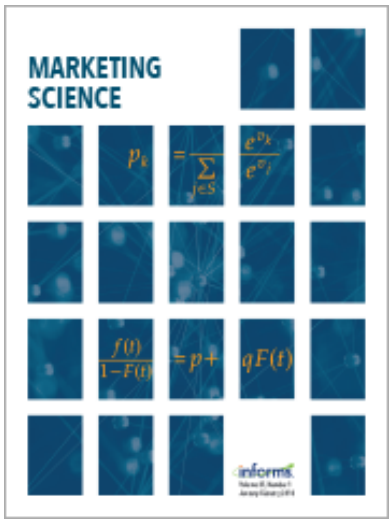

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Brand Positioning Based on Brand Image–Country Image Fit

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Abstract. This article proposes that managers may use local consumer culture (LCC), or the culture of one's home country, in their brand-building activities by adapting the brand's positioning to the country image the brand targets. It introduces the concept of brand image–country image (BICI) fit, which measures the extent to which consumers in a specific country perceive a brand image as being congruent with their home country's image. Using more than 350,000 brand-respondent observations across three countries, we develop and empirically illustrate a multiattribute methodology for operationalizing BICI fit and provide robust evidence that BICI fit is positively associated with consumers' brand evaluations. A large number of validity and robustness tests support the proposed BICI fit metric and the findings derived from it. For example, we find that age, education, being female, and need for structure enhance the BICI fit effect, whereas materialism diminishes it. Furthermore, BICI fit matters more in categories that are closely tied to a local cultural context or that are characterized by high purchase risk. Given its multiattribute nature, the proposed BICI fit metric identifies concrete image attributes and thereby provides managers with an effective way to develop or revise LCC positioning plans for their brands.

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Keywords: brand management • brand image • country image • brand image–country image fit • marketing strategy • local consumer culture

1. Introduction

Although markets continue to globalize, a growing body of literature has stressed that many consumers prefer to maintain their own local culture (e.g., Steenkamp and de Jong 2010). As Alden et al. (2006, p. 227) put it, "... many people prefer local consumption imagery because they more easily identify with local lifestyles, values, attitudes and behaviors ...." The importance of localization is also acknowledged by marketing practice. In a recent survey of top marketing decision makers across four countries, more than 80% of the respondents indicated that they consider content localizing (which covers branding and the marketing copy, among other things) as indispensable for entering new markets (IDG Research 2017).

Consumers who embrace the culture of their home country generally prefer products that match their home country's values and local needs (Steenkamp and de Jong 2010). Local consumer culture positioning (LCCP) reflects this desire for local consumption imagery by associating a brand with local cultural meanings. By contrast, global consumer culture positioning (GCCP) associates a brand with globally shared meanings (Alden et al. 1999).

Research has shown that consumers vary systematically in their attitudes toward LCCP and GCCP (e.g., Westjohn et al. 2012), leading to differing preferences for local and global brands. Although these studies have demonstrated the need for different positioning strategies, have analyzed antecedents and consequences, and have helped companies determine whether to use LCCP or GCCP, they offer no guidance for identifying specific multiattribute LCC (or GCC) positioning plans. Or, as Fuchs and Diamantopoulos (2010, p. 1763) put it, "... measuring positioning effectiveness must extend beyond capturing unidimensional brand attitude measures."

In this article, we propose that managers can use consumers' country-image associations in their brand-building activities by adapting the brand's positioning to the specific country image the brand targets (i.e., consumers' home country), thus capitalizing on

LCC. Previous research has documented the effects of norms and beliefs stemming from cultural environments on consumer behavior (Triandis 1989). The home country, an important facet of the local cultural environment, is part of consumers' self-concept because "... its educational and cultural institutions shape the values of almost everyone in that society" (Inglehart and Baker 2000, p. 37). Local culture is thus a powerful influence, and consuming products that are close to one's own culture is still the prevailing norm for many people (Alden et al. 2006). According to self-congruence theory, a fit between the consumer's self-concept and the brand's image should lead to more favorable brand evaluations and motivations to purchase that brand (Sirgy 1982, 1986). However, to the best of our knowledge, no study has investigated whether and under which conditions a fit between the brand's image and the consumer's home country image enhances brand evaluations.

Research in the country-of-origin domain has demonstrated that a match between a country image (e.g., Italy) and a product category (e.g., pasta) may have positive effects on consumers (e.g., Usunier and Cestre 2007). Considering brands instead of products, Häubl and Elrod (1999) show that congruity between the brand name and the country of production (e.g., an Austrian brand made in Austria) leads to increased quality perceptions. This stream of research has investigated the origins of brands and their effects on consumers' brand evaluations. By contrast, we suggest that the brand's target country (i.e., consumers' home country) and its perceived image-based fit with the brand should have an additional impact on consumers' brand evaluations. This effect should not be confused with (brand-specific) country-of-origin effects (e.g., Verlegh and Steenkamp 1999, Zhang 2015). Whereas the latter refer to effects triggered by the image of the country from which the brand originates, this article focuses on the effects triggered by the congruency of consumers' brand associations with the country that the brand targets.

Against this background, we develop, empirically illustrate, and validate a methodology for estimating a multiattribute brand image–country image (BICI) fit metric and its association with consumers' brand evaluations. BICI fit measures the extent to which consumers in a specific country perceive a brand image as being congruent with their home country's image. Using VMLY&R's (formerly Young & Rubicam, hereafter referred to as Y&R) Brand Asset Valuator (referred to as Y&R's BAV) database, we combine information on brand and country images into a country-specific multiattribute measure that offers insights into consumers' high (versus low) fit assessments.

In general, we expect that high BICI fit improves consumers' brand evaluations. However, there might be conditions that diminish this positive main effect of BICI fit or even overturn it such that its influence becomes negative. For example, materialism is strongly linked to global consumer culture (Holton 2000, Alden et al. 2006), which should attenuate the relationship between BICI fit (as a local origin attribute) and consumers' brand evaluations.

In summary, the purpose of this article is to advance our understanding of how to develop LCCP strategies. We accomplish this in three ways. First, using more than 350,000 brand-respondent observations across three countries, we develop and empirically illustrate a multiattribute methodology for estimating BICI fit and its relationship with consumers' brand evaluations. Second, we examine a comprehensive set of consumer and product-category factors that potentially moderate this relationship, which provides managers with an effective way to target customers. Third, we conduct a large number of validity and robustness tests.[1]

Our main findings are as follows. First, we find robust evidence of a positive relationship between BICI fit and consumers' brand evaluations, implying that consumers who perceive a brand's image as being close to the image of their home country are likely to evaluate that brand more favorably. Second, we find that consumer and category factors moderate this relationship. Age, education, gender (i.e., being female), and need for structure enhance it, whereas materialism diminishes it. Furthermore, BICI fit matters more in categories that are closely tied to a local cultural context or that are characterized by high purchase risk. Third, the results of our validity and robustness tests build confidence in the BICI fit metric. We show that it (1) does not depend on the specific estimation approach taken, (2) stays stable when using many alternative operationalization approaches, (3) holds for different brand evaluation measures, (4) predicts brand evaluations in a later period, and (5) reverses if we examine a foreign country instead of consumers' home country. In addition, a falsification test using subcategories, which are strongly related to another country instead of consumers' home country (e.g., champagne in Germany), reveals that the BICI fit effect is attenuated in these subcategories.

Our findings offer managers a new approach to develop and evaluate LCCP strategies. Managers wanting to evaluate LCCP for a new or existing brand may use the consumer and product-category factors identified herein to determine the role BICI fit plays for consumers' brand evaluations and to target consumer segments accordingly. From this information, they can then decide whether positioning a brand based on specific country image attributes is promising. Furthermore, managers can assess whether an existing brand's

positioning is sufficiently associated with LCC or how it can be adapted to better reflect local values. Likewise, managers who want to introduce a brand into a new market using LCCP can identify the most promising image attributes to associate the brand's positioning with the respective LCC and develop targeting strategies based on the identified consumer and product-category factors.

2. BICI Fit and Its Moderators

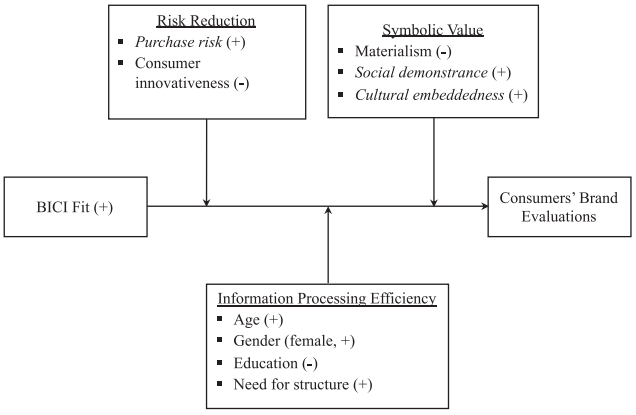
In this section, we introduce the BICI fit construct and discuss its generally positive association with consumers' brand evaluations. Next, we discuss potential moderating factors that may strengthen or diminish this positive main effect. Figure 1 depicts the conceptual framework.

2.1. BICI Fit and Its Relationship with Consumers' Brand Evaluations

Self-congruence theory posits that consumer behavior is influenced by a comparison between the image a consumer has of him- or herself and the image of a brand/product (Sirgy 1986). It has been examined in various contexts, such as celebrity endorsements (Marshall et al. 2008), sponsorships (Sirgy et al. 2008), or services (Yim et al. 2007).

The self is composed of multiple facets of identities, which collectively define a person (Kleine et al. 1993). One important facet of people's self-identity is their membership to a specific cultural group (Ryder et al. 2000, Verlegh 2007). In this regard, countries are a key unit of shared experiences. In particular, educational and cultural institutions convey such experiences and shape people's values in a country (Inglehart and Baker 2000). Residents of one country thus come to accept similar values, share common ideas about what values their culture and country represent, and include these values in their self-identity (e.g., Steenkamp and de Jong 2010).

Figure 1. Conceptual Framework and Expected Effects



Note. Product-category (consumer-level) moderating factors are marked in italics (roman font).

Prior work has also suggested that consumers attach certain images to countries according to what they have experienced and learned about those countries. The resulting country associations held in consumers' memories constitute country images—that is, "... the total of all descriptive, inferential, and informational beliefs [that a consumer] ... has about a particular country" (Martin and Eroglu 1993, p. 193). We argue that the congruency between a consumer's home country image, as part of his or her self or self-identity, and a brand's image (i.e., BICI fit) represents a specific type of self-congruence. In general, consumers strive for self-consistency, which should result in a preference for brands with images similar to their own self-images (Sirgy 1982). Previous studies have highlighted the role of congruency between self-concept and brand image in explaining consumers' brand preferences and purchase intentions (e.g., Escalas and Bettman 2005, Malär et al. 2011). For example, consumers react more positively to a brand if it symbolizes a human value they endorse (Allen et al. 2008).

Bringing the idea of self-congruence together with the centrality of local culture (Ryder et al. 2000), which still renders the consumption of local cultural symbols the prevailing norm for many consumers (Alden et al. 2006), it becomes evident that it should be easier for consumers to identify with (more proximal) local values, attitudes, and lifestyles (Crane 2002). Hence, people should generally prefer brands that relate to local consumption imagery. As such, we expect that higher levels of BICI fit (as a local origin attribute) enhance consumers' brand evaluations.

2.2. Moderating Effects of Consumer and Product-Category Factors

There might be conditions that strengthen or diminish the main effect of BICI fit. In this regard, demographics and psychographics can help managers profile customers who are strongly influenced by BICI fit. Likewise, product category factors might help identify categories that are strongly influenced by BICI fit. We structure our discussion of potential moderators according to the functions that brands fulfill for consumers (see also Datta et al. 2017). Keller (2013, p. 34) identifies seven roles brands can play, which can be further classified into three brand functions: (1) risk reduction, (2) information processing efficiency, and (3) symbolic value (Figure 1).

2.2.1. Risk Reduction. The risk-reduction function refers to the idea that brands facilitate the identification of the product maker/source and thus allow consumers to assign responsibility; that is, based on past experiences, consumers know what to expect (from the brand), reducing the risk of a wrong choice

(Keller 2013, pp. 34–35). In our analyses, we consider purchase risk (product category factor) and consumer innovativeness (consumer factor; high levels of innovativeness imply less risk aversion) as two potential moderating factors that relate to a brand's risk-reduction function.

Purchase risk refers to the nature and amount of uncertainty that is associated with a purchase decision (Cox and Rich 1964). Consumers strive to reduce perceived risk, for example, by relying on strong brands (Swait and Erdem 2007), which makes a brand's risk-reduction function especially important in categories with high purchase risk. BICI fit can serve as a risk-reducing attribute. A brand high in BICI fit is more similar to consumers' home country values and thus represents something "more local." Consequently, a high BICI fit should decrease the perceived (psychological) distance to the product maker such that it seems more proximal. According to construal-level theory, consumers think of a proximal product maker in more concrete terms, evoking a weaker sense of risk (Trope et al. 2007). Thus, we expect that BICI fit relates more strongly to consumers' brand evaluations in categories with high purchase risk.

Consumer innovativeness describes a consumer's propensity to adopt new products (Hauser et al. 2006). A basic trait of consumer innovators (versus less innovative consumers) is a higher tolerance for risk (Klink and Smith 2001). Thus, high consumer innovativeness reduces the importance of a brand's risk-reduction function. As such, we expect that high innovativeness diminishes the positive relationship between BICI fit and brand evaluations.

2.2.2. Information-Processing Efficiency. Brands reduce search costs for consumers (Keller 2013, pp. 34–35). On the basis of the knowledge consumers have accumulated about a brand, they do not have to engage in a lot of information processing to make a decision. We consider age, gender, education, and need for structure as consumer-level moderating factors that relate to a brand's information-processing efficiency.

Previous research has shown that people's processing resources diminish with age, which increases the reliance on processing strategies requiring less effort (Yoon 1997), such as the reliance on more easily accessible schemas. Therefore, we expect that older age should increase consumers' tendency to use local origin attributes (e.g., high BICI fit) in their information processing. Similarly, previous findings indicate that gender (i.e., being female) is positively associated with attitude toward local products, whereas education is negatively associated with attitude toward local products (Steenkamp and de Jong 2010). Therefore, female consumers should have a stronger tendency to use local origin attributes when processing information (compared with males), whereas higher education levels should decrease this tendency. We therefore expect that gender (i.e., being female) and older age enhance the positive relationship between BICI fit and consumers' brand evaluations, whereas higher education levels should decrease it.

Need for structure refers to the extent to which consumers are motivated to cognitively structure their world in simple, unambiguous ways (Neuberg and Newsom 1993). Consumers with a high need for structure (versus low need for structure) engage in more stereotyping, categorizing objects into specific groups (Schaller et al. 1995, Lalwani and Forcum 2016). Categorizing a brand as being close to one's self-concept (based on BICI fit as a local origin attribute) helps consumers process information in simple ways. Consequently, we expect that a high need for structure enhances the positive relationship between BICI fit and brand evaluations.

2.2.3. Symbolic Value. Brands serve as symbolic devices, providing consumers the possibility to communicate something about themselves (Keller 2013, pp. 34–35). In our analyses, we consider materialism (consumer-level factor), social demonstrance, and cultural embeddedness (product category factors) as potential moderating factors that relate to a brand's symbolic value function.

Materialism reflects the importance consumers attach to worldly possessions (Richins and Dawson 1992) and is linked to goals of affluence, personal success, and self-gratification. These attributes are strongly linked to global consumer culture (Holton 2000, Alden et al. 2006), with consumers being more likely to value symbols of a global culture instead of (their) local culture, thereby decreasing the positive relationship between BICI fit (as a local origin attribute) and consumers' brand evaluations—or, if strong enough, even overturning it.

Social demonstrance indicates the extent to which certain product categories serve as a means to communicate the consumer's self-concept and demonstrate that he or she belongs to a specific group (Fischer et al. 2010). Because local culture is a key facet of consumers' self-concept and BICI fit serves as an attribute indicating that a brand is more local in terms of shared values and associations, thus signaling group membership, social demonstrance should enhance the positive relationship between BICI fit and brand evaluations.

Finally, cultural embeddedness refers to the extent to which a product category is related to national culture in consumers' minds (Jakubanecs and Supphellen 2016). Some products or categories are closely tied

to a local cultural context (Usunier and Lee 2013). Typically, the longer a product category has been around, the more traditional it is perceived to be, and the more are its products embedded in local conventions and the corresponding cultural context (Usunier and Lee 2013, Cleveland et al. 2016). A brand high in BICI fit conveys closeness to consumers' home country values and culture. Given the persistent importance of local culture for a consumer's self-concept (Johansson 1997), the perceived cultural embeddedness of a category should enhance the positive relationship between BICI fit and consumers' brand evaluations.

3. Data and Measures

In the following, we provide a brief overview of the structure of Y&R's BAV databank. Next, we elaborate on how we use these data to measure the focal variables in our analyses—that is, brand and country images (to form BICI fit) and consumers' brand evaluations.

Y&R's BAV is a worldwide databank covering consumers' perceptions of a multitude of brands in several countries (Young and Rubicam 2016). Each data-collection wave covers several hundred brands. Individual respondents only evaluate a subset of brands, but every brand is evaluated by several respondents—that is, our data exhibit a cross-classified structure. We use data for more than 1,100 food and beverage brands in Germany (408 brands and 4,168 respondents), France (338 brands and 2,294 respondents), and the United Kingdom (361 brands and 3,555 respondents). Except for the robustness checks, all data sets correspond to the year 2005. The brands represent the total set of brands Y&R assessed in the particular survey wave. On average, respondents evaluated 36 brands in the German data set, 47 brands in the French data set, and 36 brands in the UK data set; the median number of ratings per brand is about 500 ratings.

The panel members assess the brands on 48 image attributes by indicating whether they perceive a brand as "authentic," "reliable," "fun," and so on, using binary (i.e., yes = 1, no = 0) scales (Mizik and Jacobson 2008, Batra et al. 2017). In addition, they evaluate various countries, potentially including their home country, on the same set of image attributes. That is, respondents indicate whether they associate a specific country with characteristics such as "authentic," "reliable," or "fun," again using binary scales. Furthermore, they evaluate the brands on three additional items using seven-point scales (Batra et al. 2017, Datta et al. 2017). These items are the basis for three of the four Y&R "brand pillars" (e.g., Mizik and Jacobson 2008), which reflect key dimensions of consumer-based brand equity as an important driver of a brand's market-based success (Lovett et al. 2014, Datta et al. 2017). Finally, Y&R also provide a set of demographics and psychographics for each respondent. We complement the BAV data with information on product category factors and with data on consumers' brand evaluations provided by YouGov.

3.1. Brand and Country Images

The Y&R BAV image items measure brand personality attributes that are part of the brand associations held in consumers' memory (Aaker et al. 2001) that reflect the brand's image (Keller 1993). Brand personality attributes are of key importance in developing a brand's positioning as the personality of a brand conveys symbolic and cultural aspects that enable consumers to relate to the brand in a human-like way (Aaker 1997, Aaker et al. 2001). Accordingly, Aaker (1997, p. 347) emphasizes that "practitioners view it [the personality of a brand] as a key way to differentiate a brand in a product category . . . ." Brand personality describes the human-like characteristics and personality traits associated with a brand (e.g., Aaker 1997, van der Lans et al. 2014). For example, similar to a person, a brand can be described as "reliable" or "efficient." Likewise, the presentation of countries often involves human-like characteristics, so they become personified in consumers' minds. Country image research has shown that mental representations of countries may also include associations about a country's personality (d'Astous and Boujbel 2007). Consequently, Germany might be associated with traits such as "reliable" or "efficient."

Against this background, it is not surprising that existing measurement scales for brand and country images overlap. In her seminal work, Aaker (1997) identifies brand traits, such as "down to earth" or "original," that also describe cultural values (e.g., the so-called instrumental values; Rokeach 1973) along with specific attributes, such as "hardworking" or "friendly," which have been used in country image scales (also referred to as general country attitudes) (Parameswaran and Pisharodi 1994, Laroche et al. 2005). These findings suggest that both brand and country images can be measured on the same scale consisting of a comprehensive set of image items, as is the case for Y&R's BAV data, which we use to conceptualize and measure BICI fit.

The BAV image data consist of 48 image items for both brands and countries. To form the BICI fit measure, we employ a subset of 35 items (Table 1). Specifically, we do not use those items that are part of the brand pillars Y&R uses to assess a brand's performance in the marketplace (i.e., "dynamic," "innovative," "distinctive," "unique," "different," "leader," "reliable," and "high quality"; see also online appendix A in Datta et al. 2017). Furthermore, we

Table 1. Variable Overview and Descriptive Statistics

Variable (source)	Measurement scale	German data set		French data set		UK data set		Combined data set	
		Mean (SD[a]) brands	Mean (SD[a]) country[b]	Mean (SD[a]) brands	Mean (SD[a]) country[b]	Mean (SD[a]) brands	Mean (SD[a]) country[b]	Mean (SD[a]) brands	Mean (SD[a]) country
Image items (Y&R)									
Arrogant	Yes/no	0.035	0.053	0.026	0.061	0.015	0.070	0.025	0.061
Authentic	Yes/no	0.126	0.102	0.127	0.173	0.083	0.105	0.111	0.122
Carefree	Yes/no	0.089	0.100	0.170	0.066	0.066	0.081	0.101	0.085
Cares about customers	Yes/no	0.066	0.050	0.091	0.041	0.079	0.047	0.077	0.047
Charming	Yes/no	0.078	0.146	0.071	0.210	0.053	0.129	0.067	0.156
Daring	Yes/no	0.054	0.101	0.093	0.100	0.043	0.074	0.060	0.091
Down to earth	Yes/no	0.098	0.108	0.139	0.113	0.257	0.208	0.166	0.146
Energetic	Yes/no	0.087	0.091	0.110	0.075	0.061	0.090	0.083	0.087
Friendly	Yes/no	0.161	0.280	0.166	0.225	0.133	0.257	0.152	0.257
Fun	Yes/no	0.135	0.168	0.115	0.104	0.165	0.182	0.141	0.157
Gaining in popularity	Yes/no	0.077	0.110	0.073	0.085	0.069	0.134	0.073	0.112
Glamorous	Yes/no	0.059	0.069	0.034	0.047	0.045	0.099	0.047	0.074
Healthy	Yes/no	0.211	0.053	0.161	0.043	0.182	0.060	0.188	0.053
Helpful	Yes/no	0.101	0.046	0.080	0.024	0.035	0.048	0.072	0.041
Independent	Yes/no	0.073	0.097	0.082	0.093	0.038	0.087	0.063	0.092
Intelligent	Yes/no	0.077	0.127	0.055	0.119	0.062	0.144	0.066	0.131
Kind	Yes/no	0.110	0.162	0.230	0.192	0.079	0.073	0.129	0.137
Obliging	Yes/no	0.088	0.077	0.109	0.060	0.046	0.061	0.078	0.067
Original	Yes/no	0.210	0.160	0.066	0.053	0.178	0.125	0.161	0.120
Prestigious	Yes/no	0.101	0.085	0.057	0.076	0.037	0.044	0.067	0.067
Progressive	Yes/no	0.057	0.079	0.046	0.141	0.033	0.069	0.045	0.091
Restrained	Yes/no	0.065	0.075	0.078	0.078	0.035	0.060	0.057	0.070
Rugged	Yes/no	0.064	0.079	0.060	0.060	0.038	0.096	0.054	0.080
Sensuous	Yes/no	0.095	0.073	0.036	0.046	0.049	0.042	0.063	0.055
Simple	Yes/no	0.148	0.115	0.256	0.106	0.222	0.104	0.202	0.109
Social	Yes/no	0.171	0.178	0.082	0.196	0.129	0.143	0.133	0.170
Socially responsible	Yes/no	0.086	0.073	0.101	0.101	0.057	0.094	0.079	0.088
Straightforward	Yes/no	0.073	0.060	0.082	0.045	0.111	0.064	0.089	0.058
Stylish	Yes/no	0.075	0.082	0.056	0.052	0.057	0.074	0.064	0.071
Tough	Yes/no	0.113	0.106	0.056	0.074	0.040	0.109	0.072	0.099
Traditional	Yes/no	0.149	0.205	0.172	0.178	0.179	0.197	0.166	0.195
Trendy	Yes/no	0.190	0.180	0.119	0.108	0.105	0.113	0.141	0.137
Unapproachable	Yes/no	0.052	0.094	0.030	0.123	0.024	0.064	0.036	0.090
Up-to-date	Yes/no	0.065	0.049	0.084	0.089	0.072	0.060	0.072	0.063
Upper class	Yes/no	0.111	0.140	0.042	0.078	0.059	0.059	0.074	0.095
Brand pillar items (Y&R)		$\alpha = 0.860$		$\alpha = 0.891$		$\alpha = 0.825$		—	
Knowledge	1–7 scale	4.911 (1.694)		5.438 (1.622)		5.499 (1.677)		5.260 (1.670)	
Relevance	1–7 scale	3.762 (1.896)		4.690 (1.932)		3.618 (2.074)		3.947 (1.972)	
Personal regard	1–7 scale	4.411 (1.758)		5.032 (1.724)		4.667 (1.778)		4.663 (1.757)	
BrandIndex data (YouGov)									
BrandIndex Score	Ratio-scaled −100 to +100	—	—	—	—	12.1 (Q25 = 6.0, Q75 = 18.5) (min = −24.5, max = 42.3)		—	—

Table 1. (Continued)

Variable (source)	Measurement scale	German data set		French data set		UK data set		Combined data set	
		Mean (SD[a]) brands	Mean (SD[a]) country[b]	Mean (SD[a]) brands	Mean (SD[a]) country[b]	Mean (SD[a]) brands	Mean (SD[a]) country[b]	Mean (SD[a]) brands	Mean (SD[a]) country
Consumer factors (Y&R)									
Age	Years of age	44.0 (14.7)		42.4 (14.7)		38.8 (15.4)		41.7 (15.0)	
Gender	0 = male; 1 = female	52% female		53% female		52% female		52% female	
Education	1 = university education; 0 = otherwise	16% university education		29% university education		21% university education		21% university education	
		Mean (SD), α		Mean (SD), α		Mean (SD), α		Mean (SD)	
Innovativeness	Three items (1–6 scale)	3.908 (0.917), α = 0.703		3.849 (0.849), α = 0.613		3.785 (0.956), α = 0.706		3.848 (0.915)	
Need for structure	Three items (1–6 scale)	4.249 (0.930), α = 0.742		3.903 (0.914), α = 0.548		3.864 (0.951), α = 0.685		4.02 (0.934)	
Materialism	One item (1–6 scale)	3.391 (1.390)		3.166 (1.416)		3.200 (1.452)		3.264 (1.419)	
Product category factors (online access panel)									
Purchase risk	Two items (1–6 scale)	2.650 (0.333), α = 0.767		3.304 (0.336), α = 0.625		2.755 (0.320), α = 0.687		2.856 (0.424)	
Social demonstrance	Three items (1–6 scale)	1.911 (0.224), α = 0.823		2.594 (0.183), α = 0.821		2.341 (0.168), α = 0.864		2.242 (0.195)	
Cultural embeddedness	Three items (1–6 scale)	2.850 (0.449), α = 0.779		3.246 (0.718), α = 0.823		3.169 (0.350), α = 0.761		3.068 (0.503)	

[a]We provide the standard deviation (SD) for all metric variables. For the binary variables, the standard deviation can be computed from the mean m as $\sqrt{m(1-m)}$.
[b]Values refer to the perception of Germany (France, the United Kingdom) by its residents. The data set includes German (French, UK) residents' perceptions of a broad range of countries, which are all used to calculate the weights as described in Section 4.1. α, Cronbach's alpha.

carefully screened the remaining set of items and excluded those that describe attitude-like brand perceptions (i.e., "worth more," "high performance," "best brand," "trustworthy" [see also Batra et al. 2017], and "good value") and are thus semantically close to a brand-performance measure. In addition to the brand-attitude items listed by Batra et al. (2017), we also excluded "good value" because this item also seems to reflect an overall brand evaluation. Indeed, the correlation between this item and our dependent variable is 0.20, which is higher than the correlations for the other 35 items. The remaining 35 items are thus suitable to form our core independent variable and, importantly, are an appropriate reflection of the underlying facets of established brand personality measures (e.g., Aaker's 1997 brand personality dimensions).

The proposed BICI fit does not involve direct consumer judgments of similarity, such as "how similar is BRAND to COUNTRY?" It is an indirect multiattribute method, which has at least two advantages over direct overall fit assessments (see Batra et al. 2010). First, the indirect measure is associative rather than evaluative in nature. When respondents are questioned directly about how well a brand fits a country, their answers likely reflect preconceived opinions about the fit between the two objects, which may result in problematic fit estimates. Second, the multiattribute approach offers insights into the underlying reasons for a high (low) fit assessment.

3.2. Consumers' Brand Evaluations

To measure our dependent variable, we use the mean of the three BAV pillar items scaled 1–7 that assess the personal relevance of the brand for consumers, the level of regard consumers hold for the brand, and consumers' overall familiarity with the brand (Table A1 in Online Appendix A). These items reflect the BAV pillars "relevance," "esteem," and "knowledge," which are key facets of customer-based brand equity (CBBE) (e.g., Datta et al. 2017) and can be linked to financial outcomes. For example, Datta et al. (2017) conceptually argue and empirically show that these pillars are strong positive predictors of sales-based brand equity. In their analyses, the authors also combine the three pillars into a "relevant stature" construct and conclude that "... investments into CBBE pay off if they build consumers' awareness and understanding of what the brand stands for (knowledge), make the brand appropriate to the consumer (relevance), and enhance consumer regard for the brand (esteem)" (Datta et al. 2017, p. 13). Likewise, Mizik and Jacobson (2008) show that stock returns are associated with the BAV pillars. In other words, these three pillars reflect an overall brand evaluation that is strongly associated with a brand's market success. Therefore, the three pillar items scaled 1–7 are most

suitable as the dependent variable in our analyses. We do not consider the fourth BAV pillar (i.e., energized differentiation) as it has a small negative association with sales-based brand equity (Datta et al. 2017) and thus does not seem to appropriately reflect a brand's market-based success.[2]

To show the effect of BICI fit on a different measure of brand evaluations, we use data from the UK market in 2007 provided by the YouGov group. YouGov monitors brand perceptions on a daily basis and creates a "BrandIndex score" that reflects respondents' brand evaluations. Respondents specify whether they evaluate a brand positively, negatively, or neutrally along six items. In 2013, YouGov expanded the set of items. As we work with data before this change, our analyses use the initial six items (brand quality, brand value, reputation, brand satisfaction, brand recommendation, and overall brand impression). For each item, YouGov randomly selects a subset of respondents from its panel and provides them with a subset of brands from one product category. Respondents thus only evaluate one item per category per survey, which should reduce common method bias (Luo et al. 2013). From the subset of brands, respondents select those for which they agree with the positive statement (e.g., good quality). Next, they indicate all brands for which they agree with the negative statement (e.g., poor quality). The remaining set of brands is evaluated neutrally. For each item, a score is calculated by subtracting the share of negative evaluations from the share of positive evaluations, dividing the result by the total number of all evaluations, and then multiplying that result by 100. The BrandIndex score is the sum of the six indicators and ranges from −100 to +100 (Luo et al. 2013).

3.3. Consumer Factors

We use a set of consumer characteristics provided by Y&R. Specifically, *Age* is a continuous variable using the midpoints of 11 age categories for France and the United Kingdom and 10 age categories for Germany that each span about five years, from 18 years to 75 years. *Gender* is coded 1 for female and 0 for male. *Education* is a dummy variable that indicates whether the respondent attends or already graduated from university (coded 1; 0 otherwise).

Furthermore, for each psychographic characteristic we use several items scaled 1–6 (see Table A1 in Online Appendix A for the measurement items). By nature, we are restricted to the consumer-level items that Y&R collects in its survey. From this set of items, we identified those that are most suitable to measure our psychographic characteristics based on their semantic meaning as well based on the wording of items from existing scales. Specifically, we measure innovativeness using three items similar to scale items from Manning et al. (1995) and Baumgartner and Steenkamp (1996). For need for structure, we use three items similar to scale items from Neuberg and Newsom (1993). We conducted a confirmatory factor analysis (CFA) in each country. Model fit is satisfactory, with Germany being on the borderline.[3] Applying the Fornell and Larcker (1981) criterion provides evidence for the constructs' discriminant validity in all three countries. Cronbach's alpha values range from 0.61 in France to 0.71 in the United Kingdom for innovativeness and from 0.55 in France to 0.74 in Germany for need for structure. Finally, we use one item as a proxy to measure materialism.

3.4. Product Category Factors

To measure the product category factors, we used a web-based consumer survey conducted by a professional market research firm in Germany, France, and the United Kingdom (see Table A1 in Online Appendix A for the measurement items). Respondents were selected according to a quota-sampling procedure to represent the consumers of each country in terms of age and gender (final sample:[4] $n_{\text{Germany}} = 393$ [50.6% female], $n_{\text{France}} = 374$ [51.9% female], $n_{\text{UK}} = 393$ [51.1% female]).

We measure social demonstrance using three items adapted from Fischer et al. (2010), with Cronbach's alpha values ranging from 0.82 (France) to 0.86 (United Kingdom). Cultural embeddedness is measured with three items adapted from Jakubanecs and Supphellen (2016), with Cronbach's alpha values ranging from 0.76 (United Kingdom) to 0.82 (France). Finally, we measure purchase risk using two items adapted from DelVecchio and Smith (2005) and Fischer et al. (2010), with Cronbach's alpha values ranging from 0.63 (France) to 0.77 (Germany). Each questionnaire version contained 8 of the 23 product categories in the BAV data sets, and respondents were randomly assigned to one version. A three-factor CFA shows that overall model fit is satisfactory in all three countries.[5] Applying the Fornell and Larcker (1981) criterion provides evidence for the constructs' discriminant validity in all three countries.

Table 1 provides an overview of the data and descriptive statistics for our measures. The first part of the table shows the means for the image attributes for both brands and countries in the three main data sets used in the paper. The means range from 0.015 to 0.280 because respondents typically only choose a few image attributes to best describe a brand or a country. To give an idea of the general response pattern, 21% of the observations show a "yes = 1" for only two image attributes, 12% for three image attributes, 12% for four image attributes, and 8% for five image attributes. This response pattern influences our modeling approach (see Section 4.1).

3.5. Control Variable

Brands might be more or less strongly associated with a specific country of origin (e.g., Verlegh and Steenkamp 1999). Therefore, a brand's perceived country of origin, particularly if it is the consumer's home country, could influence consumers' fit perceptions of that brand with a specific country. For instance, German brands may seem to fit particularly well with Germany (Häubl and Elrod 1999). We complement the BAV data with survey data from Germany, France, and the United Kingdom to assess the perceived association of the BAV brands with the home country of the BAV respondents. That is, in the survey in Germany (France, the United Kingdom), respondents indicated to what extent each brand in the German (French, UK) data set is associated with Germany (France, the United Kingdom). BICI fit should influence consumers' brand evaluations after we control for this perceived brand–home country association.

In the German consumer survey, we asked participants to indicate the extent to which they associated the brand (1) with Germany and (2) with typical German characteristics, such as "down to earth" and "reliable" (i.e., the characteristics named most frequently by German residents in the BAV data set). In the French and UK surveys, we adapted both statements to the country using the characteristics named most frequently by French and UK residents in the BAV data set. We collected the data using a web-based survey conducted by a professional market research firm ($n_{\text{Germany}} = 600$ [49.2% female], $n_{\text{France}} = 507$ [49.3% female], $n_{\text{UK}} = 480$ [50.6% female]). Respondents were selected according to a quota-sampling procedure to represent the consumers of each country in terms of age, gender, and region. Each questionnaire version contained a subsample of brands (about 32 brands), and respondents were randomly assigned to one version. In addition, we randomized the order of the brands. The Cronbach's alpha values are 0.95 (Germany), 0.91 (France), and 0.96 (United Kingdom). Exploratory factor analyses reveal that 97.56% (Germany), 95.84% (France), and 97.46% (United Kingdom) of the total variance is explained. In each country, we average the two items to build a mean index, which measures how strongly each of the brands in the German, French, and UK data sets is associated with the respective home country (Germany, France, or the United Kingdom).

4. Modeling Approach

4.1. Operationalization of BICI Fit

Our operationalization of BICI fit follows two steps. In the first step, we determine the extent to which each item distinctively describes the focal country, which results in a corresponding weight for each item. In the second step, we use these weights to compute the BICI fit for each individual response to the brand image attributes.

The first step is based on the answers of those respondents who were randomly assigned by Y&R to evaluate their home country. One row in our data set is the response of respondent i with regard to the K image attributes ("charming," "restrained," "traditional," etc.) of country h, and we refer to this response as R_{ih}. Because responses are binary (yes/no), R_{ih} is a K-vector with 1's ("yes") and 0's ("no").

To make the following discussion more concrete, we use the UK data set where respondents from the United Kingdom evaluated brands and countries, including the "United Kingdom" (i.e., their home country), as an example. Table 2 (panel A) shows the percentage of respondents from the UK data set who answered "yes" to four selected image attributes for the United Kingdom. Table 2 also shows the average response across all countries evaluated in the UK survey (i.e., 26 countries) for the four attributes. For example, 13% of all respondents in the UK data set assigned a "yes" to the item "trendy" and 12% assigned a "yes" to the item "obliging" when evaluating the United Kingdom. However, we should not conclude that the UK respondents perceive the United Kingdom equally as "trendy" as they perceive it "obliging." In the Y&R survey data, some items are chosen more often than others. If we look at the average responses across the 26 countries respondents evaluated in the UK survey, 11% assigned a "yes" to "trendy," whereas only 6% assigned a "yes" to "obliging." That is, relative to the average evaluations of the fairly representative sample of all 26 countries in the UK data set, the United Kingdom itself is perceived as more "obliging" than "trendy." Therefore, "obliging" is an item that describes the United Kingdom more distinctively than "trendy."

Let us define the set of $\mathcal{F}$ respondents who were randomly assigned to evaluate the focal home country h_0, which constitutes about 10%–20% of the total respondents in a data set. Using this subset, the first operationalization step involves computing the average response for item k in the focal country ($\bar{r}_{kh_0}$) and the average response across all countries ($\bar{r}_k$):

$$\bar{r}_{kh_0} = \frac{1}{N_{h_0}} \sum_{i \in \mathcal{F}} r_{kih_0}, \; \bar{r}_k = \frac{1}{N_{\mathcal{F}}} \sum_{i \in \mathcal{F}} \sum_{\text{all } h} r_{kih}, \tag{1}$$

where r_{kih} is the response (0 or 1) by respondent i when evaluating country h on image item k. The corresponding log-odds ratio is

$$w_k = \ln\left(\frac{\bar{r}_{kh_0}}{1 - \bar{r}_{kh_0}}\right) - \ln\left(\frac{\bar{r}_k}{1 - \bar{r}_k}\right). \tag{2}$$

The w_k are the values computed in the last column of Table 2, panel A. The log-odds ratio is a convenient

Table 2. Illustrative Example of BICI Fit Computation for the United Kingdom Data Set

Panel A: Percentage of respondents from the UK data set who answered "yes" to four selected image attributes

	United Kingdom (%)	All countries (%)	Difference (% points)	Log-odds ratio
Trendy	13	11	+2	0.17
Obliging	12	6	+6	0.75
Gaining in popularity	12	13	−1	−0.06
Sensuous	3	4	−1	−0.24

Panel B: BICI fit scores for six different brand image profiles perceived by a single respondent

	Brand A	Brand B	Brand C	Brand D	Brand E	Brand F
Trendy	0	1	0	0	1	1
Obliging	0	0	0	1	1	1
Gaining in popularity	0	0	1	0	0	1
Sensuous	0	0	1	1	0	1
BICI fit score	0.00	0.17	−0.30	0.51	0.92	0.62

Note. The BICI fit score in panel B is the sum of the product of the brand image profile and the corresponding log-odds ratio in panel A (e.g., for brand E, the BICI fit score is $1 \times (0.17) + 1 \times (0.75) + 0 \times (-0.06) + 0 \times (-0.24)$.

way to account for the general response pattern in the Y&R data set—it accounts for the fact that a one percentage point difference is relatively more important at low percentage values. For example, "gaining in popularity" (12%) and "sensuous" (3%) are both one percentage point below the average across all 26 countries (13% and 4% respectively). But "sensuous" has a more negative log-odds ratio (−0.24) than gaining in popularity (−0.06), which reflects the general smaller magnitude of the "yes" proportions for "sensuous." The w_k thus reflect to what extent the different image items distinctively describe the focal country.

The second operationalization step sums the values of the log-odds ratio for those items that received a "yes" (= 1) when evaluating a brand's image (panel B in Table 2). In this way, a "yes" for an image item for which the country's evaluation is lower (higher) relative to the average response across all countries decreases (increases) BICI fit. Formally, we compute the *BICI fit* variable for each observation as the product of w_k and r_{kij} (the "0 = no/1 = yes" response of respondent i to image item k for brand j):

$$BICI_{ij} = \sum_{k=1}^{K} w_k r_{kij}. \tag{3}$$

Thus, the *BICI fit* variable is the weighted average of the responses to the 35 brand image items, with the w_k values acting as weights. We compute the *BICI fit* variable for the subset of respondents who did not evaluate the home country ($i \notin \mathcal{F}$). This way, we have two independent data sets: one to create the weights, w_k, and one that provides the responses to the brand image items, r_{kij}. We mean-center the *BICI fit* variable and divide it by its standard deviation.[6] We use this standardized *BICI fit* variable as a predictor of the brand evaluation of brand j by respondent i (see Section 4.2). Thus, the *BICI fit* coefficient in our analyses shows how the brand evaluation changes if the BICI fit changes by one standard deviation.

In Table 3, we show the image items that have the most positive and most negative weights w_k for each data set for each of the focal countries. In other words, our approach identifies those image attributes that help associate a brand with LCC. For example, in the United Kingdom, attributes such as "helpful" and "down to earth" are strongly linked with LCC (Table 3, United Kingdom assessed by UK respondents). In Germany, attributes such as "obliging" and "socially responsible" best associate a brand with LCC, whereas attributes such as "fun" and "sensuous" have a strongly negative association with LCC (Table 3, Germany assessed by German respondents).

The approach we have just presented is one of many ways to relate a response (i.e., the vector $R_{ij} = (r_{1ij}, \ldots, r_{Kij})$ of 0's and 1's) to an empirical distribution—in this case, the average ratings of a country $(\bar{r}_{1h_0}, \ldots, \bar{r}_{Kh_0})$. We could, for example, compute the Euclidean distance between the response R_{ij} for the brands and the average country ratings. However, because the median of the average country ratings across the three data sets is 9% and the maximum is 28%, the closest response R_{ij} to the average country rating is a vector of 0's. In Table 2, brand A (which has 0's for all the image items) would be closer in Euclidean distance to the United Kingdom than brand F even though brand A does not have a "yes = 1" on any of the distinctive image items of the United Kingdom. We provide the main results across all data sets using the Euclidean distance and other metrics that account for

Table 3. Most Positive or Negative Weights for Germany, France, and United Kingdom in Each of the Three Data Sets

		Germany	France	United Kingdom
German respondents	Highest weights	Obliging (1.75)	Charming (1.18)	Arrogant (1.14)
		Socially responsible (1.42)	Stylish (1.03)	Down to earth (0.81)
		Down to earth (1.18)	Glamorous (0.95)	Stylish (0.70)
		Progressive (1.02)	Sensuous (0.90)	Restrained (0.52)
		Prestigious (0.95)	Prestigious (0.87)	Prestigious (0.52)
	Lowest weights	Fun (–1.05)	Simple (–0.93)	Sensuous (–1.07)
		Sensuous (–0.67)	Daring (–0.87)	Healthy (–0.90)
		Upper class (–0.51)	Restrained (–0.55)	Fun (–0.65)
		Charming (–0.48)	Unapproachable (–0.44)	Helpful (–0.50)
		Social (–0.39)	Cares about customers (–0.39)	Social (–0.45)
French respondents	Highest weights	Rugged (0.85)	Socially responsible (1.63)	Arrogant (1.12)
		Down to earth (0.64)	Intelligent (1.06)	Traditional (0.48)
		Tough (0.56)	Down to earth (1.05)	Independent (0.44)
		Arrogant (0.52)	Social (1.02)	Helpful (0.43)
		Intelligent (0.40)	Progressive (1.01)	Tough (0.31)
	Lowest weights	Trendy (–2.13)	Unapproachable (–1.16)	Sensuous (–0.94)
		Fun (–1.39)	Upper class (–0.82)	Fun (–0.75)
		Sensuous (–1.02)	Restrained (–0.52)	Unapproachable (–0.67)
		Gaining in popularity (–0.97)	Tough (–0.46)	Glamorous (–0.56)
		Unapproachable (–0.85)	Simple (–0.07)	Intelligent (–0.45)
UK respondents	Highest weights	Arrogant (1.44)	Arrogant (1.46)	Socially responsible (1.37)
		Unapproachable (0.74)	Unapproachable (0.81)	Helpful (1.08)
		Restrained (0.71)	Upper class (0.56)	Down to earth (0.97)
		Tough (0.66)	Sensuous (0.52)	Straightforward (0.97)
		Intelligent (0.53)	Stylish (0.42)	Kind (0.93)
	Lowest weights	Sensuous (–1.57)	Tough (–0.76)	Unapproachable (–0.63)
		Charming (–1.19)	Rugged (–0.62)	Rugged (–0.41)
		Carefree (–1.15)	Fun (–0.57)	Glamorous (–0.29)
		Helpful (–1.13)	Friendly (–0.50)	Sensuous (–0.27)
		Glamorous (–1.07)	Progressive (–0.50)	Carefree (–0.23)

how (dis)similar a brand image response is to the average country response, such as the chi-square statistic or the Kullback–Leibler divergence. We also run analyses with other variations, such as simply using the "difference" (as shown in panel A of Table 2) as the BICI weights or a logistic classifier. In addition, we run an analysis at the individual respondent level using the Jaccard similarity coefficient. All these approaches provide evidence of a significant BICI fit effect (see Online Appendix B).

Finally, as the weights used to compute the BICI fit are the result of an estimation procedure, there is uncertainty associated with them. We therefore assess how these weight uncertainties translate into the estimation of the relationship between BICI fit and consumers' brand evaluations via a simulation (Online Appendix C). The BICI fit effects remain significant and do not deviate much from the results shown in Table 4.

4.2. Modeling the Relationship Between BICI Fit and Brand Evaluations

Our main model links the brand evaluation y_{ij} of brand j by respondent i to the BICI fit score computed from individual i's image responses for brand j and the weights computed in the previous stage. We apply a linear relationship using the degree to which each brand is associated with the respective home

Table 4. Main and Interaction Effects of BICI Fit on Brand Evaluations

	Expected effects	BICI fit main effect model					
		M1	M2	M3	M4	M5	Full model
COO		Yes		Yes	Yes	Yes	Yes
Respondent effect		Yes	Yes		Yes		Yes
Brand effect		Yes	Yes	Yes			Yes
Intercept		**3.174 (0.025)**	**4.289 (0.021)**	**3.207 (0.024)**	**3.608 (0.013)**	**3.586 (0.009)**	**3.085 (0.030)**
BICI fit	+	**0.185 (0.004)**	**0.192 (0.004)**	**0.190 (0.004)**	**0.204 (0.004)**	**0.201 (0.004)**	**0.224 (0.014)**
COO	n.a.	**0.287 (0.004)**		**0.286 (0.005)**	**0.198 (0.002)**	**0.205 (0.002)**	**0.289 (0.004)**
FEMALE	n.a.						**0.204 (0.009)**
EDUC	n.a.						**−0.190 (0.012)**
AGE	n.a.						**−0.021 (0.005)**
BICI fit × FEMALE	+						**0.020 (0.008)**
BICI fit × EDUC	−						**0.042 (0.010)**
BICI fit × AGE	+						**0.032 (0.004)**
INNOV	n.a.						**0.083 (0.005)**
STRUCT	n.a.						**0.082 (0.005)**
MATER	n.a.						0.003 (0.004)
BICI fit × INNOV	−						0.002 (0.004)
BICI fit × STRUCT	+						**0.013 (0.004)**
BIC fit × MATER	−						**−0.011 (0.003)**
RISK	n.a.						−0.005 (0.006)
SOCIAL	n.a.						**0.090 (0.008)**
CULT	n.a.						**−0.080 (0.006)**
BICI fit × RISK	+						**0.009 (0.003)**
BICI fit × SOCIAL	+						−0.003 (0.004)
BICI fit × CULT	+						**0.008 (0.003)**
France		**0.516 (0.023)**	**0.689 (0.022)**	**0.522 (0.010)**	**0.638 (0.021)**	**0.646 (0.006)**	**0.563 (0.026)**
United Kingdom		**−0.052 (0.011)**	**0.201 (0.010)**	**−0.053 (0.010)**	**0.074 (0.007)**	**0.085 (0.006)**	−0.031 (0.017)
BICI fit × France		**0.142 (0.007)**	**0.151 (0.007)**	**0.068 (0.006)**	**0.193 (0.007)**	**0.090 (0.006)**	**0.144 (0.017)**
BICI fit × United Kingdom		**0.062 (0.006)**	**0.061 (0.005)**	**0.009 (0.005)**	**0.092 (0.005)**	**0.029 (0.006)**	0.023 (0.014)
σ_{u_0}(Respondent)		0.830	0.834		0.832		0.81
σ_{u_β}							0.31
ρ_u							−0.13
σ_{v_0} (Brand)		0.438	0.450	0.431			0.46
σ_{v_β}							0.06
ρ_v							−0.60
σ_ϵ (Residual)		1.15	1.16	1.40	1.22	1.47	1.13
AIC		1,183,897	1,228,589	1,301,988	1,224,797	1,330,803	1,166,854

Notes. A plus sign (+) indicates that we expect a positive effect and a minus sign (−) a negative one. n = 369,856. Standard errors are in parentheses. Coefficients marked in bold are significant at $p \leq 0.05$. Note that the estimated *BICI fit* coefficients are more than 10 times larger than the standard errors. The values σ_{u_0} and σ_{v_0} are the respective standard deviations of the respondent- and brand-specific errors in Equation (5) for the BICI fit main effect model and in Equations (7) and (8) for the BICI fit full model. The values σ_{u_β} and σ_{v_β} are the respective standard deviations of the respondent- and brand-specific error terms in Equations (9) and (10). The values ρ_u and ρ_v are the correlations between the intercept and the slope for the respondent- and brand-specific errors, respectively; σ_ϵ is the standard deviation of the residual $\hat{\epsilon}_{ij}$. AIC is the Akaike information criterion; lower values indicate better fit. n.a., not applicable.

country (i.e., Germany, France, or the United Kingdom) as its perceived country of origin (COO_j) as a control. We also include dummy variables for France and the United Kingdom, both as main effects and as interactions with BICI fit (Germany is the base):

$$y_{ij} = \alpha_{ij} + (\beta_{BICI} + \eta_1 FRANCE_i + \eta_2 UK_i) \times BICI_{ij} + \gamma_{COO} COO_j + \xi_1 FRANCE_i + \xi_2 UK_i + \epsilon_{ij}. \quad (4)$$

Equation (4) depicts a multilevel model (Gelman and Hill 2007, Goldstein 2011) where the intercept depends on individual i and brand j, which accounts for the fact that there are repeated observations for each respondent and that each brand is evaluated by many respondents:

$$\alpha_{ij} = \alpha_{00} + u_{0i} + v_{0j}. \quad (5)$$

The terms u_{0i} and v_{0j} are respondent- and brand-specific errors, with $u_{0i} \sim N(0, \sigma^2_{u_0})$ and $v_{0j} \sim N(0, \sigma^2_{v_0})$. These group-level errors are nonnested, independent effects. As explained earlier, respondents are randomly assigned to the brands they rate.

Without u_{0i} and v_{0j}, we would be ascribing variance to the BICI fit that could be explained by response heterogeneity. Some respondents may give higher evaluations on average to all brands. If those respondents also tend to assign a "yes" to those brand image attributes that distinctively describe the focal country, we would measure an effect from BICI fit that is different from the one we want to test. We do not want to test a statement such as, "Respondents who give high brand evaluations tend to describe brands according to those image attributes that distinctively describe country h." Rather, we want to test whether a respondent gives a higher brand evaluation if he or she perceives this brand to be more similar (than other brands) to his or her own country in terms of image attributes. A respondent may evaluate all brands low but not so low if they match the image profile of country h. Similarly, a respondent may give high evaluations to all brands but less so if the brand does not match the image profile of country h.

Furthermore, v_{0j} controls for the fact that some brands are generally evaluated more highly than others. If the latter happens in such a way that brands that are very much liked in general also score highly on attributes that matter for their similarity to country h, we again would have an effect from BICI fit but not the one we want to test. Overall, both u_{0i} and v_{0j} control for variability in brand evaluations that is not related to BICI fit. This model is estimated using maximum likelihood. In Online Appendix D, we show that the results are statistically the same if we use a "fixed-effects estimation" approach with dummy variables for brands and countries.

4.3. Interactions with Demographics, Psychographics, and Category Characteristics

To identify conditions that strengthen or diminish the positive relationship between BICI fit and consumers' brand evaluations, we consider a set of moderating factors. The variables *FEMALE* (1 = female, 0 = male) and *EDUC* (1 = university education, 0 = otherwise) are dummy variables. *AGE* is a continuous variable, using the midpoints of 11 age categories for France and the United Kingdom and 10 age categories for Germany that each span about five years from 18 years to 75 years. In terms of psychographics, we include innovativeness (*INNOV*), need for structure (*STRUCT*), and materialism (*MATER*). Except for materialism (one-item scale), each variable is constructed by computing the mean of the individual items. In terms of product category factors, we include social demonstrance (*SOCIAL*), purchase risk (*RISK*), and cultural embeddedness (*CULT*). Again, each variable is constructed by computing the mean of the individual items. Each brand is linked to one of 23 categories. A mean value for each category on each variable was obtained by averaging the respective scale items. We mean-center all psychographic variables, *AGE*, and the product category variables and divide them by their standard deviation.

The full model can be written as a multilevel model that considers that there are repeated observations for each respondent and each brand is evaluated by many respondents:

$$y_{ij} = \alpha_0 + \alpha_i^{\text{respondent}} + \alpha_j^{\text{brand}} + (\beta_0 + \beta_i^{\text{respondent}} + \beta_j^{\text{brand}}) \times BICI_{ij} + \gamma_{COO} COO_j + \epsilon_{ij}, \quad (6)$$

$$\alpha_i^{\text{respondent}} = \alpha_1 GENDER_i + \alpha_2 AGE_i + \alpha_3 EDUC_i + \alpha_4 INNOV_i + \alpha_5 STRUCT_i + \alpha_6 MATER_i + u_{0i}, \quad (7)$$

$$\alpha_j^{\text{brand}} = \alpha_7 SOCIAL_j + \alpha_8 RISK_j + \alpha_9 CULT_j + v_{0j}, \quad (8)$$

$$\beta_i^{\text{respondent}} = \beta_1 GENDER_i + \beta_2 AGE_i + \beta_3 EDUC_i + \beta_4 INNOV_i + \beta_5 STRUCT_i + \beta_6 MATER_i + u_{\beta i}, \quad (9)$$

$$\beta_j^{\text{brand}} = \beta_7 SOCIAL_j + \beta_8 RISK_j + \beta_9 CULT_j + v_{\beta j}, \quad (10)$$

$$\alpha_0 = \alpha_{00} + \xi_1 FRANCE_i + \xi_1 UK_i, \quad (11)$$

$$\beta_0 = \beta_{00} + \eta_1 FRANCE_i + \eta_2 UK_i. \quad (12)$$

Equation (6) relates the evaluation of brand j by individual i, y_{ij}, to the BICI fit as well as additional predictor variables and their interactions with BICI fit. The term $\beta_i^{\text{respondent}}$ is an individual-specific slope that accounts for variation in the effect of BICI fit across individuals. The specification of $\beta_i^{\text{respondent}}$ (Equation 9) includes both demographic and psychographic variables

as individual-level predictors and an error term $u_{\beta i}$ that accounts for the unobserved variability across individuals. The brand-level slope β_j^{brand} (Equation 10) includes variables specific to the category to which the brand belongs and the error term $v_{\beta j}$ for brand j. The model is completed with individual- and brand-specific intercepts $\alpha_i^{\text{respondent}}$ and α_j^{brand}. These intercepts are modeled using the same variables as the slopes and a similarly specified errors u_{0i} and v_{0j}, respectively. We assume that the intercepts and slopes are correlated via parameter ρ_u,

$$\begin{pmatrix} u_0 \\ u_\beta \end{pmatrix} \sim N\left(\begin{pmatrix} 0 \\ 0 \end{pmatrix}, \begin{bmatrix} \sigma_{u_0}^2 & \sigma_{u_0}^2\sigma_{u_\beta}^2\rho_u \\ \sigma_{u_0}^2\sigma_{u_\beta}^2\rho_u & \sigma_{u_\beta}^2 \end{bmatrix}\right),$$

and an analogous expression for $\begin{pmatrix} v_0 \\ v_\beta \end{pmatrix}$. Finally, we add dummy variables for France and the United Kingdom as main effects and as interactions with the *BICI fit* variable (Germany is the base), as shown in Equations (11) and (12).

In addition, we estimate (1) a restricted model with demographics and psychographics only and (2) a restricted model with only product category variables. We adjust the error structure accordingly—that is, there is no brand-specific unobserved error $v_{\beta j}$ in the BICI fit slope in the first model and no respondent-specific error $u_{\beta i}$ in the BICI fit slope in the second model.

5. The Relationship Between BICI Fit and Consumers' Brand Evaluations

5.1. Main Effect Model

We estimate the model described in Equations (4) and (5) (i.e., Model M1) and four additional models. Model M2 does not include the country-of-origin variable. Model M3 does not include a respondent-specific error (i.e., $u_{0i} = 0$). Model M4 does not include a brand-specific error (i.e., $v_{0j} = 0$). Model M5 is an ordinary least-squares linear regression without any respondent or brand effects. We also estimate Models M1 and M5 for the three countries separately (Table E1 in Online Appendix E). Finally, we run regression analyses keeping the three brand pillar items as separate dependent variables. Because the results are very robust, we report the five models with one overall dependent variable.

Table 4 shows the results for the five models for the combined data set. The most important pattern that comes from Table 4 is that BICI fit has a clearly positive association with consumers' brand evaluations. Because the BICI fit and all other variables are standardized (except *GENDER* and *EDUC*, which are dummy variables), the coefficients indicate how much consumers' brand evaluations change if the corresponding coefficient increase by one standard deviation. Interactions coefficients can be interpreted as the increase or decrease in the BICI fit coefficient when the interacting variable increases by one standard deviation. Regarding the standard deviations of the respondent- and brand-specific error terms, σ_{u_0} is about twice the size of σ_{v_0}, which means that the variation in brand evaluations across respondents is about twice as much as the variation across brands (Models M1 and M2).

5.2. Main and Interaction Effects Model

Table 4 also shows the results for the model with the main effect of BICI fit and all interaction effects as shown in Equations (6)–(12). We again find a significantly positive association between BICI fit and consumers' brand evaluations.

Gender (i.e., being female) and age increase the magnitude of the BICI fit effect (the interaction coefficients are 0.020 and 0.032, respectively), as expected. That is, female and older respondents tend to rely more strongly on local origin attributes, such as BICI fit, in their decision making. Surprisingly, the interaction effect of education with BICI fit is significantly positive (0.042), indicating that a university education increases a consumer's tendency to use local origin attributes (such as BICI fit) in his or her decision making. We can only speculate about the potential reasons. In general, people with a higher educational status engage in more information-search activities before making a decision (Mittal and Kamakura 2001, Cooil et al. 2007) and thus might be better able to assess the two components of BICI fit (i.e., brand and home country) as well as evaluate how close a brand's positioning is to their home country's values. Furthermore, empirical evidence that would support a negative interaction effect between BICI fit and education is inconclusive; for example, Riefler and Diamantopoulos (2009) do not find that higher educational status is associated with higher levels of cosmopolitanism, the latter being a consumer trait that potentially reduces the reliance on local origin attributes.

We also estimated Model M1 depicted in Equations (4) and (5) using demographic subsets of the data to further investigate the influence of particular demographic variables. Specifically, we created subsets of respondents with ages lower than the 0.25 quantile ("younger") and with ages higher than the 0.75 quantile ("older"). In addition, we further created subsets of those older and with a university education versus those younger and without a university education. In these subsets, we also find that the effect of BICI fit is stronger for the older and more educated than for the younger and less educated, in line with the results of the interaction effects.

In terms of consumer psychographics, a greater need for structure strengthens the relationship between BICI fit and brand evaluations, as expected (0.013). Materialism diminishes it (−0.011), as expected. Thus, more materialistic individuals, who value goals linked to global consumer culture such as affluence and personal success, tend to rely less strongly on BICI fit, all other things being equal. The interaction effect between innovativeness and BICI fit is not significant.

In terms of category factors, the positive relationship between BICI fit and consumers' brand evaluations is stronger in product categories characterized by high purchase risk (0.009), which underlines that BICI fit can serve as a risk-reducing attribute, as expected. Likewise, we find that the association between BICI fit and consumers' brand evaluations is stronger in product categories that are closely tied to and embedded in a local cultural context (0.008), as expected. Finally, the interaction effect between BICI fit and social demonstrance is not significant.

Overall, the interaction effects turn out to be relatively small. Consumer demographics seem to exert the strongest influence on the BICI fit effect, followed by consumer psychographics and the three category factors considered in our analyses. Figure 2 shows the predicted value of the dependent variable (brand evaluation) as a function of BICI fit for different values of the corresponding moderating variable.

We also estimated the main and interaction effects model in the three countries separately. The results reveal different patterns for each country (Table E2 in Online Appendix E); nevertheless, all effects are in the expected direction. In Germany, except for materialism and education, we find the same interaction effects with the consumer demographics and psychographics as in the overall model, whereas none of the category interactions is significant. The pattern somehow reverses for France: the interaction effects of BICI fit with purchase risk and social demonstrance are significant; in addition, BICI fit is more important for female participants. In the United Kingdom, we also find a significantly positive interaction effect between BICI fit and purchase risk and a significantly negative interaction effect with materialism.

To build further confidence in our results, we conducted an additional analysis using the alcoholic drinks category, as it includes subcategories such as champagne, Italian amaro, and Scotch whisky, which are strongly related to a specific country: France, Italy, and Scotland, respectively. When analyzing consumers' evaluations of the brands in these subcategories based on the German data set (as champagne and whisky are strongly related to France and the United Kingdom, respectively), we expect the BICI fit effect to be weaker, because these subcategories are strongly associated with another country (i.e., not the respondent's home country). We again estimate Model M1, including a dummy variable that becomes 1 if the brand is a champagne, amaro, or whisky brand, and we find a significant negative interaction of this dummy variable with BICI fit. Thus, as expected, in these subcategories, the relationship between BICI fit and consumers' brand evaluations is attenuated in Germany.

Finally, comparing the full model with its two restricted versions (demographic and psychographic variables only and product category variables only), the results are remarkably robust. For the three separate country data sets, the comparison between the full model and its restricted versions (Tables E2 and E3 in Online Appendix E) reveals a stable pattern of effects. For the combined data set, the only effects that change are the interactions between BICI fit and purchase risk as well as cultural embeddedness in the model that includes only the product category factors, which both become insignificant in the two restricted versions.

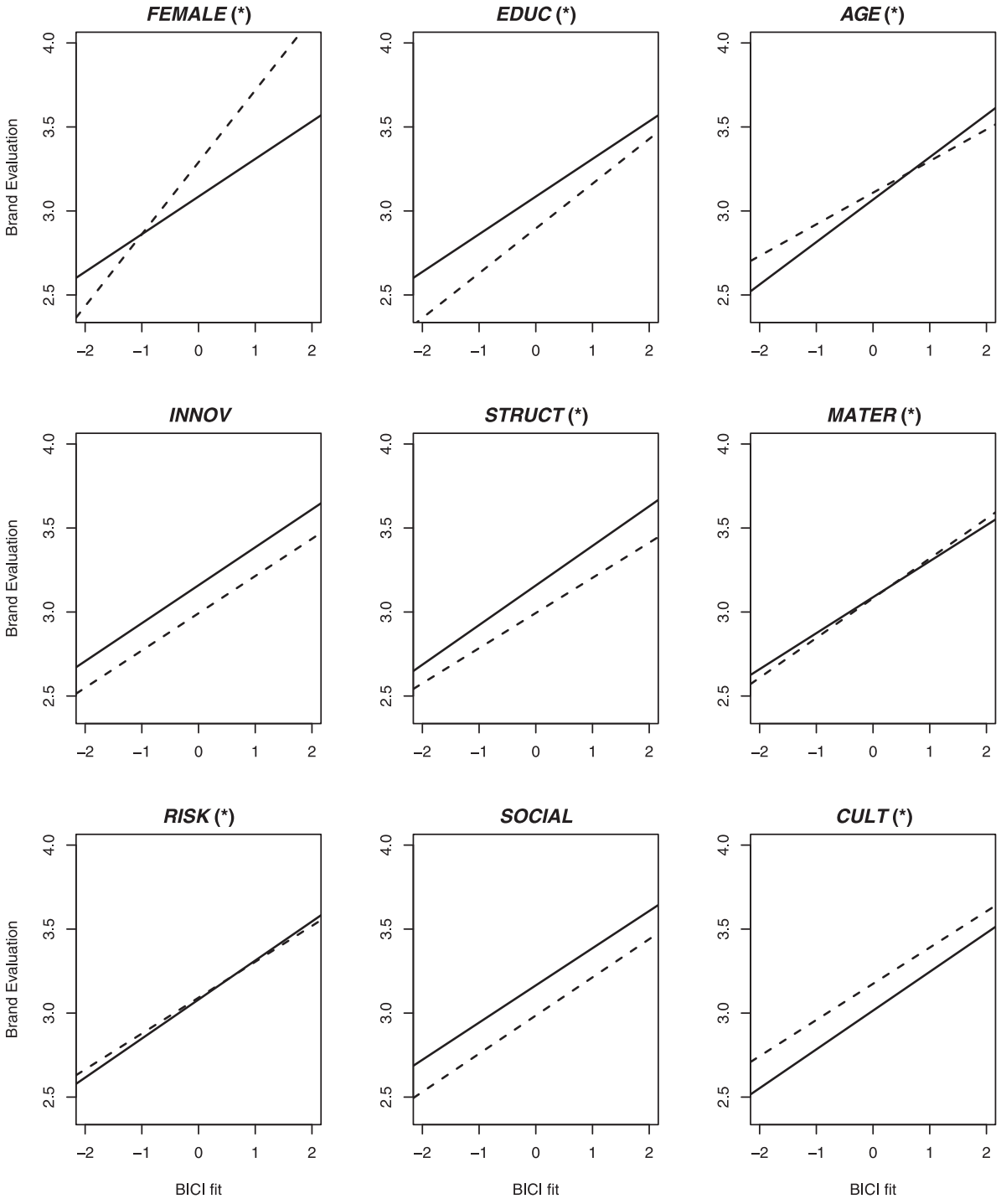
5.3. Additional Analyses

In the previous sections, the data used to calculate the BICI fit and respondents' brand evaluations are from the same year (2005). However, the usefulness of the BICI fit concept depends on it being stable over time, so that managers do not need to assess consumers' home country image perceptions on a yearly basis, for example. In this section, we replicate the analysis but create the BICI fit weights using a data set collected by Y&R two years earlier (2003). This data set has the same variables and brands but different respondents. The analysis is performed for Germany as we do not have previous data for France or the United Kingdom.

We compute the BICI fit weights exactly as we did before but using the 2003 data from Germany. The resulting weights are similar to those from 2005 with a correlation of 0.84. Proceeding as before, we estimate the model depicted in Equations (4) and (5) using the data set from 2005, but we use the weights computed from the 2003 data set. The dependent variable is still consumers' brand evaluations in Germany in 2005. The effect of BICI fit (in 2003) on respondents' brand evaluations in Germany (in 2005) is 0.120 (standard error = 0.002). Comparing this result with the estimates in Table E1 (columns M1 and M5 under Germany) shows that the coefficient for BICI fit is smaller, which is reasonable when considering the two-year time difference.

In line with self-congruence theory and the importance of local cultural symbols, our analyses so far showed that the fit between a brand's image and consumers' home country image enhances their brand

Figure 2. Effects of the Moderating Variables



Notes. For the binary variables (*EDUC* and *FEMALE*), the dashed line reflects the case when the variable is set to 1 and the solid line reflects the case when the variable is set to 0. For the continuous variables, the solid line is one standard deviation above the median and the dashed line one standard deviation below the median. An asterisk next to the variable indicates that the interaction is significant at the 5% level.

evaluations. In the following, we use the same data sets but compute a score that reflects the extent to which consumers in a specific country perceive a brand image as being congruent with a foreign country. For example, using the data from France, we compute weights in the same way we proceeded before but use the country image the French respondents have of the United States. We run a regression analogous to Equations (4) and (5) but with a brand image–foreign country image (BIFI) *fit* variable and excluding the country-of-origin variable. We do this for all three data sets and selected foreign countries: namely, the three focal countries

(Germany, France, and United Kingdom) and some of the world's largest economies (United States, People's Republic of China, Japan, India, Brazil, Canada, and Russia). This test is designed to show that a fit between a brand image and a foreign country image does not necessarily enhance consumers' brand evaluations but rather decreases them, unless the foreign country shares a similar image profile.

Most of the estimated BIFI fit coefficients are negative (Table 5). This indicates that an image fit with a foreign country is likely to decrease consumers' brand evaluations. Nevertheless, there are some exceptions. For the German data set, an image fit with France is predictive of higher brand evaluations, which could reflect that France is one of Germans' favorite holiday destinations (Garland 2016). For countries with images that differ markedly from that of the three focal countries, all BIFI fit coefficients are negative (i.e., China, Japan, India, Russia, and Brazil), as expected. The United States has a negative BIFI fit coefficient in the German and French data sets but a positive coefficient in the UK data set. This latter finding could be due to closer cultural or historical similarity between the United States and the United Kingdom. Finally, Canada has a positive BIFI fit effect in all three data sets, potentially reflecting a similar image profile to the focal countries as a result of similar languages (France and the United Kingdom) or immigration history (Germany) (Bassler et al. 2013).

Finally, Online Appendix F reports the results of several additional validity and robustness checks. We show that the BICI fit construct can be predictive of an external brand-evaluation measure (YouGov). In addition, we show that the BICI fit effect is still highly significant and substantial when implementing an instrumental variables approach. Furthermore, we demonstrate that our results do not depend on the specific choice of image attributes, implying that the results should still hold if this study were to be replicated with different items. Finally, we replicate the main effect of BICI fit using separate regressions for each of Y&R's original four BAV pillars.

Table 5. Effects of Brand Image–Foreign Country Image Fit on Brand Evaluations

	Germany	France	United Kingdom
Germany	—	**−0.178 (0.004)**	**−0.265 (0.004)**
France	**0.210 (0.003)**	—	**−0.153 (0.004)**
United Kingdom	**−0.134 (0.003)**	**−0.173 (0.004)**	—
United States	**−0.067 (0.003)**	**−0.217 (0.004)**	**0.002 (0.004)**
China (PRC)	**−0.285 (0.003)**	**−0.114 (0.004)**	**−0.276 (0.004)**
Japan	**−0.157 (0.003)**	**−0.080 (0.004)**	**−0.204 (0.004)**
India	**−0.270 (0.004)**	**−0.234 (0.005)**	**−0.151 (0.004)**
Russia	**−0.265 (0.003)**	**−0.317 (0.005)**	**−0.268 (0.004)**
Brazil	**−0.052 (0.003)**	−0.004 (0.004)	**−0.025 (0.004)**
Canada	**0.200 (0.003)**	**0.319 (0.004)**	**0.086 (0.003)**

Notes. Standard errors are in parentheses. All effects marked in bold are significant at $p \leq 0.05$.

6. Discussion and Managerial Implications

In this article, we propose a new methodology to advance our understanding of how to develop LCCP strategies. Specifically, we develop, empirically illustrate, and validate a multiattribute methodology for estimating a BICI fit metric and its effect on consumers' brand evaluations. Using more than 350,000 brand-respondent observations across three countries, we demonstrate that, in general, BICI fit is strongly positively associated with consumers' brand evaluations and that several consumer and product-category factors moderate this relationship. A broad range of validity and robustness tests support the BICI fit methodology and the findings derived from it.

The BICI fit metric provides managers with key insights into how they can capitalize on LCC in their brand-building activities, which is particularly relevant for international branding strategies, to take advantage of the powerful influence of local consumption imagery (Alden et al. 2006, Steenkamp and de Jong 2010). Companies have realized that localization—that is, aligning a brand with consumers' cultural norms—is vitally important, and they are heavily investing in localization efforts: from 2010 to 2015, investments into localizing content have increased by almost 50% to 38 billion U.S. dollars (Smartling 2018). Because existing studies have not offered guidance in identifying specific multiattribute LCC positioning plans, the proposed methodology contributes to a relevant area of brand positioning (Keller and Lehmann 2006). In addition, BICI fit can also be helpful for global brands; for example, it helps identify those attributes managers could emphasize in marketing communication in specific countries, thereby not changing the brand's "global look" but adapting its "tone" to the local market.

Although there are a number of factors that influence a brand's positioning, our research suggests that BICI fit matters and should be considered when designing LCCP strategies. Given the multiattribute nature of the BICI fit metric, it provides managers with an effective means of identifying concrete image attributes for positioning new and existing brands. Specifically, the BICI fit metric provides weights that indicate how certain image attributes distinctively describe a consumer's home country. In other words, our approach identifies image attributes that best associate a brand with LCC and thereby improve consumers' brand evaluations. Thus, these weights offer managers insights into which image attributes they could use to (re)position an existing or new brand to better fit with LCC and which attributes inhibit LCCP (see Table 3).

Consider, for example, the case of Carlsberg, a beer brand originating from Denmark (for a second case, see Online Appendix G). The brand has a similar image profile in the United Kingdom and Germany; the overall correlation of the image item responses for Carlsberg between the UK and the German respondents is 0.83, which falls into the 96th percentile of all the correlations computed in the same manner. The case of Carlsberg is notable because its brand evaluation is higher than average in the United Kingdom (4.74, or the 70th percentile) and lower than average in Germany (3.79, or the 22th percentile). Managers could improve Carlsberg's evaluation in Germany by focusing on the image items with the highest positive and negative BICI fit weights, as shown in Table 3. For these items, managers could then analyze the brand's current positioning (i.e., how their brand is rated on these items) to identify those items that could be particularly effective in improving Carlsberg's evaluation. Figure 3 depicts the average response (i.e., the percentage of respondents who assigned a "yes" to the respective image item) multiplied with the corresponding BICI fit weight, which we will refer to as "weighted item value."

What could a brand manager do to improve Carlsberg's evaluation in Germany? As Table 3 shows, the items "social" and "fun" contribute negative weights to the BICI fit score in Germany. At the same time, Carlsberg is strongly associated with these two items, resulting in negative "weighted item values" as depicted in Figure 3 (panel A), which in turn negatively affect Carlsberg's evaluation in Germany (although "charming," "sensuous," and "upper class" also contribute negative weights, they are much more weakly associated with Carlsberg than are "social" and "fun"). Therefore, it might be a good idea to de-emphasize the brand's association with the "social" and "fun" aspects and focus Carlsberg's positioning in Germany on image items that are close to the country image of Germany (i.e., those items that contribute a positive weight to the BICI fit score). Regarding the five items with the highest positive BICI fit weights in Germany, Carlsberg is already clearly associated with "down to earth." However, strengthening the brand's social responsibility and progressiveness associations as well as emphasizing the "obliging" dimension should help to further improve consumers' brand evaluations.

In the United Kingdom, Carlsberg benefits from being strongly associated with "social" and "fun," as both items contribute a positive weight to the UK BICI fit score—although they are not among the top five items from Table 3. Inspecting the items with the highest and lowest BICI fit weights reveals that Carlsberg's image profile already successfully mirrors which items contribute a positive/negative weight to the UK BICI fit score. The brand is strongly associated with "down to earth" and "straightforward," resulting in positive "weighted item values" (Figure 3, panel B). At the same time, Carlsberg is weakly associated with the negatively weighted items "carefree," "glamorous," "sensuous," and "unapproachable." In terms of further improving Carlsberg's evaluation, managers should strengthen the brand's association with "helpful," "kind," and "socially responsible" while de-emphasizing its association with "rugged."

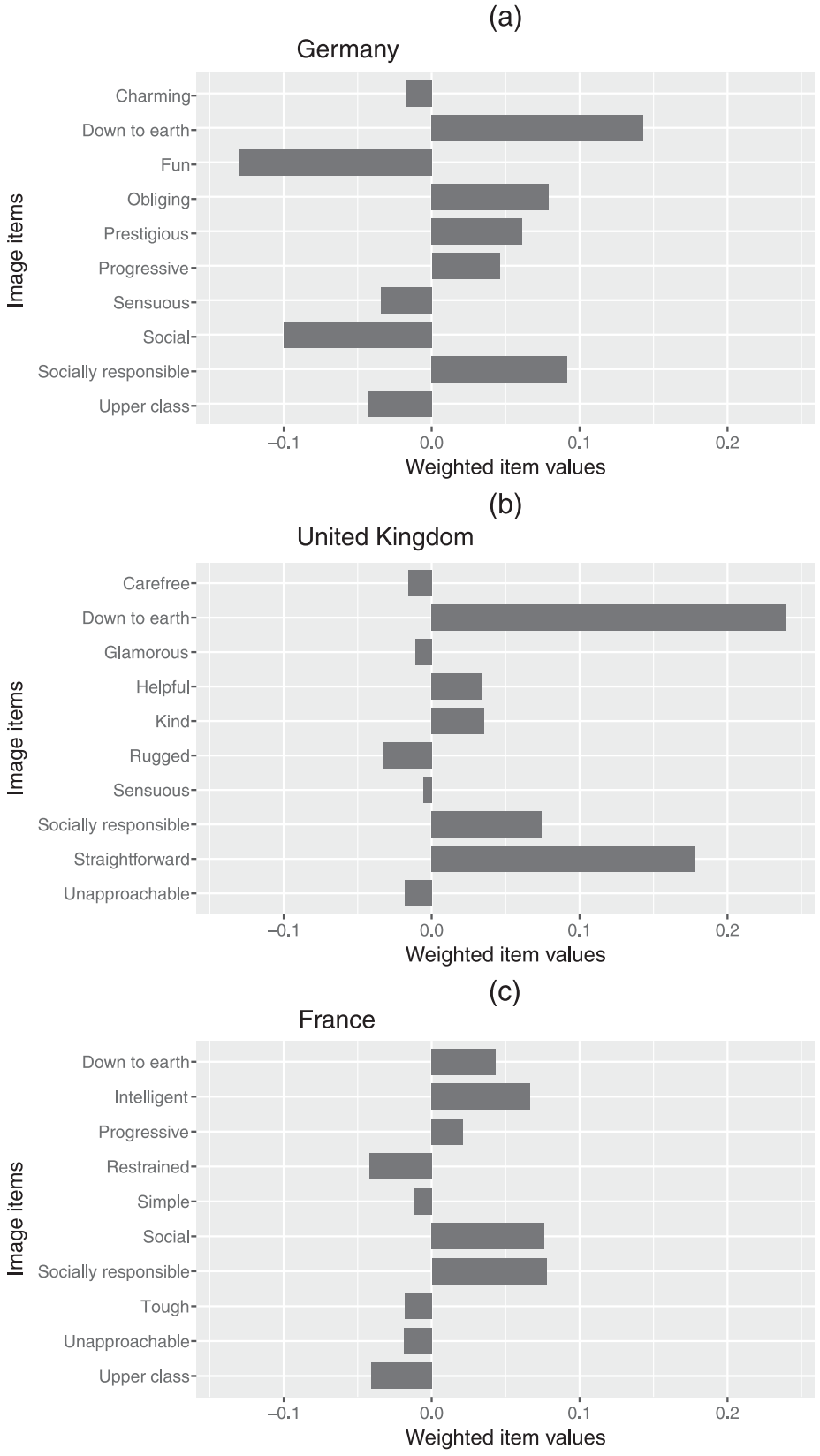
Finally, Carlsberg's positioning in France should strengthen the association with "down to earth," "intelligent," "social," "socially responsible," and "progressive" (Figure 3, panel C). These five items contribute the highest positive weights to the BICI fit score in France, but the brand is only relatively weakly associated with them (only 4.4%–7.8% of respondents assigned a "yes" to these items). Regarding the highest negatively weighted items in France, Carlsberg's positioning is already only weakly associated with them, but a Carlsberg manager might want to de-emphasize these aspects, particularly "restrained" and "upper class," even more.

It is important to note that we would not suggest that a brand should hide "universally desirable" attributes—that is, attributes that are linked to many countries. Rather, brand characteristics that are universally desirable can be thought of as some kind of "must-have" characteristics or "points of parity" (Keller 2013, pp. 84–88). For these characteristics, it is advisable to be at least as good as competing brands, and BICI fit should "only" be a second consideration. However, for other positioning characteristics, the BICI fit measure offers guidance in localizing marketing elements.

In terms of moderating factors, we find differences for the relationship between BICI fit and brand evaluations across consumer and product category factors, which provide strategic insights into the segmentation and targeting of customers who are particularly influenced by BICI fit. Specifically, we demonstrate that gender, age, education, need for structure, materialism, purchase risk, and cultural embeddedness affect the relationship between BICI fit and consumers' brand evaluations. Analyzing the three countries separately reveals different patterns for each country. In Germany, BICI fit is particularly important for older female consumers with a high need for structure. In France, BICI fit is particularly important for female consumers. Likewise, purchase risk and social demonstrance increase the importance of BICI fit. In the United Kingdom, materialism decreases the importance of BICI fit, whereas purchase risk increases it.

Finally, because we show that our results are not dependent on the specific choice of image attributes, managers can also apply the BICI fit metric to their

Figure 3. The Carlsberg Brand Case—An Illustration for the 10 Image Items with the Highest and Lowest BICI Fit Weights per Country



own data. Because many firms track their brand's image using multiattribute scales, they can apply the BICI fit methodology to brand (and country) imagery data that have already been collected. However, even if brand image data are not available or if they are too costly to collect, managers can use the fit with the country image—evident in the BICI fit effect—as a guideline for brand-positioning decisions. That is, positioning a brand in a way that matches how consumers in the target market describe and distinguish themselves is likely to positively influence its performance in that market.

In terms of avenues for future research, it would be interesting to extend the application of the BICI fit metric to other countries. With additional countries, researchers could explore more country-related moderators, such as economic differences (e.g., income distribution). Additionally, the construct of consumer ethnocentrism (CET), which represents the belief of a person on how appropriate (or not) it is to purchase culturally dissimilar products (Shimp and Sharma 1987), could be an important moderator in our context. Unfortunately, we are restricted to the data we have available, which do not include a measure for CET. We would expect higher levels of CET to increase the BICI fit effect, as BICI fit represents a local origin attribute that helps to identify more culturally similar brands. Brands with a high BICI fit should therefore be highly appreciated by consumers high in CET. Moreover, future research should be conducted to better understand why in certain countries psychographic variables tend to be more important, whereas in other countries category characteristics emerge as important moderating factors.

Furthermore, all brands used in this paper stem from the food and beverages category. Food and beverages typically exhibit relatively deep connections to local culture (Alden et al. 1999). Thus, food and beverages might be more strongly and more easily associated with local cultural symbolism and local values than other product categories (Özsomer 2012, Cleveland et al. 2016). Consequently, preferences in this category could be strongly influenced by national identity, which could render BICI fit a particularly important concept in this domain. For categories that are considered "culture-irrelevant" (Yi et al. 2015) or "culture-free," such as, for example, electronics or computers, the BICI fit effect might be smaller. Products in these categories are often universally used and symbolize membership to a global community (Alden et al. 1999). Signaling a local or cultural identity (Steenkamp and de Jong 2010), and thus BICI fit, might be less important in these categories. Nevertheless, products are always used in a certain cultural context and even for industrial products (machinery) the "... contexts in which they are used depend ... on culture." (Usunier and Lee 2013, p. 142). Thus, we believe that the BICI fit concept is generally relevant, although its effect may vary across different product categories.

Moreover, although Y&R's BAV database is a great source for brand and country images, it is restricted by its focus on brand personality perceptions. Although prior research has shown that consumers' brand evaluations are linked to financial outcomes (e.g., Aaker and Jacobson 1994, Barth et al. 1998), future research may want to use such data to deepen our understanding of the link between LCCP and financial consequences. Even though Aaker (1997, p. 347) emphasizes that "practitioners view it [the personality of a brand] as a key way to differentiate a brand in a product category ... " and that it facilitates the communication of symbolic aspects and cultural meaning (Aaker 1997, Aaker et al. 2001), for the development of an expanded value proposition for a brand, it would be a valuable addition for practitioners to consider additional perspectives relating to more functional or emotional brand benefits. One potential model in this context is Aaker's (1996) brand identity model, which, next to the "brand as a person" perspective, also includes the perspectives "brand as product," "brand as organization," and "brand as symbol." Nevertheless, "not every brand identity needs to employ all or even several of these perspectives. For some brands, only one will be viable and appropriate" (Aaker 1996, p. 78). Especially in the context of addressing prevailing consumption norms in a brand's LCC positioning, the not so much brand-specific perspective of a brand as a person seems particularly relevant.

Finally, future research should deepen our understanding of the BICI concept using experimental or time-series data to more clearly establish the causal link between BICI fit and brand performance. Although we have provided several robustness checks as well as an instrumental variable estimation, the empirical evidence for our theoretical framework cannot completely rule out potential common-method bias or reverse causality effects.

Despite these limitations and directions for future research, our BICI fit methodology should enhance managers' ability to generate and assess ideas about promising LCC brand positioning and repositioning strategies.

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Endnotes

[1] Although the validity and robustness tests provide additional support for the BICI fit effect, a cautionary note regarding causality seems warranted, given the cross-sectional nature of our data.

[2] To provide additional empirical support for combining relevance, esteem, and knowledge, but not energized differentiation in our dependent variable, we inspected the correlations, ran exploratory factor analyses, and tested for discriminant validity. We find strong and significant correlations among the relevance, esteem, and knowledge items, whereas they do not correlate significantly or correlate substantially lower with Y&R's energized differentiation pillar. Running an exploratory factor analyses reveals two factors (relevance, esteem, and knowledge representing one factor and energized differentiation representing the other factor) based on a combination of the eigenvalue criterion, scree plot ("elbow criterion"), and percentage of variance explained. Rerunning an exploratory factor analysis with a prespecified number of two factors confirms the two-factor solution. Applying the Fornell and Larcker (1981) criterion provides support for the discriminant validity of our dependent variable and the energized differentiation pillar. Nevertheless, as one of several robustness checks, we replicate the focal BICI fit effect using Y&R's original BAV pillars as separate dependent variables.

[3] Note that the items were not specifically designed to measure the two consumer factors. Thus, model fit seems to be adequate with goodness-of-fit index (GFI) > 0.96, adjusted GFI (AGFI) > 0.90, normed fit index (NFI) > 0.88, and comparative fit index (CFI) > 0.88. The standardized root mean square residual (SRMR) ranges from 0.044 (United Kingdom) to 0.086 (Germany), the root mean square error of approximation (RMSEA) ranges from 0.062 (United Kingdom) to 0.120 (Germany), and composite reliabilities range from 0.524 (need for structure in France) to 0.684 (need for structure in Germany). The chi-square values (df = 8) are 118.36 for the United Kingdom, 121.67 for France, and 489.66 for Germany. However, given the large sample size ($n > 2.290$), using the chi-square statistic is problematic. Additionally, to test for *metric* invariance across the three countries (as we pool the data), the chi-square difference test is problematic too, as it is "sensitive to sample size" (Chen 2007, p. 465). Therefore, we assessed metric invariance with model fit indices following recommendations by Chen (2007) and Cheung and Rensvold (2002). We consider changes in CFI, RMSEA, or SRMR of less than 0.010, 0.015, or 0.030, respectively, to be indications of metric invariance (e.g., Swoboda et al. 2016). These requirements are met when comparing the unconstrained model to a model with constrained factor loadings.

[4] The market research company excluded respondents with a self-reported effort of "1 = I have put virtually no effort into answering the questionnaire" (Meade and Craig 2012) and respondents who spent less than five minutes on answering the questionnaire. Likewise, we excluded respondents with missing values on the time variable (e.g., because of technical problems or an interruption of the questionnaire).

[5] GFI > 0.97, AGFI > 0.95, NFI > 0.96, and CFI > 0.96. SRMR ranges from 0.030 (France) to 0.050 (Germany), RMSEA ranges from 0.047 (France) to 0.072 (Germany), and composite reliabilities range from 0.635 (purchase risk in France) to 0.867 (social demonstrance in the United Kingdom). The chi-square values (df = 17) are 131.55 for France, 226.87 for the United Kingdom, and 292.37 for Germany. Furthermore, applying the same criteria as in Section 3.3, the unconstrained model compared with a model with constrained factor loadings exhibits metric invariance.

[6] Note that because we use a standardized BICI fit variable, any other coding of the answers to the image items (e.g., +1 for yes and −1 for no) amounts to a linear transformation of the BICI fit that does not change our results.

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