# Does Brand Authenticity Alleviate the Effect of Brand Scandals?

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**Accepted Version** 

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Abstract

This research investigates to what extent brand authenticity lessens the impact of a brand

scandal on consumer responses to the brand involved in the scandal. A  $2 \times 2$  experiment

shows that consumers responded more favourably to a more (vs. less) authentic brand in

the event of a scandal. The protective effects of higher levels of brand authenticity

emerged for emotional and behavioural brand outcomes (i.e., greater affection and

willingness to pay) and brand-related inferences (i.e., lower perceived responsibility for

the scandal and hypocrisy). Nonetheless, even a more authentic brand was harmed by a

brand scandal (vs. no scandal). This suggests that the protective effect of brand

authenticity does not fully compensate for the negative consequences of brand scandals.

These findings give rise to theoretical and managerial implications.

**Keywords**: Brand authenticity; scandals; brand attachment; hypocrisy.

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#### Introduction

The marketing literature suggests that in response to the increasingly artificial nature of contemporary life (Cohen, 1988, Leigh *et al*, 2006), consumers seek authenticity in the experiences, products, and brands they consume (Gilmore and Pine, 2007). Consumers search for authenticity in various consumption contexts: visits of historic sites (Chronis and Hampton, 2008; Grayson and Martinec, 2004), participation in subcultures of consumption (Leigh *et al*, 2006; Schouten and McAlexander, 1995), consumption of reality shows (Rose and Wood, 2005), and advertisements (Beverland *et al*, 2008). Claims of authenticity resonate with consumers who look for the real and genuine (Fine, 2003; Grayson and Martinec, 2004; Rose and Wood, 2005).

From a branding perspective, authenticity creates a unique brand identity (Beverland, 2006; Brown *et al*, 2003) and favourable brand associations (Keller, 1993). Because authenticity is a promising positioning strategy, many brands communicate characteristics that suggest high levels of brand authenticity. Examples include Levi's "Authentic Stone Wash" jeans, Coca-Cola branding around "The real thing", or Beck's use of the original 1873 beer recipe (Gundlach and Neville, 2012). From a consumer perspective, authentic brands are perceived as honest, genuine, and dependable (Alexander, 2009; Gilmore and Pine, 2007); they reflect continuity through time and help consumers define their identity (Morhart *et al*, 2015). Research has examined the nature of brand authenticity (Morhart *et al*, 2015; Napoli *et al*, 2014; Gundlach and Neville, 2012), the consequences of an authentic brand image (Eggers *et al*, 2013; Guèvremont and Grohmann, 2016; Morhart *et al*, 2015; Napoli *et al*, 2014), and the relational

component of brand authenticity in terms of brands being real in their interactions with consumers (Ilicic and Webster, 2014).

Although the literature on the nature and consequences of brand authenticity has made considerable progress, it has not examined the impact of brand authenticity on brands that face challenges, such as the event of a brand scandal. Brand scandals entail negative consequences in terms of consumer reactions (e.g., purchase intentions; Huber *et al*, 2010) and brand-related outcomes (e.g., brand equity; Dawar and Pillutla, 2000; Hegner *et al*, 2014). Understanding the consequences of brand scandals is important because consumers demand greater transparency from firms (Brady, 2003; Holt, 2002). Because authentic brands are perceived as honest and credible (Morhart *et al*, 2015) and are associated with high expectations of transparency (Gilmore and Pine 2007), their involvement in brand scandals may be particularly harmful. On the other hand, it is also possible that brand authenticity cushions the impact of scandals on consumer responses to the brand in case of a scandal.

The objective of this article is to empirically test the impact of an ethical scandal (i.e., use of child labour, poor working conditions) on consumer responses towards brands associated with higher versus lower levels of brand authenticity. This research examines multiple consumer responses (i.e., affection, willingness to pay) and brand-related inferences (i.e., perceived responsibility and hypocrisy) following a scandal, and explores the mediating role of affection, responsibility, and hypocrisy.

This article contributes several new insights. First, it extends brand authenticity research to a new context and considers outcome variables that go beyond consumers' attitudes and purchase intentions (Napoli *et al*, 2014) by considering willingness to pay,

affection, perceived hypocrisy, and responsibility. This article also clarifies to what extent perceived hypocrisy, responsibility, and affection mediate the interactive effect of brand authenticity and presence of a scandal on willingness to pay.

Second, this research contributes to the literature on scandals in that it identifies brand authenticity as a moderator of the effect of scandals on consumer responses. Although there is evidence that a positive pre-scandal corporate reputation attenuates the negative consequences of a scandal (Coombs and Holladay, 2006; Dean, 2004), this research uniquely considers the moderating effect of an authentic brand image. This consideration of brand image is of strategic value, because brand image is more easily crafted than corporate reputation (Bennett and Gabriel, 2003).

Third, this research adds to the brand relationship literature, which proposes that brand commitment plays a critical role in inducing consumer resistance to negative information about the brand (Aaker *et al*, 2004; Fournier, 1998). By predicting a protective effect of brand authenticity when a scandal occurs—justified by the ability of authenticity brands to create connections and commitment with consumers (Morhart *et al*, 2015)—, this research highlights the positive effects of consumer-brand relationship in a brand scandal context (Aaker *et al*, 2004; Fournier, 1998).

This article is organized as follows: A literature review pertaining to brand scandals and brand authenticity leads up to hypotheses regarding a protective effect of brand authenticity in a brand scandal context. This article includes two pretests to validate the manipulations, and an experiment to test the hypotheses. It ends with a discussion of theoretical and managerial implications, limitations, and future research directions.

#### Theoretical background

The influence of scandals

Brands are sometimes implicated in misconduct, crises, and scandals (Ahluwalia *et al*, 2000; Roehm and Brady, 2007). Such incidents disappoint consumers' expectations of the brand and have negative consequences for the brand's reputational and financial assets (Coombs, 2007; Huber *et al*, 2010). Detrimental consequences of scandals include lower purchase intentions (Huber *et al*, 2010), revenue losses (Cleeren *et al*, 2013), deterioration of brand equity (Dawar and Pillutla, 2000; Hegner *et al*, 2014), negative brand perceptions (Huber *et al*, 2010), and decreased effectiveness of marketing activities (Van Heerde *et al*, 2007).

Different types of scandals have been studied in the literature. Performance and product-related scandals relate to the ability of the brand to deliver functional benefits (Dawar and Pillutla, 2000), such as in the case of defective products (e.g., Toyota's faulty brakes leading to recalls). Product-related scandals have attracted considerable interest in the literature (Cleeren *et al*, 2013; Dawar and Lei, 2009; Hegner *et al*, 2014; Klein and Dawar, 2004; Laufer and Coombs, 2006; Pullig *et al*, 2006; Roehm and Brady, 2007). Values-related scandals relate to social and ethical issues pertaining to brand values (Huber *et al*, 2010; Trump, 2014), such as Nike's use of child labour.

This article focuses on a values-related (hereinafter referred to as ethical) brand scandal. Compared to product-related scandals (Dawar and Pullitla, 2000; Pullig *et al*, 2006), ethical scandals have received less attention in the literature. Because consumers increasingly scrutinize and severely punish unethical brand behaviours (Brunk, 2012), it

is important to better understand the impact of ethical scandals on consumer responses.

#### Moderators of brand scandal effects

Although scandals generally hurt brands, moderators influence the magnitude of this effect. In the context of ethical scandals, moderators include consumer commitment, self-relevance of the issue, duration of the consumer-brand relationship, attitude certainty, and brand personality (Huber *et al*, 2010; Huber *et al*, 2011; Hegner *et al*, 2014; Pullig *et al*, 2006; Trump, 2014). For example, highly committed consumers are less tolerant of brand transgressions, particularly when the transgression domain is of high self-relevance (e.g., discrimination against women is more relevant for women; Trump, 2014). In the context of product-harm crises, moderators of brand scandal effects include brand familiarity, country of origin, brand response, and anthropomorphization (Cleeren *et al*, 2008, Dutta and Pullig, 2011, Laufer *et al*, 2009, Puzakova *et al*, 2013, Samaraweera *et al* 2014). For example, a negative country of origin increases blame attributions to the brand when consumer familiarity with the brand involved in a product-related crisis is low (Laufer *et al*, 2009).

A moderator of scandal effects that has attracted considerable interest is corporate reputation. Corporate reputation generally captures stakeholders' evaluation of an organization (Gotsi and Wilson, 2001). It is defined as an "aggregation of a single stakeholder's perceptions of how well organizational responses are meeting the demands and expectations of many organizational stakeholders" (Wartick, 1992, p. 34). Corporate reputation is built over time through interactions and communication between organizations and their stakeholders (Fombrun and Van Riel, 2004; Robert and Dowling,

2002). An organization's reputation consists of its corporate ability (i.e., "expertise in producing and delivering product and/or service offerings", Brown and Dacin, 1997, p. 70) and corporate social responsibility (i.e., the "character of the company, usually with regard to important societal issues", Brown and Dacin, 1997, p. 70). Importantly, a good corporate reputation exerts a protective effect in case of a scandal (e.g., Ahluwalia *et al*, 2000; Coombs and Holladay, 2006; Dawar and Pillutla, 2000).

This article considers brand authenticity as a moderator of consumer responses to a brand scandal. Brand authenticity differs from corporate reputation in fundamental ways: First, brand authenticity is a brand image component. Brand image describes the position of a brand in the market in terms of how consumers see it (Ghodeswar, 2008; Nandan, 2005). An authentic brand image reflects consumers' beliefs about high levels of brand credibility, continuity, integrity, and symbolism (Morhart *et al*, 2015). Brand authenticity differs from corporate reputation in the sense that it contributes to an organization's reputation (De Chernatony, 1999; Fombrun and Van Riel, 2004), but represents only one of several elements involved in the emergence of an organization's reputation. Other elements include a firm's corporate social responsibility policies (Ellen *et al*, 2006), financial records (McGuire *et al*, 1988) or employment practices (Fombrun and Shanley, 1990). Corporate reputation is thus broader in scope.

Second, brand authenticity and corporate reputation differ in that the former is more malleable from a strategic viewpoint (e.g., through communications; Beverland *et al*, 2008), whereas the latter is built through cumulative assessements of an organization's actions by its stakeholders over time (Fombrun and Shanley, 1990). Corporate reputation is thus less influenced by short-term strategies (Bennett and Gabriel, 2003). Third,

corporate reputation is an evaluative assessment (i.e., bad vs. good; Dean, 2004). Brand authenticity, on the other hand, represents the degree of a brand image characteristic perceived by consumers (i.e., low vs. high authenticity; Morhart *et al*, 2015). Image and reputation differ in that image is a perception whereas reputation is a judgment (Barnett *et al* 2006). Thus, consumers generally value a corporation with a good reputation, whereas they may not necessarily appreciate a brand's image of authenticity (Guèvremont and Grohmann, 2016). Fourth, an organization's reputation is often measured on objective criteria, such as its financial performance (Black *et al*, 2000; Laufer and Coombs, 2006). Brand authenticity reflects consumers' perceptions of a brand's authenticity levels and is measured by asking consumers to position the brand on characteristics related to its authenticity (Morhart *et al*, 2015). Overall, considering that brand authenticity and corporate reputation differ in nature, scope, and measurement, it is worthwhile to investigate the moderating role of brand authenticity independently from that of corporate reputation.

Brand authenticity as a moderator of consumer responses to brand scandals

The literature suggests that consumers look for authenticity in their consumption

experiences—which includes the brands they consume (Arnould and Price, 2000; Napoli

et al, 2014). Consumers are looking for authenticity to cope with the inauthentic nature of

contemporary world (Cohen, 1988). In the marketplace, many brands claim to be

authentic to attract consumers and to be perceived as relevant resources (Beverland et al,

2008; Gundlach and Neville, 2012). An authentic brand is a brand that consumers

perceive as real and sincere (Alexander, 2009; Gilmore and Pine, 2007), and motivated

by a genuine passion (Beverland *et al*, 2008). Authentic brands are committed to quality, maintain a connection to place, and are grounded in history (Beverland, 2006; Gundlach and Neville, 2012). Consumers connect with authentic brands on an emotional level, because such brands are symbolic resources that help them define who they are and construct their self-concept (Morhart *et al*, 2015). A recent conceptualization focuses on brand authenticity along four dimensions: continuity, credibility, integrity, and symbolism (Morhart *et al*, 2015). An authentic brand is dependable, cares for its consumers, helps them construct their identity, and reflects continuity from the past into the future.

Overall, brand authenticity is associated with favourable responses: consumers are more inclined to purchase authentic brands (Napoli *et al*, 2014) and are more willing to talk positively about such brands to others (Morhart *et al*, 2015). Brand authenticity relates positively to emotional brand attachment (Guèvremont and Grohmann, 2016), brand trust (Eggers *et al*, 2013), and brand choice likelihood (Morhart *et al*, 2015). Although research supports positive reactions to brand authenticity, individual and contextual variables moderate this relation (Guèvremont and Grohmann, 2016).

In line with the positive consequences of brand authenticity documented in prior research, this article examines to what extent brand authenticity protects the brand in the case of a brand scandal. A strong argument for a protective effect of brand authenticity in a brand scandal context arises from the consumer-brand relationship literature (Fournier, 1998). This literature suggests that consumer resistance to negative information about a brand increases with brand commitment—a central component of strong consumer-brand relationships (Aaker *et al*, 2004). Consumers who have formed a strong relationship with

a brand are isolated from the impact of negative information and are therefore more forgiving (Ahluwalia *et al*, 2000; Ahluwalia *et al*, 2001; Hegner *et al*, 2014). Highly committed consumers counterargue brand-related negative information to a greater extent to maintain their positive attitude toward the brand.

Recent work suggests that authentic brands lend themselves to the creation of emotional connections with consumers (Guèvremont and Grohmann, 2016; Morhart *et al*, 2015). Authentic brands' potential to evoke strong consumer-brand relationships arises because authentic brands represent important resources that help consumers reveal their true selves (Beverland and Farrelly, 2010). The symbolism of authentic brands (i.e., their relevance in terms of identity construction by reflecting significant values; Morhart *et al*, 2015) is likely to increase consumers' connections with such brands, considering that the self-concept must be involved for the development of strong relations that include high levels of commitment (Park *et al*, 2010). Authentic brands are further associated with integrity and sincerity (Beverland 2006; Napoli *et al*, 2014)—traits that represent the foundation of enduring relationships (Aaker *et al*, 2004). In sum, the perspective that authentic brands create strong bonds with consumers suggests a protection effect in the presence of a scandal because consumers' commitment to the brand shields them from negative information about the brand.

This article considers affection towards the brand and willingness to pay as consumer responses to the brand. Affection is a component of the emotional attachment felt towards a brand (Thomson *et al*, 2005) and positively relates to relationship strength and consumer loyalty (Park *et al*, 2010; Thomson *et al*, 2005). Although emotional brand attachment includes not only affection, but also connection and passion, the latter two are

not considered here. This is because feelings of connection and passion display higher intensity compared to affection and could not realistically be expected to develop following a single exposure to a brand. Affection, however, can be experienced at the beginning of a relation and is an antecedent of commitment and self-other integration (Fournier, 1998). Willingness to pay is also included as a measure of consumers' reactions to brands as it relates to consumer attitudes (Ward and Dahl, 2014) while offering concrete managerial implications. The following hypotheses regarding a protective effect of brand authenticity in terms of emotional (affection) and behavioural (willingness to pay) consumer responses are examined in this research:

- **H1**: In the presence of a scandal, consumers will express more affection towards an authentic brand (compared to a less authentic brand).
- **H2**: In the presence of a scandal, consumers will be willing to pay more for an authentic brand (compared to a less authentic brand).

Exposure to negative brand information influences consumer responses to the brand (H1 and H2) as well as brand inferences. First, research suggests that consumers judge the responsibility of the brand for a transgression or scandal (Coombs, 2007; Weiner, 1985). Because some scandals emerge from a brand's conscious actions, while others are engendered by incontrollable factors (Hegner *et al*, 2014), inferences about a brand's responsibility have important consequences in terms of how consumers react to scandals (Folkes 1984; Klein and Dawar, 2004). For example, consumers judge a brand more severely if they believe the brand was intentionally involved in the emergence of the

scandal, and thus responsible for it (Coombs, 2007). Second, another important brandrelated inference relates to consumers' perception of the brand's hypocrisy. Brand
hypocrisy refers to a brand being perceived as hiding material information and pretending
to be something that it is not (Wagner *et al*, 2009). An investigation of perceived
hypocrisy in the context of a scandal is appropriate considering that hypocrisy implies a
form of dissimulation of one's real nature or one's motivations (Shkalr, 1984), as well as
an absence of transparency. Hypocrisy further involves a disconnection between an
organization's public image and its real nature or intentions and plays an important role
in consumers' evaluations of an organization (Wagner *et al*, 2009).

Due to the trustworthiness associated with authentic brands and the committed consumer-brand relation that emerges (Morhart *et al*, 2015), we expect not only a protective effect of brand authenticity on consumers' affective and behavioural responses (H1 and H2), but also on brand-related inferences regarding brand responsibility and hypocrisy. In line with this reasoning, consumers may perceive an authentic brand involved in a scandal as less responsible for the scandal and less hypocritical.

**H3**: In the presence of a scandal, consumers perceive a more (vs. less) authentic brand as less responsible for the scandal.

**H4**: In the presence of a scandal, consumers perceive a more (vs. less) authentic brand as less hypocritical.

In sum, the relationship literature leads to hypotheses regarding the interactive effect of brand scandals and brand authenticity (i.e., a protective effect of brand authenticity when a scandal arises) on emotional and behavioural responses (affection and willingness to pay; H1 and H2) as well as brand-related inferences (perceived responsibility for the scandal and hypocrisy; H3 and H4).

#### Method

#### Pretests

The purpose of the first pretest was to establish that the brand authenticity manipulations used in this research resulted in different levels of perceived brand authenticity, but not brand attitude, brand quality, emotional and informational tone of the advertisement, advertisement believability, and appeal. One hundred and fourteen adult consumers (60%) female, average age: 51.6 years) recruited from a Canadian panel participated in an online study in September 2014. Participants were randomly assigned to one of two fictitious advertisements for a sports apparel brand, which served as the brand authenticity manipulations. The two advertisements (i.e., more and less authentic brand) were developed in light of prior research that conceptualized brand authenticity along four dimensions: continuity (i.e., a brand's timelessness, historicity, and ability to transcend trends), credibility (i.e., a brand's honesty toward the consumer, and its ability to fulfill its claims), integrity (i.e., a brand's adherence to good values and sincere care for consumers), and symbolism (i.e., a brand's potential to serve as a resource for identity construction by providing self-referential cues; Morhart et al, 2015). The more authentic brand advertisement emphasized each dimension: "We are passionate about our products and care about our customers" (integrity), "Providing sports apparel since 1950"

(continuity), "High quality sports apparel that reflects who you are" (credibility and symbolism), "The authentic choice you can count on" (credibility). The less authentic brand included the following claims: "High quality sports apparel for all your activities", "We offer our customers a variety of styles, fabrics, and colors", "Providing sports apparel since 2013", and "The athletic choice for your activities". Ad design and amount of information was similar across conditions (see Appendix A).

Participants rated the featured brand as well as the advertisement itself. The measures consisted of brand authenticity ("Please indicate how authentic you perceive the brand LIVA to be," anchored not authentic at all/very authentic), brand attitude (Nan and Heo, 2007), brand quality (Frazier and Lassar, 1996), emotional and informational tone of the advertisement (Jourdan, 1999), advertisement believability, and appeal. All measures in this research consisted of seven-point scales.

The manipulations were successful: Perceived brand authenticity was greater for the more authentic brand (Mean<sub>authentic</sub> = 4.49, Mean<sub>less authentic</sub> = 3.90, t(112) = 1.95, p = .05). The brands did not differ in terms of brand attitude (Mean<sub>authentic</sub> = 4.29, Mean<sub>less authentic</sub> = 3.92, t(112) = 1.26, p = .21) and brand quality (Mean<sub>authentic</sub> = 4.21, Mean<sub>less authentic</sub> = 4.03, t(112) = .67, p = .50). The nature of the brand (authentic, less authentic) featured in the advertisements did not affect the informational (Mean<sub>authentic</sub> = 3.54, Mean<sub>less authentic</sub> = 3.68, t(112) = -.50, p = .62) and emotional tone of the ad (Mean<sub>authentic</sub> = 3.81, Mean<sub>less</sub> authentic = 3.67, t(112) = .48, p = .64), believability (Mean<sub>authentic</sub> = 4.25, Mean<sub>less authentic</sub> = 4.03, t(112) = .69, p = .50), and appeal (Mean<sub>authentic</sub> = 3.60, Mean<sub>less authentic</sub> = 3.41, t(112) = .58, p = .56).

A second pretest established that the authentic and the less authentic brand featured in the advertisements differed not only in the global level of authenticity, but also in terms of the four brand authenticity dimensions proposed in the literature (Morhart *et al.*, 2015). A sample of 286 students (51% female, average age: 21.3 years) completed the pretest in exchange for course credit in October 2014. Participants were randomly assigned to one of the two advertisements (more or less authentic brand) and answered questions regarding the brand's perceived continuity (e.g., "This is a timeless brand",  $\alpha = .83$ ), credibility (e.g., "This is a brand that accomplishes its value promise",  $\alpha = .80$ ), integrity (e.g., "This is a brand that cares about its consumers",  $\alpha = .78$ ), and symbolism (e.g., "This is a brand that connects people with what is really important",  $\alpha = .83$ ). On all dimensions, perceived brand authenticity was greater for the more authentic brand (continuity: Mean<sub>authentic</sub> = 4.83, Mean<sub>less authentic</sub> = 2.89, t(284) = -13.53, p < .001; credibility: Mean<sub>authentic</sub> = 4.30, Mean<sub>less authentic</sub> = 3.93, t(284) = -2.77, p < .01; integrity: Mean<sub>authentic</sub> = 4.31, Mean<sub>less authentic</sub> = 3.64, t(284) = -5.05, p < .001; symbolism: Mean<sub>authentic</sub> = 4.07, Mean<sub>less authentic</sub> = 3.55, t(284) = -3.32, p < .01). The two pretests confirm that the manipulation of brand authenticity through fictitious advertisements was successful in terms of global and dimension-level brand authenticity, but did not affect other brand-related variables.

#### Sample, procedure, and measures

Two hundred twenty-eight adult consumers (60% female, average age: 49.6 years) recruited from a Canadian consumer panel participated in an online study in November 2014. Participants were randomly assigned to a condition in a 2 (brand: more authentic,

less authentic) × 2 (scandal: present, absent) between-participants design (57 participants per condition). Participants first viewed one of the two pretested advertisements (i.e., more or less authentic brand) and then read additional information about the brand, which served as the manipulation of scandal (present: "The brand LIVA has always promoted the importance of its workers' rights. However, the brand has recently made headlines because most of LIVA's sports apparel are made in sweatshop factories using child labour and providing poor working conditions;" absent: "The brand LIVA is launching a new advertising campaign. The advertising campaign includes print advertising, television spots and digital executions.").

Participants then completed measures of affection towards the brand ("Please indicate the extent to which the following word describe your feeling toward the brand:" affectionate, loved; r = .91; Malär et~al,~2011; Thomson et~al,~2005) and willingness to pay for the branded product ("How much would you be willing to pay for the sweater depicted in the ad?" in dollars). The measures also included perceived hypocrisy (e.g., "The brand acts hypocritically," "The brand says and does two different things", anchored strongly disagree/strongly agree;  $\alpha = .94$ ; Wagner et~al,~2009) and perceptions of the brand's perceived responsibility for the scandal ("How accountable is the brand for this situation?" anchored not accountable at all/very accountable; "How responsible is the brand for this situation?" anchored not responsible at all/very responsible;  $\alpha = .98$ ). Participants then completed the self-brand connection scale (e.g., "I feel a personal connection to this brand,";  $\alpha = .97$ ; Escalas and Bettman, 2005) as well as manipulation checks for the scandal ("Please indicate how important/relevant/favourable the additional information was in your evaluation of the brand LIVA"), and demographic questions. In

all but one case, age and gender did not influence dependant variables (all ps > .10) and are thus not discussed further.

#### Manipulation checks

The information in the scandal present (vs. absent) condition was perceived as more important (Mean<sub>scandal</sub> = 5.81, Mean<sub>no scandal</sub> = 3.81, t(225) = 8.23, p < .001) and relevant (Mean<sub>scandal</sub> = 5.67, Mean<sub>no scandal</sub> = 3.74, t(225) = 7.95, p < .001), but less favourable (Mean<sub>scandal</sub> = 2.30, Mean<sub>no scandal</sub> = 4.37, t(225) = -8.98, p < .001). The brand authenticity manipulation did not interact with the scandal manipulation to influence these perceptions (all ps > .20).

#### Results

Affection. H1 predicts that consumers express more affection towards an authentic (vs. less authentic) brand in the presence of a scandal. An ANOVA with two factors (brand authenticity: authentic/less authentic; scandal: absent/present) and affection as the dependent variable revealed a main effect of brand authenticity (F(1, 224) = 6.86, p < .01) and a main effect of scandal (F(1, 224) = 83.48, p < .001). Affection toward the authentic brand was greater (Mean<sub>authentic</sub> = 3.70, Mean<sub>less authentic</sub> = 3.22, t(236) = -2.07, p < .05). Affection was lower in the presence of a scandal (Mean<sub>scandal</sub> = 2.54, Mean<sub>no scandal</sub> = 4.43, t(226) = 9.03, p < .001). The interaction between brand authenticity and scandal was not significant (p = .43).

The hypothesis was tested directly through planned comparisons (Winer, 1971). In the absence of a scandal, brand authenticity did not influence affection (Mean<sub>authentic</sub> = 4.61,

Mean<sub>less authentic</sub> = 4.25, t(112) = -1.18, p = .24). In the presence of a scandal, however, participants expressed more affection towards the authentic brand (Mean<sub>authentic</sub> = 2.90, Mean<sub>less authentic</sub> = 2.18, t(112) = -2.59, p < .05). In support of H1, this result suggests that brand authenticity results in a protective effect in the case of a scandal. In addition, although a scandal resulted in a decrease in affection that was smaller for the authentic (vs. less authentic) brand, the authentic brand was nonetheless hurt by the occurrence of a scandal (authentic brand: Mean<sub>no scandal</sub> = 4.61, Mean<sub>scandal</sub> = 2.90, t(112) = 5.95, p < .001; less authentic brand: Mean<sub>no scandal</sub> = 4.25, Mean<sub>scandal</sub> = 2.18, t(112) = 6.96, p < .001).

Willingness to pay. H2 predicts that consumers are willing to pay more for the authentic (vs. less authentic) brand in the presence of a scandal. An ANOVA with two factors (brand authenticity: authentic/less authentic; scandal: absent/present) and willingness to pay as the dependent variable revealed a main effect of scandal (F(1, 224) = 27.65, p < .001). Willingness to pay was lower in the presence of a scandal (Mean<sub>scandal</sub> = 13.18, Mean<sub>no scandal</sub> = 24.57, t(226) = 5.25, p < .001). The main effect of brand authenticity and brand authenticity × scandal interaction were not significant (ps > .22).

The hypothesis was tested through planned comparisons (Winer, 1971). In the absence of a scandal, willingness to pay did not differ across brand authenticity levels (Mean<sub>authentic</sub> = 24.17, Mean<sub>less authentic</sub> = 24.98, t(112) = .23, p = .82). The findings indicate that in the presence of a scandal, willingness to pay is greater for the authentic brand (Mean<sub>authentic</sub> = 15.53, Mean<sub>less authentic</sub> = 10.82, t(112) = -1.94, p = .056). This result is indicative of a protective effect of brand authenticity and supports H2. It is also consistent with consumers' affective reactions toward the brand (H1). Authentic brands are nonetheless hurt by the presence (vs. absence) of a scandal (authentic brand: Mean<sub>no</sub>

 $_{\text{scandal}} = 24.17$ , Mean<sub>scandal</sub> = 15.53, t(112) = 3.02, p < .01; less authentic brand: Mean<sub>no</sub>  $_{\text{scandal}} = 24.98$ , Mean<sub>scandal</sub> = 10.82, t(112) = 4.35, p < .001).

Overall, these results indicate that higher levels of brand authenticity afford brands a certain level of protection: When a scandal occurred, consumers expressed more affection and willingness to pay more for the authentic (vs. less authentic) brand. Authentic brands are adversely affected by a scandal, as both affection and willingness to pay decreased for the authentic brand in the scandal condition. However, consistent with the hypotheses, when a scandal occurred, consumers responded more positively to the authentic brand than the less authentic brand, a difference that did not emerge in the no scandal condition. Figure 1 summarizes these findings. The remaining hypothesis tests (H3 and H4) focus on the effect on specific brand-related inferences, responsibility for the scandal and hypocrisy.

#### Insert Figure 1 about here

Brand responsibility. H3 predicts that consumers perceive the authentic (vs. less authentic) brand as less responsible for the scandal. An ANOVA with two factors (brand authenticity: authentic/less authentic; scandal: absent/present) and perceived responsibility of the brand for the scandal as the dependent variable revealed a significant two-way interaction (F(1,224) = 9.67, p < .01). The main effects of brand authenticity and scandal were not significant (ps > .09). In the absence of a scandal, brand responsibility did not differ across brand authenticity conditions (Mean<sub>authentic</sub> = 4.54, Mean<sub>less authentic</sub> = 4.21, t(112) = -1.07, p = .29). In the presence of a scandal, perceptions

of brand responsibility for the scandal were lower for the authentic brand (Mean<sub>authentic</sub> = 3.27, Mean<sub>less authentic</sub> = 4.51, t(112) = 3.10, p < .01). H3 was supported.

Brand hypocrisy. H4 proposes that consumers perceive the authentic brand as less hypocritical than the less authentic brand. An ANOVA with two factors (brand authenticity: authentic/less authentic; scandal: absent/present) and hypocrisy as the dependent variable indicated a significant main effect of scandal (F(1, 224) = 181.17, p < .001) and an interaction effect of scandal and brand authenticity (F(1, 224) = 6.11, p < .005). Perceived hypocrisy of the brand was greater when a scandal occurred (Mean<sub>scandal</sub> = 2.74, Mean<sub>noscandal</sub> = 5.54, t(226) = -13.31, p < .001). The interaction pattern indicated that in the absence of a scandal, perceived hypocrisy did not differ across brand authenticity conditions (Mean<sub>authentic</sub> = 2.88, Mean<sub>less authentic</sub> = 2.59, t(112) = -1.01, p = .32). In the presence of a scandal, lower levels of perceived hypocrisy were associated with the authentic brand (Mean<sub>authentic</sub> = 5.17, Mean<sub>less authentic</sub> = 5.91, t(112) = 2.48, p < .05). These findings support H4.

These results suggest that brand authenticity has a protective effect in terms of brand-related inferences if a scandal occurs. An authentic (vs. less authentic) brand involved in a scandal is considered less responsible for it and is viewed as less hypocritical. Figure 2 illustrates these findings. Overall, all hypotheses (H1, H2, H3, H4) were supported.

#### Insert Figure 2 about here

Additional analyses: Mediation effects. Considering the significant influence of brand authenticity on willingness to pay, affection, perceived hypocrisy, and perceived

responsibility in the presence of a scandal, additional analyses were conducted to provide initial insights regarding the psychological process underlying the effects of brand authenticity. Consistent with the theory of planned behaviour, which suggests that attitudes (either affective or cognitive) precede intentions and behaviours (Ajzen, 1991), and considering that willingness to pay is a concrete indicator of consumers' behavioural intentions (Ajzen and Driver, 1992; Hultman *et al*, 2015), the mediating role of affection, hypocrisy and responsibility with regard to consumers' willingness to pay was explored.

First, a mediation analysis was conducted to examine whether brand affection acted as a mediator between brand authenticity and consumers' willingness to pay in the scandal present condition (PROCESS Model 4; Hayes, 2013). Consistent with full mediation, the more (vs. less) authentic brand was associated with higher willingness to pay ( $\beta$  = 4.79, t(114) = 1.94, p = .05) and enhanced affection felt towards the brand ( $\beta$  = .72, t(114) = 2.59, p < .05). Controlling for brand authenticity, affection predicted willingness to pay ( $\beta$  = 3.92, t(114) = 5.28, p < .001), whereas the coefficient for brand authenticity became nonsignificant (p > .40; Sobel's Z = 2.29, p < .05).

Second, perceived hypocrisy mediated the effect of brand authenticity on consumers' willingness to pay when a scandal occurred. A more (vs. less) authentic brand led to higher willingness to pay ( $\beta = 4.79$ , t(114) = 1.94, p = .05) and lower levels of perceived hypocrisy ( $\beta = -.74$ , t(114) = -2.47, p < .05). When controlling for brand authenticity, perceived hypocrisy predicted willingness to pay ( $\beta = -2.29$ , t(114) = -3.15, p < .001), whereas the coefficient for brand authenticity became nonsignificant (p > .21; Sobel's Z = 1.87, p = .06).

Third, perceived responsibility did not mediate the effect of brand authenticity on willingness to pay (i.e., no significant indirect effects; Sobel test Z = -1.43, p = .15). In sum, these analyses provide initial evidence for the mediating roles of affection and hypocrisy in understanding consumers' behavioural reactions to a more (vs. less) authentic brand involved in a scandal.

Additional analyses: Brand connection. This research proposed that higher levels of commitment induced by authentic brands explain the protective effect of brand authenticity. This is consistent with previous work highlighting that brand commitment plays a critical role in inducing consumer resistance to negative information about the brand (Aaker *et al*, 2004; Ahluwalia *et al*, 2000; Ahluwalia *et al*, 2001). To examine this possibility, consumers' self-brand connection with the authentic (vs. less authentic) brand was examined in the scandal absent condition. Consumers expressed directionally higher levels of self-brand connection with the authentic brand compared to the less authentic brand (Mean<sub>authentic</sub> = 3.49, Mean<sub>less authentic</sub> = 2.99, t(112) = -1.55, p = .11). Although this result does not provide strong support of the commitment hypothesis and must be interpreted with caution, it is important to acknowledge that it is difficult to induce strong connections following a single exposure to a fictitious brand, given that such connections usually develop over time (Thomson *et al*, 2005). This is discussed in the limitations section.

Alternative explanations: Brand age. Results suggest that brand authenticity has a protective effect when a scandal occurs. In the experiment, brand authenticity was manipulated globally using cues related to the four dimensions (continuity, credibility, integrity, symbolism; Morhart et al, 2015). It is thus argued that the overall authentic

brand image created in consumers' minds is responsible for the protective effect. An alternative explanation is plausible considering the operationalization of continuity through brand age used in the study (i.e., "1950" vs. "2013"). It is possible that consumers reacted more negatively towards the less authentic brand specifically because it is a young brand already involved in a scandal. An experiment was conducted to rule out this possibility.

Two hundred adult consumers (56% female, average age: 47.4 years) from a Canadian consumer panel participated in an online study. Participants were randomly assigned to a condition in a 2 (brand age: old, young) × 2 (scandal: present, absent) between-participants design. Participants viewed one of the two advertisements differing only in terms of brand age (old: "Since 1950"; young: "Since 2015"). The other elements presented in the ads did not relate to authenticity dimensions (see Appendix B). Participants were then exposed to the scandal manipulation, which replicated the main study. Participants completed the same measures (i.e., affection, hypocrisy, etc.) and, additionally, reported their anger towards the brand (e.g., "I am angry at this brand";  $\alpha$  = .98; Bonifield and Cole, 2007). The study ended with manipulation checks for brand age (continuity;  $\alpha$  = .97; Morhart *et al*, 2015) and for the scandal manipulations.

Manipulation checks were successful. Perceived continuity was greater for the old versus the young brand (Mean<sub>old</sub> = 4.32, Mean<sub>young</sub> = 3.03, t(198) = 5.23, p < .001). The scandal manipulation did not interact with the age manipulation (all ps > .37). The information in the scandal condition was perceived as more important (Mean<sub>scandal</sub> = 5.05, Mean<sub>noscandal</sub> = 3.47, t(198) = -5.77, p < .001) and relevant (Mean<sub>scandal</sub> = 4.96, Mean<sub>noscandal</sub> = 3.60, t(198) = -4.94, p < .001), but marginally less favorable (Mean<sub>scandal</sub> =

3.33, Mean<sub>noscandal</sub> = 3.79, t(198) = 1.65, p = .10) than in the no scandal condition. The age manipulation did not interact with the scandal manipulation (all ps > .38).

Results rule out the influence of brand age for all variables. First, an ANOVA with affection as the dependent variable revealed a main effect of scandal (Mean<sub>scandal</sub> = 2.93, Mean<sub>no scandal</sub> = 3.49, t(198) = 2.22, p < .05) and other non-significant effects (ps > .23). In the absence of a scandal, brand age did not influence affection (Mean<sub>old</sub> = 3.62, Mean<sub>young</sub> = 3.36, t(98) = .77, p = .44). In the presence of a scandal, similarly, brand age did not influence affection (Mean<sub>old</sub> = 2.75, Mean<sub>young</sub> = 3.10, t(98) = -.92, p = .36). Second, an ANOVA with willingness to pay as the dependent variable revealed a main effect of scandal (Mean<sub>scandal</sub> = 21.80, Mean<sub>no scandal</sub> = 32.75, t(191) = 2.96, p < .01, p < .01) and other non-significant effects (ps > .24). Brand age did not influence willingness to pay in the no scandal (Mean<sub>old</sub> = 31.51, Mean<sub>young</sub> = 33.96, t(93) = -.41, p = .68) nor in the scandal (Mean<sub>old</sub> = 18.70, Mean<sub>young</sub> = 24.90, t(96) = -1.42, p = .16) conditions. Third, an ANOVA with responsibility as the dependent variable revealed a main effect of scandal  $(Mean_{scandal} = 5.29, Mean_{no scandal} = 4.76, t(198) = -2.14, p < .05)$  and other non-significant effects (ps > .23). Brand age did not influence perceived responsibility, whether when a scandal occurred (Mean<sub>old</sub> = 5.17, Mean<sub>young</sub> = 5.40, t(98) = -.60, p = .55) or not (Mean<sub>old</sub> = 4.94, Mean<sub>young</sub> = 4.58, t(98) = 1.16, p = .25). Fourth, an ANOVA with hypocrisy as the dependent variable revealed a main effect of scandal (Hypocrisy: Mean<sub>scandal</sub> = 4.41, Mean<sub>no scandal</sub> = 3.09, t(198) = -5.03, p < .001) and other non-significant effects (ps > .14). Brand age did not influence hypocrisy in the absence (Mean<sub>old</sub> = 2.83, Mean<sub>young</sub> = 3.35, t(98) = -1.62, p = .11) or presence of a scandal (Mean<sub>old</sub> = 4.28, Mean<sub>young</sub> = 4.54, t(98) =-.63, p = .53). Fifth, an ANOVA with anger as the dependent variable revealed a main

effect of scandal (Anger: Mean<sub>scandal</sub> = 4.23, Mean<sub>no scandal</sub> = 2.26, t(198) = -7.20, p < .001) and other non-significant effects (ps > .10). Anger was not influenced by the age of the brand, regardless of the presence (Mean<sub>old</sub> = 4.51, Mean<sub>young</sub> = 3.94, t(98) = -1.36, p = .18) or absence of scandal (Mean<sub>old</sub> = 2.08, Mean<sub>young</sub> = 2.45, t(98) = -1.07, p = .29). These results indicate that brand age is not responsible for the effects obtained in the study and strengthen the role of an overall authenticity perception in understanding consumers' reactions following the scancal.

#### Discussion

This article examined to what extent brand authenticity influences consumer responses when a brand is involved in a scandal. Results support that an authentic brand image alleviates negative consequences of a brand scandal in terms of affection, willingness to pay, perceived brand responsibility for the scandal, and perceived hypocrisy. In the presence of a scandal, consumers evaluated the authentic (vs. less authentic) brand more positively in terms of emotional responses (higher affection), behavioural intentions (higher willingness to pay), and brand-related perceptions (lower perceived responsibility for the scandal and lower perceived hypocrisy). It is important to note, however, that the authentic brand was nonetheless negatively affected by a scandal (compared to a no scandal condition). Further, additional analyses show that affection and perceived hypocrisy mediate the impact of brand authenticity on consumers' willingness to pay in the context of a scandal.

Theoretical contributions

This research contributes to the literature in several ways. First, it offers new insights regarding the consequences of brand authenticity. Previous work investigated the nature of authenticity (Leigh et al, 2006; Napoli et al, 2014), its consequences (Eggers et al, 2013; Guèvremont and Grohmann, 2016), and consumers' search for and negotiation of authenticity in consumption experiences (Beverland and Farrelly, 2010; Rose and Wood, 2005). Little research has been directed toward a better understanding brand authenticity effects when brands face difficult times. Considering the nature of brand authenticity and the expectations of transparency it elicits (Gilmore and Pine, 2007), such an examination is of great interest. This research shows that brand authenticity protects brands from consumer reactions to negative brand-related information. Whereas prior research focused on attitudes, purchase intentions or emotional brand attachment (e.g., Guèvremont and Grohmann, 2016; Napoli et al, 2014), this article examines affective (i.e., affection) and behavioural (i.e., willingness to pay) consumer responses as well as brand-related inferences (i.e., perceived responsibility, hypocrisy). In addition, this research provides initial evidence of mediation, such that affection and hypocrisy function as mediators in shaping consumers' behavioural reactions when more (vs. less) authentic brands are involved in a scandal. The results of this mediation analysis also highlight the importance of hypocrisy in driving consumers' perceptions of brands and firms (Wagner et al, 2009). Whereas research on hypocrisy focused on human relations (Batson et al, 2002; Shklar, 1984), this article shows that hypocrisy is relevant in a consumer-brand relationship context and answers Wagner and colleagues' (2009) call for future work in that area.

Second, this article contributes to the literature on brand scandals by investigating the

influence of an authentic brand image on consumer reactions to an ethical scandal. Although research pertaining to brand scandals is extensive, most focused on productrelated (e.g., Klein and Dawar, 2004; Laufer and Coombs, 2006) rather than ethical scandals. However, as consumers demand more transparency and consistency between brand commitments and actions (Eggers et al, 2013), it is important to examine transgressions related to ethical issues. Moreover, the brand scandal literature identifies several moderators, such as self-relevance of the issue involved in an ethical scandal (Trump, 2014) or brand actions following a scandal (Dutta and Pullig, 2011). This article demonstrates that an authentic brand image is instrumental in reducing the detrimental consequences associated with an ethical scandal. Relatedly, previous work finds a protective effect of a favourable corporate reputation, whereas this article focuses on the effects of an authentic brand image created by brand communication (Beverland et al, 2008). An authentic brand image is built around brand continuity, credibility, integrity, and symbolism as perceived by consumers (Morhart et al, 2015) and differs from corporate reputation, a value judgment about an organization's qualities based on its past actions, decisions, and financial history (Balmer, 1998). Compared to corporate reputation, brand image is more malleable, and can be influenced by brand communication (Bennett and Gabriel, 2003).

Third, the finding that authentic brands benefit from protection against the negative consequences of scandals contributes to the understanding of authentic brands from a consumer-brand relationship perspective (Fournier, 1998). The findings are consistent with the literature regarding the positive effects of commitment on consumer reactions to negative brand information (Aaker *et al*, 2004; Ahluwalia *et al*, 2000). Although the

effect of authentic brand on brand-self connections—which are indicative of greater commitment to consumers' relationship with a brand—were only directionally consistent with expectations, other positive responses associated with higher brand commitment were observed in terms of affective, behavioural, and brand-related inferences. This suggests that authentic brands indeed elicit relatively strong connections with consumers, in line with the existential perspective on authenticity (Arnould and Price, 2000; Beverland and Farrelly, 2010). In addition, evidence of the protective effect of brand authenticity eliminates an alternative theoretical prediction regarding brand authenticity's role in a scandals context: It is possible that high levels of brand authenticity backfire when a brand scandal occurs. The disconfirmation of expectations framework suggests that authentic brands may be particularly vulnerable to brand transgressions. Considering that authentic brands promote an image of trust (Napoli et al, 2014), the involvement of such brands in a scandal may interfere with consumer expectations and aggravate their responses, a finding that has been observed in the corporate reputation literature (Sohn and Lariscy, 2004). This article finds support for a commitment based rather than expectancy disconfirmation explanation.

#### Managerial contributions

From a managerial perspective, it is essential for brands to be consistent with their image and values (Eggers *et al*, 2013) and to avoid brand scandals. However, reality is that scandals inevitably occur and have detrimental consequences (Coombs, 2007; Huber *et al*, 2010). In the event of a scandal, this article finds that consumers show more clemency toward a brand that is perceived as authentic. Some real-life cases support this

proposition. For example, a few years ago, the brand Maple Leaf was involved in a crisis—the outbreak of the listeria bacteria in its packaged meat products causing several deaths (CBC News, 2008). Despite the severity of the crisis, the brand recovered quickly from the situation and did not lost consumer confidence (Owram, 2009; Tattri, 2009). Although many factors contributed to this recovery—including the brand's transparency in responding to the situation—, it is plausible that Maple Leaf's image of authenticity (i.e., its Canadian image rooted in history, tradition, family, and sustainable values factors contributing to a brand's authenticity; Beverland, 2006) helped soften consumers' reactions. For a brand manager, this means that it is important to consider brand image carefully and—where appropriate—highlight the brand's authenticity. In the event of a scandal, as revealed in this study, such as positioning might have a non-negligible protective effect compared to a less authentic brand. Concretely, this can be achieved by focusing on one or more of the brand authenticity dimensions identified in past work (i.e., continuity, credibility, integrity, symbolism; Morhart et al, 2015). Here are some examples. A longstanding brand could emphasize its founding date or its connection to past to signal continuity (Beverland et al, 2008), such as Stella Artois' line "since 1366". A reputable brand could highlight its quality standards to communicate its credibility (Beverland, 2006). Victorinox, for example, emphasizes in its advertisements that its Swiss Army knife "sets the standards". A brand could further emphasize its integrity by promoting its social involvement, as done by Whole Foods who communicates its local initiatives and donations to charities (McNew, 2015). A symbolic brand could accentuate its human image to increase its potential to connect with consumers' identity (Morhart et al, 2015), for example Apple and its trendy, cool, and young brand image. Other ways to

signal authenticity include—but are not limited to—designing a image rooted in tradition (Beverland, 2006), emphasizing the excellence and superiority of the brand (Napoli *et al*, 2014), communicating values consumers care for (Morhart *et al*, 2015), and acting upon its word (Eggers *et al* 2013). Managers should however note that consumers are careful interpreters of marketing cues related to brand authenticity (Brown *et al*, 2003) and are increasingly sceptical towards advertisement in general (Obermiller and Spangenberg, 1998). Thus, communicating brand authenticity must be approached as a reflection of the identity of the brand, in the sense that it should reflect what the brand really stands for (Nadan, 2005). With that in mind, managers can induce stronger connections with consumers (Morhart *et al*, 2015) and protect their brand against negative brand-related information, as suggested in this research.

#### Limitations and future research

Several limitations need to be acknowledged. First, this research focused on an experimental manipulation of the presence versus absence of an ethical scandal. It is important to consider other types of scandals. Product-related scandals would be particularly interesting considering the credibility associated with authentic brands (Morhart *et al*, 2015). Moreover, the impact of scandal severity is an important consideration in future work. Finally, the degree of responsibility of the brand in bringing about the scandal is worth examining. Because intentional harm caused by a crisis is more likely to generate negative responses (Hegner *et al*, 2014), it is worth investigating whether an authentic brand would experience a greater level of backlash once it is perceived as highly responsible for a scandal.

Second, this article proposes that authentic brands benefit from a protective effect based on higher levels of consumer commitment to such brands, in line with the literature on the impact of brand commitment on consumer resistance to negative brand information (Aaker et al, 2004). Support for a commitment based mechanism was only directional, however, in that consumers expressed somewhat higher levels of self-brand connection with the more (vs. less) authentic brand. Future research should address this issue. It is possible that committed consumers develop counterarguments when exposed to negative information. Examining the mediating role of consumers' thoughts following the exposure to a scandal (Ahluwalia et al, 2000) could be a insightful in documenting the role of commitment. Alternatively, consumer commitment to the brand could be assessed by means of measures other than self-brand connections. Brand trust, for example, might be a valuable indicator of commitment to authentic brands. Trust is rooted in a relationship perspective and is defined as a sense of security consumers feel when interacing with the brand (Delgado-Ballester et al, 2003). Because an image of authenticity can increase brand trust (Eggers et al, 2013), further contributing to consumer commitment (Delgado-Ballester et al, 2003), this idea is promising. Lastly, stronger evidence for a commitment based mechanism for the protective effects of brand authenticity may arise in studies that go beyond a single exposure to a target brand. It is likely that the current research context (i.e., single online exposure to a fictitious brand) precluded consumers from developing a committed relationship with the authentic brand. Future work could alleviate this concern in longitudinal studies or by including real brands. Such an approach would also entail a greater degree of external validity.

Lastly, the conclusions and contributions of this article are based on a single study, and thus need to be interpreted with caution. Replications involving real brands and alternative manipulations of brand authenticity would considerably strengthen the evidence regarding a protective effect of brand authenticity. In this research, brand authenticity was experimentally manipulated in advertisements—consistent with prior work (Morhart *et al*, 2015) that adopts a constructivist perspective on authenticity (Leigh *et al*, 2006). Although the manipulations were successful, it is important to identify how many and what kind of claims are sufficient, yet effective in evoking an intended brand authenticity level. Such an examination requires more research.

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#### Appendix A

Advertisement, authentic brand

## LIVA

High quality sports apparel that reflects who you are.

We are passionate about our products and care about our customers.

Providing sports apparel since 1950.

The authentic choice you can count on.



Advertisement, less authentic brand

## LIVA

High quality sports apparel for all your activities.

We offer our customers a variety of styles, fabrics, and colors.

Providing sports apparel since 2013.

The athletic choice for your activities.



#### Appendix B

Advertisement, young brand

# LIVA

High quality sports apparel. Since **2015**.

The choice for your activities.



Advertisement, old brand

## LIVA

High quality sports apparel. Since **1950**.

The choice for your activities.

