Is Made-in-USA Branding Strategy Effective? The Influence of Consumers' Brand Expectations

Gargi Bhaduri, Kent State University, USA

Keywords: Made in USA, brand expectation, credibility, attitude

In the U.S. apparel industry, the 9/11 attacks and the economic recession of 2008, together with ethnocentrism promoted patriotism among U.S. consumers in recent years. These consumers make conscious choices to purchase Made in USA products to help the domestic economy (Ha-Brookshire & Yoon, 2012). In response, several apparel brands have started to source products from USA and communicate about their USA-based sourcing efforts to consumers through their Made in USA marketing claims. However, in a cluttered advertisement environment, today's consumers are faced with Made in USA claims from multiple competing brands. Therefore, to tackle the vast amount of information, consumers use heuristics such as their prior expectations (schemas) about a brand's Made in USA efforts to evaluate the claims (Mandler, 1982). For example, consumers expect that some apparel brands source products globally to be competitive and thus Made in USA claims from such brands are deemed as conflicting. Moreover, media reports of brands falsely claiming foreign sourced products as Made in USA lead consumers to question the credibility of future Made in USA claims from those brands and/or evaluate such claims and the brand less favorably (Randles, 2014).

Literature indicates that claims congruent to consumers' schemas reinforce their existing expectations, are considered credible and evaluated positively. On the contrary, consumers consider incongruent claims as disturbing, and discount the incongruent information as less credible to resolve incongruity. Thus, compared to congruity, resolution of incongruity leads to less favorable evaluations while non-resolution leads to least favorable evaluations (Mandler, 1982). In spite of the potential impact of consumers' existing brand schemas on the effectiveness of Made in USA branding efforts little empirical research exists on the topic. To fill this gap, we hypothesize that consumers', perceived credibility (H1), attitude toward claim (H2), and attitude toward brand (H3) are highest for congruent claims, followed by incongruity resolution and least for incongruity non-resolution. In this light, credibility (Cred) is the extent to which a claim is perceived as truthful and believable, attitude toward claim (A_{Cl}) is the predisposition to respond favorably or unfavorably to a claim stimulus and attitude toward brand (A_{Br}) is the predisposition to respond favorably to a brand in general (MacKenzie & Lutz, 1989).

Five-hundred adult participants were recruited using a national research firm, Qualtrics for a 3 (schema: congruity/ incongruity resolution/ incongruity non-resolution) x 4 (brand replication) x4 (message replication) mixed model online experiment. Schema (measured) and message replication (manipulated) were between subject while brand replication (manipulated) was within subject. Since the aim of the study was not to restrict the study findings to one particular brand or message but generalize to brands' Made in USA messages in general, 4 familiar brands (brand replication) were used to measure participants' schemas about the brands' US-based sourcing initiatives. Moreover, four versions of each message (static webpages; message replications) were created by altering information on claims, resulting in 16 unique

'Made in USA' messages. Schemas about the brands' Made in USA efforts (5 items; α=0.95) and A_{Br} (4 items; α=0.97) questions were asked before and after message exposure. After message exposure participants also completed Cred (4 items; α=0.92) and A_{Cl} (4 items; α= 0.95). All items were measured as -3 (strongly disagree) to 3(strongly agree). Based on schema scores, three categories were created (a) schema congruity before (pre-schema >0) and after stimuli exposure (post-schema>0), (b) schema incongruity before (<=0) but resolved after stimuli exposure (>0), and, (c) incongruity before (<=0) and *not* resolved after stimuli exposure (>0).

One-way ANOVA indicated that Cred was significantly different across the groups (F=58.13, p<.001). Participants considered messages to be most credible for congruity ($\bar{x}$=1.94, *s.d.*=0.86), followed by incongruity resolution ($\bar{x}$=1.13, *s.d.*=0.1), and, least for incongruity non-resolution ($\bar{x}$=0.43, *s.d.*=1.27), supporting H1. A_{Cl} had significant group differences (F=59.97, p< .001) and was most positive for congruity ($\bar{x}$=2.17, *s.d.*=0.83), followed by incongruity resolution ($\bar{x}$=1.5, *s.d.*=1.02), and, least for incongruity non-resolution ($\bar{x}$=0.39, *s.d.*=1.3), supporting H2. Finally, A_{Br} was statistically different across groups (F=59.97, p<.001). A_{Br} was most positive for congruity ($\bar{x}$ =2.17, *s.d.*=0.83), followed by incongruity resolution ($\bar{x}$=1.5, *s.d.*=1.02), and, least for incongruity-non-resolution ($\bar{x}$=0.39, *s.d.*=1.3), supporting H3. Additionally, change in A_{Br} scores (A_{Br} before message exposure- A_{Br} after message exposure) were different for the three groups (F=12.58, p .001). The change was most positive (favorable) for congruity ($\bar{x}$ =0.49, *s.d.*=0.69), followed by incongruity resolution ($\bar{x}$ =0.77, *s.d.*=1.04) while negative (unfavorable) for incongruity non-resolution ($\bar{x}$=-0.02, *s.d.*=0.53).

The study results indicated that when participants expected a brand be involved (or not involved) in Made in USA efforts, credibility and evaluation of a Made in USA claim from the brand as well as overall attitude toward the brand were more (or less) favorable. Therefore, undertaking domestic sourcing strategies might be beneficial for brands which already have the image of helping the domestic economy but not otherwise. Specially, when brands are not expected to be involved in USA efforts, they might need to invest resources to reinforce the credibility of their claims such as through use of transparent supply chain information. Moreover, participants' overall brand attitude became even less favorable when a Made in USA claim from a brand not expected to source products from USA could not convince them about the brand's domestic sourcing efforts. Therefore, brands trying to newly adopt domestic sourcing strategies need to create persuasive and credible Made in USA claims to resolve consumers' incongruity or risk negative evaluation. Further research on consumers' general attitude toward Made in USA products in their evaluation of domestic sourcing strategies might be helpful.

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