Generational Cohorts' Reactions:

Analyzing the Impact of Brand Authenticity on Consumer Behaviour

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ABSTRACT

The purpose of this study is to better understand the consumer behaviour, analysing the impact of brand authenticity on two main behavioural outcomes. The research aims also at finding out the behavioural differences of each generational cohort and to understand the effects on consumers' willingness to pay a premium price and on brand loyalty in the case of technological brands. The study follows a quantitative research design and uses a survey as a tool to collect data. The present work may suggest firms to be more targeted in their approach to create competitive advantage and strong relationships with their audiences. In present times, academics and practitioners must therefore recognize and take into consideration the differences across generational cohorts when studying and developing new marketing strategies.

KEYWORDS

Authenticity, Consumer Behaviour, Generation, Loyalty, Premium Price, Technological Brand

INTRODUCTION

From the last 20 years world is living a new "smart age" due to a series of transformations regarding technology, globalization, political, economy impacting consequently on cultural, social, demographic aspects. Past decades have in particular been marked by incredible technological advancement and innovations. Just think that in 1998, cell phones were still a rarity, and internet was only just catching on. These deep changes continue to play themself out shaping new lifestyle and consumption behaviour, on the one hand, and causing new firms processes, on the other hand. Notably, digitalization has changed consumers' everyday lives, and radical changes in consumer behaviours have taken place especially related to information acquisition and decision-making.

In this context of uncertainty and high competition, influenced by the fatigue determined by consumers' overchoice, we witness an amplified importance of the intangible assets of brands and authenticity appears to be a reply to hyperreality and globalness (Arnould & Price, 2003; Ballantyne & Varey, 2006; Lazzini, Lazzini, Balluchi, & Mazza, 2022). As such, the concept of authenticity was found to be one of the "cornerstones of contemporary marketing" (Brown, Kozinets, & Sherry, 2003) and a new business imperative for the experience economy (Gilmore & Pine, 2007; Södergren, 2021). These facts may be even greater for managers dealing with different typologies of consumers

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that don't share the same behaviour, perception and preferences. In a digital and virtual communicative platforms world, not paradoxically, the "quest for authenticity" from consumers is becoming more emphasized and today it is defined as a socially constructed phenomenon (Beverland & Farrelly, 2010; Napoli, Dickinson, Beverland, & Farrelly, 2014; Pattuglia & Mingione, 2017; Södergren, 2021). On this line, a number of scholars have claimed that brand authenticity has the capability to legitimize a brand within its context and its consumers (Beverland, 2005, 2006; Beverland, Farrelly, & Quester, 2010; Grayson & Martinec, 2004; Kates, 2004; Rose & Wood, 2005; Thompson, Rindfleisch, & Arsel, 2006).

Consequentially, how customers perceive brands as authentic and what motivates them to pay price premium is an important theme in research as well as among practitioners (Anselmsson, Johansson, & Persson, 2007; Nunes, Ordanini, & Giambastiani, 2021). In line with these, in acknowledging the interpretative nature of brand authenticity, it is evident that consumers may differ in their evaluation, perceiving the same brand as authentic or inauthentic (Beverland & Farrelly, 2010; Rose & Wood, 2005). Brand authenticity can now inform a new consumers' clusterization (Pattuglia & Mingione, 2017).

Finally, despite authenticity has been studied and analyzed in many sectors, such as luxury wine, beer, sport, green products, music (Beverland, 2005; D.R. Ewing, Allen, & R.L. Ewing, 2012; Kolar & Zabkar, 2010; Rose & Wood, 2005; Spiggle, Nguyen, & Caravella, 2012), the hi-tech companies haven't been analyzed yet.

Moreover, one of the main trend of these last years, after the seminal work about generational themes in economics and society (Mannheim, 1928, 1952), is again the importance of targeting through generational cohorts and megatrends (Howe & Strauss, 2000; Kamenidou, Stavrianea, & Bara, 2020; Ryder, 1965).

The purpose of this research is to establish which attributes make a technological brand authentic for each generational cohort and to understand the effect on loyalty and on the willingness to pay a premium price. The research also aims to explore the impact on consumer behaviour about different typologies of generation.

This paper aims to answer the following three research questions:

RQ1: What are the attributes that make a technological brand authentic and allow for a loyalty and a premium price?

RQ2: Is the belonging to a generational cohort a moderator between brand authenticity and its outcomes?

RQ3: How brand authenticity impacts on consumer behaviour?

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Brand Authenticity: Definition, Dimensions and Outcomes

In an objective sense the "authentic" is often considered as the "original" and is contrasted with the copy, so it is strongly linked to an object and its characteristics (Bendix, 1997; Peterson, 2005; Södergren, 2021). Recent researches consider brand authenticity to be shaped by multiple stakeholders' perceptions (Beverland & Farrelly, 2010; Napoli et al., 2014; Nunes, Ordanini, & Giambastiani, 2021). So, the distinction between the authentic and inauthentic tends to be subjective and socially or personally constructed (Grayson & Martinec, 2004; Leigh, Peters, & Shelton, 2006). It is a behavioural experience by a person that is self-determined (Deci & Ryan, 1991).

In this new perspective, consumers may differ in their evaluation, perceiving the same brand as authentic or inauthentic (Beverland & Farrelly, 2010; Rose & Wood, 2005).

In general, academics from this stream of literature have tried to answer the question: "How do consumers attribute authenticity onto an object/service brand?". Scholars and practitioners have investigated consumers' ability to determine the difference between what can be conceived as real or fake (Beverland & Farrelly, 2010; Brown et al., 2003; Corciolani, 2014; Grayson & Martinec, 2004; Nunes, Ordanini, & Giambastiani, 2021; Rose & Wood, 2005;). Empirical findings have revealed that consumers struggle to discriminate the real from the fake (Corciolani, 2014; Rose & Wood, 2005; Södergren, 2021).

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