Branding strategies

A study about the effects of using authenticity and sustainability as branding strategies

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Summary

Nowadays, more and more supermarkets are selling their products for very low prices, trying to attract consumers. Since using this low-pricing strategy comes along with a lot of disadvantages, this thesis has tried to discover whether using authenticity or sustainability as branding strategies is a better way to survive in this so-called price wars.

In order to determine the effectiveness of using authenticity or sustainability as branding strategies, a survey was conducted. A between subject designed was used, to compare three different conditions: one with an authenticity manipulation, one with an sustainability manipulation and one without a manipulation. The manipulation was performed in the sense of a product description that was meant to deliver an authentic respectively sustainable aura. Respondents were asked to answer questions concerning consumer evaluations and consumer perceptions.

The results has outlined that authenticity ensures that consumers perceive a product of higher quality, and that consumers have more confidence in the brand. In addition to these positive effects, sustainability also increases consumers' willingness to pay and it positively influences the evaluation of consumers.

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1.   Introduction

1.1 Problem description

"One plus one free", "forty percent discount", "two for one euro", supermarkets are increasingly trying to distract consumers from competitors by offering very low prices for their products. More and more consumers ask for products with good quality for the lowest price, no matter which supermarket they have to go to. What occurs is a price war between supermarkets. But these price wars do not benefit the identity of a brand since a relatively cheap product can be associated with low quality. Moreover, low prices are not beneficial for supermarkets and others involved with the brand (e.g. farmers) in terms of profit. For that reason, it is important for a company to pursue another strategy, instead of the so-called low-pricing strategy, to counteract the risk of having disastrous low prices for all products and to attract more and new consumers. Beside the fact that consumers want high quality for low prices, they want to enjoy the experience of the product that they have bought. They do not want to get the feeling of being manipulated by the brand (Pine and Gilmore, 2008). Therefore companies have to develop a branding strategy that gives the brand a positive 'aura' which will create customer value. By delivering customer value, companies will be allowed to let their prices rise. There are different ways in which a company can position its brand to develop such an aura that may create customer value. This thesis is focused on two types of branding strategies: authenticity and sustainability.

1.2 Branding strategies

Authenticity is a very broad concept and interpretable in different ways. In general, an authentic brand can be seen as something original, genuine and unaffected (Alexander, 2009). Consumers make use of brands in order to create an 'authentic self' (Napoli et al., 2014). Moreover, the consumer perception of brand authenticity does not imply a brand's real authenticity. In line with this, Chiu et al. (2012) state the following: "as long as a consumer subjectively believes the authenticity of a market offering, it exists". The perception of authenticity is also dependent on the context in which it is placed. Since consumers are increasingly seeking for products that exude and exemplify authenticity, it is important for a company to identify factors that influence the perceived brand authenticity of consumers (Kovács et al., 2014).

As stated, many studies have tried to develop a general description of how and when consumers perceive authenticity in new market offerings. However, the literature is unclear about the extent to which the use of authenticity as a branding strategy is profitable.

Another branding strategy that has become very popular the last decade is sustainability. Due to the climate change, global warming and depletion of resources the need for sustainable production has increased. Sustainability is, as well as authenticity, a concept that can be interpreted in multiple ways. According to the literature, Veiderman (1995) may have come to the best definition of sustainability: "sustainability is a vision of the future that provides us with a road map and helps us focus our attention on a set of values and ethical and moral principles by which to guide our actions".
Using sustainability as a branding strategy is quite common and research has been done to discover the determinants of perceived sustainability. It is currently unclear whether the effects of using authenticity and sustainability as branding strategies differ from each other and which one has to be used in order to get the most profit from market offerings.

1.3 Research objective
To summarize, using the low-pricing strategy has negative implications. The use of authenticity or sustainability as branding strategies could create customer value and it could in the end increase consumers' willingness to pay, which allow companies to let their prices rise. As a result, profits will also increase. To discover whether the use of authenticity or sustainability is profitable or not, in this thesis I have tried to investigate the positive and negative effects of both strategies. Therefore, a survey was conducted in which respondents had to indicate their opinion about the product, based on a product picture and a product description. The product description was meant to deliver an authentic, respectively sustainable, aura to the product. The opinion of the respondents had been split up into different dependent variables concerning positive consumer evaluations of a brand, like 'Purchase intention', 'Willingness to pay', 'Product attitude' and 'Word-of-Mouth'. Since using the branding strategies may also have negative consequences for consumer perceptions, the variables 'Trustworthiness' and 'Manipulative intent' has also been taken into account. Both strategies were compared to a product without a product description, one that did not make use of a branding strategy.

1.4 Research questions

The research question and sub questions were formulated as follows:

Research question:

To what extent is using authenticity or sustainability as a branding strategy successful in order to increase the willingness to pay of consumers, compared to not making use of a branding strategy?

Sub questions:
- *What is the effect of using authenticity as a branding strategy on consumer evaluations and consumer perceptions, compared to not making use of a branding strategy?*
- *What is the effect of using sustainability as a branding strategy on consumer evaluations and consumer perceptions, compared to not making use of a branding strategy?*
- *What are the differences between the effects of using authenticity as a branding strategy and sustainability as a branding strategy on consumer evaluations and consumer perceptions, compared to not making use of a branding strategy?*

2. Literature review

2.1 Authenticity

A lot of research has been done to find a definition of the concept authenticity. Some of these definitions are contrasting and others are not very clear. According to Goulding (2000), "authenticity is a fluid concept that can be negotiated". The interpretation of authenticity is dependent on the context. Likewise, the perception of authenticity is subjective which implies that a comprehensive definition does not exist. What is consistent across the literature is that authenticity comprises what is genuine, real and/or true (Beverland and Farrelly, 2010).

It is for marketers of interest to find out what determines the consumer perception of authenticity. There can be made a distinction between two types of cues that drives perceived brand authenticity: indexical and iconic cues (Grayson and Martinec, 2004). Indexical cues refers to cues that may have a truthful and spatio-temporal connection with something else (Peirce, 1998). To simplify, indexicality distinguishes 'the real thing' from its copies (Benjamin, 1969; Goodman, 1976; Kingston, 1999). Iconicity, on the other hand, is the degree to which consumers perceive a product or brand as similar to another one. In order to see iconicity, consumers must have pre-existing knowledge and expectations. On this basis, they will develop a so called 'composite photograph' in their minds. By comparing this composite photograph to what they sense, they make an assessment of similarities (Peirce, 1998).

Grayson and Martinec (2004) tried to figure out which cues play a role in the assessment of both types of authenticity. They conclude that when consumers find out that the authenticity of a product or brand have been manipulated, consumers become circumspect. It is therefore crucial for marketers to use the right cues in the right way to protect the trustworthiness of a brand.

In addition, another type of cues which drives perceived brand authenticity can be added; existential authenticity (Morhart et al., 2015). Indexical cues can be defined as evidence-based characteristics, iconic cues as impression-based characteristics and existential cues as self-referential characteristics. These cues where used in the conducted interviews of Morhart et al. to uncover different dimensions of perceived brand authenticity. They revealed four dimensions of authenticity: continuity, credibility, integrity and symbolism. The study of

Morhart et al. found that participants perceived a continuous brand as timeless, historic and resistant to trends. Credibility includes a brand's ability and willingness to fulfil their promises. Another dimension involves integrity that reflects a brand's ethics and responsibilities. And the last dimension is symbolism which reflects the symbolic quality of a brand that consumers use to determine where the brand stands for. If a company succeeds in processing these dimensions, for example in product packages by using claims and signature graphics, consumers are more likely to perceive a brand as authentic. They feel, sometimes unconsciously, the authentic aura the brand intended to create which may create increased willingness to pay.

Several companies have already tried to create such an authentic aura. For example Bertolli, known by its olive oil, broadcasts commercials in which they use statements like *'Bertolli: enjoy life, since 1865'* (symbolism and consistency). Likewise Lavazza, a coffee brand, tells in their commercials a story about 'Luigi Lavazza' with an ardent desire to create the ultimate coffee taste. He travelled the world and combined all the coffee melanges to one coffee: Lavazza coffee (credibility and integrity).

2.2 Authenticity hypotheses

If a company succeeds in combining the four dimensions properly, the authentic aura will probably have a positive effect on the consumer evaluations compared to a product without a branding strategy. In fact, the authentic aura is meant to radiate a high performance brand. The most positive effect would be that consumers are willing to pay more for the product. Therefore, I proposed the following hypothesis,

H1a: *Using authenticity as a branding strategy will have a positive effect on consumer evaluations of a product, compared to not making use of a branding strategy.*

Combining these four dimensions to create an authentic aura could also have negative consequences. By using too obvious cues which are designed to radiate authenticity, consumers can get the feeling of being manipulated. As a result, consumers may perceive the product and/or brand as fake, compared to a product without a branding strategy. This may lead to decreased trustworthiness of a brand perceived by consumers.

Therefore, I proposed the following hypothesis:

H1b: *Using authenticity as a branding strategy will have a negative effect on consumer perceptions of a product, compared to not making use of a branding strategy.*

2.3 Sustainability

The meaning of sustainability depends on the interpretation of the context in which sustainability is placed (Shearman, 1990). To structure the meaning of sustainability, Shearman distinguishes two different meanings of sustainability: the lexical and implicative meaning. The lexical meaning is the one that can be found in a dictionary and the implicative meaning allude to the significance of something. The implicative meaning contains a definition that can change by the addition of the word 'sustainability'. What is consistent across the literature is that sustainability is "a continuity through time".

Returning to the context which determines the meaning of sustainability, Cornelissen et al (2001) made a distinction between three different dimensions in which sustainability is commonly used: economic, social and ecological. The economic component comprises the financial performance of a firm, the social component relates to the effects of firm's performance on the society and the ecological component focuses on environmentally friendly production of a firm (Simpson and Radford, 2012).

Using sustainability as a branding strategy is also called "green marketing". Marketers tend to only use the 'environmental friendly' label as the ecological dimension, without using the economic or the societal dimension (Simpson and Radford, 2012). Simpson and Radford discovered other dimensions that are important for the consumer perception of a sustainable product. Besides the three general dimensions they added 'time', 'confidence' and 'compromise' as possible determinants of perceived sustainability. 'Time' refers to the ability of a brand to preserve the sustainability claim over time. 'Confidence' refers to degree to which a sustainability claim is perceived reliable by consumers, and 'compromise' is about the consideration a consumer has to make by the purchase of a product with a sustainability claim.

2.4 Sustainability hypotheses

Tony Chocolonely is an example of a chocolate company that strives to be sustainable. Their long-term (confidence) relationships with cocoa farmer in Ghana and Ivory coast is the key step towards 100% slave free chocolate (social). Moreover, all cacao and sugar they use for the chocolate is fair trade certified (compromise) and they aspire to be fully climate neutral (ecological) in 2018 (time).

Due to this type of companies, consumers become aware of the fact that not all companies strives to be sustainable. By deciding not to choose for an environmental friendly produced product, consumers might feel guilty. Therefore I think that there is an increased demand for genuinely sustainable products. Marketers have to combine all the dimensions in such a way that it will have a positive effect on the consumer evaluations. By using sustainability as a branding strategy, I proposed the following hypotheses:

H2a: *Using sustainability as a branding strategy will have a positive effect on consumer evaluations of a product, compared to not making use of a branding strategy.*

As well as using authenticity, using sustainability as a branding strategy could also have a negative influence on consumer perceptions. The degree to which claims of a sustainable products are real, determines the trust of consumers towards a brand. Using a sustainability claim can therefore also have negative implications for consumers perceptions:

H2b: *Using sustainability as a branding strategy will have a negative effect on consumer perceptions of a product, compared to not making use of a branding strategy.*

2.5 Comparative hypothesis

No research has been done on the differences between the effectiveness of the use of authenticity as a branding strategy and the use of sustainability as a branding strategy. In order to make assumptions about these differences, statistics of an American study about the consumer perceptions concerning the environment were used. The study stated that only 24 percent of the adults is strongly concerned about the environment and is willing to improve it (Ottman, 1993). Since one fourth of the population is a relatively small part, I assumed that using sustainability as a branding strategy would not be very effective. Consumers are not willing to pay more for a sustainable product when they are not concerned about the environment. An authentic product makes claims about the taste of the product, in contrast to sustainable products. Since I assume that taste is one of the main reasons to buy a product, I expect that consumers who are not concerned about the environment, which is a relatively large part, are willing to pay more for an authentic product than for a sustainable product:

H3: *Using authenticity as a branding strategy will have a positive effect on consumer perceptions and on consumer evaluations of a product, compared to using sustainability as a branding strategy.*

3.   Method

3.1 Experimental design

To find out what the effect was of adding an authentic or sustainable product description to a product, an online survey has been conducted. Respondents participated voluntarily. The number of respondents were one hundred thirty-five (84 females, M_{age}=23.24, SD=6.9) Initially, the number of respondents was two hundred twenty-nine. 92 of them have been removed because they did not finish the survey, and 2 of them have been removed because they indicated an unrealistic maximum price for the product (€60). Participants were recruited by using Facebook and close relatives received an personal e-mail.

A between subject design was applied to compare three different conditions. By making use of a between subject design, participants were randomly assigned to a condition. One condition got to see a product with a description that was meant to deliver an authentic aura, the 'authenticity condition'. One condition got to see the same product but with a description that was meant to deliver an sustainable aura, the 'sustainability condition'. And the other condition didn't see any product description at all, only the product itself, the 'no branding strategy condition'. No matter which condition respondents had been assigned to, all participants were asked to answer the same questions. The questions contained the following consumer evaluations: 'Purchase likeliness', 'Willingness to pay', 'Product attitude', 'Product quality', 'Evaluation', 'Purchase intention' and 'Word-of-mouth' (Morhart et al., 2015). The questions contained the following consumer perceptions: 'Trustworthiness' and 'Manipulative intent' (Morhart et al., 2015). The meaning of these variables is explained in the procedure and variables section.

3.2 Procedure and variables

At the beginning of the survey, the following text was displayed:

"Dear participant, thank you very much for taking the time to participate in this survey. It will take you less than 5 minutes to fill out all the questions. Your answers will remain anonymous and confidential. Please read all the questions carefully and answer honestly."

Next, all respondents, no matter which condition they had been assigned to, got to see a picture of the product with a short introduction:

"Imagine that you are going grocery shopping. You need, among others, coffee. You come across this product in your local supermarket. Please look carefully at the coffee product of 'Barcaffé' shown below and answer the questions."
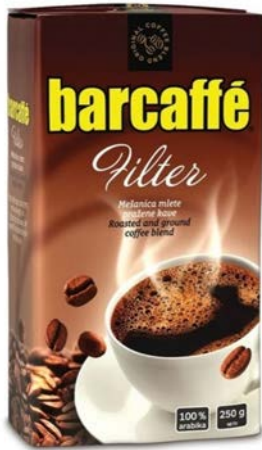
Dependent on the condition respondents had been assigned to, they got to see a product description above the product picture (as mentioned earlier, one group didn't see any product description).

To manipulate the independent variable 'authenticity', the product description of the authenticity condition contained the four dimensions of perceived authenticity: continuity , credibility, integrity and symbolism. *'This coffee is founded in the early '60s'* refers to continuity, *"Barcaffé still uses their patented formula'* refers to credibility, *'by craftsmen'* refers to integrity and *'Feel the moment – Taste the coffee'* refers to symbolism.

To manipulate the independent variable 'sustainability', the product description of the sustainability condition contained the ecological, societal, economic, time, confidence and compromise dimensions of perceived sustainability. *'This coffee is environmental friendly produced'* refers to compromise and the ecological dimension, *'To support fair trade'* refers to confidence and the societal dimension and *'the cooperation exists for twenty years'* refers to the economic and time dimension.

For the manipulation of the independent variable 'no branding strategy', no product description was displayed.

Respondents in the **authenticity condition** got to see the following description:

"Feel the moment – Taste the coffee"

This coffee is founded in the early '60s by craftsmen. In order to get coffee of the best quality, Barcaffé still uses their patented coffee formula.

Respondents in the **sustainability condition** got to see the following description:

"This coffee is environmentally friendly produced. To support fair trade, Barcaffé cooperates with coffee farmers in Guatemala. The cooperation exists for twenty years and Barcaffé strives to maintain this in the future."

The aim of this survey was to discover the effects of these product descriptions on consumer evaluations and consumer perceptions. In order to do this properly, the variables concerning consumer evaluations and consumer perceptions had to be compared. All variables were measured on a 7 point scale. If variables were measured in a different way, it is mentioned.

Respondents were asked to answer questions about their purchase intention (the product picture and the product description was not shown any more in order to measure respondents' first impression). The first question was about the 'Product awareness': *"Are you familiar with this product?"* (Yes or No). The second question about the 'Purchase intention': *"Would you buy this product?"* (Yes or No). The 'Purchase likeliness' measured how likely a respondent was to buy the product: *"How likely is it for you to buy this product?"* (ranging from (1) very unlikely, to (7) very likely), and how much the respondent was 'Willing to pay' for the product: *"How much are you willing to pay for this product?"* (ranging from (1) a little, to (7) a lot). And in the end the respondent had to indicate the 'Maximum price' they were willing to pay for the product: *"What is the maximum price you are willing to pay for this product?"* (open ended question).

The following questions were about the respondents' 'Product attitude'. The first questions measured the product attitude on five different attributes of the product: *"What do you think of the product?"* (ranging from (1), looks bad/very unfavourable/very cheap/not luxurious/not tasty, to (7) looks good/very favourable/very expensive/very luxurious/very tasty). In addition

the 'Product quality': *"Of what quality do you expect the product to be?"* (ranging from (1) low quality, to (7) high quality). And to conclude the 'Evaluation': *"What is your global evaluation of the brand?"* (ranging from (1) very negative, to (7) very positive). The last question measured the 'Word-of-mouth': *"Would you recommend this product to others?"* (Yes or No).

To measure to what extent the descriptions can have a negative influence on consumer perceptions, the variables 'Trustworthiness' and 'Manipulative intent' were measured on the third page (Morhart et al., 2015). Both variables were measured on a 7 point scale. The trustworthiness illustrated the degree to which consumers trust the brand: *"To what extent do you trust the brand?"* (ranging from (1) not trustworthy, to (7) very trustworthy). Respondents were also asked to what extent they got the feeling of being manipulated by the brand, manipulative intent: *"To what extent do you get the feeling of being manipulated by the brand?"* (ranging from (1) not manipulated, to (7) very manipulated).

After completing the dependent variables section, a manipulation check had been done on the fourth page to check whether the manipulations were successful. Respondents got to see the following questions; *"To what extent do you perceive the brand as authentic?"* and *"To what extent do you perceive the brand as sustainable?"*. These questions were also measured on a 7 point scale (ranging from (1) not authentic/sustainable, to (7) very authentic/sustainable).

3.3 Measurement of constructs
In order to create scales, a factor analysis is conducted for all the scale variables. KMO was 0.88, which is good using the criterion of being > 0.5. The Bartell's Test of Sphericity was 0.00: significant using an alpha of 0.05. So the factor analysis was appropriate for the dataset.
The total number of questions was 11. Using the criterion of eigenvalues bigger than 1.0, three factors comply. Figure 3.1 on the next page shows the factor loadings of each item of the three factors.

Figure 3.1

	Factor 1	**Factor 2**	**Factor 3**
What do you think of the product? – not luxurious/very luxurious	0.84		
What do you think of the product? – very cheap/very expensive	0.83		
What do you think of the product? – looks good/looks bad	0.82		
What do you think of the product? – not tasty/very tasty	0.80		
What do you think of the product? – very unfavourable/very favourable	0.78		
To what extent do you trust the brand? – not trustworthy/very trustworthy		0.76	
How much are you willing to pay for this product? – a little/a lot		0.77	
How likely is it for you to buy this product? – very unlikely/very likely		0.67	
What is your global evaluation of the product? – very negative/very positive		0.73	
Of what quality do you expect the product to be? – low quality/high quality		0.65	
To what extent do you get the feeling of being manipulated by the brand? – not manipulated/very manipulated			0.96

To check whether these scales were reliable, a reliability analysis was conducted for the three factors. The Cronbach's alpha of factor 1 (0.91) met the criterion of being bigger than or equal to 0.65, which means that the items were relatively high internal consistent. All the items met the criterion of being > 0.5, so these were included in the created scale, which was labelled as 'product attitude'.

The Cronbach's alpha of factor 2 (0.83) met also the criterion of being bigger than or equal to 0.65. In contrast, three of the multiple squared correlations of factor two were below 0.5 (0.43, 0.44, 0.30) except for the questions about the quality and evaluation (0.72, 0.78). For the three items below the criterion, the Cronbach's alpha would be higher if the items would be deleted. Therefore it was not useful to create a scale for these questions.

Since the last factor contained only one item, there was no need to create a scale.

4. Results

4.1 Manipulation checks

To check whether the manipulations in the different conditions were truly perceived as meant to be (authentic/sustainable), an independent samples t-test on the dependent variables 'Trustworthiness' and 'Manipulative intent' was conducted using an alpha of 0.05.

I assumed that the perceived authenticity in the authenticity condition scored higher than the perceived authenticity in the no branding strategy condition. The independent samples t-test, with 'perceived authenticity' as test variable and the authenticity and no branding strategy condition as grouping variable, showed the following results: $M_{authenticity}$=4.05, SD=1.34 and $M_{nobrandingstrategy}$=3.11, SD=1.34. Furthermore t(93)=3.19, p=0.00, so the perceived authenticity in the authenticity condition is significantly higher than in the no branding strategy condition. Besides, the perceived authenticity was assumed to be higher in the authenticity condition than in the sustainability condition. The independent samples t-test, with 'perceived authenticity' as test variable and the authenticity and sustainability condition as grouping variable, showed the following results: $M_{authenticity}$=4.05, SD=1.51 and $M_{sustainability}$=4.20, SD=1.40. Furthermore t(80)=-0.473, p=0.64, so the perceived authenticity in the authenticity condition is not significantly higher than in the sustainability condition. In fact, the perceived authenticity in the sustainability condition is higher.

It was also assumed that the perceived sustainability in the sustainability condition scored higher than the perceived sustainability in the no branding strategy condition. The independent samples t-test, with 'perceived sustainability' as test variable and the sustainability and no branding strategy condition as grouping variable, showed the following results: $M_{sustainability}$=4.83, SD=1.15 and $M_{nobrandingstrategy}$=2.91, SD=1.48. Furthermore t(91)=6.78, p=0.00, so the perceived sustainability in the sustainability condition is significantly higher than in the no branding strategy condition.

Besides, the perceived sustainability was assumed to be higher in the sustainability condition than in the authenticity condition. The independent samples t-test, with 'perceived sustainability' as test variable and the sustainability and the authenticity condition as grouping variable, showed the following results $M_{sustainability}$=4.83, SD=1.15 and $M_{authenticity}$=3.29, SD=1.24. Furthermore t(80)=-5.83, p=0.00, so the perceived sustainability in the sustainability condition is significantly higher than in the authenticity condition.

It can be concluded that the authenticity manipulation was successful with respect to the no branding strategy condition, but it was not successful with respect to the sustainability condition. The sustainability manipulation was successful with respect to both the no branding strategy and the authenticity condition.

4.2 Consumer evaluations

To measure the possible positive and negative effects of using a branding strategy, a distinction was made between consumer evaluation and consumer perceptions. Consumer evaluations contain the following dependent variables: Purchase likeliness, Willingness to pay, Product attitude, Product quality, Evaluation, Purchase intention, and Word-of-mouth. Whereas consumer perceptions contain the dependent variables Trustworthiness and Manipulative intent. In this section, the consumer evaluations are discussed.

Figure 4.1

	Authenticity	**Sustainability**	**No branding strategy**
	Mean *(SD)*	Mean *(SD)*	Mean *(SD)*
Purchase likeliness	2.88 *(1.31)*	3.30 *(1.68)*	2.68 *(1.41)*
Willingness to pay	2.98 *(1.00)*	3.22[a] *(1.29)*	2.60 *(1.01)*
Product attitude	3.79 *(1.01)*	3.70 *(1.14)*	3.43 *(1.31)*
Product quality	4.14[a] *(1.26)*	4.45[a] *(1.43)*	3.40 *(1.34)*
Evaluation	3.98 *(1.00)*	4.45[a] *(1.30)*	3.57 *(1.29)*

a = significantly higher mean than the mean in the no branding strategy

Figure 4.2

	Authenticity		**Sustainability**		**No branding strategy**	
	Yes	*No*	Yes	No	Yes	No
Product awareness	2.4%	97.6%	2.5%	97.5%	5.7%	94.3%
Purchase intention	28.6%	71.4%	35%	65%	28.3%	71.7%
Word-of-mouth	26.2%	73.8%	40%	60%	22.6%	77.4%
Willingness to pay (€)	€2.902		€3.00		€2.72	

Figure 4.1 shows all the means and standard deviations of the dependent (scale) variables concerning consumer evaluations. It is also indicated which means differ significantly and from which condition they differ. Figure 4.2 gives an overview of the ratio yes/no answers

and the average willingness to pay in euros. Next, the results of the tests are discussed step by step.

Purchase likeliness

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated purchase likeliness of respondents between the three different conditions. While conducting the one-way ANOVA test, purchase likeliness was used as the dependent variable and the factor which included the three different conditions as the independent variable. The ANOVA test turned out not to be significant: $F(2,132)=2.07$, $p=0.13$. Since $p > 0.05$ there was no significant difference in the means of purchase likeliness between the three different conditions.

Willingness to pay

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated willingness to pay of respondents between the three different conditions. While conducting the one-way ANOVA test, willingness to pay was used as the dependent variable and the factor which included the three different conditions as the independent variable. The ANOVA test turned out to be significant: $F(2,132)=3.79$, $p=0.03$. Since $p < 0.05$ there was a significant difference in the means of willingness to pay between the three different conditions. To specify, the multiple comparisons table showed that the significant difference existed between the sustainability condition and the no branding strategy condition, with a mean difference of 0.62 ($p=0.02 <0.05$). The mean difference between the sustainability condition and the authenticity condition was 0.25, but the difference was not significant ($p=0.56 >0.05$). The mean difference between the authenticity condition and the no branding strategy condition was 0.37 and also not significant ($p=0.23 >0.05$).

Product attitude

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated product attitude of respondents between the three different conditions. While conducting the one-way ANOVA test, product attitude was used as the dependent variable and the factor which included the three different conditions as the independent variable. The ANOVA test turned out not to be significant: $F(2,132)=1.18$, $p=0.31$. Since $p > 0.05$ there was no significant difference in the means of product attitude between the three different conditions.

Product quality

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated product quality of respondents between the three different conditions. While conducting the one-way ANOVA test, product quality was used as the dependent variable and the factor which included the three different conditions as the independent variable.

The ANOVA test turned out to be significant: $F(2,132)=7.72$, $p=0.00$. Since $p < 0.05$ there was a significant difference in the means of product quality between the three different conditions. To specify, the multiple comparisons table showed that the significant difference existed between the sustainability condition and the no branding strategy condition, with a mean difference of 1.05 ($p=0.00 <0.05$). The mean difference between the authenticity condition and the no branding strategy condition was 0.75, and also significant ($p=0.02 <0.05$). The mean difference between the sustainability condition and the authenticity condition was 0.31, but not significant ($p=0.56 >0.05$).

Evaluation

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated evaluation of respondents between the three different conditions. While conducting the one-way ANOVA test, evaluation was used as the dependent variable and the factor which included the three different conditions as the independent variable.

The ANOVA test turned out to be significant: $F(2,132)=6.07$, $p=0.003$. Since $p <0.05$ there was a significant difference in the means of evaluation between the three different conditions. To specify, the multiple comparisons table showed that the significant difference existed between the sustainability condition and the no branding strategy condition, with a mean difference of 0.88 ($p=0.00 <0.05$). The mean difference between the sustainability condition and authenticity condition was 0.47, but not significant ($p=0.18 >0.05$). The mean difference between the authenticity condition and the no branding strategy condition was 0.41, and also not significant ($p=0.23 >0.05$).

Purchase intention

In order to find out whether the purchase intention of the respondents differed significantly between the three conditions, a cross-tabulation was done. The Pearson Chi-Square significance got a value of 0.75 which means that purchase intention did not significantly differ between the conditions using an alpha of 0.05.

Word-of-mouth

In order to find out whether the word-of-mouth differed significantly between the thee conditions, a cross-tabulation was done. The Pearson Chi-Square significance got a value of 0.17 which means that the word-of-mouth did not significantly differ between the conditions using an alpha of 0.05.

4.3 Consumer perceptions

Figure 4.3

	Authenticity	**Sustainability**	**No branding strategy**
	Mean *(SD)*	Mean *(SD)*	Mean *(SD)*
Trustworthiness	4.19[a] *(1.174)*	4.32[a] *(1.328)*	3.17 *(1.355)*
Manipulative intent	3.29 *(1.419)*	3.32 *(1.228)*	3.25 *(1.675)*

a = significantly higher mean than the mean in the no branding strategy

Figure 4.3 shows the means and standard deviations of the variables concerning consumer perceptions. It is indicated when the means differ significantly and from which condition they differ.

Trustworthiness

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated trustworthiness of respondents between the three different conditions. While conducting the one-way ANOVA test, trustworthiness was used as the dependent variable and the factor which included the three different conditions as the independent variable. The ANOVA test turned out to be significant: $F_{(2,132)}=11.47$, p=0.00. Since $p < 0.05$ there was a significant difference in the means of trustworthiness between the three different conditions. To specify, the multiple comparisons table showed that the significant difference existed between the sustainability condition and the no branding strategy condition, with a mean difference of 1.16 (p=0.00 <0.05). The mean difference between the authenticity condition and the no branding strategy condition was 1.02, and also significant (p=0.00 <0.05). The mean difference between the sustainability condition and the authenticity condition was 0.14, but not significant (p=0.89 >0.05).

Manipulative intent

A one-way ANOVA was conducted to discover whether there was a significant difference in the indicated manipulative intent of respondents between the three different conditions. While conducting the one-way ANOVA test, manipulative intent was used as the dependent variable and the factor which included the three different conditions as the independent variable. The ANOVA test turned out not to be significant: $F(2,132)=0.03$, $p=0.97$. Since $p > 0.05$ there was no significant difference in the means of manipulative intent between the three different conditions. Note that this is the only variable for which holds that the lower the score, the better.

5. Discussion

It appears that when authenticity is used as a branding strategy, consumers perceive a product of higher quality. Consumers also have more trust in the brand. Using sustainability as branding strategy has the same positive effects on these consumer evaluations. Moreover, sustainability increases also the willingness to pay of consumers and it influences consumers' global evaluation of the product positively.

These findings arose from the conducted survey in which the effects of the branding strategies were measured. The authentic and sustainable products were compared to each other and to a product without a branding strategy. The effects were classified into consumer evaluations and consumer perceptions. Using sustainability as a branding strategy turned out to be the most effective strategy.

Using a low-pricing strategy is not beneficial in terms of profits and it does not benefit the identity of a brand since low prices can be associated with low quality. Finding an alternative strategy for the low-pricing strategy was the main purpose of this thesis. The results suggests that it is for a company better to make use of a branding strategy, instead of not making use of a branding strategy at all. By making use of the sustainability branding strategy, companies will be allowed to let their prices rise because the results revealed that consumers are willing to pay more for a sustainable product. A sustainable product is also perceived as a product of higher quality, as well as an authentic product. This is also an improvement in comparison with the low-pricing strategy whereby the low prices can be associated with low quality. In conclusion, adding a product description to a product could be effective for a company in the sense of profitability and creating customer value.

However, not all the consumer evaluations and consumer perceptions of the branding strategies differed notable from not the product without a branding strategy. In order to ensure a successful branding strategy, companies have to find ways in which they can improve all the other elements of consumer evaluations and consumer perceptions (e.g. the attitude of consumers towards a product and how likely consumers are to buy the product). It is of importance to ensure a successful branding strategy since implementing an authentic or sustainable aura comes along with a lot of costs. These costs could for example involve manufacturing costs for the new packages. It might be therefore not profitable for a company

to make such an investment while success is not ensured. In order to find ways in which companies can improve consumer evaluations and consumer perceptions, other methods of creating an authentic or sustainable aura can be used, like broadcasting a TV commercial or adding product claims. It is possible that creating an aura by using those tools, will lead to a denoting difference in consumer evaluations and consumer perceptions, compared to not making use of a branding strategy.

In the end, a company does not need to make a clear decision whether to implement the branding strategy or not. Creating an aura can also be done step by step, for example by adding every two months another claim or TV commercial that is meant to deliver the intended aura. If a company decides to invest a lot of money at once, it runs at high risk of failure, but by working stepwise the company does not have much to lose if it fails. Therefore, further research can be done on measuring the effects of an authentic and a sustainable TV commercial.

Altogether, adding a product description to a product might be not that successful to distinct your company from a competitor with a low-pricing strategy. Nevertheless, it is the step in the right direction in the sense that it has some positive implications. To go in search for methods that makes a branding strategy successful enough to distinct your company from competitors, companies can restore their low quality image and they can be more profitable.

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7. Appendix

Authenticity survey

Page 1

Dear participant, thank you very much for taking the time to participate in this survey. It will take you less than 5 minutes to fill out all the questions. Your answers will remain anonymous and confidential. Please read all the questions carefully and answer honestly.

Page 2

Imagine that you are going grocery shopping. You need, among others, coffee. You come across this product in your local supermarket. Please look carefully at the coffee product and the product description of 'Barcaffé' shown below and answer the questions.

"Feel the moment – Taste the coffee"   This coffee is founded in the early '60s by craftsmen. In order to get coffee of the best quality, Barcaffé still uses their patented coffee formula.

You may now have an impression of the product. Next, you will find questions concerning your impression. Please choose the answer that most fit your impression. There are no wrong or right answers, we are only interested in your opinion.

Page 3

Q1 Are you familiar with this product?

❍ Yes
❍ No

Q2 Would you buy this product?

○ Yes

○ No

Q3 How likely is it for you to buy this product?

	1	2	3	4	5	6	7
Very unlikely(1): Very likely(7)	○	○	○	○	○	○	○

Q4 How much are you willing to pay for this product?

	1	2	3	4	5	6	7
A little(1): A lot(7)	○	○	○	○	○	○	○

Q5 What is the maximum price you are willing to pay for this product?

Q6 What do you think of the product?

	1	2	3	4	5	6	7
Looks bad(1): Looks good(7)	○	○	○	○	○	○	○
Very unfavourable(1): Very favourable(7)	○	○	○	○	○	○	○
Very cheap(1): Very expensive(7)	○	○	○	○	○	○	○
Not luxurious(1): Very luxurious(7)	○	○	○	○	○	○	○
Not tasty(1): Very tasty(7)	○	○	○	○	○	○	○

Q7 Of what quality do you expect the product to be?

	1	2	3	4	5	6	7
Low quality(1): High quality(7)	○	○	○	○	○	○	○

Q8 What is your global evaluation of the product?

	1	2	3	4	5	6	7
Very negative(1): Very positive(7)	❍	❍	❍	❍	❍	❍	❍

Q8 Would you recommend this product to others?

❍ Yes

❍ No

Page 6

Q9 To what extend do you trust the brand?

	1	2	3	4	5	6	7
Not trustworthy(1): Very trustworthy(7)	❍	❍	❍	❍	❍	❍	❍

Q10 To what extent do you get the feeling of being manipulated by the brand?

	1	2	3	4	5	6	7
Not manipulated(1): Very manipulated(7)	❍	❍	❍	❍	❍	❍	❍

Q11 To what extent do you perceive the product as authentic?

	1	2	3	4	5	6	7
Not authentic(1): Very authentic(7)	○	○	○	○	○	○	○

Q12 To what extent do you perceive the product as sustainable?

	1	2	3	4	5	6	7
Not sustainable(1): Very sustainable(7)	○	○	○	○	○	○	○

Page 8

Please indicate your age and gender.

Q13 Age

Q14 Gender
○ Male
○ Female

Page 9

Q15 This is the end of the survey. Thank you for participating!

Sustainability survey

Page 1

Dear participant, thank you very much for taking the time to participate in this survey. It will take you less than 5 minutes to fill out all the questions. Your answers will remain anonymous and confidential. Please read all the questions carefully and answer honestly.

Page 2

Imagine that you are going grocery shopping. You need, among others, coffee. You come across this product in your local supermarket. Please look carefully at the coffee product and the product description of 'Barcaffé' shown below and answer the questions.

This coffee is environmentally friendly produced. To support fair trade, Barcaffé cooperates with coffee farmers in Guatemala. The cooperation exists for twenty years and Barcaffé strives to maintain this in the future.

You may now have an impression of the product. Next, you will find questions concerning your impression. Please choose the answer that most fit your impression. There are no wrong or right answers, we are only interested in your opinion.

Page 3

Q1 Are you familiar with this product?

○ Yes

○ No

Q2 Would you buy this product?

○ Yes

○ No

Q3 How likely is it for you to buy this product?

	1	2	3	4	5	6	7
Very unlikely(1): Very likely(7)	○	○	○	○	○	○	○

Q4 How much are you willing to pay for this product?

	1	2	3	4	5	6	7
A little(1): A lot(7)	○	○	○	○	○	○	○

Q5 What is the maximum price you are willing to pay for this product?

Q6 What do you think of the product?

	1	2	3	4	5	6	7
Looks bad(1): Looks good(7)	○	○	○	○	○	○	○
Very unfavourable(1): Very favourable(7)	○	○	○	○	○	○	○
Very cheap(1): Very expensive(7)	○	○	○	○	○	○	○
Not luxurious(1): Very luxurious(7)	○	○	○	○	○	○	○
Not tasty(1): Very tasty(7)	○	○	○	○	○	○	○

Q7 Of what quality do you expect the product to be?

	1	2	3	4	5	6	7
Low quality(1): High quality(7)	○	○	○	○	○	○	○

Q8 What is your global evaluation of the product?

	1	2	3	4	5	6	7
Very negative(1): Very positive(7)	❍	❍	❍	❍	❍	❍	❍

Q8 Would you recommend this product to others?

❍ Yes

❍ No

Page 6

Q9 To what extend do you trust the brand?

	1	2	3	4	5	6	7
Not trustworthy(1): Very trustworthy(7)	❍	❍	❍	❍	❍	❍	❍

Q10 To what extent do you get the feeling of being manipulated by the brand?

	1	2	3	4	5	6	7
Not manipulated(1): Very manipulated(7)	❍	❍	❍	❍	❍	❍	❍

Q11 To what extent do you perceive the product as authentic?

	1	2	3	4	5	6	7
Not authentic(1): Very authentic(7)	○	○	○	○	○	○	○

Q12 To what extent do you perceive the product as sustainable?

	1	2	3	4	5	6	7
Not sustainable(1): Very sustainable(7)	○	○	○	○	○	○	○

Page 8

Please indicate your age and gender.

Q13 Age

Q14 Gender
○ Male
○ Female

Page 9

Q15 This is the end of the survey. Thank you for participating!

No branding strategy survey

Page 1

Dear participant, thank you very much for taking the time to participate in this survey. It will take you less than 5 minutes to fill out all the questions. Your answers will remain anonymous and confidential. Please read all the questions carefully and answer honestly.

Page 2

Imagine that you are going grocery shopping. You need, among others, coffee. You come across this product in your local supermarket. Please look carefully at the coffee product and the product description of 'Barcaffé' shown below and answer the questions.

You may now have an impression of the product. Next, you will find questions concerning your impression. Please choose the answer that most fit your impression. There are no wrong or right answers, we are only interested in your opinion.

Page 3

Q1 Are you familiar with this product?

❍ Yes

❍ No

Q2 Would you buy this product?

❍ Yes

❍ No

Q2 Would you buy this product?

○ Yes

○ No

Q3 How likely is it for you to buy this product?

	1	2	3	4	5	6	7
Very unlikely(1): Very likely(7)	○	○	○	○	○	○	○

Q4 How much are you willing to pay for this product?

	1	2	3	4	5	6	7
A little(1): A lot(7)	○	○	○	○	○	○	○

Q5 What is the maximum price you are willing to pay for this product?

Q6 What do you think of the product?

	1	2	3	4	5	6	7
Looks bad(1): Looks good(7)	○	○	○	○	○	○	○
Very unfavourable(1): Very favourable(7)	○	○	○	○	○	○	○
Very cheap(1): Very expensive(7)	○	○	○	○	○	○	○
Not luxurious(1): Very luxurious(7)	○	○	○	○	○	○	○
Not tasty(1): Very tasty(7)	○	○	○	○	○	○	○

Q7 Of what quality do you expect the product to be?

	1	2	3	4	5	6	7
Low quality(1): High quality(7)	○	○	○	○	○	○	○

Q8 What is your global evaluation of the product?

	1	2	3	4	5	6	7
Very negative(1): Very positive(7)	O	O	O	O	O	O	O

Q8 Would you recommend this product to others?

O Yes

O No

Page 6

Q9 To what extend do you trust the brand?

	1	2	3	4	5	6	7
Not trustworthy(1): Very trustworthy(7)	O	O	O	O	O	O	O

Q10 To what extent do you get the feeling of being manipulated by the brand?

	1	2	3	4	5	6	7
Not manipulated(1): Very manipulated(7)	O	O	O	O	O	O	O

Q11 To what extent do you perceive the product as authentic?

	1	2	3	4	5	6	7
Not authentic(1): Very authentic(7)	O	O	O	O	O	O	O

Q12 To what extent do you perceive the product as sustainable?

	1	2	3	4	5	6	7
Not sustainable(1): Very sustainable(7)	O	O	O	O	O	O	O

Please indicate your age and gender.

Q13 Age

Q14 Gender
O Male
O Female

Q15 This is the end of the survey. Thank you for participating!