Exploring antecedents and consequences of young consumers' perceived global brand equity

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Abstract:

Purpose With the expansion of globalization, the increased competitive environment has led to the diffusion of brands across borders and cultures. Furthermore, young consumers represent an optimal segment for the proliferation of global consumer culture (GCC). This paper aims to examine the relationship between acculturation to global consumer culture (AGCC), perceived brand equity, attitudes toward the brand and brand resonance in the global sportswear brands context among young consumers in the USA.

Design/methodology/approach A total of 394 undergraduate student participants ranging in age from 18 years to 24 years completed a multisectonal structured survey. Model construct validity was tested using a confirmatory factor analysis. A structure equation model was used to test hypotheses and relationships.

Findings Results showed that while cosmopolitan and self-identification with GCC dimensions of ACGG had a positive association with perceived brand equity, exposure to marketing activities of MNCs and global mass media exposure dimensions of AGCC had a negative association with perceived brand equity. Perceived brand equity also revealed a positive association with attitudes toward the brand, which in turn, affected brand resonance.

Research limitations/implications The research used a sample of 18-24-year-old youth consumers. Future research could be extended to include younger (15-17-year old) sample to provide a broader sample of the youth market. In addition, future replication of findings should seek through cross-cultural investigation of multiple youth segments.

Practical implications Findings suggest support multiple dimensions of the AGCC scale as holding significant influence on young consumers' brand equity consisting of brand image and brand awareness. Managerially, the findings provide support on the youth consumer's affinity toward self-identification with a GCC and cosmopolitan openness to foreign cultures as being positively related to the adoptions and retention of apparel brands.

Social implications Theoretically, the results provide empirical evidence for the debate on the interrelationship between brand equity and attitudes toward brands. The theoretical model guiding
the current study reflects the notion of an emerging acculturation process among a segment of the world's population to a set of global consumer preferences and ideals that are increasingly being embodied in global brands.

**Originality/value** This is among one of the first studies attempting to explore the applicability of Cleveland and Laroche's (2007) AGCC concepts in predicting young consumers' attitudes and behavioral responses toward global brands.

**Keywords:** global branding | SEM (structural equation modeling) | brand equity (consumer)

**Article:**

The process of globalization has increased competition and led to the diffusion of brands across national borders and cultures. The resulting "Global Brands" can be defined as brands that are available in most countries, have a uniform positioning and image worldwide and are perceived by consumers as "global" (Douglas and Craig, 2012). The success of these global brands however hinges upon the consumers' favorable attitudes and positive behavioral responses. Many companies who have attempted to expand their markets internationally have encountered challenges in effectively building their brand equity in foreign markets. An emerging body of research suggests that, in the increasingly competitive global marketplace, the development of strong brand equity is necessary for a firm's financial success (Keller, 1993, 2004). Identifying these factors which influence consumers' perceived brand equity will aid marketers and brand managers to better understand how to target their brands effectively in the global marketplace.

Today, young consumers have emerged as a lucrative market segment for many multinational corporations because of their growing acceptance of global brands (Lu and Xu, 2015). These young consumers tend to share similar consumption patterns and leisure activities across national borders with similar brand interests (Kjeldgaard and Askegaard, 2006). Young consumers represent the second largest consumer group in the USA, accounting for 20 per cent of the American population with a global purchasing power estimated at US$180 billion in 2011 (World Population Foundation, 2012). They are consistently early advocates of new products and brands (Lingelbach et al., 2012). The literature also supports young consumers as a unique and ideal target segment for global branding versus other consumer groups (Cleveland and Laroche, 2007; Kjeldgaard and Askegaard, 2006; Özsomer, 2012). This research suggests that it is imperative for marketers to better understand young consumers' consumption of global brands.

Although considerable research has been conducted to identify influencing factors of consumers' perceived brand equity, e.g. brand image, brand awareness and its consequences (Chang and Liu, 2009), only limited research exists on how consumers' acculturation to mainstream global consumer culture (GCC) influences brand equity among young consumers. Therefore, the objective of the study is to develop and empirically test a theoretical model of young consumers' perceived brand equity. Specifically, the model explores the interrelationships among acculturation to a GCC (AGCC), perceived brand equity, attitudes toward the brand and brand resonance in the context of global sportswear brands.
Literature review and hypothesis development

Global brands and their importance

Global brands benefit from widespread global awareness, availability and are often found under the same name with consistent market positioning (Özsomer, 2012). Global brands create consumer perceptions of higher quality, social esteem and an aura of connection with a global community (Steenkamp et al., 2003). Global brands also instill social esteem as consumption of these products signals diversity and tolerance of foreign cultures or groups and can help to connect people through shared experiences (Özsomer, 2012). Researchers posit that global brands act as symbols associated with a deterritorialized "global culture" (Holt et al., 2004). Purchasing or using global brands allows a consumer to participate in this global culture.

The existence of several large oligopolistic firms where each firm has many niche products promotes a buyer-driven market where brand names serve as strong corporate assets in gaining and maintaining a strong market presence (Gereffi and Frederick, 2010). Modern apparel strategy emphasizes outsourcing much of the production operations to instead focus resources on brand management (Corbellini and Saviolo, 2009). The brand has become the fulcrum of marketing strategies with sportswear apparel companies today being increasingly aware of how the brand, more than the product, plays a fundamental role in stabilizing the relationship between the company and a given segment of consumers who identify with it. The top three sportswear firms today (i.e. Nike, Adidas/Reebok and Under Armor) account for over 65 per cent of the total US sportswear market (Mintel, 2011). These brands spend considerable proportions of assets to promote strong consumer-brand association (Dawes, 2009).

Acculturation to a global consumer culture

As a consumer identifies with and accepts the messages of a global brand, they internalize its values and ideals into their concept of self (McCracken, 1986). This adoption of global values has been referred to as the formation of a GCC (Steenkamp et al., 2003). According to Arnould and Thompson (2005), GCC is defined as "a social arrangement in which the relations between meaningful life and the symbolic and material resources on which they depend are mediated through markets" (p. 869). The central notion of GCC is that in a modern world, core identities are defined and oriented in relation to consumption (Özsomer, 2012).

Cleveland and Laroche (2007) introduced a concept of AGCC to capture this growing phenomenon. They argued that their model would be capable of determining the degree of conformity to GCC in contrast to the retention or re-emphasis of a local cultural dominance and described AGCC as "how individuals acquire the knowledge, skills, and behaviors that are characteristic of a nascent and deterritorialized global consumer culture" (p. 252). This AGCC is a complex phenomenon consisting of seven dimensions: Cosmopolitanism (COS), which refers to specific qualities held by certain individuals including the willingness to immerse themselves with different cultures; Exposure to the marketing activities of multinational companies (EXM), which is degree to which a person is exposed to marketing practices and images from multinational corporations; Exposure to and the use of the English language (ELU) reflecting the extent of a person's exposure to and use of the English language for various forms of communication; Social interactions including travel, migration and contact with foreigners (SIN), which characterizes the mass migration of global populations to alternant facilities because of relaxing barriers and
increased access to low-cost transportation networks; Global or foreign mass media exposure (GMM), which is more broadly defined than the marketing activities of multinational corporations to include foreign news media, and politics; The openness and desire to emulate GCC (OPE), which reflects the admiration of individuals toward lifestyles of other countries who may show a preference to mimic or adopt consumption habits representative of a global society; and Self-identification with GCC (IDT) which reflects the personal self-assessment of one's level of AGCC.

Later work extended the AGCC scale to be one end of a continuum which encapsulates consumers' reactions to globalization of markets (Cleveland et al., 2009). The opposite end of the spectrum involves consumer ethnocentrism or the consumer's conscious resistance to buying non-domestic brands and a demonstrated preference for locally made products. Cleveland et al., (2009) found that ethnicity identification served to counterbalance the acculturation process and affected consumer behaviors. Likewise, Cleveland et al. (2013) and Sobol (2008) also report similar results when investigating young Lebanese and Dutch consumers. Cleveland et al. (2012) examined different religious segments of Christians and Muslims and its effect on the AGCC. They found that Muslims demonstrated a negative correlation between their level of "religiosity" and the degree of AGCC, whereas Christians showed a non-significant effect of religious belief on AGCC. Sobol (2008) investigated young Dutch consumers' AGCC and found that those with a high degree of AGCC preferred "culture-free" products, whereas those with a low degree of AGCC preferred culturally rich products to re-emphasize their association with the local culture.

Since its introduction, the AGCC scale has only been partially tested in a few areas such as student travel (Hartman et al., 2009), Internet adoption (Ayoub et al., 2012) and consumer electronics adoption (Cleveland et al., 2009). For example, Hartman et al. (2009) examined the degree to which COS, SIN and OPE would influence students' consumption habits when studying abroad. Hartman et al. (2009) found that COS and OPE dimensions showed a positive association with college-aged students' willingness to participate in local service-retail consumption and claimed higher satisfaction with the experience in the Internet adoption context. Ayoub et al. (2012) also found that the degree of AGCC influenced Jordanian participants' attitudes toward Internet usage, specifically as it related to "ease of use" and "perceived usefulness". They further reported a significant, positive relationship between the degree of AGCC and the participants' Internet adoption. However, the study only investigated the intention to use the Internet as a vehicle for communication, not a mode of consumption.

In the current study, AGCC serves as the internalization of GCC; it illustrates how a young person develops aspirations to connect with a consumer group separate from his or her local surroundings. Ultimately, the development of consumer-based brand equity is the outcome of AGCC. Through the development of more favorable consumer-based brand equity, brands may ultimately generate stronger relationships with their intended target audience. The following section presents literature pertaining to consumer-based brand equity.

**Consumer-based brand equity: global brand knowledge**

Brand equity is an important strategic planning tool for brand management because it aids in maximizing marketing productivity as well as economic performance (Yoo and Donthu, 2001). According to Yoo and Donthu (2001), brand equity is defined as the value that a brand name adds to a product based on consumer's associations and perceptions of that brand name. Brand equity has been shown to provide value for both firms as well as consumers. For example, researchers have found that a product's brand equity positively affects future profits and long-term cash flows
For consumers, brand equity has been shown to affect a consumer's willingness to pay a premium price for a brand (Yoo and Donthu, 2001). Aaker (1991) posited that brand equity is a multidimensional construct composed of brand loyalty, brand awareness, brand quality, brand association and other proprietary assets of the firm. This four-dimension model was tested among various homogeneous and heterogeneous samples (Pappu et al., 2005). Keller (1993) further extended this conceptualization of brand equity but referred to it as brand knowledge which was composed of brand awareness and brand image. Keller (1993) argued that this conceptualization of consumer-based brand equity allowed for a more applicable interpretation of marketing effects for marketing managers (p. 8). The current research study builds on Keller's (1993) brand equity conceptualization by using the two dimensions of brand knowledge as the cognitive outcome of the AGCC.

**Relationship between acculturation to global consumer culture and brand knowledge**

As described by Keller (2004), brand knowledge has two dimensions: brand awareness and brand image. While brand awareness is the combination of recognition and recall, brand image is defined as a set of beliefs held about a particular brand (Kotler and Armstrong, 1996). Heightened brand awareness increases the likelihood that the brand will be considered more frequently when a purchase is made (Keller, 1993). Brand image links characteristics of a particular brand to consumers' memory and builds a general brand impression. Consumers rely on their brand knowledge to decide among competing brands, as it represents the meaning of brands for consumers by linking information about the brand at the time of purchase. The impact of such brand knowledge is determined by brand's favorability, strength and its uniqueness to the consumer (Keller, 1993).

These two dimensions of brand knowledge influence the young consumer's decision-making process related to global apparel brands. Young consumers use brands as cues to infer product quality, performance and meaning (O'Cass and Lim, 2002). Youth today are more educated and live at a higher income than their parents' generation (Ashford et al., 2006). Youth tend to be the most media and technologically astute segment of their nation's population spending roughly 11 hours a day consuming a number of media combined (e.g. television, Internet and mobile devices) (Rideout et al., 2010). As a result, younger consumers are spending more on social status consumption items, particularly in apparel (Eastman and Liu, 2012). A growing collection of research has noted the similar consumption patterns of a select group of youth across national borders (Lindstrom and Seybold, 2004). A global youth segment has been shown to have similar leisure activities (Kjeldgaard and Askegaard, 2006) with similar brand interests (Lukose, 2005). As domestic markets become more saturated, many apparel firms actively seek to expand into new and emerging markets (Newman et al., 2011). Cleveland and Laroche's (2007) AGCC concept argues that there is a growing segment of consumers around the globe that share similar needs and aspirations. As a person affirms more to the ideals of the GCC, they may associate higher brand image to apparel brands that are aligned with the global culture. Thus:

**H1. Young consumers' AGCC will be related to their perceived global brand equity.**
Relationship between brand equity and brand attitudes

Kotler and Armstrong (1996) conceptualize brand attitude as a unidimensional construct and define it as a person's evaluation (favorable versus unfavorable) toward a particular brand name when encountering an assortment of brands in the marketplace. O'Cass and Lim (2002) later demonstrated how brand association and brand image influenced the preference for foreign brands over local brands among young Singaporean consumers.

Using this perspective, global brand attitude in the current study is the affective outcome of the AGCC and represents a person's evaluation (positive versus negative) toward a particular global sportswear brand. As a young consumer becomes more knowledgeable of global brands, they will display more favorable attitudes toward global brands. Individuals with more positive attitudes toward a group are likely to hold more positive attitudes toward symbols affiliated with that group than less positive individuals. Hence:

H2. Young consumers' perceived global brand equity will be related to their attitudes toward a global brand.

Relationship between acculturation to global consumer culture and brand resonance

Brand resonance refers to the relationship between a brand and its users including consumers' willingness to purchase and recommend to others (Wang et al., 2008). Keller (2004) conceptualized brand resonance as the top-tiered conclusion of positive brand equity, used as a predictor of a person's repurchase intention, future earnings and firm value. Brand resonance reflects the extent to which the consumer feels the brand meaning reverberates with their self-concept. With true brand resonance, consumers are likely to demonstrate a high degree of loyalty marked by a close relationship with the brand such that they actively seek out different avenues and opportunities to interact with the brand and share experiences with others (Keller, 2012).

Specific to this study, the conceptualization of brand resonance serves as the conative consequence of a positive acculturation process. Similar to Keller's (2004) intention, the current study posits that brand resonance encapsulates a top-tiered outcome of the brand-equity pyramid with brand knowledge representing the salience of the global brands in the consumer minds and attitudes serving as the internalization of these values culminating in superior brand resonance for global sportswear bands among young global consumers Therefore:

H3. Young consumers' attitudes toward global brands will be related to their perceived global brand resonance.

Methodology

Participants and data collection procedure

Data were collected using a self-administered questionnaire from a sample of undergraduate students at a mid-sized public university in southeastern USA. College student sample is suitable for this study considering that these young consumers have been targeted by many multinational sportswear companies across the globe (e.g. Adidas, Nike and Puma), are receptive to the impact of globalization and modernization and have a greater exposure to a number of marketing activities
of multinational firms than their parents (Cleveland and Laroche, 2007). In addition, the college student sample offers a degree of homogeneity that is important for testing theoretical constructs (Enis et al., 1972). Four hundred and twenty undergraduate students, recruited from various courses (e.g. communications, global sourcing, retail management, social psychology, sports medicine and information technology), took part in the study. Of these, 394 qualified for the data analysis. This was due to incomplete surveys or age range outside the scope of research. Among the participants in the final sample, 64.5 per cent (n = 254) were female and 35.5 per cent (n = 140) were male with an average age of 20.82 years (respondents' age ranged from 18 to 24 years). The majority of the participants were Caucasian and African-American (57 and 26 per cent, respectively). Approximately 34 per cent indicated their year at school as sophomores, 28 per cent as freshmen, 26 per cent as juniors and 12 per cent as seniors. In addition, 72 per cent reported their monthly gross income less than US$1,000.

**Instrument development**

A pilot study was first conducted in an undergraduate class (n = 31) to select appropriate stimuli (i.e. sportswear brands) to be incorporated in the final questionnaire. Participants were provided a definition of "global apparel brands" and then were instructed to list their top five global sportswear brands. This narrowed down the sportswear brands relevant to the present study in terms of global presence. The top five global sportswear brands chosen for this study were Nike, Adidas, Reebok, New Balance and Puma.

A structured questionnaire comprised of three sections was developed to collect data. The first section consisted of Cleveland and Laroche (2007) AGCC scale. One dimension relating to ELU was removed because of the inapplicability of this dimension to the current sample used in the study. As a result, the AGCC scale in the present study consisted of 45 statements. Participants were asked to indicate whether they agreed with each statement as a description of themselves as a part of GCC on a seven-point Likert-type scale (1 = "strongly disagree"; 7 = "strongly agree").

In the second section, participants were given a list of global sportswear brands (i.e. Nike, Adidas, Reebok, New Balance and Puma) and were asked to indicate which of these sportswear brands they believe to be a global brand (they could check all that apply). Then, they were instructed to select their favorite global sportswear brand and answer the following questions pertaining to their overall attitude toward its brand, brand equity and brand resonance. For consumers' overall attitudes toward the brand, four items from previous research were adopted (Aaker and Keller, 1990; Batra and Stayman, 1991) and were all measured on seven-point semantic differential scales (e.g. bad/good, negative/positive). Related to consumer-based brand equity, the current study conceptualized consumer-based brand equity as bi-dimensional construct consisting of brand awareness and brand image. The participants were asked to indicate the degree to which they agreed with four statements assessing their perceived brand awareness that were adapted from Yoo and Donthu (2001) and four statements measuring their perceived brand image that were adapted from Batra et al. (2000) and Wang et al. (2008). Respondents were then asked to rate six statements assessing brand resonance that were adapted from Wang et al. (2008). Consumer-based brand equity (i.e. brand awareness and brand image) and brand resonance scales were measured using a seven-point Likert-type scale 1 = "strongly disagree"; 7 = "strongly agree").

Finally, the last section contained items to assess demographic information such as age, gender, academic major, monthly allowances and ethnicity. The questionnaire was also pretested
with college students in business-related class (n = 39) to assure question comprehension and clarity and to minimize common method bias (Podsakoff et al., 2003).

**Results**

**Exploratory factor analysis**

Prior to final data analysis, an initial exploratory factor analysis with varimax rotation was conducted to identify the dimensions of young consumers' AGCC. Factors with eigenvalues less than 1.5 were removed on the basis of the results of a scree test and interpretability of the factors (Kim and Mueller, 1978). In addition, items with factor loadings of 0.40 or higher on only one factor were retained. Twelve items were removed during the factor reduction process due to significant cross-loading. Results of the factor analysis revealed five factors that explained 66.26 per cent of the cumulative variation in AGCC. The first factor, COS (Cronbach's [alpha] = 0.94), included nine items with an eigenvalue of 10.95 and explained 31.29 per cent of variance. The second factor, EXM (Cronbach's [alpha] = 0.91), included ten items with an eigenvalue of 5.23 and explained 14.94 per cent of variance. The third factor, IDT (Cronbach's [alpha] = 0.90), included six items with an eigenvalue of 3.29 and explained 9.40 per cent of variance. The fourth factor, GMM (Cronbach's [alpha] = 0.89), included five items with an eigenvalue of 1.98 and explained 5.65 per cent of variance. Finally, the fifth factor, OPE (Cronbach's [alpha] = 0.89), included three items with an eigenvalue of 1.74 and explained 4.98 per cent of variance.

**Descriptive statistics**

Table I illustrates the descriptive statistics and the correlation matrix for the nine constructs. The means of five constructs were above 4.00, except EXM (M = 3.73), IDT (M = 3.66), GMM (M = 3.55) and OPE (M = 3.41) whose means were lower than 4.00. The standard deviations ranged from 0.90 (attitude toward global brands) to 1.67 (GMM), indicating substantial variances in the responses. The values of the correlations ranged from -0.09 to 0.82.

**Assessment of validity and reliability of the measures**

A confirmatory factor analysis using LISREL 8.8 with maximum-likelihood estimation was performed to assess the psychometric properties of the multi-item scales for the nine latent constructs. As recommended, we removed four items due to either poor loading values, i.e. <0.60 (Anderson and Gerbing, 1988) or large standardized residuals, i.e. >|±2.58| (Schumacker and Lomax, 2004). Thus, the measurement model consisted of nine 48-item constructs (Table II). The magnitudes of standardized loading estimates of the indicators for each construct ranged from 0.61 to 0.91, and all loadings were statistically significant, suggesting that each construct has convergent validity (Bagozzi and Yi, 1991). In addition, the average variance explained (AVE) for each construct, ranging from 0.58 for the self-identification with GCC construct to 0.80 for the brand image construct, demonstrated acceptable convergent validity by exceeding the critical value of 0.50 suggested by Bagozzi and Yi (1991). The correlations among the latent constructs ranged from -0.09 to 0.63, indicating that constructs do not share a substantial portion of their variance. In addition, none of the square correlation between two constructs was greater than the average variance extracted for each construct, suggesting that the concepts are distinguishable on the basis
of the items used to measure them (Fornell and Larcker, 1981). Finally, the composite reliability of all measures, ranged from 0.88 (brand resonance) to 0.95 (attitudes toward global brands), was also greater than the recommended cutoff value (> or =0.70), indicating satisfactory reliability (Nunnally and Bernstein, 1994). Therefore, it was concluded that the study's measures exhibited sufficient evidence of both validity and reliability.

**Structural model and hypothesis testing**

Structural equation modeling (SEM) was performed to test all hypothesized relationships. SEM specifies and determines causal relationship among the latent variables. Measures of overall fit evaluate how well the model reproduces the observed variables' covariance matrix. The results revealed that the proposed model had a significant chi-square value ($\chi^2 = 2,827.51$, df = 1,011, $p < 0.001$), indicating that the hypothesized model does not fit the data adequately. However, this statistical test is known to be oversensitive and biased toward rejection. Thus, other fit indexes were used to assess the model fit [i.e. normed chi-square, normed fit index (NFI), comparative fit index (CFI), Tucker-Lewis index (TLI) and Root Mean Square Error of Approximation (RMSEA)]. Researchers have recommended that normed chi-square ($\chi^2$/df) values below 3.00 and RMSEA values below 0.080 indicate a good fit (Browne and Cudeck, 1993; Carmines and McIver, 1981). In addition, values of NFI, CFI and TLI exceed 0.90 are interpreted as representing a good fit (Bentler, 1990; Bollen, 1989; Hayduk, 1987). Results further revealed that these fit indexes were equal to or better than recommended values ($\chi^2$/df = 2.80, NFI = 0.92, CFI = 0.95, TLI = 0.95, and RMSEA = 0.065). Therefore, it was concluded that the hypothesized structural relationships fit the data reasonably. However, modification indices also suggested that the additional direct path from perceived brand image ($\beta_{42} = 0.38$, $t$-value = 7.44, $p < 0.001$) to perceived brand resonance would significantly decrease the chi-square. Although it was hypothesized that perceived brand image would be positively associated with perceived brand resonance through consumers' attitudes toward global brands, it is conceivable that perceived brand image might play both direct and indirect roles in influencing perceived brand resonance (Keller, 2012). Therefore, the model was modified to add this path (Figure 1).

The modified structural model revealed a decreased chi-square of 2,676.55 with 1,010 degrees of freedom ($p < 0.001$). In addition, based on a number of assessments, the model was deemed to represent a relatively good fit, including a reduced value of normed chi-square ($\chi^2$/df = 2.65), the improved NFI (0.93) and a reduced value of RMSEA (0.064). In addition, modification indices suggested no evidence of reversed directionality among latent variables (Figure 1).

H1 predicted that young consumers' AGGC would be significantly associated with their perceived brand equity as measured in terms of brand awareness and brand image. Overall the results showed significant fit to the data (AVE = 65.75 and 80.00 per cent, respectively). Results showed that while AGCC related to COS and IDT had a positive association with perceived brand awareness ([γ]11 = 0.37, $t$-value = 6.22, $p < 0.001$; [γ]13 = 0.27, $t$-value = 3.63, $p < 0.001$, respectively), EXM and GMM had a negative association with perceived brand awareness ([γ]12 = -0.13, $t$-value = -2.25, $p < 0.05$; [γ]14 = -0.39, $t$-value = -4.96, $p < 0.001$, respectively). However, OPE had no significant association with perceived brand awareness ([γ]15 = 0.05, $t$-value = 0.90, $p > 0.05$). Similarly, when examining the relationship between AGCC and perceived brand image, results revealed that while COS and IDT dimension of AGCC
<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>Std.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Cosmopolitan</td>
<td>5.06</td>
<td>0.96</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2 Exposure to marketing activities of MNCs</td>
<td>3.73</td>
<td>1.35</td>
<td>0.18**</td>
<td>1.00</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>3 Self-identification with global consumer culture</td>
<td>3.66</td>
<td>1.48</td>
<td>0.29**</td>
<td>0.39**</td>
<td>1.00</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>4 Global mass media exposure</td>
<td>3.55</td>
<td>1.68</td>
<td>0.34**</td>
<td>0.35**</td>
<td>0.59**</td>
<td>1.00</td>
<td></td>
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</tr>
<tr>
<td>5 Openness to and desire to emulate global consumer culture</td>
<td>3.41</td>
<td>1.64</td>
<td>0.17**</td>
<td>0.27**</td>
<td>0.35**</td>
<td>0.35**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Brand awareness</td>
<td>5.94</td>
<td>1.12</td>
<td>0.27**</td>
<td>-0.05</td>
<td>0.09</td>
<td>-0.06</td>
<td>0.04</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Brand image</td>
<td>6.05</td>
<td>1.15</td>
<td>0.24**</td>
<td>-0.09</td>
<td>0.05</td>
<td>-0.05</td>
<td>0.01</td>
<td>0.82**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 Overall attitudes toward the brand</td>
<td>6.37</td>
<td>0.90</td>
<td>0.18**</td>
<td>0.10*</td>
<td>0.15**</td>
<td>0.04</td>
<td>0.08</td>
<td>0.31**</td>
<td>0.33**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>9 Brand resonance</td>
<td>5.08</td>
<td>1.38</td>
<td>0.12*</td>
<td>0.16</td>
<td>0.24**</td>
<td>-0.02</td>
<td>0.15**</td>
<td>0.50**</td>
<td>0.45**</td>
<td>0.52**</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Notes: * p < 0.05; ** p < 0.01
### Table II. Measurement model results of latent variables

<table>
<thead>
<tr>
<th>Construct/indicators</th>
<th>Factor loading</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cosmopolitanism (ξ₁) (CR = 0.94, AVE = 65.56 %)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X₁: I am interested in learning more about people who live in other countries</td>
<td>0.83</td>
<td>a</td>
</tr>
<tr>
<td>X₂: I like to learn about other ways of life</td>
<td>0.88</td>
<td>22.33***</td>
</tr>
<tr>
<td>X₃: I enjoy being with people from other countries to learn about their unique views and approaches</td>
<td>0.87</td>
<td>21.97***</td>
</tr>
<tr>
<td>X₄: I enjoy exchanging ideas with people from other cultures or countries</td>
<td>0.87</td>
<td>22.00***</td>
</tr>
<tr>
<td>X₅: I like to observe people of other cultures, to see what I can learn from them</td>
<td>0.87</td>
<td>21.93***</td>
</tr>
<tr>
<td>X₆: I find people from other countries stimulating</td>
<td>0.81</td>
<td>19.74***</td>
</tr>
<tr>
<td>X₇: I like to immerse myself in the culture of the people I am visiting, when traveling</td>
<td>0.69</td>
<td>15.54***</td>
</tr>
<tr>
<td>X₈: Coming into contact with people of other cultures has greatly benefited me</td>
<td>0.79</td>
<td>18.78***</td>
</tr>
<tr>
<td>X₉: When it comes to trying new things, I am very open</td>
<td>0.63</td>
<td>13.80***</td>
</tr>
<tr>
<td><strong>Exposure to marketing activities of MNCs (ξ₂) (CR = 0.93, AVE = 59.11 %)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X₁₀: When watching TV, I often see advertising for products that are from outside my country</td>
<td>0.72</td>
<td>a</td>
</tr>
<tr>
<td>X₁₁: Ads for foreign or global products are everywhere</td>
<td>0.77</td>
<td>15.22***</td>
</tr>
<tr>
<td>X₁₂: In my city, there are many billboards and advertising for products that are from outside my country</td>
<td>0.83</td>
<td>16.43***</td>
</tr>
<tr>
<td>X₁₃: It is quite common to see ads for foreign or global products in local media</td>
<td>0.86</td>
<td>17.03***</td>
</tr>
<tr>
<td>X₁₄: When I read a newspaper, I come across many advertisements for foreign or global products</td>
<td>0.81</td>
<td>16.02***</td>
</tr>
<tr>
<td>X₁₅: The magazines that I read are full of ads for foreign or global products</td>
<td>0.75</td>
<td>14.90***</td>
</tr>
<tr>
<td>X₁₆: When watching TV, it seems that the number of ads for foreign brands is quite high comparing to the number of ads for local brands.</td>
<td>0.78</td>
<td>15.46***</td>
</tr>
<tr>
<td>X₁₇: I often watch TV programming with ads from outside my country</td>
<td>0.76</td>
<td>15.10***</td>
</tr>
<tr>
<td>X₁₈: When shopping, I am often exposed to foreign or global brands</td>
<td>0.61</td>
<td>12.01***</td>
</tr>
<tr>
<td><strong>Self-identification with global consumer culture (ξ₃) (CR = 0.89, AVE = 58.17 %)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X₂₀: The way I dress is influenced by the advertising activities of foreign or global companies</td>
<td>0.73</td>
<td>a</td>
</tr>
<tr>
<td>X₂₁: I pay attention to the fashion worn by people in my age-group that live in other countries</td>
<td>0.81</td>
<td>16.31***</td>
</tr>
<tr>
<td>X₂₂: I try to pattern my lifestyle, way of dressing to be a global consumer</td>
<td>0.86</td>
<td>17.31***</td>
</tr>
<tr>
<td>X₂₃: I prefer to wear clothing that I think is popular in many countries around the world rather than clothes traditionally worn in my own country.</td>
<td>0.84</td>
<td>16.86***</td>
</tr>
<tr>
<td>X₂₄: I actively seek to buy products that are not only thought of as local</td>
<td>0.63</td>
<td>12.46***</td>
</tr>
<tr>
<td>X₂₅: I identify with famous international brands</td>
<td>0.67</td>
<td>13.34***</td>
</tr>
<tr>
<td><strong>Global mass media exposure (ξ₄) (CR = 0.89, AVE = 62.00 %)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X₂₆: I enjoy watching foreign films at the theatre</td>
<td>0.81</td>
<td>a</td>
</tr>
<tr>
<td>X₂₇: I enjoy watching movies that are in foreign language</td>
<td>0.85</td>
<td>19.39***</td>
</tr>
</tbody>
</table>
X28: I enjoy listening to music that is popular in foreign countries 0.78 17.53***
X29: I enjoy reading foreign magazines 0.74 16.20***
X30: I often watch foreign television programs 0.75 16.46***

**Openness to and desire to emulate global consumer culture ($z_5$) ($CR = 0.90, AVE = 74.33\%)**
X31: I think people my age are basically the same around the world 0.80 a
X32: I think that my lifestyle is almost the same as that of people of my age-group in other countries 0.91 19.94***
X33: I think my lifestyle is almost the same as that of people of my social class in other countries 0.87 19.33***

**Brand awareness ($\eta_1$) ($CR = 0.89, AVE = 65.75\%)**
Y1: I can recognize this apparel brand among other competing brands
Y2: I am aware of this apparel brand 0.82 a
Y3: I can quickly recall the symbol or logo of this brand 0.84 18.25***
Y4: Some characteristics of this brand come to mind quickly 0.80 17.73***

**Brand image ($\eta_2$) ($CR = 0.89, AVE = 80.00\%)**
Y5: This brand really makes me look good in front of my friends 0.90 a
Y6: This apparel brand helps me express my personality 0.90 16.04

**Attitudes toward the brand ($\eta_3$) ($CR = 0.95, AVE = 77.40\%)**
Y7: Bad/Good 0.89 a
Y8: Negative/Positive 0.89 26.73***
Y9: Unpleasant/Pleasant 0.90 27.52***
Y10: Unfavorable/Favorable 0.89 27.14***
Y11: Unreliable/Reliable 0.83 23.28***

**Brand resonance ($\eta_4$) ($CR = 0.88, AVE = 64.75\%)**
Y12: I prefer to buy this apparel brand over alternative local choice 0.74 a
Y13: I consider myself to be loyal to this apparel brand 0.75 14.84***
Y14: I am willing to recommend this apparel brand to my friends 0.85 16.82***
Y15: I am used to this apparel brand 0.87 17.24***

**Notes:** a = the path parameter was set to 1; thus, no t-values are given; CR = composite reliability; AVE = average variance extracted *** $p < 0.001$
text had a positive association with perceived brand image (\( \gamma_{21} = 0.33, t\text{-}value = 5.72, p < 0.001 \); \( \gamma_{23} = 0.23, t\text{-}value = 3.09, p < 0.01 \), respectively). EXM and GMM dimension of AGCC had a negative association with perceived brand image (\( \gamma_{22} = -0.15, t\text{-}value = -2.50, p < 0.05 \); \( \gamma_{24} = -0.33, t\text{-}value = -4.28, p < 0.001 \), respectively). However, OPE had no significant association with perceived brand image (\( \gamma_{25} = 0.03, t\text{-}value = 0.49, p > 0.05 \)). Therefore, H1 was partially supported.

H2 proposed that young consumers' perceived brand equity would be significantly associated with their attitudes toward global brands. Results showed that young consumers' perceived brand equity related to brand awareness (AVE = 77.40 per cent, \( \beta_{31} = 0.16, t\text{-}value = 3.06, p < 0.01 \)) and brand image (\( \beta_{32} = 0.22, t\text{-}value = 4.19, p < 0.001 \)) had a positive association with their attitudes toward global brands. Hence, H2 was supported. Finally, H3 stated that young consumers' attitudes toward global brands would be significantly associated with their perceived brand resonance, and this hypothesis was supported. That is, young consumers' attitudes toward global brands had a positive association with their perceived brand resonance (AVE = 64.75 per cent, \( \beta_{43} = 0.44, t\text{-}value = 8.72, p < 0.001 \)).

**Discussion and conclusions**

This study is one of the first to explore the ability of Cleveland and Laroche (2007) AGCC concept to predict young consumers' attitudes and behavioral responses toward global brands. Results show that young American consumers provide an interesting and formidable market segment for global apparel firms. This is supported by previous research (Cleveland et al., 2009).

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**Figure 1.** Modeling young consumers’ global brand resonance

**Notes:** COS = cosmopolitanism; EXM = exposure to marketing activities of MNC's; IDT = self-Identification with global consumer culture; GMM = global mass media exposure; and OPE = openness to and desire to emulate GCC
that demonstrate COS and IDT dimensions of AGCC was positively associated with brand awareness and brand image. COS consumers have been shown to demonstrate higher desire for cultural capital through the consumption of products high in COS-oriented images and tastes (Saran and Kalliny, 2012). The findings of this current study reinforce Saran and Kalliny who recently argued that the COS construct may serve as an adequate indicator for predicting a consumers' propensity toward consumption of products and brands with strong global image appeal. In this way, the COS dimension can be seen as an affinity toward membership with a globally conscious group where consumption is the means used to demonstrate membership (Özsomer, 2012).

The IDT dimension of the AGCC scale also positively influenced both brand awareness and brand image. Items that capture IDT tend to be product specifics related to global apparel purchase intent such as "The way I dress is influenced by the advertising activities of foreign or global companies". Furthermore, it goes to the notion of how much dress is associated with demonstrating affiliation with a GCC. Individual empathy for the GCC appears linked to the value a person ascribes to this group (Özsomer, 2012). The IDT dimension serves to illustrate a person's aspiration to associate with a global market and may serve as a future identifier for target populations. While COS may convey the global orientation a young consumer may hold, the IDT dimension serves to convey the strong association one has with the specific apparel products that share global images.

In contrast, the GMM and the EXM dimensions of AGCC showed a negative influence on brand awareness and brand image. This outcome suggests that one's exposure to multinational media outlets may have a counterproductive result. Young consumers may perceive mass media as less reliable than alternative channels such as word-of-mouth from peer groups (Eisend and Knoll, 2012). For this segment, the marketing messages appear to be first internalized by referent group members who have the majority influence in young consumers' apparel purchasing.

Brand equity as conceptualized through brand awareness and brand image had a clear impact on young consumers' attitudes toward global apparel brands and to brand resonance, supporting Keller's (2004, 2012) studies. Consistent with Keller (2004), the study showed that as young consumers become more knowledgeable about global apparel brands, their attitudes toward global brands changed. Attitudes toward global brands serve as the cognitive and emotional stage of brand internalization. The current study also showed how attitudes toward global brands influenced the development of brand resonance; the highest stage of consumer-brand discourse. Brand resonance for young consumers served to indicate the close association they developed with global sportswear brands.

In summary, multiple dimensions of the AGCC scale showed significant influence on young consumers' brand equity consisting of brand image and brand awareness. Furthermore, the study contributes to the discourse on the application of the COS dimension as a unique identifier of target consumers. As COS consumers seem to be pervasive across multiple borders (Cleveland et al., 2009), their existence may help marketers promote products with a global image across multiple national settings.

Implications

The study's findings provide a significant contribution to both scholars and practitioners. Theoretically, the study provides empirical evidence on the interrelationship between brand equity and attitudes toward brands. The theoretical model guiding the current study reflects the notion of
an emerging acculturation process among a segment of the world's population to a set of global consumer preferences and ideals that are increasingly being embodied in global brands. Managerially, the findings provide support on the youth consumer's affinity toward IDT and their COS openness to foreign cultures is positively related to the adoption and retention of apparel brands. Marketing messages should target these ideals of worldliness to conjure a global brand image (Özsomer, 2012). In addition, it provides support for the use of alternative messaging to this segment. Indifference to global mass marketing suggests that global apparel messaging is socially diffused through a more intimate, co-creation of meaning with young consumers.

Limitations and future research directions

Although the current study offers an encouraging start in understanding the application of Cleveland and Laroche (2007) AGCC scale to the US youth apparel market, some limitations exist. First, future inquiries would be wise to collect data from additional locals and/or across a broader age range to be inclusive of the younger youth segment (i.e. 15-17 year olds). Younger (15-17 years old) youth are increasingly being seen as viable segments for marketers to target in both the USA as well as around the world (Lu and Xu, 2015). Next, to validate the study's results, a replication of the study's theoretical model is needed in other global markets. Future research might also consider variations in the model configuration as posited in this study to compare model fit. Current data demonstrated best fit for the proposed model. Finally, the current study used youth apparel consumption as the context to test the proposed model. While apparel presents an interesting product category to research AGCC, future research might replicate the current study in alternative product categories.

References


Lukose, R. (2005), Liberalization's Children: Gender, Youth, and Consumer Citizenship in Globalizing India, Duke University Press, Durham, NC.


Further reading