabowski et al., 2017; Kirkman et al., 2017; Tung & Stahl, 2018). Our study responds to these calls and builds a multilevel conceptual model that spans three levels. By doing so, we extend current knowledge on the cross-level moderating effect of culture at the country/MNC subsidiary level on relationships at the individual level. Specifically, by crossing levels, we avoid the possible ecological/atomistic fallacies of prior studies (Kirkman et al., 2017; Taras et al., 2010), thereby helping to bridge the micro-macro divide in IB research and better understand the influence of national culture (Tung & Stahl, 2018). For example,

we show that culture at the country/MNC subsidiary-level (i.e., macro-level) exerts significant effects on the mechanisms explaining MNC brand engagement at the store manager level (i.e., micro-level). Our approach also deepens understanding of the "cultural transmission mechanisms" that occur between different levels of analysis but have not been the topic of much research to date (Tung & Stahl, 2018). For instance, while prior theoretical work suggests that control mechanisms (e.g., employing incentives to increase channel partner cooperation) occur at the MNC subsidiary-channel partner level (Grewal et al., 2018), our study shows that these mechanisms are multilevel, involving actors in both companies and at different levels – that is, retail store managers employed by retail partner companies are nested within MNC salespeople, which are in turn nested within the subsidiary operating in a certain culture. This finding contributes a nuanced perspective of the unexamined processes taking place when MNCs manage relationships with their local partners through their worldwide subsidiaries, as well as the interplay of these processes with national culture across levels.

Managerial Implications

Many consumer goods MNCs operate host-market subsidiaries that are responsible for managing relationships with local channel partners. Although subsidiaries may sell to retailers through distributors, others may sell to retailers through their own salesforce (Keegan & Green, 2008). Our work makes substantial contributions to MNCs that follow the latter channel strategy, especially those cooperating with retailers that often follow a decentralized approach by formally involving their store managers in key decision-making processes related to MNCs' brands (e.g., merchandising, in-store promotion). In such contexts, when MNC's subsidiaries are rolling out promotional initiatives for a new product launch, for instance, they need to coordinate with multiple individuals within retailer companies in various countries. Specifically, given the role of retail store managers in retailers' key decision-making processes (e.g., Bell et al., 2004), MNCs must engage these managers to support their brands, by inducing them, for example, to voice their ideas or recommendations for promoting the MNC's brand to their peers within the retailer. But how should MNCs go about engaging retail store managers across different cultures?

Although our results are based on a specific sporting goods MNC and its Latin American subsidiaries, we believe that our work is especially pertinent to MNCs operating in the region or in consumer goods industries. Overall, our study suggests that successful implementation of retail store managers' brand engagement initiatives in host-markets implies that MNC leaders should adapt the approach they use to the culture of the countries in which they operate subsidiaries. Understanding the culture of a country can be facilitated by use of Hofstede's (2022) tool that indicates how countries score on specific cultural dimensions. In what follows, we employ this tool to offer concrete recommendations to MNCs' leaders and showcase its usage.

Collectively, our results offer evidence that MNCs should carefully target and select subsidiaries for inclusion in their brand engagement initiatives based on countries' scores on the three cultural dimensions examined in our study (see Figure 1). Specifically, leaders should note that efforts to improve psychological brand engagement via bilateral MNC-retailer relationship investment will be impactful when retail store managers live in a country that scores relatively high (low) on the uncertainty avoidance (individualism) dimension – that is, score higher (lower) than 89.4 (17.2) such as El Salvador (Peru) in our study. Our study also suggests that MNCs offering retailers extra-contractual incentives – that is, additional incentives for use in local activities that help promote the MNCs' products – should expect to see higher levels of store managers' psychological brand engagement when the country scores relatively high on individualism (i.e., score higher than 42.1, such as Argentina). These incentives, which are implemented by the MNC's subsidiary, do not aim to change what the brands stands for (as this is usually controlled by the MNC's headquarters), but rather aim to improve relationship-building with retailers so that the latter provide better in-store promotion/support of the MNC's brands. Further, we recommend that efforts to increase the retail store managers' psychological brand engagement through increases in their MNC brand knowledge – perhaps by educating retail store managers about how their brands differentiate from competition – will be more effective for cultures with relatively low uncertainty avoidance (i.e., those scoring lower than 77.0, such as Dominican Republic, Venezuela, or Brazil). Finally, our study helps MNCs recognize that initiatives aiming to increase retail store managers'

constructive brand voice behaviors through increases in psychological brand engagement will be effective in lower long-term orientation cultures (i.e., those that have a score lower than 15.8, such as Colombia).

Finally, our work offers leaders of global brands a novel instrument for measuring constructive brand voice behavior. Our conceptualization and related scale are empirically tested across nine Latin American countries with varying cultures and levels of economic inequality, as well as across types of retailers, which strengthens its applicability to a wide array of contexts. Given the positive effect of this scale on time-lagged, objective data of MNC's salesperson performance, we recommend that MNCs administer our scale (Table 2) to customers across their subsidiaries. Doing so will help them design and implement strategic initiatives that monitor constructive brand voice behaviors over time, such as performing internal or competitive benchmarking against rival suppliers. The scale comprises items that are easy to comprehend, while also taking up little time, and can thus be part of a formal customer survey program rolled out across subsidiaries.

Limitations and Future Research

As with any research undertaking, our study has limitations, resulting from inevitable trade-offs in research design. First, although closely cooperating with the focal MNC resulted in a deep understanding of the context under investigation and an increase in our research's internal validity, the sampling method employed is a non-probability one (i.e., expert sampling). Specifically, the sponsoring MNC, together with us, chose the retailers, retail store managers, and salespeople that were surveyed. Caution should thus be used in extrapolating our results to other contexts. Second, although we focus on a region that has not received much attention in the international channel literature (Hoppner & Griffith, 2015), our dataset covers only emerging markets in Latin America. Thus, the extent to which our study results can be generalized to other continents (e.g., Asia, Europe, or Africa) or to developed markets remains to be examined in future research. Third, although our data collection occurred over the course of several months, thus allowing for temporal separation of construct measurement, our research design is not experimental. Thus, caution should be exercised when making causal inferences.

Our study also suggests some exciting areas for future IB/IM research. First, our study offers novel findings regarding how consumer goods MNCs headquartered in developed markets can improve the relationships their subsidiaries have with local retailers in emerging host-markets. Thus, one possible way to extend our research would be to examine how MNCs headquartered in emerging markets establish relationships with retailers, and engage store managers with their brands, in developed host-markets. We deem this as an interesting endeavor considering evidence suggesting that emerging market MNCs practice low standards of transparency that allows corruption to thrive (Transparency International, 2016), which may make it difficult to engage retailers in developed markets. For example, JBS S.A., an MNC headquartered in Brazil, recently faced challenges with European supermarket chains stopping sales of its brands because JBS was alleged to have indirectly sourced cows from illegally deforested areas in the Amazon rainforest (Spring & Deutsch, 2021). Although this example highlights the growing trend of emerging market MNCs seeking entry into developed markets, it also shows that differences in sociopolitical environments between countries may impose constraints on how and to what extent emerging market MNCs can engage retail partners in developed markets.

Second, it would be critical to look at how strategies designed at MNCs' headquarters influence how subsidiaries build and manage ex post relationships with channel partners in host-markets. For example, our study provides new insights as to how subsidiaries build relationships with retailers across cultures when MNCs follow a branded house strategy. However, MNCs may follow different brand portfolio strategies, such as a house of brands in which brands are independent from one another (Lei et al., 2008). This latter strategy might result in the various brands being perceived differently in host-markets. Thus, engaging store managers under a house of brands strategy may be challenging, as engagement with one brand may not spillover onto another brand in the MNC's portfolio. As another example, our study offers evidence on how MNCs employ subsidiaries (and the local salespeople that work in them) to engage retail store managers in foreign markets. While this is an important channel strategy for many MNCs, companies are increasingly using digital strategies for engaging with their customers around the world (Gupta et al., 2018). Recent research, however, postulates that while online

communication may be more conducive in developed markets, physical contact between buyers and sellers is essential in building customer engagement in emerging markets (Kumar, Borah, Sharma, & Akella, 2021). Accordingly, a natural extension of our study is to investigate whether retail store managers' psychological engagement with MNCs' brands is built via digital vs in-person communication channels in the more developed markets of Europe or North America.

Third, our study has contributed to current knowledge by offering a multilevel model that shows that culture at the country/MNC subsidiary-level (i.e., macro-level) exerts significant effects on the mechanisms explaining MNC brand engagement at the store manager level (i.e., micro-level). Future customer engagement research should consider extending our model by adopting an expanded view of culture. For instance, scholars have recently acknowledged that individuals in a certain country may belong to multiple cultures, a notion that has been labeled multiculturalism (Kirkman et al., 2017). Clearly, this view of culture introduces complexities in conceptualizing and analyzing the effects of culture, thereby calling for special modeling techniques, such as the multiple membership multilevel model (e.g., Chung & Beretvas, 2011). Future investigations could thus extend our multilevel model and employ measures of individual-level cultural orientation to examine whether multiculturalism among members of MNCs or retailer companies may moderate the interactions of the country/MNC subsidiary-level cultural dimensions with individual customer engagement (i.e., 3-way, cross-level interactions). Such interactions could help provide unique insights as to the tensions or trade-offs between different levels of culture. Further, recent work promotes the idea of studying culture using a configuration lens (Tung & Stahl, 2018). Thus, an exciting area for future research would be to examine the configurations that emerge because of the interplay between national culture at the country level and organizational culture at the company level. Doing so would pose intriguing questions, such as, how is a retail store manager's brand engagement behavior shaped when the organizational culture supports the expression of thoughts and emotions, but national culture hinders such expressions? With these questions in mind, we hope that our study will open up a new line of inquiry in this key area of IB/IM research.

ENDNOTES

[1] We thank Tihomir Asparouhov for recommending us this method (personal communication, November 18, 2021). We also thank Jan-Benedict Steenkamp (research seminar, October 11, 2022) for outlining the details of this method.

[2] We thank Linda Muthén for drawing our attention to this issue as well as for her advice (personal communication, October 10, 2022).

[3] We thank Kris Preacher for bringing these matters to our attention as well as for his advice on revising our assumptions in model estimation (personal communication, October 11, 2022).

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Table 1 Conceptual logic of hypothesized and non-hypothesized effects[1]

Conceptual Logic of Moderators[2]	Conceptual Logic of Main[3] and Moderating Effects			
	Main effect: MNC-Retailer Relationship Investment increases *mutual interdependence and reciprocity* and mitigates *uncertainty and ambiguity*, thereby motivating retail store managers to invest their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	**Main effect:** MNC's Extra-Contractual Incentives signal that the MNC will not engage in *self-serving behaviors* and enact a *risk-reduction mechanism*, thereby motivating retail store managers to invest their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	**Main effect:** Retail Store Manager's MNC Brand Knowledge mitigates *the ambiguity and uncertainty* retail store managers experience regarding the brand, thereby energizing them to invest more of their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	**Main effect:** Investing high levels of cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement) creates a positive state of activation or arousal that motivates retail store managers to *express their thoughts/emotions* on the MNC's brand to their peers within the retailer company (i.e., Constructive Brand Voice Behavior).
***Uncertainty avoidance*:** members of a high uncertainty avoidance culture feel threatened/stressed by ambiguous or unknown situations (Hofstede et al., 2010); thus, they highly value activities that reduce *uncertainty, risk, and ambiguity* (Samaha et al., 2014).	**Moderating effect (H1a)**: MNC-Retailer Relationship Investment mitigates *uncertainty and ambiguity*, which is highly valued by retail store managers in high uncertainty cultures, thereby increasing their motivation to invest their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	**Moderating effect (H1b):** MNC's Extra-Contractual Incentives enact a *risk-reduction mechanism*, which is highly valued by retail store managers in high uncertainty cultures, thereby increasing their motivation to invest their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement)	**Moderating effect (H1c):** Retail Store Manager's MNC Brand Knowledge mitigates *the ambiguity and uncertainty* retail store managers experience regarding the brand, which is highly valued by managers in high uncertainty cultures, thereby energizing them to invest more of their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.
Individualism: *individualism-collectivism is about "I" versus "we," independence from in-groups versus dependence on in-groups*, respectively (Hofstede et al., 2010: p. 146; Samaha et al., 2014). Specifically, relationships in collectivist cultures are basically predetermined by *group ties: "groupiness is collectivist"* (Hofstede et al., 2010: p. 146). Thus, people in individualistic cultures (a) are less responsive to norms that promote *mutual interdependence* and *reciprocity in in-group relationships* (Samaha et al., 2014); (b) anticipate *self-serving behaviors* (Chelminski & Coulter, 2007; Hoppner et al., 2015); (c) are encouraged to *express their emotions/thoughts* (Gupta et al., 2018; Hofstede et al., 2010).	**Moderating effect (H2a):** MNC-Retailer Relationship Investment increases *mutual interdependence and reciprocity*, which is valued less by retail store managers in highly individualistic cultures, thereby decreasing their motivation to invest their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	**Moderating effect (H2b):** MNC's Extra-Contractual Incentives signal that the MNC will not engage in *self-serving behaviors*, which is highly valued by retail store managers in highly individualistic cultures, thereby increasing their motivation to invest their cognitive/emotional energy/resources into the MNC's brand (i.e., Psychological Brand Engagement).	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	**Moderating effect (H4):** Retail store managers in cultures high on individualism express their emotions and thoughts, which amplifies the motivation to *express thoughts/emotions* that managers are experiencing as a result of their psychological brand engagement, thereby strengthening the effect of Psychological Brand Engagement on their Constructive Brand Voice Behavior.
Long-term orientation: "long-term orientation stands for the fostering of virtues oriented toward *future rewards*—in particular, perseverance and thrift. Its opposite pole, short-term orientation, stands for the fostering of virtues related to the past and present—in particular, respect for tradition, preservation of "face," and fulfilling social obligations" (Hofstede et al., 2010: p. 239). Thus, individuals in long-term orientation cultures will restrain and not display their *emotions/thoughts* (Gupta et al., 2018; Hofstede et al., 2010).	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	**Moderating effect (H3):** Retail store managers in cultures high on long-term orientation regulate their emotions and thoughts, which buffers the motivation to *express thoughts/emotions* that managers are experiencing as a result of their psychological brand engagement, thereby weakening the effect of Psychological Brand Engagement on their Constructive Brand Voice Behavior.
Masculinity: "masculinity-femininity is about a *stress on ego versus a stress on relationship with others, regardless of group ties"* (Hofstede et al., 2010: p. 146). "Feminine cultures encourage enhanced compromise	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.

versus competitiveness, *regardless of group affiliation"* (Samaha et al., 2014: p. 84).				
Power distance: "the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally" (Hofstede et al., 2010: p. 61). Thus, power distance refers to *hierarchy* and *dependence* in *subordinate-superior relationships* (Hofstede et al. 2010) or differences in *status* (Samaha et al., 2014).	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.
Indulgence: "indulgence stands for a tendency to allow relatively free gratification of basic and natural human desires related to *enjoying life and having fun*. Its opposite pole, restraint, reflects a conviction that such gratification needs to be curbed and regulated by strict social norms" (Hofstede et al., 2010: p. 281).	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.	No moderating effect hypothesized because the main effect's conceptual logic is unrelated to the conceptual logic of the moderator.

Notes: [1] Hypothesized effects are those that are formally formulated, tested in the Results section, and are shown in dark grey cells. Non-hypothesized effects are those that are not formally formulated but tested in the Additional Analyses section and are shown in light grey cells. [2] The conceptual logic of the moderator is *italicized and underlined* within cells. [3] The theoretical mechanism of the main effect – linking the independent to the dependent variable – is *italicized and underlined* within cells.

Table 2 Retail store manager survey measures[1], sources, items, and factor loadings[2]

Measures[3]	Factor Loading
MNC-Retailer Relationship Investment (adapted from Palmatier et al., 2007)	
Please indicate the extent of your agreement with each of the following statements. Overall, both our company and [company name] have made significant investments so that ...	
We have a mutually beneficial relationship.	0.90
We can work together well in this business.	0.95
We can describe our relationship as cooperative.	0.76
MNC's Extra-Contractual Incentives[4] (Kashyap et al., 2012)	
Please indicate the extent to which the following statements describe your relationship with [company name]. Beyond standard incentives, such as bonuses and discounts, from [company name] we also receive:	
Extra incentives to increase our selling effort for their products.	0.84
Extra money for our use in local promotional activities that help promote their product.	-
Extra monetary assistance for targeted events that help promote their product.	0.82
Extra incentives to work harder in support of their product.	-
Extra incentives to promote their new products.	0.66
Retail Store Manager's MNC Brand Knowledge (adapted from Löhndorf & Diamantopoulos, 2014)	
Please indicate the extent of your agreement with each of the following statements:	
I know how [company name] differentiates from its competitors.	0.92
I have sound knowledge about the values represented by [company name].	0.86
It is clear to me what is promised to our customers by [company name].	0.86
Retail Store Manager's Psychological Brand Engagement (adapted from Rich et al., 2010)	
Cognitive Engagement	
Please indicate the extent of your agreement with each of the following statements:	
At work, my mind is focused on the [company name] brand.	0.79
At work, I pay a lot of attention to the [company name] brand.	0.91
At work, I focus a great deal of attention on the [company name] brand.	0.93
Emotional Engagement	
Please indicate the extent of your agreement with each of the following statements:	
I am enthusiastic about the [company name] brand.	0.92
I feel energetic regarding the [company name] brand.	0.90
I am excited about the [company name] brand.	0.92
Retail Store Manager's Constructive Brand Voice Behavior (adapted from Maynes & Podsakoff, 2014)	
Please indicate the extent of your agreement with each of the following statements. When working with buyers, planners, and merchandisers in our company ...	
I frequently make suggestions about how to do things related to the [company name] products in new or more effective ways at work.	0.58
I often suggest changes to [company name]-initiated projects in order to make them better.	0.78
I often speak up with recommendations about how to fix problems related to promoting [company name] products.	0.74
I frequently make suggestions about how to improve methods or practices for promoting [company name] products.	0.85
I regularly propose ideas for new or more effective methods for promoting [company name] products.	0.77
Retailer's Dependence on MNC (Palmatier et al., 2007)	
Please indicate the extent of your agreement with each of the following statements. If for some reason, our relationship with [company name] ended…	
The loss would hurt our sales of non-[company name] lines as well.	0.81
We would suffer a significant loss of income despite our best efforts to replace the lost income.	0.93
The loss would seriously damage our reputation in this area.	0.87
Retailer's Commitment to MNC (Palmatier et al., 2007)	
Please indicate the extent of your agreement with each of the following statements:	
We continue to represent [company name] because it is pleasant working with them.	0.72
We intend to continue representing [company name] because we feel like we are part of the [company name] family.	0.81
We like working for [company name] and want to remain a [company name] customer.	0.83
MNC's Contract Enforcement (Samaha et al., 2011)	
Please indicate the extent of your agreement with each of the following statements:	
We often have to resort to our formal contract to resolve disputes with [company name].	0.83
We have to frequently point out to [company name] that their request is beyond the scope of our contract.	0.58
[Company name] often resorts to our formal contract to resolve disputes with us.	0.83
[Company name] often reminds us of our contract to ensure that we are meeting our obligations.	0.77

Notes: (1) All measures were measured on a 7-point scale (1=Strongly Disagree, 7=Strongly Agree) except the measure of MNC's Extra-Contractual Incentives, which was measured on a 7-point scale (1=Very Little, 7=Very Much).

(2) All factor loadings are significant at $p < 0.01$ level (two-tailed test).

(3) Fit indices: $\chi^2 = 800.75$, $df = 369$, GFI = 0.87, TLI = 0.93, CFI = 0.94, RMSEA = 0.07.

(4) We did not include two items on the scale of MNC's extra-contractual incentives in the measurement model test as they failed the measurement invariance test.

Table 3 Descriptive statistics, intercorrelations, and reliabilities

Variables	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1. Retail Store Type[a]																					
2. Account Type[b]	0.23																				
3. Retail Store Manager's Company Experience (ln)	-0.12	0.38																			
4. Retailer's Dependence on MNC	-0.09	0.11	0.29																		
5. MNC's Contract Enforcement	0.11	0.07	-0.17	-0.17																	
6. Retailer's Commitment to MNC	-0.08	0.03	0.14	0.49	-0.27																
7. Retail Store Manager's MNC Brand Knowledge	-0.03	0.13	0.32	0.43	-0.11	0.41															
8. MNC-Retailer Relationship Investment	0.01	0.07	0.16	0.51	-0.31	0.60	0.39														
9. MNC's Extra-Contractual Incentives	-0.10	-0.13	0.07	0.35	-0.24	0.34	0.20	0.32													
10. Retail Store Manager's PBE	-0.15	0.14	0.34	0.52	-0.19	0.43	0.57	0.58	0.36												
11. Retail Store Manager's CBVB	-0.08	0.14	0.29	0.41	-0.23	0.54	0.42	0.40	0.25	0.50											
12. MNC's Salesperson Overall Experience (ln)	-0.08	-0.04	0.33	0.15	-0.16	0.15	0.11	0.19	0.01	0.13	0.12										
13. MNC's Salesperson Company Experience	0.03	0.24	0.50	0.21	-0.13	0.03	0.13	0.15	0.09	0.21	0.20	0.43									
14. MNC's Salesperson Performance (ln)	-0.20	-0.15	0.17	0.10	-0.11	0.07	0.05	0.16	0.21	0.04	0.15	0.29	0.14								
15. Uncertainty Avoidance	0.04	0.22	0.11	0.14	-0.02	0.09	0.06	0.03	0.11	0.10	0.06	-0.07	0.26	0.15							
16. Long-Term Orientation	0.17	-0.30	-0.12	-0.17	0.06	-0.06	0.01	0.04	-0.11	-0.24	-0.10	0.11	-0.13	0.12	-0.13						
17. Individualism	-0.11	-0.06	0.35	0.03	-0.18	0.11	0.12	0.01	0.21	0.11	0.06	0.11	0.25	0.32	0.01	0.18					
18. Power Distance	0.11	-0.20	-0.44	-0.19	0.25	-0.21	-0.17	-0.21	-0.12	0.22	-0.32	-0.21	-0.38	-0.18	-0.34	0.23	-0.55				
19. Masculinity	-0.06	-0.02	-0.04	0.04	0.01	-0.02	-0.06	-0.09	-0.13	-0.06	-0.01	-0.10	-0.17	-0.11	-0.38	-0.50	0.19	0.24			
20. Indulgence	-0.10	0.13	-0.10	-0.10	0.12	-.021	-0.10	-0.17	-0.18	-0.17	-0.16	-0.13	-0.04	-0.24	-0.06	-0.32	-0.24	0.61	0.52		
21. Gini Coefficient[c]	0.17	-0.08	-0.25	-0.28	0.14	-0.15	-0.09	-0.14	-0.29	-0.29	-0.17	-0.01	-0.39	-0.23	-0.47	0.34	-0.29	0.69	.0.27	0.43	
Mean	-	-	3.02	5.72	2.46	5.88	6.19	6.12	5.03	5.59	5.60	3.01	7.84	4.71	83.20	24.73	29.65	63.34	51.51	69.49	46.28
SD	-	-	0.40	1.32	1.59	1.30	1.08	1.25	1.55	1.25	1.20	0.27	5.19	0.35	6.18	8.88	12.47	10.41	13.49	15.84	4.68
Cronbach's alpha	-	-	-	0.90	0.83	0.82	0.90	0.90	0.84	0.94	0.86	-	-	-	-	-	-	-	-	-	-
Composite reliability	-	-	-	0.90	0.84	0.83	0.91	0.91	0.82	0.96	0.86	-	-	-	-	-	-	-	-	-	-
Average variance extracted	-	-	-	0.76	0.58	0.62	0.78	0.76	0.61	0.80	0.56	-	-	-	-	-	-	-	-	-	-

Notes: PBE = Psychological Brand Engagement; CBVB = Constructive Brand Voice Behavior. Correlations higher than |0.14| are significant at $p < .05$.

[a] Dummy variable (1= multi-brand athletic store; 2= hybrid store); [b]Dummy variable (1= Field regular account; 2 = Key account); [c]Country/MNC Subsidiary Income Distribution (In)equality.

Table 4 Results (Baseline Model)

	Retail Store Manager's Psychological Brand Engagement				Retail Store Manager's Constructive Brand Voice Behavior				MNC's Salesperson Performance			
	b	Posterior SD	Lower 95% CI	Upper 95% CI	b	Posterior SD	Lower 95% CI	Upper 95% CI	b	Posterior SD	Lower 95% CI	Upper 95% CI
Main Effects												
MNC-Retailer Relationship Investment	0.197	0.088	0.022	0.368								
MNC's Extra-Contractual Incentives	0.152	0.046	0.060	0.243								
Retail Store Manager's MNC Brand Knowledge	0.276	0.096	0.087	0.463	0.300	0.053	0.196	0.403				
Retail Store Manager's Psychological Brand Engagement					0.210	0.085	0.043	0.377				
Retail Store Manager's Constructive Brand Voice Behavior									0.108	0.050	0.009	0.207
Covariates												
Retail Store Type[a]	0.044	0.091	-0.136	0.223	0.033	0.100	-0.165	0.228				
Account Type[b]	-0.077	0.070	-0.214	0.059	-0.038	0.078	-0.192	0.115				
Retail Store Manager's Company Experience (ln)	0.143	0.088	-0.031	0.314	0.014	0.096	-0.173	0.202				
Retailer's Dependence on MNC	0.311	0.046	0.222	0.401	0.175	0.050	0.078	0.274				
Retailer's Commitment to MNC	0.216	0.046	0.125	0.307	0.154	0.045	0.065	0.243				
MNC's Contract Enforcement	0.098	0.031	0.036	0.159	0.015	0.033	-0.050	0.079				
MNC's Salesperson Overall Experience (ln)									0.234	0.178	-0.114	0.587
MNC's Salesperson Company Experience									0.010	0.013	-0.016	0.035
Country Dummies		Yes				Yes				Yes		
Gini Coefficient[c]	0.010	0.030	-0.050	0.069	0.014	0.043	-0.071	0.098	0.032	0.022	-0.012	0.077
Common Method and Endogeneity Correction												
Common Method Factor	0.014	0.004	0.006	0.023	-0.018	0.005	-0.027	-0.009				
Endogeneity Correction$_{(Residual)}$	0.013	0.032	-0.050	0.075	0.003	0.032	-0.059	0.066				
Endogeneity Correction$_{(MNC\text{-}Retailer\ Relationship\ Investment\ x\ Residual)}$	0.025	0.035	-0.045	0.094	0.050	0.037	-0.023	0.122				
Pseudo R^2		.437				.417				.239		

Notes: (1) Confidence intervals that do not include zero indicate a significant effect at 95% (two-tailed test). (2) Bayesian estimation provides posterior standard deviation (SD) instead of standard error. (3) The highest variance inflation factor for all models was 3.50.

[a]Dummy variable (1= multi-brand athletic store; 2= hybrid store); [b]Dummy variable (1= Field regular account; 2 = Key account); [c]Country/MNC Subsidiary Income Distribution (In)equality

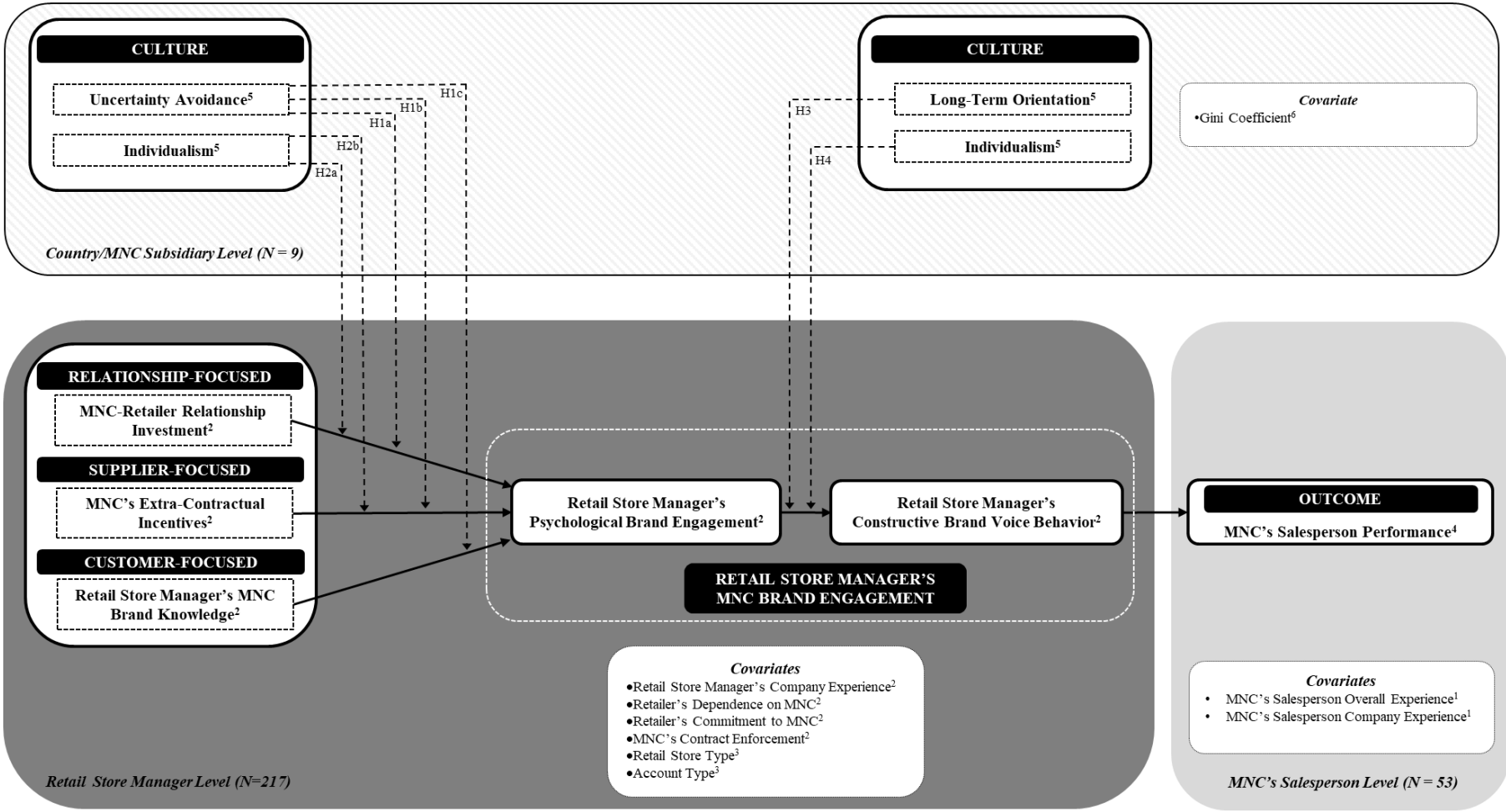
Table 5 Results (Hypothesized Model)

	Model 1 (Main Effects-Only)						Model 2 (Full Model)					
	Retail Store Manager's Psychological Brand Engagement			Retail Store Manager's Constructive Brand Voice Behavior			Retail Store Manager's Psychological Brand Engagement			Retail Store Manager's Constructive Brand Voice Behavior		
	b	SE	*p*	b	SE	*p*	b	SE	*p*	b	SE	*p*
Main Effects												
MNC-Retailer Relationship Investment	0.204	0.099	0.039				0.214	0.099	0.030			
MNC's Extra-Contractual Incentives	0.079	0.039	0.043				0.040	0.043	0.350			
Retail Store Manager's MNC Brand Knowledge	0.233	0.074	0.002	0.338	0.061	0.000	0.223	0.070	0.001	0.313	0.063	0.000
Retail Store Manager's Psychological Brand Engagement				0.261	0.118	0.027				0.237	0.123	0.054
Uncertainty Avoidance (UA)	0.000	0.002	0.844	-0.002	0.003	0.507	-0.001	0.002	0.586	-0.002	0.003	0.490
Individualism (IND)	-0.002	0.001	0.135	0.001	0.001	0.369	-0.002	0.001	0.130	-0.001	0.001	0.329
Long-Term Orientation (LT)	0.001	0.004	0.692	-0.001	0.002	0.634	0.001	0.003	0.689	0.000	0.002	0.820
Interaction Effects												
MNC-Retailer Relationship Investment x UA (H1a)							***0.025***	***0.011***	***0.022***			
MNC's Extra-Contractual Incentives x UA (H1b)							***0.014***	***0.004***	***0.001***			
Retail Store Manager's MNC Brand Knowledge x UA (H1c)							***-0.018***	***0.008***	***0.020***			
MNC-Retailer Relationship Investment x IND (H2a)							***-0.009***	***0.004***	***0.043***			
MNC's Extra-Contractual Incentives x IND (H2b)							***0.004***	***0.001***	***0.012***			
Retail Store Manager's MNC Brand Knowledge x IND							-0.001	0.004	0.806			
Retail Store Manager's Psychological Brand Engagement x IND (H4)										***-0.003***	***0.005***	***0.586***
Retail Store Manager's Psychological Brand Engagement x LT (H3)										***-0.016***	***0.007***	***0.023***
Covariates												
Retail Store Type[a]	0.042	0.054	0.432	0.079	0.066	0.235	0.063	0.047	0.182	0.055	0.064	0.389
Account Type[b]	-0.070	0.066	0.290	-0.057	0.044	0.192	-0.091	0.059	0.125	-0.038	0.040	0.339
Retail Store Manager's Company Experience (ln)	0.174	0.100	0.081	0.002	0.097	0.980	0.212	0.099	0.031	-0.012	0.087	0.888
Retailer's Dependence on MNC	0.352	0.089	0.000	0.112	0.072	0.120	0.354	0.089	0.000	0.142	0.071	0.045
Retailer's Commitment to MNC	0.255	0.052	0.000	0.142	0.036	0.000	0.243	0.046	0.000	0.145	0.036	0.000
MNC's Contract Enforcement	0.070	0.037	0.059	-0.023	0.039	0.549	0.083	0.040	0.040	-0.008	0.040	0.840
Gini Coefficient[c]	0.001	0.003	0.805	-0.003	0.003	0.424	0.000	0.003	0.947	-0.003	0.003	0.410
Common Method and Endogeneity Correction												
Common Method Factor	0.008	0.005	0.128	-0.021	0.006	0.000	0.013	0.005	0.014	-0.012	0.005	0.023
Endogeneity Correction$_{(Residual)}$	0.047	0.050	0.353	0.063	0.038	0.099	0.055	0.044	0.210	-0.047	0.039	0.235
Endogeneity Correction$_{(MNC\text{-}Retailer\ Relationship\ Investment\ x\ Residual)}$	-0.058	0.068	0.394	0.039	0.025	0.126	-0.027	0.053	0.603	0.039	0.026	0.138
Log-likelihood (*df*)			-348.05 (35)						-334.58 (43)			
Likelihood Ratio Test [χ^2 (Δdf)]			505.68 (31), p = .001[d]						26.94 (8), p = .001[e]			
Pseudo R^2		.437			.404			.469			.417	

Notes: (1) Robust standard errors are reported. (2) Hypothesized interaction effects are in bold and italics (two-tailed test). (3) The highest variance inflation factor for all models was 3.30.

[a] Dummy variable (1= multi-brand athletic store; 2= hybrid store); [b]Dummy variable (1= Field regular account; 2 = Key account); [c]Country/MNC Subsidiary Income Distribution (In)equality. [d]Compared to null model. [e]Compared to Model 1.

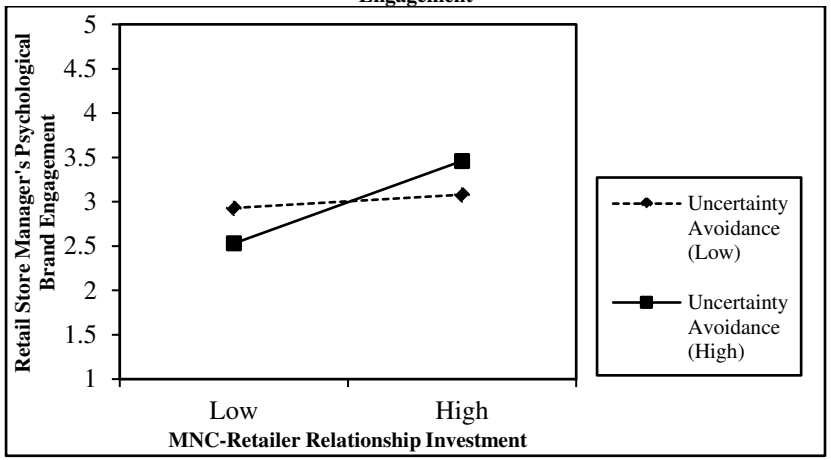
Figure 1 Conceptual model of retail store manager's MNC brand engagement



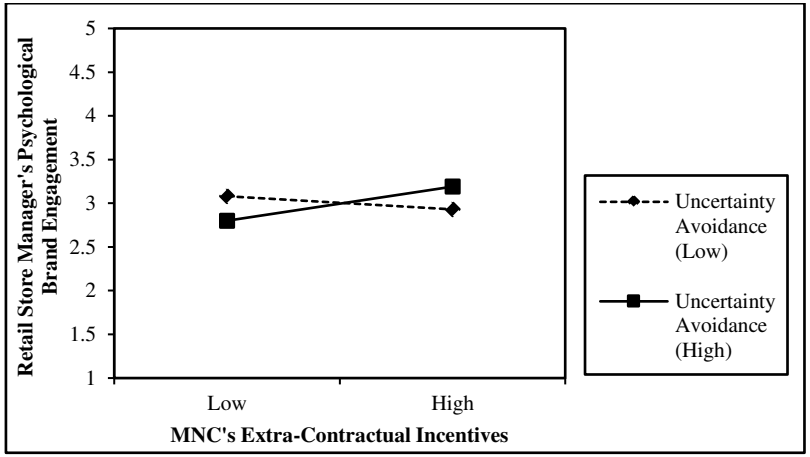
Data Sources: [1] MNC's salesperson survey data at T1 (year 1) but shifted by one year to match data at T3 (year 2); [2] Retail store manager survey data at T2 (year 2); [3] Objective (archival) data at T2 (year 2); [4] Objective (archival) data at T3 (year 2) [5] Secondary data from Hofstede Insights at T3 (year 2); [6] Secondary data from World Bank at T3 (year 2)

WEB APPENDIX A: PLOTS OF SIGNIFICANT CROSS-LEVEL INTERACTIONS

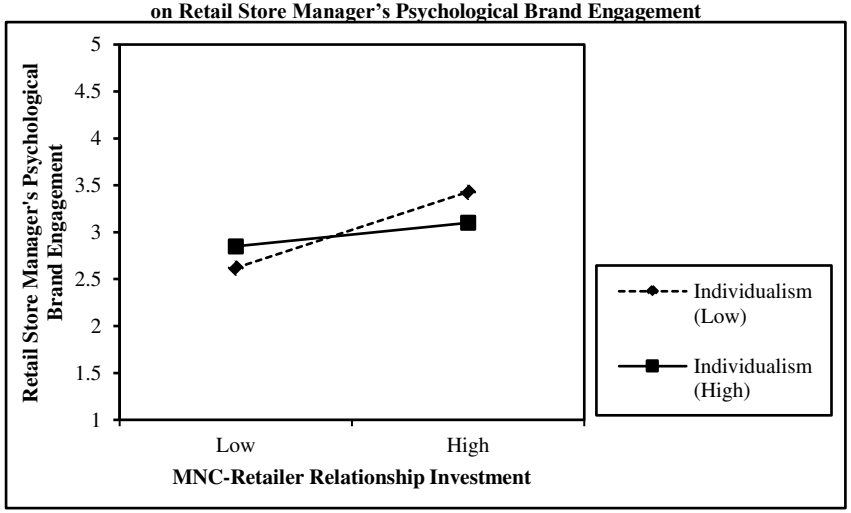
Panel A: The Interaction Effect of MNC-Retailer Relationship Investment and Uncertainty Avoidance on Retail Store Manager's Psychological Brand Engagement



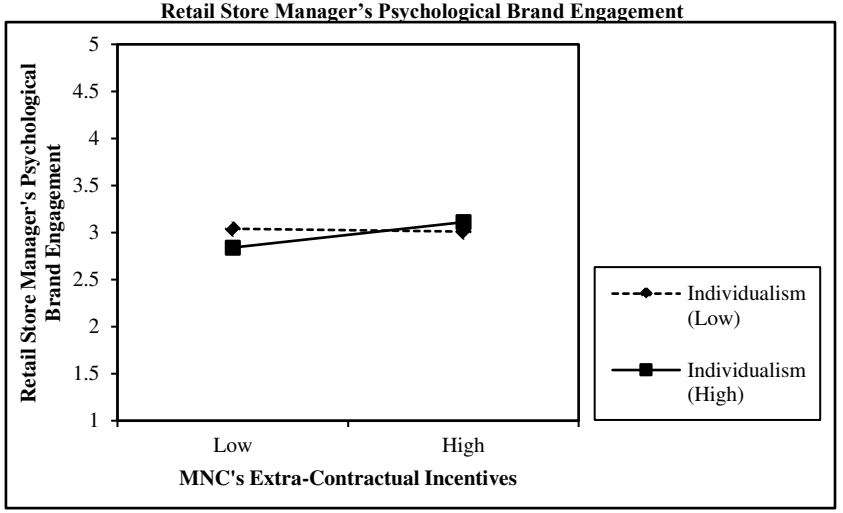
Panel B: The Interaction Effect of MNC's Extra-Contractual Incentives and Uncertainty Avoidance on Retail Store Manager's Psychological Brand Engagement



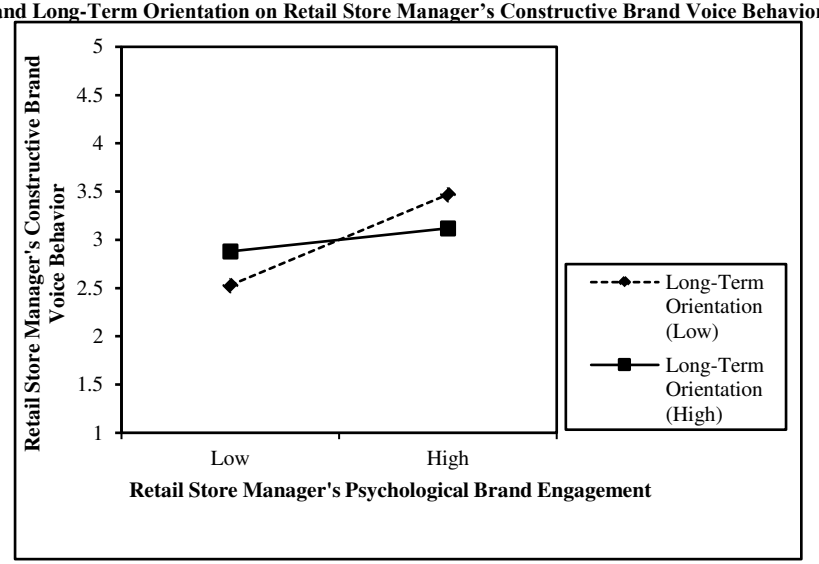
Panel C: The Interaction Effect of MNC-Retailer Relationship Investment and Individualism on Retail Store Manager's Psychological Brand Engagement



Panel D: The Interaction Effect of MNC's Extra-Contractual Incentives and Individualism on Retail Store Manager's Psychological Brand Engagement



Panel E: The Interaction Effect of Retail Store Manager's Psychological Brand Engagement and Long-Term Orientation on Retail Store Manager's Constructive Brand Voice Behavior



WEB APPENDIX B: ASSESSING MULTICOLLINEARITY THREAT WITH VARIANCE INFLATION FACTORS (VIFs)

Illustration 1: VIF Values of All Six Dimensions of Culture (Model Free Evidence)

Variable	VIF	1/VIF
Power Distance	13.56	0.073742
Long-term Orientation	9.00	0.111113
Individualism	7.67	0.130415
Masculinity	6.41	0.156051
Indulgence	4.30	0.232603
Uncertainty Avoidance	1.61	0.621334
Mean VIF	7.09	

Conclusion: The model specification here is model-free and only includes the 6 cultural dimensions. Even when no other variables are entered, including all 6 dimensions in a single model results in high collinearity as evidenced by the VIFs being close to or higher than the typically suggested cutoff value of 10. Power Distance is especially collinear with the other dimensions. It should be noted that this cutoff of 10 is considered too high (lenient), and even substantially smaller VIFs, such as 5, can indicate multicollinearity problems (see Cohen, Cohen, West, & Aiken, 2003, pp. 423-424; Hair, Black, Babin, & Anderson, 2019, p. 316). Thus, we adopt the more conservative cutoff value of 5 in our study.

Illustration 2: VIF Values When All Cultural Dimensions Are in the Model (Dependent Variable = Retail Store Manager's Psychological Brand Engagement)

Variable	VIF	1/VIF
Long-term Orientation	22.83	0.043801
Power Distance	21.25	0.047063
Individualism	15.52	0.064442
Masculinity	12.75	0.078444
Indulgence	7.89	0.126748
Gini Coefficient	5.58	0.179371
Endogeneity Correction(MNC-Retailer Relationship Investment x Residual)	2.52	0.396804
Uncertainty Avoidance	2.01	0.496420
MNC-Retailer Relationship Investment	2.01	0.498279
Retailer's Commitment to MNC	1.84	0.544260
Retailer's Dependence on MNC	1.73	0.576523
Account Type	1.71	0.583282
Endogeneity Correction(Residual)	1.67	0.597446
Retail Store Manager's Company Experience (ln)	1.67	0.597883
Common Method Factor	1.58	0.631359
Retail Store Manager's MNC Brand Knowledge	1.52	0.656529
Retail Store Type	1.39	0.721783
MNC's Contract Enforcement	1.23	0.813872
MNC's Extra-Contractual Incentives	1.10	0.910145
Mean VIF	5.67	

Conclusion: The model specification here is the same with that in Illustration 1, but, in addition, all other study variables and covariates are included. So, when all other variables are included together with all 6 dimensions in a single model, collinearity in cultural dimensions is increased to very high levels, as evidenced by VIFs being larger than 5 (see Cohen et al., 2003; Hair et al., 2019). Specifically, the highest VIF value for long-term orientation (=22.83) is 4 times as much the conservative cutoff (i.e., VIF<5) when all 6 cultural dimensions are in the equation. Further, long-term orientation, power distance, individualism, masculinity, and even indulgence (VIF=7.89) do not work together in the same model.

Illustration 3: VIF Values When Power Distance is Not Included in the Model (Dependent Variable = Retail Store Manager's Psychological Brand Engagement)

Variable	VIF	1/VIF
Long-term Orientation	5.23	0.191345
Masculinity	5.15	0.194236
Gini Coefficient	3.93	0.254758
Individualism	2.96	0.338336
Endogeneity Correction(MNC-Retailer Relationship Investment x Residual)	2.49	0.402178
Indulgence	2.23	0.447964
MNC-Retailer Relationship Investment	2.01	0.498280
Retailer's Commitment to MNC	1.84	0.544265
Uncertainty Avoidance	1.83	0.545341
Retailer's Dependence on MNC	1.73	0.576694
Account Type	1.71	0.584958
Endogeneity Correction (Residual)	1.66	0.603872
Retail Store Manager's Company Experience (ln)	1.63	0.613323
Common Method Factor	1.58	0.633161
Retail Store Manager's MNC Brand Knowledge	1.52	0.657576
Retail Store Type	1.39	0.721838
MNC's Contract Enforcement	1.23	0.813875
MNC's Extra-Contractual Incentives	1.10	0.910308
Mean VIF	5.67	

Conclusion: The model specification here is the same with that in Illustration 2, except that Power Distance has been excluded. So, when this cultural dimension is excluded collinearity in the other dimensions drops significantly (i.e., close to or less than 5; see Cohen et al., 2003; Hair et al., 2019). This shows how collinear Power Distance is with the other dimensions.

Illustration 4: VIF Values When Cultural Distance and Cultural Dimensions Are Entered in the Model Together (Dependent Variable = Retail Store Manager's Psychological Brand Engagement)

Variable	VIF	1/VIF
Cultural Distance	14996.66	0.000067
Long-Term Orientation	6521.93	0.000153
Power Distance	5052.09	0.000198
Masculinity	1395.05	0.000717
Indulgence	1330.15	0.000752
Individualism	738.08	0.001355
Gini Coefficient	79.89	0.012518
Uncertainty Avoidance	35.52	0.028151
Endogeneity Correction(MNC-Retailer Relationship Investment x Residual)	2.63	0.380005
Retail Store Type	2.08	0.480848
MNC-Retailer Relationship Investment	2.02	0.495453
Retailer's Commitment to MNC	1.84	0.542258
Account Type	1.81	0.551771
Retailer's Dependence on MNC	1.74	0.576017
Endogeneity Correction(Residual)	1.70	0.588620
Retail Store Manager's Company Experience (ln)	1.69	0.591178
Common Method Factor	1.62	0.618748
Retail Store Manager's MNC Brand Knowledge	1.54	0.649982
MNC's Salesperson Diligence	1.24	0.806853
MNC's Contract Enforcement	1.23	0.812780
MNC's Dependence on Retailer	1.22	0.816852
MNC's Extra-Contractual Incentives	1.11	0.897160
MNC's Relative Market Share		
Mean VIF	1371.49	

Note: MNC's Relative Market Share omitted because of collinearity

Conclusion: The model specification here is the same with that in Illustration 2, but, in addition, the four additional covariates used in the Additional Covariates Model (e.g., cultural distance, MNC's Relative Market Share) are included. So, when these additional covariates are included together with all 6 dimensions in a single model, collinearity in cultural dimensions skyrockets to very high levels, as evidenced by VIFs being larger than 5 (see Cohen et al., 2003; Hair et al., 2019). This is because cultural distance is a derived variable using all six cultural dimensions and cannot be used together with the other dimensions. In addition, MNC's Relative Market Share is excluded due to multicollinearity.

WEB APPENDIX C: ADDITIONAL COVARIATES

	Retail Store Manager's Psychological Brand Engagement				Retail Store Manager's Constructive Brand Voice Behavior				MNC's Salesperson Performance			
	b	Posterior SD	Lower 95% CI	Upper 95% CI	b	Posterior SD	Lower 95% CI	Upper 95% CI	b	Posterior SD	Lower 95% CI	Upper 95% CI
Main Effects												
MNC-Retailer Relationship Investment	0.199	0.091	0.019	0.376								
MNC's Extra-Contractual Incentives	0.150	0.045	0.061	0.237								
Retail Store Manager's MNC Brand Knowledge	0.273	0.096	0.087	0.466	0.302	0.053	0.197	0.406				
Retail Store Manager's Psychological Brand Engagement					0.207	0.085	0.042	0.375				
Retail Store Manager's Constructive Brand Voice Behavior									0.108	0.050	0.009	0.206
Covariates												
Retail Store Type[a]	0.049	0.091	-0.129	0.228	0.032	0.101	-0.167	0.231				
Account Type[b]	-0.087	0.072	-0.225	0.053	-0.036	0.079	-0.193	0.120				
Retail Store Manager's Company Experience (ln)	0.147	0.090	-0.028	0.324	0.019	0.097	-0.170	0.209				
Retailer's Dependence on MNC	0.311	0.046	0.221	0.402	0.176	0.050	0.077	0.275				
Retailer's Commitment to MNC	0.216	0.046	0.125	0.307	0.155	0.045	0.065	0.244				
MNC's Contract Enforcement	0.097	0.032	0.035	0.159	0.016	0.033	-0.050	0.081				
MNC's Salesperson Diligence	0.015	0.039	-0.061	0.092	0.010	0.044	-0.076	0.098				
MNC's Dependence on Retailer[c]	-0.062	0.135	-0.325	0.203	0.031	0.149	-0.260	0.323				
MNC's Salesperson Overall Experience (ln)									0.189	0.182	-0.167	0.550
MNC's Salesperson Company Experience									0.011	0.013	-0.015	0.037
Country Dummies		Yes				Yes				Yes		
Gini Coefficient[d]	0.006	0.043	-0.077	0.090	0.007	0.051	-0.092	0.107	0.032	0.022	-0.012	0.077
Cultural Distance[e]	0.004	0.023	-0.040	0.049	0.003	0.027	-0.049	0.057	0.009	0.014	-0.019	0.036
MNC's Relative Market Share	0.145	0.535	-0.896	1.210	0.096	0.643	-1.167	1.354	0.242	0.331	-0.412	0.892
Common Method and Endogeneity Correction												
Common Method Factor	0.014	0.004	0.006	0.023	-0.018	0.005	-0.028	-0.009				
Endogeneity Correction$_{(Residual)}$	0.013	0.032	-0.051	0.075	0.003	0.032	-0.060	0.066				
Endogeneity Correction$_{(MNC\text{-}Retailer\ Relationship\ Investment\ x\ Residual)}$	0.028	0.037	-0.044	0.100	0.051	0.038	-0.024	0.125				
Pseudo R^2		.437				.417				.239		

Notes: (1) Confidence intervals that do not include zero indicate a significant effect at 95% (two-tailed test). (2) Bayesian estimation provides posterior standard deviation (SD) instead of standard error. (3) The highest variance inflation factor for all models was 4.09.

[a]Dummy variable (1= multi-brand athletic store; 2= hybrid store). [b]Dummy variable (1= Field regular account; 2 = Key account). [c]Dummy variable (0 = retailer does not operate retail stores in other Latin American countries, 1 = retailer operates retail stores in other Latin American countries). [d]Country/MNC Subsidiary Income Distribution (In)equality. [e]Cultural distance between any two countries is calculated using the Euclidean distance formula and based on the cultural dimension scores of those countries (i.e., power distance, individualism, masculinity, long-term orientation, uncertainty avoidance, and indulgence) (Kogut & Singh, 1988). Since cultural distance is a derived variable using all six cultural dimensions, we do not enter the cultural dimensions in the model to avoid multicollinearity (see also Web Appendix B, Illustration 4).

WEB APPENDIX D: TESTING ALTERNATIVE MODELS

	Alternative Model 1 (Non-Hypothesized Interaction Effects)					
	Retail Store Manager's Psychological Brand Engagement			Retail Store Manager's Constructive Brand Voice Behavior		
	b	SE	*p*	b	SE	*p*
Main Effects						
MNC-Retailer Relationship Investment	0.214	0.092	0.020			
MNC's Extra-Contractual Incentives	0.052	0.038	0.173			
Retail Store Manager's MNC Brand Knowledge	0.235	0.073	0.001	0.311	0.066	0.000
Retail Store Manager's Psychological Brand Engagement				0.237	0.126	0.060
Uncertainty Avoidance (UA)	0.000	0.002	0.974	-0.002	0.003	0.410
Individualism (IND)	-0.002	0.001	0.060	0.001	0.001	0.308
Long-Term Orientation (LT)	0.000	0.002	0.913	0.000	0.001	0.861
Power Distance (PD)						
Masculinity (MASC)						
Indulgence (INDULG)						
Interaction Effects						
MNC-Retailer Relationship Investment x UA	***0.025***	***0.009***	***0.007***			
MNC's Extra-Contractual Incentives x UA	***0.016***	***0.005***	***0.001***			
Retail Store Manager's MNC Brand Knowledge x UA	***-0.020***	***0.007***	***0.008***			
MNC-Retailer Relationship Investment x IND	***-0.009***	***0.004***	***0.016***			
MNC's Extra-Contractual Incentives x IND	***0.002***	***0.001***	***0.044***			
Retail Store Manager's MNC Brand Knowledge x IND	0.000	0.003	0.982			
MNC-Retailer Relationship Investment x LT	-0.016	0.013	0.201			
MNC's Extra-Contractual Incentives x LT	0.006	0.005	0.272			
Retail Store Manager's MNC Brand Knowledge x LT	-0.017	0.010	0.085			
Retail Store Manager's Psychological Brand Engagement x UA				0.002	0.009	0.794
Retail Store Manager's Psychological Brand Engagement x IND				***-0.003***	***0.005***	***0.571***
Retail Store Manager's Psychological Brand Engagement x LT				***-0.016***	***0.007***	***0.041***
Covariates						
Retail Store Type[a]	0.047	0.051	0.362	0.057	0.063	0.368
Account Type[b]	-0.103	0.053	0.054	-0.038	0.039	0.325
Retail Store Manager's Company Experience (ln)	0.219	0.092	0.017	-0.013	0.084	0.879
Retailer's Dependence on MNC	0.339	0.077	0.000	0.144	0.077	0.062
Retailer's Commitment to MNC	0.190	0.044	0.000	0.145	0.036	0.000
MNC's Contract Enforcement	0.088	0.035	0.011	-0.008	0.042	0.844
Gini Coefficient[c]	0.001	0.003	0.571	-0.003	0.003	0.323
Common Method and Endogeneity Correction						
Common Method Factor	0.016	0.005	0.001	-0.012	0.006	0.071
Endogeneity Correction$_{(Residual)}$	0.016	0.038	0.680	0.046	0.041	0.266
Endogeneity Correction$_{(MNC\text{-}Retailer\ Relationship\ Investment\ x\ Residual)}$	0.019	0.032	0.560	0.042	0.023	0.068
Log-likelihood (*df*)	-330.84 (47)					
Likelihood Ratio Test [χ^2 (Δdf)]	7.49 (4), p = 0.112[d]					
Pseudo R^2	.470			.417		

Notes: (1) Robust standard errors are reported. (2) Hypothesized interaction effects are in bold and italics (two-tailed test). (3) Likelihood ratio test is based on comparison of this model with Model 2 (Table 5). (4) The highest variance inflation factor for Alternative Model 1 is 3.34.

[a] Dummy variable (1= multi-brand athletic store; 2= hybrid store); [b]Dummy variable (1= Field regular account; 2 = Key account); [c]Country/MNC Subsidiary Income Distribution (In)equality; [d]Compared to Table 5, Model 2.

WEB APPENDIX D: TESTING ALTERNATIVE MODELS (cont'd)

	Alternative Model 2 (The Moderating Role of Power Distance)[d]						Alternative Model 3 (The Moderating Role of Masculinity)[e]					
	Retail Store Manager's Psychological Brand Engagement			Retail Store Manager's Constructive Brand Voice Behavior			Retail Store Manager's Psychological Brand Engagement			Retail Store Manager's Constructive Brand Voice Behavior		
	b	SE	*p*	b	SE	*p*	b	SE	*p*	b	SE	*p*
Main Effects												
MNC-Retailer Relationship Investment	0.190	0.084	0.023				0.175	0.083	0.034			
MNC's Extra-Contractual Incentives	0.048	0.040	0.229				0.050	0.033	0.130			
Retail Store Manager's MNC Brand Knowledge	0.222	0.069	0.001	0.332	0.061	0.000	0.230	0.065	0.000	0.335	0.065	0.000
Retail Store Manager's Psychological Brand Engagement				0.224	0.091	0.014				0.247	0.098	0.012
Uncertainty Avoidance (UA)	0.000	0.002	0.975	-0.002	0.003	0.564	0.001	0.002	0.773	-0.001	0.002	0.827
Individualism (IND)							-0.002	0.002	0.262	0.000	0.001	0.796
Long-Term Orientation (LT)	0.001	0.004	0.840	-0.001	0.002	0.688						
Power Distance (PD)	0.001	0.002	0.468	0.001	0.002	0.770						
Masculinity (MASC)							0.000	0.002	0.867	0.001	0.001	0.142
Indulgence (INDULG)												
Interaction Effects												
MNC-Retailer Relationship Investment x PD	0.009	0.005	0.083									
MNC's Extra-Contractual Incentives x PD	-0.008	0.005	0.093									
Retail Store Manager's MNC Brand Knowledge x PD	-0.002	0.006	0.776									
MNC-Retailer Relationship Investment x MASC							0.008	0.005	0.140			
MNC's Extra-Contractual Incentives x MASC							-0.002	0.002	0.261			
Retail Store Manager's MNC Brand Knowledge x MASC							0.003	0.006	0.548			
Retail Store Manager's Psychological Brand Engagement x PD				0.009	0.007	0.156						
Retail Store Manager's Psychological Brand Engagement x MASC										0.007	0.005	0.140
Covariates												
Retail Store Type[a]	0.049	0.051	0.331	0.070	0.069	0.304	0.023	0.056	0.681	0.046	0.061	0.446
Account Type[b]	-0.071	0.061	0.249	-0.062	0.042	0.624	-0.075	0.058	0.193	-0.052	0.042	0.218
Retail Store Manager's Company Experience (ln)	0.164	0.095	0.085	0.402	0.199	0.141	0.196	0.092	0.032	0.003	0.095	0.976
Retailer's Dependence on MNC	0.374	0.094	0.000	0.121	0.069	0.077	0.360	0.087	0.000	0.122	0.066	0.063
Retailer's Commitment to MNC	0.265	0.056	0.000	0.144	0.036	0.000	0.236	0.051	0.000	0.137	0.035	0.000
MNC's Contract Enforcement	0.086	0.038	0.021	-0.008	0.035	0.813	0.085	0.032	0.008	-0.010	0.037	0.782
Gini Coefficient[c]	0.000	0.004	0.971	-0.004	0.005	0.413	0.003	0.004	0.458	-0.003	0.003	0.258
Common Method and Endogeneity Correction												
Common Method Factor	0.007	0.005	0.184	-0.020	0.006	0.001	0.008	0.005	0.106	-0.019	0.006	0.002
Endogeneity Correction$_{(Residual)}$				0.063	0.036	0.078	-0.059	0.064	0.362	0.059	0.031	0.056
Endogeneity Correction$_{(MNC\text{-}Retailer\ Relationship\ Investment\ x\ Residual)}$				0.029	0.028	0.302	0.023	0.047	0.624	0.017	0.024	0.473
Log-likelihood	-340.67 (39)						-340.07 (39)					
Pseudo R^2	.450			.416			.445			.416		

Notes: (1) Robust standard errors are reported. (2) Two-tailed test is employed. (3) The highest variance inflation factor for Alternative Model 2 and Alternative Model 3 is 3.32 and 3.22, respectively.

[a] Dummy variable (1= multi-brand athletic store; 2= hybrid store); [b]Dummy variable (1= Field regular account; 2 = Key account); [c]Country/MNC Subsidiary Income Distribution (In)equality. [d]In Alternative Model 2, we controlled for long-term orientation and uncertainty avoidance to minimize multicollinearity (See Web Appendix B, Illustrations 1, 2, and 3). [e]In Alternative Model 3, we controlled for individualism and uncertainty avoidance to minimize multicollinearity (See Web Appendix B, Illustrations 1, 2, and 3)

WEB APPENDIX D: TESTING ALTERNATIVE MODELS (cont'd)

	Alternative Model 4 (The Moderating Role of Indulgence)[d]					
	Retail Store Manager's Psychological Brand Engagement			Retail Store Manager's Constructive Brand Voice Behavior		
	b	SE	*p*	b	SE	*p*
Main Effects						
MNC-Retailer Relationship Investment	0.154	0.086	0.074			
MNC's Extra-Contractual Incentives	0.049	0.040	0.219			
Retail Store Manager's MNC Brand Knowledge	0.240	0.075	0.001	0.336	0.063	0.000
Retail Store Manager's Psychological Brand Engagement				0.207	0.087	0.017
Uncertainty Avoidance (UA)	0.000	0.002	0.873	-0.002	0.003	0.493
Individualism (IND)	-0.002	0.001	0.125	0.001	0.001	0.430
Long-Term Orientation (LT)	-0.001	0.003	0.721	0.000	0.002	0.916
Power Distance (PD)						
Masculinity (MASC)						
Indulgence (INDULG)	0.000	0.001	0.874	0.001	0.001	0.305
Interaction Effects						
MNC-Retailer Relationship Investment x INDULG	0.009	0.005	0.076			
MNC's Extra-Contractual Incentives x INDULG	-0.006	0.003	0.077			
Retail Store Manager's MNC Brand Knowledge x INDULG	0.001	0.004	0.758			
Retail Store Manager's Psychological Brand Engagement x INDULG				0.008	0.005	0.084
Covariates						
Retail Store Type[a]	0.049	0.050	0.329	0.073	0.069	0.288
Account Type[b]	-0.085	0.060	0.158	-0.056	0.042	0.180
Retail Store Manager's Company Experience (ln)	0.177	0.087	0.042	0.006	0.094	0.950
Retailer's Dependence on MNC	0.375	0.089	0.000	0.140	0.064	0.030
Retailer's Commitment to MNC	0.239	0.054	0.000	0.133	0.035	0.000
MNC's Contract Enforcement	0.089	0.033	0.007	0.009	0.041	0.836
Gini Coefficient[c]	0.001	0.004	0.901	-0.004	0.004	0.334
Common Method and Endogeneity Correction						
Common Method Factor	0.008	0.005	0.119	-0.015	0.007	0.018
Endogeneity Correction$_{(Residual)}$	-0.044	0.059	0.458	0.058	0.033	0.074
Endogeneity Correction$_{(MNC\text{-}Retailer\ Relationship\ Investment\ x\ Residual)}$	0.042	0.051	0.410	0.033	0.029	0.258
Log-likelihood	-340.92 (41)					
Pseudo R^2	.440			.415		

Notes: (1) Robust standard errors are reported. (2) Two-tailed test is employed. (3) The highest variance inflation factor for Alternative Model 4 is 3.37.

[a] Dummy variable (1= multi-brand athletic store; 2= hybrid store); [b]Dummy variable (1= Field regular account; 2 = Key account); [c]Country/MNC Subsidiary Income Distribution (In)equality. [d]In Alternative Model 4, we controlled for individualism, long-term orientation, and uncertainty avoidance to minimize multicollinearity (See Web Appendix B, Illustrations 1, 2, and 3).