

The New Zealand Asia Institute (NZAI) undertakes research focusing on engagement with Asia, provides a forum for informed debates, and offers a bridge to Asia-related expertise and research within the University of Auckland.

Adapting country-of-origin positioning to culturally (dis)similar countries: the importance of authenticity

International marketers deliberately play into favourable country stereotypes: Japanese products last; German engineering is high precision; New Zealand and Australia are clean and green, and so on. Now, research** on Australian products sheds light on when and why to hitch the favourable image either more to the product itself or more to its country-of-origin (COO). This nuance of positioning turns out to produce markedly different reactions depending where consumers are.

The research tested different pairings of advertisement emphasis and audience location. Three cumulative online experiments were run on varying audiences of 300-odd participants, split between India and the US. These would-be consumers were served ads for Australian cheese, wine and fruit. Each stressed either Australia's or the product's cleanness and greenness. For instance, one experiment compared an ad with a background picture of Australian scenery, sporting the tagline "Try our wine selections from CLEAN and GREEN Australia!", with a version where the background photo showed someone making wine and carried the product-focused tagline "Try our CLEAN and GREEN wine selections from Australia!".

Brands hitching the clean, green image mainly to the COO went down better when paired with consumer audiences who were more "culturally distant" from Australia, whereas brands linking it to the product went down better if paired with culturally closer consumers. Cultural distance measures how similar or different cultures are. The research participants bore out the generalization that, vis-à-vis Australia, India is culturally more distant, and the US closer.

What was special about those pairings? The secret was "perceived cultural authenticity". It is well established that consumers tend to warm to a product that feels faithful to the culture of its COO. For instance, earlier researchers reported that a Chinese brand found favour with US consumers as feeling more culturally authentic when its logo incorporated a

recognizably Asian theme. The importance of authenticity is especially salient when consumers are often bombarded by fake products.

Marketers, producers and national brand strategists could apply these findings to tune and target their international marketing. Like New Zealand, the Australian government and food and beverage industry rely heavily on a clean, green image, which gives consumers confidence about what they are eating and drinking. But this study suggests that, at least for food and beverages, the country's image should only be used in overseas markets at high levels of cultural distance. Product image should be the focus of marketing communication and branding strategies in culturally close countries. Based on another result of the study, material accompanying the marketing could highlight either the distance or closeness, as the case may be, to exploit it better.

International marketers everywhere should be mindful of perceived cultural authenticity as a key driver for tourism, fashion and luxury consumption as well as food and beverages. And ironically but handily, perceptions of authenticity are malleable.

** The full study results are available in an article authored by Felix Septianto, Arnold Japutra, Billy Sung and Yuri Seo: "The interaction effect of country-of-origin positioning and cultural distance on international advertising effectiveness: a construal level perspective". *International Marketing Review*, 39(4), 931-954, 2022. DOI 10.1108/IMR-10-2021-0291

