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Track: *3. International Marketing*

Does Being Perceived as Global Pay Off? – An Analysis of Leading Foreign and Domestic MNCs in India, Japan, and the United States

ABSTRACT

Multinational product brands and corporate brands are known to have the advantage of being global against local competitors in foreign countries. However, while particularly in economically important countries foreign multinationals (MNCs) increasingly compete against domestic multinationals, also against emerging giants, little is known about whether they can still use their advantage of being global and how perceptions of foreign vs. domestic MNCs drive consumer behavior. To expand on this issue, in this study an accessibility-diagnosticity theory based framework is proposed and tested by consumer data from important countries where leading foreign and domestic MNCs are present.

The results show that perceived brand globalness enhances consumers' intentional loyalty toward a MNC only indirectly by affecting perceived functional and psychological value. The value-creation routes change according to firms' origin, i.e., foreign MNCs translate brand globalness through functional and psychological value, domestic MNCs through psychological value. However, the benefits of being global for foreign (vs. domestic) multinational corporations differ between the countries (e.g., India and U.S.), as do the value creation routes. In all countries results are consistent for less ethnocentric consumers, while they differ for more ethnocentric consumers.

KEYWORDS

Perceived brand globalness; Offered value; Country of origin; Consumer ethnocentrism

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INTRODUCTION

Leading multinational corporations (MNCs) such as The Coca-Cola Company communicate their globalness to differentiate themselves from competitors (Cioletti, 2013). Globalness is perceived by consumers and stored in their minds, and it is thus defined as perceived brand globalness (PBG), i.e., the extent to which an MNC is viewed as a global player (Steenkamp, Batra, & Alden, 2003). PBG acts as a general impression that provides consumers with access to MNCs' offered quality or value, allowing consumers to evaluate an MNC without necessarily having prior personal experience with it. However, especially in the economically most important countries, MNCs compete against domestic MNCs, e.g., in emerging countries "emerging giants" grow (Jullens, 2013; Kumar & Steenkamp, 2013), and consumers' ethnocentric tendencies affect MNCs (Sharma, 2011). Hence, questions about whether and how foreign and domestic MNCs can benefit from PBG in such environments arise.

Past research provides insights into PBG effects of global vs. local brands. Scholars consider direct effects of PBG (e.g., Dimofte, Johansson, & Bagozzi, 2010; Steenkamp, et al., 2003) as well as quality, prestige, and global myth as pathways that translate PBG into purchase likelihood, brand equity, or trust (e.g., Alden, Steenkamp, & Batra, 1999; Dimofte, Johansson, & Ronkainen, 2008; Holt, Quelch, & Taylor, 2004). However, empirical results are restricted to product brands across nations or in developed countries (Zhou, Yang, & Hui, 2010), and the results are partly inconclusive: while some scholars show that PBG prompts affective responses, such as brand esteem or prestige (i.e., psychological value, e.g., Dimofte, et al., 2008), others conclude that PBG prompts quality and thus functional responses as mechanisms behind purchase intentions (Holt, et al., 2004; Steenkamp, et al., 2003). Few scholars consider corporate

brands. For example, Swoboda, Pennemann, and Taube (2012) for retail industries in China highlight indirect effects of PBG only: for global (vs. domestic) corporations PBG is translated through functional and psychological value to consumers' patronage behavior.

We have identified two research gaps: First, scant research exists on corporate brands in different environments. Whether consumers favor global MNCs and how their value pathway of PBG can be translated into customer behavior remain unclear. While we know that PBG is translated via functional and psychological value for MNCs in emerging countries (Swoboda, et al., 2012), whether MNCs may similarly rely on PBG in developed countries, for example, is questionable. Second, we know that the route to loyalty may depend on firm- and consumer-specific context factors. Because PBG is distinct from foreignness and because country-of-origin information evokes functional and psychological value to varying degrees (Zhou, et al., 2010), an MNC's origin may constitute an important boundary condition, particularly in an increasingly competitive environment between foreign vs. domestic MNCs. Because consumer ethnocentrism influences PBG effects differently (e.g., significant for global vs. local product brands, Steenkamp, et al., 2003; mostly insignificant for global vs. local corporate brands, Swoboda, et al., 2012), it is questionable how more (vs. less) ethnocentric consumers react to the PBG of MNCs.

In summary, we analyze the following research questions: What is the underlying pathway through which MNCs transform PBG into consumers' loyalty toward MNCs in different environments? For example, consumers in emerging (vs. developed) countries might react differently to MNCs and their value propositions because they have been exposed to MNCs in the recent past (Coulter, Price, & Feick, 2003). If boundary conditions change the route to success, how does MNCs' origin (foreign vs. domestic) change the total effect of PBG and the value mechanism by which PBG translates into loyalty, and how does consumer ethnocentrism interact with PBG?

By answering these questions, we contribute to the extant research. Theoretically, we use the accessibility-diagnosticity framework (Feldman & Lynch, 1988) and enhance present explanations for how PBG creates value in cultivating customers for MNCs (by responding to calls in the literature, e.g., Özsomer & Altaras, 2008; Swoboda, et al., 2012). By treating PBG of leading foreign and domestic MNCs as an independent predictor that explains loyalty through functional and psychological value, we account for rising competitive situations between foreign and domestic MNCs. Furthermore, analyzing MNCs contributes to the dominant extant research because corporate brands are likely to affect product brand perceptions within different branding strategies (e.g., Berens, van Riel, & van Bruggen, 2005). The proposed firm- and consumer-specific boundary conditions fit with the accessibility-diagnosticity framework. Finally, India, Japan, and the U.S. are economically important countries, but from a traditional, western MNC's perspective, they differ with respect to economic strength and cultural distance (Alden, Kelley, Riefler, Lee, & Soutar, 2013; United Nations, 2014). Practically speaking, foreign MNCs may wish to consider the role of PBG in local competition with domestic MNCs especially in those important countries.

The remainder of this study is structured as follows: We derive our hypotheses and test them on consumer data from India, Japan, and the U.S. for the leading MNCs in one industry. After presenting the results, we discuss their implications and avenues for further research.

FRAMEWORK AND HYPOTHESES

To address our research questions, we propose a conceptual framework in which the PBG of MNCs determines consumer loyalty through functional and psychological value (see Figure 1). We focus on intentional loyalty toward an MNC (i.e., consumers' intention and readiness to buy products/offers and to establish a good relationship with a firm), as it is a core predictor of consumer spending (Morgeson III, Mithas, Keiningham, & Aksoy, 2011; Oliver, 1999), as well as on functional value (quality/price; Holt, et al., 2004) and psychological value (emotional/social;

Dimofte, et al., 2008), as previous research suggests that PBG of MNCs may operate through both types of value (e.g., Swoboda, et al., 2012). Moreover, we argue that the relationship between PBG and loyalty is moderated by an MNC's origin (foreign vs. domestic), as consumers' responses to PBG may differ according to an MNC's origin, and by consumer ethnocentrism, as the beliefs held by consumers about the appropriateness of purchasing foreign-made products (Shimp & Sharma, 1987) may change the path of PBG.

To understand how PBG affects consumers' loyalty and how this mechanism is affected by boundary conditions, we use Feldman and Lynch's (1988) accessibility-diagnosticity framework (for other theories, e.g., consumer culture theory and information processing theories see Özsomer & Altaras, 2008). This theory provides integrated guidance by suggesting that the likelihood that an individual uses information about an object as a basis for making a decision on this object depends on the information's accessibility and diagnosticity (Lynch, Marmorstein, & Weigold, 1988). Accessibility refers to the ease of retrieving specific information from memory, and diagnosticity refers to the relevance of information to an upcoming evaluation (Lynch, et al., 1988; Menon & Raghubir, 2003). In our context, the probability that the PBG associations of an MNC can be used as information to evaluate consumers' loyalty is a function of the accessibility and diagnosticity of PBG associations (Swoboda, et al., 2012). Accessible information only then becomes relevant for subsequent consumer behavior if it is also diagnostic (Lynch, et al., 1988). Subsequently, the accessibility-diagnosticity framework is used to hypothesize the main effect of PBG, followed by the moderating effects.

Figure 1

Main effects of PBG

We expect that PBG operates through functional and psychological value and positively affects consumers' loyalty. From a theoretical perspective, PBG reflects accessible, "ready-to-use" information. Such information may even directly lead to immediate consumer responses

(Verplanken, Hofstee, & Janssen, 1998), because particularly affective PBG associations are highly accessible and because a high degree of accessibility can reinforce diagnosticity (Menon & Raghubir, 2003). However, extant literature does not support the existence of such a direct link between PBG and purchase behavior (Steenkamp, et al., 2003 for global vs. local product brands; Swoboda, et al., 2012 for global vs. local corporate brands). Hence, we believe that although PBG is accessible, it may not be relevant for a given evaluation or intention because it is not naturally a diagnostic piece of information in the development of a consumer's loyalty toward an MNC (Feldman & Lynch, 1988). Instead, we theoretically argue that accessible PBG information becomes diagnostic, i.e., relevant for intention development toward an MNC only when consumers link such information to a specific perceived value proposition of MNCs.

Regarding value, we focus on functional and psychological value for three reasons: they seem to be the most universal among the various value concepts (Babin, Darden, & Griffin, 1994), they comprise both cognitive and affective behavioral elements, and they are strongly diagnostic by determining purchase behavior (Swoboda, et al., 2012). Functional value aspects that consumers associate with global corporate brands may include high quality and innovativeness of offers (Holt, et al., 2004; Steenkamp, et al., 2003), while psychological value aspects may include increased emotional well-being or social upgrading by making a better impression on other people (Alden, et al., 1999; Dimofte, et al., 2008).

Assuming that functional and psychological value has equal effects in consumers' minds across countries, we propose the following hypotheses:

Hypothesis 1a: The PBG of MNCs positively affects consumer loyalty through functional value.

Hypothesis 1b: The PBG of MNCs positively affects consumer loyalty through psychological value.

Moderating role of MNC origin

Subsequently, we analyze whether the total effect of PBG and the value mechanism by which

PBG translates into loyalty differs between foreign and domestic MNCs.

We suggest that the total effect of PBG on consumer loyalty differs depending on MNCs' origin. Theoretically, PBG is accessible information for consumers, and when functional value and psychological value are linked to PBG, such information may serve a diagnostic function for the creation of consumers' loyalty intentions toward an MNC (Feldman & Lynch, 1988). Such information may become even more diagnostic depending on MNC origin, because origin information helps consumers to evaluate a MNC. A foreign MNC origin may function as a diagnosticity multiplier for PBG, while a domestic MNC origin—even if the MNC is global—may diminish the diagnosticity of PBG. Because foreignness tends to be perceived as global (Batra, Ramaswamy, Alden, Steenkamp, & Ramachander, 2000), a foreign MNC origin should lead to a higher diagnosticity of PBG. This may especially occur when consumers who lack personal experience with an MNC—and thus cannot rely on personal experience when evaluating an MNC—may use the origin information when evaluating the foreign MNC. By contrast, domestic MNCs may be perceived as local because of their closeness to consumers or their greater cultural embeddedness (Ger, 1999; Schuiling & Kapferer, 2004). Domestic MNC origin may thus increase the diagnosticity of PBG to a lesser extent (Lynch, et al., 1988).

Empirical studies show that the value-creation process of PBG is more relevant for foreign (vs. domestic) brands, especially in emerging countries (Swoboda, et al., 2012). We expect to find a similar effect to that described above for foreign vs. domestic MNCs because the origin information—which is linked to functional and psychological value—influences the diagnosticity of PBG. This process might be particularly relevant in emerging countries (e.g., Sharma, 2011), e.g., in countries with less-affluent consumers who rely on quality, innovation, likability, or prestige, but also in developed countries where consumers appreciate similar value dimensions to those of mostly western MNCs. This reasoning leads us to the following hypothesis:

Hypothesis 2: The total effect of PBG on consumer loyalty is higher for foreign than for

domestic MNCs.

We suggest that the value-creation process via functional and psychological value depends on MNC origin. According to the accessibility-diagnosticity framework, MNC origin information can stimulate and enhance the salience of the functional and psychological evaluation routes that affect the creation of consumers' loyalty intentions through PBG.

We speculate that for foreign MNCs, accessible information on PBG becomes diagnostic equally through functional and psychological value. Foreign origin activates both more cognitive and more affective behavior (Swoboda, et al., 2012); thus, when consumers evaluate a foreign MNC, both value mechanisms are activated, and both thus render PBG a diagnostic piece of information. Previous studies support this reasoning. Consumers associate foreign brands' origin with quality or value for money and with esteem or prestige (e.g., Dimofte, et al., 2008; Holt, et al., 2004). The pathways through which PBG translates into consumers' behavior arise equally through functional and psychological value, especially in emerging countries (Swoboda, et al., 2012). We expect to find a similar effect to that described above for foreign vs. domestic MNCs.

For domestic MNCs, PBG may predominantly operate through psychological value, i.e., domestic MNC origin primarily activates affective behavior dimensions. A substantial body of research shows that domestic (vs. foreign) brands benefit more from consumers' affect toward their brands, which is based on prestige, trust, uniqueness, and cultural connectedness (e.g., Ger, 1999; Schuiling & Kapferer, 2004). Furthermore, we have argued that domestic MNCs may be perceived as local and that they may thus rely on PBG to a lesser extent than foreign MNCs. Local consumers may still—perhaps more strongly—rely on domestic MNCs' affect and increasingly on the quality of offered products, for example (e.g., Kumar & Steenkamp, 2013). Such reliance is not surprising, as MNCs such as China's Lenovo or the India's Tata Group have considerably caught up with respect to quality and have emerged as market leaders in their respective industries (Banerjee, Prabhu, & Chandy, 2015). However, we still believe that for

domestic MNCs, PBG contributes to consumers' loyalty more through psychological value than through functional value. This value-creation process might again be particularly relevant in emerging countries, but also in developed countries where consumers appreciate similar values to those of mostly foreign, western MNCs. Based on this reasoning, we carefully propose the following hypotheses:

Hypothesis 3a: When MNCs are foreign, PBG contributes to consumer loyalty equally through functional value and psychological value.

Hypothesis 3b: When MNCs are domestic, PBG contributes to consumer loyalty more through psychological value than through functional value.

Moderating role of consumer ethnocentrism

We expect that the consumer-level factor consumer ethnocentrism strongly affects the value-creation process, leading to loyalty toward an MNC. More ethnocentric consumers believe that buying foreign-made products hurts the domestic economy or causes unemployment, whereas buying domestic products leads to feelings of belongingness or a positive in-group identity. Less ethnocentric consumers are more cosmopolitan and more open to global product brands. Consumers may have a higher or lower degree of ethnocentrism (Shimp & Sharma, 1987).

Concerning MNCs, we theoretically argue that belief-accessibility effects occur during the evaluation process of MNCs' globalness (Zhang & Khare, 2009). PBG is accessible information for consumers and when functional and psychological value are linked to PBG, such information may serve a diagnostic function for the creation of consumers' loyalty intentions toward an MNC (Feldman & Lynch, 1988). Such information may become even more diagnostic depending on consumers' ethnocentrism (higher vs. lower), because consumers prefer belief-consistent information (Zhang & Khare, 2009). Lower consumer ethnocentrism may function as a diagnosticity multiplier for PBG, while higher consumer ethnocentrism may diminish the diagnosticity of PBG.

Less ethnocentric consumers approve more of MNCs and favor those MNCs which offer the greatest value—for example in terms of quality aspects or prestige—because they are more world-minded and more cosmopolitan and thus such offers conform to their beliefs (Zhang & Khare, 2009). Therefore, when less ethnocentric consumers link functional and psychological value to PBG, this information may serve a diagnostic function for the creation of consumers' loyalty intentions (Lynch, et al., 1988).

By contrast, more ethnocentric consumers disapprove of global brands; they may even have animosity towards them (Sharma, 2011). Such information may directly lead to negative intentional behavior toward MNCs, because affective based information is highly accessible and may lead to direct responses (Verplanken, et al., 1998). However, extant literature denies the existence of such a direct link between PBG and purchase behavior (Steenkamp, et al., 2003; Swoboda, et al., 2012). Hence, we believe that more ethnocentric consumers can even be well aware of the objective value benefits of global brands, but may consciously disregard these because they do not conform to more ethnocentric consumers' beliefs (Zhang & Khare, 2009). Therefore, when more ethnocentric consumers link functional and psychological value to PBG, such information may serve a less diagnostic function for the creation of consumers' loyalty intentions (Lynch, et al., 1988).

We therefore conclude that all things being equal, consumer ethnocentrism changes the total effect of PBG for both foreign and domestic MNCs and regardless of the country observed.

Hypothesis 4: The total effect of PBG on consumer loyalty is stronger for consumers with lower ethnocentrism than for consumers with higher ethnocentrism.

EMPIRICAL STUDY

Sample

In this section we present the research object selection procedure as well as the consumer sample characteristics. To generate our sample, we cooperated with a corporation in the environmentally

sensitive chemical and pharmaceutical industry in which the likelihood of both leading foreign and domestic MNCs in a country is high and in which consumers are sensitive to MNCs' corporate reputation and less sensitive to product brands. We identified the ten economically most important countries in the world (based on GDP; United Nations, 2014) because they are of paramount importance for most western MNCs and because they have a high probability of having spawned domestic MNCs. We then identified the six leading corporations in terms of sales for each country. Finally, India, Japan, and the U.S. were chosen for analysis because of two reasons: they host domestic and western MNCs under the six leading corporations, and they represent different positions relative to each other concerning economic strength (emerging vs. developed; see Alden, et al., 2013) and—from the perspective of western MNCs—cultural difference (close vs. distant, see Özsomer, 2012). Further countries do not host foreign and domestic MNCs under the leading corporations but were used for control purposes in alternative models, i.e., China as an emerging and culturally distant country (with one domestic MNC) and Italy as an emerging and culturally close, but smaller country than the U.S. The foreign MNCs in each country were selected from Germany/the German speaking part of Switzerland to enable us to control for potential differences in MNCs' home countries, for example. The remaining two MNCs were used for control purposes in alternative models.

After pre-tests, data were collected by a commercial marketing research agency, which cross-nationally operates panels with an average response rate of 55%. Participants were compensated with cash rewards. To select respondents in each country, two screening criteria were used: First, quota sampling according to gender and age distribution was applied based on the information provided by national registration offices. The sampling was restricted to the urban population between 18 and 65 (e.g., due to familiarity reasons with MNCs; Strizhakova, Coulter, & Price, 2011). Second, respondents had to meet one of the following criteria: above-average income or a high level of education or profession what lead to comparable samples in the

countries (Özsomer, 2012). Thus, the sample included brand-affine respondents (Swoboda, et al., 2012). At the beginning of the survey, the respondents indicated their unprompted and prompted awareness of up to six MNCs in the industry followed by a question about their knowledge of the MNCs (based on a 5-point Likert scale from 1 = I don't know the company to 5 = I know the company very well; Keller, 1993). Only respondents who knew the MNCs under investigation at least in general participated in the survey. This procedure led to 2,647 evaluations. After outliers were detected (using Mahalanobis distance), the sample included 704 respondents from India, 794 from Japan, and 662 from the U.S. (see Table 1).

Table 1

Measurement

Regarding the measurements we considered general aspects (such as the hierarchy of effects in all panels). We relied on scales from previous studies (using five-point Likert-type scales from 1 = strongly disagree to 5 = strongly agree). We measured PBG with three items adapted from Steenkamp, et al. (2003) and intentional loyalty with three items adapted from Oliver (1997; 1999; see Table 2). To measure consumers' perceptions of value, we adapted the scale by Sweeney and Soutar (2001) to the context of corporate brands (Alden, et al., 2013; Swoboda, et al., 2012) and measured functional value and psychological value with four items each. Consumer ethnocentrism was measured with four items adapted from Shimp and Sharma (1987). The median split technique was used to group consumers according to lower vs. higher ethnocentrism. All scales were tested for reliability and validity while the factor loadings and the goodness of the confirmatory model were good (see Table 2). We further successfully tested for discriminant validity (see Table 3). The scales were quantitatively tested in the home country of our cooperation partner (N = 288), where also face validity was assessed, and in the countries (average N = 154 per country). These pre-tests yielded satisfactory values for reliability and validity. To ensure semantic equivalence, the translation-back-translation method was applied by

commercial translation agencies that specialized in market research. These agencies were briefed according to the requirements of appropriate semantic equivalence processes (Hult, et al., 2008).

We included covariates in the study. Gender (0 = male, 1 = female) and age were controlled for because they are known to influence loyalty. MNCs' familiarity was controlled for and measured with one item: "[MNC] is very familiar to me" (Steenkamp, et al., 2003).

Tables 2-3

Method

We tested for measurement equivalence to ensure comparability across the origin and consumer ethnocentrism groups (see Table 4; Steenkamp & Baumgartner, 1998). No significant differences in the model fit between all configural and metric models were found (India: MNC origin $\Delta\chi^2(14) = 12.90$, $p > 0.05$; consumers ethnocentrism $\Delta\chi^2(14) = 15.78$, $p > 0.05$; Japan: MNC origin $\Delta\chi^2(14) = 11.73$, $p > 0.05$; consumers ethnocentrism $\Delta\chi^2(14) = 16.59$, $p > 0.05$; U.S.: MNC origin $\Delta\chi^2(14) = 25.73$, $p > 0.05$; consumers ethnocentrism $\Delta\chi^2(14) = 23.10$, $p > 0.05$), supporting full metric invariance for all constructs in all countries.

Common method variance (CMV) was addressed in three ways. First, we used an appropriate questionnaire design. Second, a single-factor test showed significantly worse fit values than our proposed model did (India: $\Delta\chi^2(6) = 1499.42$, $p < 0.001$; Japan: $\Delta\chi^2(6) = 2407.77$, $p < 0.001$; U.S.: $\Delta\chi^2(6) = 3520.47$, $p < 0.001$). Finally, we applied the marker variable technique by using the occupation variable, which is theoretically uncorrelated with our constructs (Rindfleisch, Burroughs, & Wong, 2009). The tests revealed no significant changes in the coefficients and correlations (method variance was less than 8.50% in all countries; Williams, Hartman, & Cavazotte, 2010). Thus, we found a low probability of CMV in this study.

We tested for endogeneity by using the instrumental variable (IV) exposure to the marketing, especially communication activities of an MNC, which represents a core antecedent of PBG (Steenkamp, et al., 2003). For this purpose, we used one item: "When I have read magazines

or watched TV, I have often seen advertising for offers of [MNC]" (adapted from Cleveland & Laroche, 2007). We checked for the IV's strength (F-values>10; Antonakis, Bendahan, Jacquart, & Lalive, 2014) and calculated an efficient model in addition to the consistent model. The results of Hausman (1978) tests indicated that PBG is exogenous (z-values all < 1.96). The probability of the endogeneity of PBG thus seems to be reduced.

We used the Mplus software and mean-adjusted maximum likelihood estimation (MLM) because of the multivariate non-normality in our data.

Table 4

Results

In this section, the results of the hypothesis tests are presented. Model 1 provides support for H1a and H1b in all countries (see Table 5). PBG positively affects loyalty through functional value (India: b = 0.29, $p < 0.001$; Japan: b = 0.06, $p < 0.001$; U.S.: b = 0.16, $p < 0.001$) and psychological value (India: b = 0.31, $p < 0.001$; Japan: b = 0.10, $p < 0.001$; U.S.: b = 0.29, $p < 0.001$). The direct effects of PBG on consumer loyalty were nonsignificant in all countries, which was supported by a Wald test (India: $\Delta\chi^2 = 3.52(1)$, $p > 0.05$; Japan: $\Delta\chi^2 = 3.17(1)$, $p > 0.05$; U.S.: $\Delta\chi^2 = 2.39(1)$, $p > 0.05$) and by a bootstrapping-based mediation analysis (5,000 bootstrap samples, India/Japan/U.S.: b -0.07/-0.03/-0.09, standard error 0.03/0.02/0.05, lower interval limit -0.11/-0.06/-0.18, upper interval limit 0.01/0.01/0.01).

The results for model 2 support H2 for India and Japan. The total effect of PBG on loyalty is stronger for foreign MNCs than for domestic MNCs in India ($b_{foreign} = 0.60$, $p < 0.001$; $b_{domestic} = 0.41$, $p < 0.001$; $\Delta b_{foreign\ vs.\ domestic} = 0.19$, $p < 0.001$) and in Japan ($b_{foreign} = 0.31$, $p < 0.001$; $b_{domestic} = 0.21$, $p < 0.001$; $\Delta b_{foreign\ vs.\ domestic} = 0.10$, $p < 0.001$). However, H2 is not supported for the U.S. ($b_{foreign} = 0.46$, $p < 0.001$; $b_{domestic} = 0.44$, $p < 0.001$; $\Delta b_{foreign\ vs.\ domestic} = 0.02$, $p > 0.05$). These results will be discussed subsequently.

In H3a, we hypothesized that when an MNC is foreign PBG contributes to loyalty equally

through functional value and psychological value. Our data support this assumption for India ($\Delta b_{FV\text{-}PV}$ = 0.02, $p > 0.05$) and Japan ($\Delta b_{FV\text{-}PV}$ = 0.02, $p > 0.05$) but not for the U.S. ($\Delta b_{FV\text{-}PV}$ = 0.12, $p < 0.001$). Similarly, regarding H3b, PBG contributes to loyalty more through psychological value than through functional value for domestic MNCs in India ($\Delta b_{FV\text{-}PV}$ = -0.17, $p < 0.001$), Japan ($\Delta b_{FV\text{-}PV}$ = -0.07, $p < 0.001$), and the U.S. ($\Delta b_{FV\text{-}PV}$ = -0.25, $p < 0.001$). These results will be discussed subsequently.

Finally, the results support H4. The total effect of PBG on loyalty is stronger for less ethnocentric consumers than for more ethnocentric consumers in all countries (India: $\Delta b_{lower\text{-}higher}$ = 0.09, $p < 0.001$; Japan: $\Delta b_{lower\text{-}higher}$ = 0.11, $p < 0.001$; U.S.: $\Delta b_{lower\text{-}higher}$ = 0.07, $p < 0.001$).

Alternative models were calculated to strengthen the observations (see in detail the tables in the web appendix, which is available upon request). First, all models were tested in a second emerging country (China; with one domestic MNC under the top six leading corporations; N = 666) and in a second developed country (Italy; N = 735). In both countries the results for India and for the U.S. were supported what allows a certain generalization of our observations for emerging and developed countries from a perspective of western MNCs. Second, in all countries alternative models were calculated by replacing the German-speaking foreign MNCs by the two remaining leading corporations, e.g., from U.S., UK, or Switzerland (India N = 739, Japan N = 708, and the U.S. N = 692). The results supported the observations reported for the German-speaking foreign MNCs which were chosen to avoid any other country-of-origin effect and allow a certain generalization for other foreign MNCs.

Table 5

DISCUSSION AND CONCLUSIONS

This study focuses on a relevant but under-researched topic by analyzing whether and how leading foreign MNCs in a country gain advantages from PBG over leading domestic MNCs. Our

results have major theoretical and managerial implications.

Theoretical implications

Regarding our first research question, the results support our theoretical reasoning. Based on Feldman and Lynch's (1988) accessibility-diagnosticity framework we conclude that the accessible information PBG only then guides consumers in their intended loyalty toward leading MNCs when this information functions diagnostically through the pathways of functional and psychological value. Accordingly, we conclude that even if consumers only hold a vague belief about an MNC, they are able to judge whether the MNC is global and to link this knowledge to functional and psychological value in order to render PBG a relevant, diagnostic criterion for a given evaluation or intention. We believe that this observation is notable because it illuminates previous inconsistent findings (Alden, et al., 2013; Swoboda, et al., 2012) and because it implies that leading MNCs can use PBG in various countries to influence the perception of their offered value and the loyalty of consumers.

To understand the mixed findings on brand preferences (Schuiling & Kapferer, 2004), we explore MNC origin as a firm-specific boundary condition and CE as a consumer-specific boundary condition of the creation of loyalty intentions through PBG. In response to the second research question, which considers how an MNC's origin (foreign vs. domestic) interacts with PBG, we discuss two major conclusions.

First, and according to the accessibility-diagnosticity framework (Feldman & Lynch, 1988), MNCs' origin is understood as a diagnosticity multiplier. Consequently, information on MNCs' origin interacts with the local positioning of an MNC. The literature has found benefits for foreign brands compared with local brands (e.g., Batra, et al., 2000). Surprisingly, although we observe MNCs for which global brand positioning is beneficial, foreign MNCs benefit more from PBG than domestic MNCs do. Thus, a specific distinction can be delineated between globalness, i.e., being an MNC, and foreignness, i.e., being foreign (vs. being domestic) (Özsomer & Altaras,

2008). Furthermore, the differences between foreign and domestic MNCs are significant for India and Japan, although the PBG paths are weaker for Japan. Stronger PBG paths for India (vs. Japan) might be related to consumers' quite recent (vs. longer) participation in the global marketplace, rendering them more sensitive to PBG and thus rendering PBG information more diagnostic. By contrast, in the U.S., foreign MNCs participate from functional value and weaker from psychological value, but they do not participate stronger from PBG than domestic MNCs do. Globalness might not be an important differentiation criterion for many familiar foreign and domestic MNCs, and other relevant branding cues reduce the diagnosticity of PBG information (Lynch, et al., 1988).

Second, regarding the value mechanism that translates PBG into loyalty our results show that for domestic MNCs, the functional value pathway plays a lesser role than the psychological value pathway. This result supports the assumption that domestic firms—even if they are global MNCs—largely benefit from the emotional and social connectivity of consumers in their respective countries (see Alden, et al., 2013; Swoboda, et al., 2012). Surprisingly, foreign MNCs attract consumers more through functional value and only slightly less through psychological value. This finding might result from the aforementioned adaptation efforts of leading MNCs in the economically important countries or from their brand-building experience and capabilities. These observations apply to both India and Japan. In the U.S., however, foreign MNCs gain loyalty predominantly through functional value, which indicates that foreign MNCs benefit from their functional value offerings but that they are less able to form emotional ties with domestic consumers.

Our third research question considers the stronger total effect of PBG for less (vs. more) ethnocentric consumers. Our results show that PBG has a stronger effect on "more geocentric" consumers, a finding that is consistent with the accessibility-diagnosticity framework because PBG becomes highly accessible and diagnostic for such consumers. While such a brand-

ethnocentricity fit has been found in the previous literature (Steenkamp, et al., 2003), our result is notable because consumers' ethnocentric orientation seems to be also interesting related to consumer segmentation for leading MNCs in various countries. MNCs should know that consumer segment sizes vary across countries (e.g., India, 33.4% less ethnocentric consumers; Japan, 43.0%; and the U.S., 45.5%, with the groups split in the scale's center of 2.5) and that tendencies for less ethnocentrism are positively related to a country's economic strength (Sharma, 2011).

Managerial implications

For managers of foreign MNCs, this study particularly reveals that PBG can be transformed into consumer loyalty intentions via functional and psychological value and that PBG serves as a source of competitive advantage against rising competition among domestic MNCs (Jullens, 2013), particularly global MNCs and increasingly emerging MNCs. This finding is promising for MNCs in India and Japan and potentially—from a western perspective—for MNCs in other distant countries. However, in the U.S. and potentially in other western countries, foreign MNCs' globalness does not provide them with a competitive advantage over domestic MNCs. In culturally distant countries—both emerging and developed—PBG is a differentiation criterion for foreign and domestic MNCs. Foreign MNCs should thus manage the PBG-value pathways to maintain their advantages in perceived functional value. Domestic MNCs may continue to rely on psychological value advantages, but they should also enhance their functional value perceptions. Because PBG particularly attracts less ethnocentric consumers, targeting this consumer group will enhance domestic MNCs' success.

LIMITATIONS AND FURTHER RESEARCH

There are several limitations of this study, which we address in the following. In doing so, we also discuss avenues for further research. First, although we devoted special attention to data

collection, the sample included brand-affine consumers and four MNCs from one industry in each of the observed countries. Broadening the database would mitigate these limitations. For example, analyzing leading foreign MNCs or domestic MNCs vs. domestic/local-only firms would allow for an evaluation of further relative PBG effects or effects within different corporate branding strategies (Schuiling & Kapferer, 2004). We analyzed major countries with distinct economic or cultural contexts, but further analyses for differences in the way that PBG evokes consumer responses across countries or across emerging countries vs. developing countries (e.g., Sharma, 2011) will be theoretically and methodologically advantageous. Second, extending our conceptual model and the applied established but adapted scales is a promising avenue for further research. For example, our measure of functional value was strongly linked to quality (vs. price) attributes after the pretests. In addition, alternative measurements of value (e.g., hedonistic vs. utilitarian) and an additional focus on perceived brand localness, i.e., the extent to which an MNC is viewed as a local player, may deepen our understanding of how PBG operates and may inform conclusions regarding MNCs' global vs. multinational strategies (Swoboda, et al., 2012). Furthermore, we analyzed how an MNC's origin affects the PBG-loyalty link; however, the results may depend on consumers' origin perceptions and their tendency not to be exclusively either ethnocentric or geocentric but rather to combine both identities (Steenkamp & de Jong, 2010). Such a fine-grained investigation, however, led to largely inconsistent results in our study, likely owing to the limited sample sizes for a group comparison. Finally, future research should examine additional contextual factors that might represent boundary conditions of the PBG-loyalty link, such as global company animosity (Alden, et al., 2013) or anti-globalist attitudes (Holt, et al., 2004).

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Figure 1
Conceptual framework

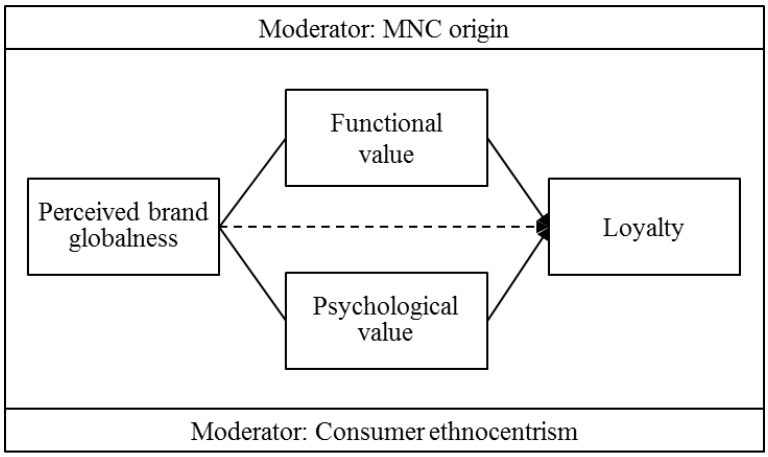

Table 1
Sample characteristics

	India (n=704)			Japan (n=794)			U.S. (n=662)		
in %	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age 18-25	15 9	10.0	25.9	5.9	4.4	10 3	7.3	7.7	14.9
Age 26-35	13 1	15.8	28.8	10.3	8.4	18.7	11.3	10.8	22.0
Age 36-45	12 1	9.2	21.4	12.5	11.8	24 3	13.7	12.2	25.9
Age 46-55	7.9	7.2	15.1	12.5	9.7	22 3	10.8	10.4	21.1
Age 56-65	4.3	4.5	8.8	13.0	11.4	24.4	9.1	6.9	16.0
Total	53 3	46.7	100.0	54.3	45.7	100.0	52.1	47.9	100.0

Table 2
Reliability and validity of measurements

	India							Japan							U.S.						
Item	MV/Std	FL	KMO	ItTC	α	CR	λ	MV/Std	FL	KMO	ItTC	α	CR	λ	MV/Std	FL	KMO	ItTC	α	CR	λ
Perceived brand globalness																					
To me, [MNC] is a global brand.	3.3/1 3	0.86		0.83			0.86	2.9/1.4	0.75		0.74			0.75	4.1/0.9	0.90		0.88			0.90
I do think consumers abroad buy [MNC's] products.	3.3/1 2	0.91	0.75	0.86	0.93	0.93	0 92	3.2/1.1	0.95	0.70	0.87	0.91	0.91	0.95	4.1/0.9	0.94	0.77	0.91	0.95	0.95	0.94
[MNC] sells its products all over the world.	3.4/1 3	0.93		0.87			0 93	3.2/1.1	0.97		0.88			0.97	4.1/0.9	0.94		0.91			0.94
Functional value																					
[MNC] offers high-quality products and services.	3.7/1 1	0.90		0.87			0 90	3.0/0.4	0.84		0.79			0.85	3.7/0.9	0.89		0.84			0.90
[MNC] develops well-made innovative products and services.	3.6/1 1	0.92	0.87	0.88	0.94	0.94	0 91	3.1/0.4	0.89	0.85	0.84	0.91	0.91	0.90	3.6/0.8	0.87	0.84	0.83	0.92	0.92	0.88
With its products, [MNC] is a leader in research and technology.	3.6/1 1	0.88		0.85			0.88	3.2/0.5	0.83		0.79			0.83	3.5/0.9	0.89		0.84			0.88
[MNC] offers good value for money.	3.6/1.0	0.89		0.86			0.89	3.1/0.5	0.85		0.81			0.84	3.3/1.0	0.80		0.76			0.79
Psychological value																					
[MNC] offers products I like and enjoy.	3.4/1 1	0.87		0.83			0.87	2.9/0.6	0.84		0.77			0.83	3.8/1.0	0.76		0.72			0.76
The appealing image of [MNC's] products makes me feel good.	3.2/1 1	0.82		0.79			0.81	2.9/0.6	0.73		0.68			0.72	3.4/1.0	0.80		0.76			0.80
[MNC's] products improve the way I am perceived.	3.4/1 1	0.88	0.86	0.84	0.92	0.92	0.89	3.1/0.6	0.81	0.81	0.74	0.87	0.87	0.81	3.8/0.9	0.91	0.82	0.84	0.90	0.90	0.90
With [MNC's] products I make a better impression on other people than with those of competitors.	3.5/1.0	0.88		0.84			0.89	3.1/0.6	0.82		0.75			0.84	3.5/0.9	0.88		0.82			0.90
Loyalty																					
I am a loyal customer of [MNC].	3.6/1 1	0.94		0.90			0 93	3.2/0.6	0.85		0.80			0.85	2.9/1.2	0.96		0.92			0.96
I have developed a good relationship with [MNC].	3.5/1 1	0.93	0.77	0.89	0.94	0.94	0 92	3.0/0.6	0.83	0.74	0.78	0.90	0.90	0.86	2.9/1.1	0.89	0.75	0.87	0.96	0.96	0.89
I am certain that I will buy products/offers of [MNC].	3.6/1 1	0.91		0.88			0 92	3.1/0.6	0.92		0.85			0.90	2.8/1.1	0.97		0.94			0.97
Consumer ethnocentrism																					
Purchasing foreign-made products is un-[nationality].	2.9/1 3	0.88		0.82			0.88	2.5/0.8	0.89		0.84			0.89	2.5/1.2	0.89		0.85			0.89
[Nationality] should not buy foreign products because this hurts local business/causes unemployment.	3.0/1 3	0.86	0.82	0.80	0.90	0.90	0.85	2.5/0.8	0.89	0.85	0.84	0.92	0.92	0.89	2.7/1.2	0.89	0.85	0.85	0.93	0.93	0.88
A real [nationality] should always buy [nationality]-made products.	3.1/1 3	0.76		0.72			0.76	2.6/1.0	0.81		0.77			0.81	2.6/1.2	0.87		0.83			0.87
It is not right to purchase foreign products.	2.8/1 3	0.85		0.80			0.86	2.3/0.8	0.85		0.80			0.85	2.4/1.2	0.87		0.83			0.87

Model fits CFA: *India*: CFI 0 99; TLI 0.99; RMSEA 0.03; SRMR 0.03; $\chi^2(125) = 210.07$; SCF = 1 27. *Japan*: CFI 0.97; TLI 0.97; RMSEA 0.04; SRMR 0.03; $\chi^2(125) = 336.79$; SCF = 1 29. *U.S.*: CFI 0.97; TLI 0.96; RMSEA 0.05; SRMR 0.03; $\chi^2(125) = 429.08$; SCF = 1 18.

Note: MV/Std = Mean value/standard deviation; FL = Factor loadings; KMO = Kaiser-Meyer-Olkin criterion (≥0.5); ItTC = Item-to-total correlation (≥0 5); α = Cronbach's alpha (≥0.7); CR = Composite reliability (≥0.6); λ = Standardized factor loadings (≥0 5).

Table 3
Discriminant validity

	Constructs	PBG	FV	PV	LOY
India	PBG	**0.77**			
	FV	*0.44*	**0.82**		
	PV	*0.43*	*0.74*	**0.77**	
	LOY	*0.37*	*0.78*	*0.81*[a]	**0.86**
Japan	PBG	**0.76**			
	FV	*0.10*	**0.94**		
	PV	*0.10*	*0.64*	**0.87**	
	LOY	*0.06*	*0.61*	*0.72*	**0.91**
U.S.	PBG	**0.89**			
	FV	*0.23*	**0.81**		
	PV	*0.25*	*0.76*	**0.80**	
	LOY	*0.08*	*0.38*	*0.43*	**0.87**

[a]For cases in which the criterion of Fornell and Larcker (1981) was not met (squared correlation exceeded the AVE), we followed Anderson and Gerbing (1988) and computed chi-square difference tests. This procedure requires the comparison of a more restricted model with the proposed model with satisfactory results, i.e. the restricted model fitted significantly poorer (p<0.001) than our proposed model. Discriminant validity can be assumed.
Note: Values in bold represent the AVE of the construct; values in italics represent squared correlations; AVE = Average variance extracted (≥0.5); PBG = Perceived brand globalness; FV = Functional value; PV = Psychological value; LOY = Loyalty.

Table 4
Measurement invariance

	Model	χ^2 (d.f.)	SCF	χ^2 diff. (p-value)	CFI (ΔCFI)	TLI (ΔTLI)	RMSEA (ΔRMSEA)	SRMR
India	*Invariance MNC origin*							
	Model 1:	168.36	1.34	-	0.99	0.99	0.02	0.01
	Configural invariance	(142)			(-)	(-)	(-)	
	Model 2:	181.27	1.29	12.90	0.99	0.99	0.02	0.04
	Metric invariance	(156)		(0.73)	(0.00)	(0.00)	(0.00)	
	Invariance Consumer ethnocentrism							
	Model 1:	179.74	1.33	-	0.99	0.99	0.02	0.01
	Configural invariance	(142)			(-)	(-)	(-)	
	Model 2:	195.53	1.28	15.78	0.99	0.99	0.02	0.07
	Metric invariance	(156)		(0.41)	(0.00)	(0.00)	(0.00)	
Japan	*Invariance MNC origin*							
	Model 1:	300.07	1.35	-	0.97	0.97	0.05	0.03
	Configural invariance	(142)			(-)	(-)	(-)	
	Model 2:	311.81	1.34	11.73	0.97	0.97	0.04	0.05
	Metric invariance	(156)		(0.67)	(0.00)	(0.00)	(0.01)	
	Invariance Consumer ethnocentrism							
	Model 1:	317.05	1.34	-	0.97	0.97	0.05	0.03
	Configural invariance	(142)			(-)	(-)	(-)	
	Model 2:	333.64	1.33	16.59	0.97	0.97	0.05	0.08
	Metric invariance	(156)		(0.33)	(0.00)	(0.00)	(0.00)	
U.S.	*Invariance MNC origin*							
	Model 1:	410.96	1.17	-	0.97	0.96	0.07	0.04
	Configural invariance	(142)			(-)	(-)	(-)	
	Model 2:	436.69	1.15	25.73	0.97	0.96	0.06	0.05
	Metric invariance	(156)		(0.06)	(0.00)	(0.00)	(0.01)	
	Invariance Consumer ethnocentrism							
	Model 1:	362.14	1.18	-	0.97	0.97	0.06	0.03
	Configural invariance	(142)			(-)	(-)	(-)	
	Model 2:	385.25	1.16	23.10	0.97	0.97	0.06	0.06
	Metric invariance	(156)		(0.12)	(0.00)	(0.00)	(0.00)	

Note: SCF = Scaling correction factor for MLM.

Table 5
Results

	India			Japan			U.S.		
1. General model	Total sample		Rival model (direct path)	Total sample		Rival model (direct path)	Total sample		Rival model (direct path)
	beta	b *p*	b *p*	beta	b *p*	b *p*	beta	b *p*	b *p*
PBG→FV	0.69	0.59***	0.59***	0.31	0.12***	0.13***	0.49	0.45***	0.46***
PBG→PV	0.69	0.58***	0.58***	0.31	0.16***	0.16***	0.51	0.45***	0.45***
FV→LOY	0.51	0.49***	0.53***	0.43	0.50***	0.52***	0.27	0 35***	0.37***
PV→LOY	0.54	0.53***	0.56***	0.66	0.61***	0.62***	0.47	0.65***	0.69***
Gender	-0.01	-0.02ns	-0.02ns	0.04	0.04ns	0.04ns	-0.03	-0.06ns	-0.07ns
Age	0.03	0.02ns	0.02ns	0.03	0.01ns	0.01ns	0.01	0.01ns	0.01ns
Familiarity	0.00	0.00ns	0.00ns	0.00	0.00ns	0.00ns	0.06	0.03*	0.03*
PBG→LOY	-	-	-0.07ns	-	-	-0.02ns	-	-	-0.08ns
Total effect									
PBG→LOY	0.73	0.60***		0.34	0.16***		0.38	0.46***	
Indirect effects **(H1)**									
PBG→FV→LOY	0.35	0.29***		0.13	0.06***		0.13	0 16***	
PBG→PV→LOY	0.37	0.31***		0.20	0.10***		0.24	0 29***	

2. Moderator:	Foreign		Domestic		Diff. betw. countries Foreign vs. domestic	Foreign		Domestic		Diff. betw. countries Foreign vs. domestic	Foreign		Domestic		Diff. betw. countries Foreign vs. domestic
MNC origin	beta	b *p*	beta	b *p*	b *p*	beta	b *p*	beta	b *p*	b *p*	beta	b *p*	beta	b *p*	b *p*
PBG→FV	0.74	0.60***	0.33	0.25***		0.39	0.25***	0.27	0.13***		0.48	0.45***	0.49	0.45***	
PBG→PV	0.68	0.54***	0.64	0.53***		0.34	0.27***	0.33	0.23***		0.55	0.49***	0.48	0.42***	
FV→LOY	0.52	0.52***	0.49	0.48***		0.57	0.64***	0.37	0.51***		0.48	0.65***	0.17	0.21***	
PV→LOY	0.53	0.53***	0.61	0.54***		0.56	0.53***	0.65	0.62***		0.25	0.35***	0.59	0.80***	
Gender	0.00	0.00ns	-0.02	-0.04ns		0.00	0.00ns	0.06	0.05ns		-0.09	-0.21*	0.03	0.08ns	
Age	0.00	0.00ns	0.06	0.04*		0.02	0.01ns	0.04	0.01ns		0.06	0.05ns	-0.03	-0.03ns	
Familiarity	0.00	0.00ns	0.00	0.00ns		0.00	0.00ns	0.03	0.00ns		0.04	0.02ns	0.09	0.06**	
Total effect **(H2)**															
PBG→LOY	0.75	0.60***	0.56	0.41***	0.19***	0.42	0.31***	0.32	0.21***	0 10***	0.37	0.46***	0.37	0.44***	0.02ns
					Diff. within countries Foreign / Domestic					Diff. within countries Foreign / Domestic					Diff. within countries Foreign / Domestic
Indirect effects **(H3)**					b *p* / b *p*					b *p* / b *p*					b *p* / b *p*
PBG→FV→LOY	0.39	0.31***	0.16	0.12***	0.02ns	0.22	0.16***	0.10	0.07***	0.02ns	0.23	0.29***	0.08	0.09***	0.12***
PBG→PV→LOY	0.36	0.29***	0.40	0.29***	-0.17***	0.19	0.14***	0.21	0.14***	-0.07***	0.13	0.17***	0.28	0.34***	-0.25***

3. Moderator:	Lower		Higher		Diff. betw. groups Lower vs. higher	Lower		Higher		Diff. betw. groups Lower vs. higher	Lower		Higher		Diff. betw. groups Lower vs. higher
Consumer ethnocentrism	beta	b *p*	beta	b *p*	b *p*	beta	b *p*	beta	b *p*	b *p*	beta	b *p*	beta	b *p*	b *p*
PBG→FV	0.75	0.65***	0.68	0.56***		0.37	0.15***	0.20	0.07**		0.52	0.51***	0.48	0.42***	
PBG→PV	0.75	0.63***	0.67	0.54***		0.37	0.21***	0.21	0.10***		0.55	0.51***	0.46	0.39***	
FV→LOY	0.52	0.52***	0.48	0.46***		0.44	0.53***	0.39	0.49***		0.35	0.42***	0.14	0.21***	
PV→LOY	0.49	0.50***	0.58	0.57***		0.66	0.60***	0.62	0.61***		0.42	0.54***	0.57	0.84***	
Gender	-0.01	-0.03ns	0.00	0.00ns		0.00	0.00ns	0.06	0.05ns		0.00	0.01ns	-0.08	-0.17*	
Age	0.04	0.03ns	0.02	0.01ns		0.05	0.02ns	0.00	0.00ns		0.01	0.01ns	0.00	0.00ns	
Familiarity	0.02	0.01ns	0.00	0.00ns		0.00	0.00ns	0.02	0.00ns		0.00	0.00ns	0.08	0.04*	
Total effect **(H4)**															
PBG→LOY	0.76	0.66***	0.72	0.57***	0.09***	0.42	0.21***	0.21	0.10***	0 11***	0.41	0.49***	0.34	0.42***	0.07***

Model fits: General model: *India*: CFI 0.96; TLI 0 95; RMSEA 0.06; SRMR 0.10; $\chi^2(125) = 488.37$; SCF = 1.22; *Japan*: CFI 0 92; TLI 0.90; RMSEA 0.08; SRMR 0.10; $\chi^2(125) = 718.67$; SCF = 1 23; *U.S.*: CFI 0.91; TLI 0.89; RMSEA 0 10; SRMR 0.11; $\chi^2(125) = 961.71$; SCF = 1 10. MNC origin: *India*: CFI 0.95; TLI 0 94; RMSEA 0.07; SRMR 0.09; $\chi^2(260) = 659.83$; SCF = 1.20; *Japan*: CFI 0 91; TLI 0 90; RMSEA 0.07; SRMR 0.09; $\chi^2(260) = 881.09$; SCF = 1.24; *U.S.*: CFI 0.91; TLI 0.89; RMSEA 0.10; SRMR 0.11; $\chi^2(260) = 1120.05$; SCF = 1.10. CE: *India*: CFI 0 96; TLI 0.95; RMSEA 0.06; SRMR 0.08; $\chi^2(260) = 603.27$; SCF = 1 19; *Japan*: CFI 0.92; TLI 0.91; RMSEA 0.07; SRMR 0.09; $\chi^2(260) = 826.98$; SCF = 1 24; *U.S.*: CFI 0.91; TLI 0 90; RMSEA 0.09; SRMR 0.10; $\chi^2(260) = 1060\ 99$; SCF = 1.11.
Note: * $p<0.05$; ** $p<0.01$; *** $p<0.001$; ns = Not significant; PBG = Perceived brand globalness; FV = Functional value; PV = Psychological value; LOY = Loyalty; SCF = Scaling correction factor for MLM; b = unstandardized coefficients; beta = standardized coefficients.