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Global and Local Brands in Developed and Developing Markets: A Systematic Literature Review and New Directions

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ABSTRACT

Our goal in this study is to provide a systematic review of global and local brand literature by explicitly focusing on the similarities and differences between developing and developed countries' contexts. We performed a systematic literature review with 44 papers extracted from the Web of Science and Scopus database. We discussed the literature using three research streams that analyzed global vs. local brand literature under different aspects: brand-related factors, cultural dimension, and consumer-related factors. In addition, we provided a research agenda with opportunities for further studies. Unlike previous literature reviews, we analyzed the antecedents and outcomes of consumer behavior towards global and local brands focusing on the similarities and differences between developed and developing markets contexts. Our study contributes to extant research by highlighting similarities and distinctions between different market contexts of consumer behavior towards local vs. global brands. Finally, we present directions for further research to improve the current literature field.

KEYWORDS

developing markets; developed markets; global brands; local brands; literature review.

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RESUMO

O objetivo desta pesquisa é fornecer uma revisão sistemática da literatura de marcas globais e locais, focando explicitamente nas semelhanças e diferenças entre os contextos dos países desenvolvidos e em desenvolvimento. Foi realizada uma revisão sistemática da literatura com 44 artigos extraídos da base de dados Web of Science e Scopus. Discutiu-se a literatura usando três linhas de pesquisa que analisam marcas globais versus locais sob diferentes aspectos: fatores relacionados à marca, dimensão cultural e fatores relacionados ao consumidor. Além disso, disponibilizou-se uma agenda de pesquisa com oportunidades para estudos futuros. Ao contrário das revisões de literatura anteriores sobre o tema, foi feita uma análise dos antecedentes e resultados do comportamento do consumidor em relação a marcas globais e locais com foco nas semelhanças e diferenças entre o contexto dos mercados desenvolvidos e em desenvolvimento. Portanto, este estudo contribui para o campo de estudo destacando semelhanças e distinções entre diferentes contextos de mercado sobre o comportamento do consumidor em relação a marcas locais versus marcas globais, além de apresentar direções para novas pesquisas para melhorar a literatura atual.

PALAVRAS-CHAVE

mercados em desenvolvimento; mercados desenvolvidos; marcas globais; marcas locais; revisão da literatura.

1. INTRODUCTION

In recent decades, brands from different markets increased their investments in advertising, distribution, and technology, benefiting their internationalization, inserting themselves into several countries, and causing competition between local and global brands (Steenkamp, 2019a). Globalization has not only increased the market share fight between brands, but it has also shown how consumers from different markets react toward these brands.

Ordinarily, in comparison with consumers from developed countries, consumers from emerging markets have a different perception of domestic brands and their image is more related to low-price and low-quality products (Sharma, 2011). On the other hand, brands that came from developed countries and have a broad market reach are generally perceived as high-quality and premium (Sharma, 2011). Even though brand origin is even more relevant in emerging markets (Zeugner-Roth & Bartsch, 2019), consumers from developed countries also use this type of information to shape their attitudes towards brands (e.g., Davvetas & Diamantopoulos, 2018; Riefler, 2020). Therefore, when analyzing different contexts, the study of global vs. local brand preference becomes critical.

Global brands are characterized by being identified under the same name in several countries, with similar marketing strategies, and coordinated with the influence of the head office (Steenkamp et al., 2003). They are familiar and accepted by consumers (Ozsomer & Altaras, 2008), are available in foreign and domestic markets (Batra et al., 2000; Steenkamp et al., 2003), and are usually employed with the same name and have a consistent positioning, image, and personality

(Ozsomer & Altaras, 2008). Furthermore, these brands have advantages due to economies of scale and the capability of supporting other global brands (Lambin et al., 2012).

In contrast, local brands can be defined as those in a country or limited geographical area (Steenkamp et al., 2003). They create value through their high ability to be recognized in their markets, as well as building strong relationships with their consumers, offering a better response to local needs, and higher price flexibility (Lambin et al., 2012). Overall, these brands develop a local identity (Özsomer, 2012), which results in favorable attitudes. For instance, in China, 98% of all milk sold by global brands is in a one-liter pack. However, Chinese consumers are averse to large packages of milk in the refrigerator. Therefore, they are willing to pay more for smaller packages that look fresher when opened. According to major Chinese retailers, more than two-thirds of all milk sold in packs of less than one liter is local brands. Based on that, the Chinese consumers also have a predisposition to buy local brands that meet the specific needs of certain segments, such as kids, fitness, and the elderly (Tanner, 2017).

Thus, international marketing researchers have focused on clarifying how consumers' preferences differ according to the global and local nature of the brand (Steenkamp et al., 2003). In the last few years, some studies revised global vs. local literature. Gürhan-Canli et al. (2018) synthesized the literature on branding, culture, and globalization, and the interactions on consumer behavior. Steenkamp (2019a) investigated global consumer culture (GCC) and local consumer culture (LCC) by discussing theory, measurements, and future directions. In addition, they discussed how international markets have organized their strategies to influence consumer attitudes. Liu et al. (2021) reviewed the conceptualization of perceived brand local (PBL) and perceived brand global (PBG), their mechanisms, and boundary conditions. They also provide a research agenda highlighting global trends, such as globalization, antiglobalization, and digitalization. However, all these recent studies have neglected the differences between emerging vs. developed markets, which is important based on the difference in behavior and attitudes between these consumers (Sharma, 2011).

Against this background, the purpose of our study is to provide a systematic review of global and local brands literature focusing on developing versus developed countries' contexts. Our review is guided by three research questions: (1) How do the existing research streams in global vs. local brands literature reflect the differences between emerging and developed markets contexts? (2) How can consumers' responses to global and local brands differ across developing and developed markets? (3) What are the new research directions for global and local branding literature in different market contexts? Based on a search with several keywords related to the subject, our final database contained 44 papers. As a result, we conducted a deep analysis of each paper, comparing the outcomes from emerging and developed market contexts. In doing so, we identified the articles' objectives, methods, variables, findings, and market contexts. As a result, we grouped the factors addressed by the 44 papers in three clusters based on Gürhan-Canli et al. (2018) categories: consumer-related factors, brand-related factors, and cultural dimension. Finally, we developed a research agenda with suggestions for future research in order to enhance the study field.

Our contribution is twofold. In a theoretical perspective, this study represents the first effort to comprehend the global and local literature comparing emerging and developed market contexts. Thus, we reviewed a wide variety of publications over the period of the last two decades at the interface of branding and globalization from the perspective of behavioral outcomes. Specifically, we focused on the similarities and differences between the findings from developed and emerging markets. Finally, we delineate a more specific future research agenda for global versus local

branding in this context, which can contribute to a better understanding of the context nuances and how it influences the phenomenon.

From the managerial perspective, the difference in perceptions between global and local brands has implications for marketing professionals, particularly in emerging countries, where these brands coexist and the competition - between them - is even higher (Dogerlioglu-Demir & Tansuhaj, 2011). Thus, companies that are present in different markets might benefit from having a clearer understanding of the antecedents and outcomes involved in consumer behavior towards global vs. local. Specifically, by understanding the similarities and differences between emerging and developed markets, these companies can have more effective strategies for each market they are involved in.

2. METHOD

We conducted this study in three stages (see Figure 1). In the first stage, we retrieved studies from the two main international scientific databases (Web of Science and Scopus). At this point, we employed specific keywords selected through combinations of terms from global and local brand literature, as well as expressions used in companies' practice and communication vehicles. These search strings included the following terms (filtered from papers' title, abstract, and keywords): "local brands" and "global brands", "globalness" and "localness", "global branding" and "local branding", "buy global" and "buy local", "global products" and "local products", "global vs. local brands", "local vs. global brands", "global vs local" and "brand", "local vs. global" and "brand", "buying local" and "buying global". We also designed a specific timeline from 2009 to analyze the studies carried out in the last two decades. Thus, it is possible to have a more recent view on what empirical research has found on the subject in different contexts.

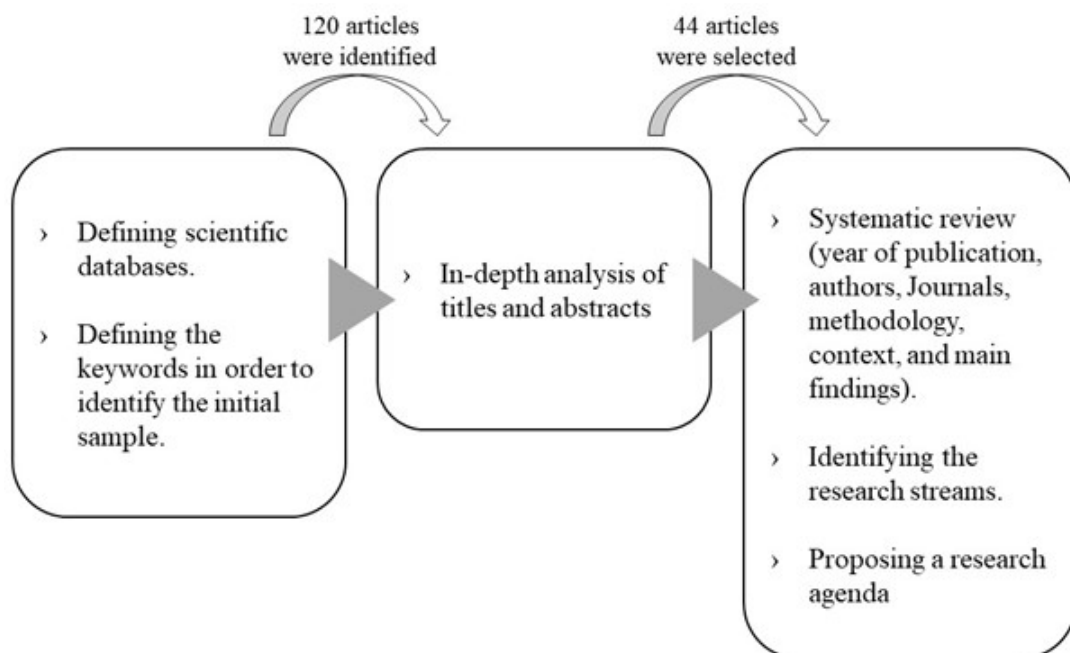


Figure 1. Research Procedures

Source: elaborated by the authors (2022).

This research resulted in 120 papers. Next, in the second stage, these papers were analyzed based on a careful reading of titles, abstracts, and keywords. Specifically, 76 papers were removed due to two main criteria: (i) papers that did not underscore both local and global brands, as our purpose is to contrast emerging versus developed markets in which both brands are available, (ii) papers focused on the internationalization instead of brands or branding, because our studies lie on consumers' behavior towards local and global brand.

As a result, our final database contained 44 papers. Thus, in the third stage, we investigated the context of each paper (emerging, developed market or both) and conducted an in-depth analysis by summarizing the articles' objective, method, variables, and the research stream based on Gürhan-Canli et al. (2018) categories (i.e. consumer-related factors, brand-related factors, and cultural dimension). Finally, we developed a research agenda proposing further studies to improve the discussion related to global and local brands in different market contexts.

Overall, the oldest paper from our base was published in 2009 and the most recent in 2021. Among the 44 papers analyzed, many were published in marketing journals, such as Journal of Global Marketing, Journal of Marketing Research, Marketing Theory, Industrial Marketing Management, and Journal of Marketing. The Journal of Business Research accounts for the highest proportion of publications (6 papers), followed by Journal of International Marketing (4 papers) and Journal of International Consumer Marketing with 3 publications. We found that 21 papers used data from emerging markets, such as Brazil, India, China, and Mexico. Besides that, 20 papers used data from developed countries, such as the United States, Spain, Austria, and Japan, and 3 papers combined data from both developed and developing countries.

Regarding methodology, most of the authors opted to apply a quantitative approach (35 papers), followed by mixed methods (6 papers), and qualitative methods (3 papers). Only three studies used secondary data. The others used primary data by applying surveys or experiments. The most used data analysis techniques were structural equation modeling (15 papers) and ANOVA/MANOVA (9 papers).

3. RESEARCH STREAMS

While carefully reading the papers, we identified the main objectives of the studies, analyzed the research models, variables employed, and critically accessed the results and discussion incurred in the papers. Based on that, we divided the studies into three research streams using the categories and factors presented by Gürhan-Canli et al. (2018) as reference. The first one is the brand-related factors, i.e., brands' characteristics and images that are perceived by consumers and influence their purchase decisions and attitudes. The second research stream is associated with cultural dimension. This group of studies investigates how beliefs shared collectively impact the attitude toward local and global brands. Finally, the third one is the consumer-related factors, i.e., evaluating consumer characteristics such as demographics, personality, identity, and traits.

3.1. BRAND-RELATED FACTORS

Brands have several features that can impact consumer decisions, intentions, and attitudes. By analyzing the previous studies on global and local brands characteristics, we found a broad discussion regarding brand quality and prestige as mechanisms to explain the relationship between the brand origin and consumers' responses towards brands (Akram et al., 2011; Özsomer, 2012). Steenkamp et al. (2003), for instance, to investigate the effects of brand origin in two developed markets: United States and South Korea. Their findings revealed that consumers from these countries prefer global brands because of their quality and prestige. However, as most global

brands come from developed countries, and have a much wider market reach, consumers usually expect a superior quality and level of prestige (Özsomer, 2012). Therefore, the perceived quality of these brands may be even higher for consumers from emerging markets, who tend to value products originating from more developed markets (Sharma, 2011). This brand supremacy often results in a preference for these products, even when quality and added value are not objectively superior (Punyatoya, 2014). Perhaps this is the reason why Randrianasolo (2017) found no effects of perceived brand globalness (PBG) – conceptualized as “a perception that can be formed only if consumers believe the brand is marketed in multiple countries and is generally recognized as global in these countries” (Steenkamp et al., 2003, p. 54) – on brand prestige and quality in a developed country setting, i.e., the U.S. On the other hand, the author found that quality and prestige are positively related to PBG in developing markets (Madagascar and India). This can be explained by emerging market consumers’ inability to purchase global brands, contributing to their perception of brand’s quality and prestige (Randrianasolo, 2017).

Hence, the perceived quality of global brands benefits from the high credibility of companies and brands (Akram et al., 2011). This is also manifested in their premium pricing strategy, which signals superior quality, as well as messages and ads focused on quality. Surprisingly, perceived quality does not generate significant purchase intentions for local brands (Kumar et al., 2009). In addition, global brands are generally viewed as sources of symbolic values, such as status, prestige, social approval, enthusiasm, and modernity (Özsomer, 2012; Steenkamp et al., 2003), which also produce high-quality perceptions by consumers. Consequently, it reflects higher prices (Punyatoya, 2014), attitudes, and brand preferences towards these brands (Akram et al., 2011; Özsomer, 2012).

It should be noted that there are divergent findings in studies that compared brand outcomes in both developed and developing markets. Randrianasolo (2017)’s findings suggest that consumers from developing countries related global brands with quality and prestige, while consumers from developed markets do not present a relationship between these variables. However, Sichtmann and Diamantopoulos (2013) present some divergent findings. They applied a study in both a developed and a developing country, suggesting that global brands have quality perception only in Austria (developed market). They report no correlation between global brands and perceived quality in Bulgaria (emerging market). These divergent findings can be explained by the fact that there are countries facing the retraction of globalization – usually, advanced economies – that start to value more local products and brands. Therefore, consumers in these markets are starting to have less association of quality and prestige with global brands (Samiee & Chabowski, 2021).

Consumers evaluate more than brand quality and prestige in different parts of the world. A study developed with Chinese consumers shows that both PBL and PBG have a positive impact on brand identity expressiveness, generating good behavioral intentions (Xie et al., 2015). Therefore, local brands may counteract the “global culture” appeal through their superior ability to make consumers proud of their local traditions and develop a relationship with them (Özsomer, 2012; Steenkamp et al., 2003). When a brand successfully builds a strong connection with culture, heritage, and country, it naturally operates as the best channel for identifying people with the local community. This consumer-brand identification can be generated both in developed and in emerging markets (Sichtmann et al., 2019). On the other hand, based on the arguments that global brands are perceived as superior by consumers from emerging markets (Sharma, 2011), the consumer-brand identification for local brands could have a lower effect in emerging markets.

Özsomer (2012) defined the brand local iconness concept as “the degree to which a brand symbolizes the values, needs, and aspirations of the members of the local country”. A study

developed in an advanced market shows that local iconness is positively associated with brand prestige and quality (Tsai et al., 2021). In a developed market, the PBG of brands with local origin is positively related to local iconness. On the other hand, this relationship is negative in emerging countries (Xie et al., 2015). Similarly, Özsomer (2012) underscored that, in emerging markets, the perception of a brand as global raises the brand to local icons status. This can be explained by the fact that consumers from emerging countries have a sense of belonging to both national and global communities. Based on that, the preference for global brands can be increased, which does not occur the same way in advanced markets (Zhang & Khare, 2009).

Another interesting concept related to brand perceptions is credibility. The results from Srivastava et al. (2020)'s study in an emerging market context shows that PBG and brand authenticity are positively associated with brand credibility. But, instead, the findings indicate that for local brands, the effect of PBG is negative and significant on brand credibility. This may be related to the fact that consumers from emerging markets believe that local brands which move into other markets are less committed to their homes (Srivastava et al., 2020). Mandler et al. (2020) went further in investigating the effects of brand credibility in the context of globalized and globalizing markets. Their findings indicated that PBL is a stronger indicator of brand credibility than PBG in globalized markets (i.e., Germany). While in globalizing marketplaces, both PBG and PBL are of equal importance (i.e., South Korea). One of the reasons for these findings is that consumers increase their critical attitudes towards globalization in developed markets. In the face of recent global crises, these consumers move towards traditional values and opt for localness products (Steenkamp, 2019b).

Finally, another factor to consider is the product category. Global and local brands can offer products from different categories. Thus, analyzing this aspect can help them with their strategies. Consumers prefer local brands for utilitarian categories, and global brands for hedonic categories (Winit et al., 2014). The findings from Davvetas and Diamantopoulos (2016) also argued that global brands in categories with functional and symbolic capacity are at an advantage. In addition, they suggest that, in categories where local brands are leading the share, other local brands are also preferred. It means that brands congruent with category superiority have an advantage. These results are valid for both developed and developing countries.

3.2. CULTURAL DIMENSION

Cultural values are beliefs about abstract goals or conduct modes shared collectively and held among people living in the same country or region, which transcend specific situations and behavior domains (Steenkamp et al., 2003). International marketing literature field shows that consumers' cultural values impact their response and perceptions about global and local brands (Steenkamp & De Jong, 2010; Tu et al., 2012; Yeboah-Banin & Quaye, 2021).

Global brands are usually perceived as modern, trendy, active, and forward-looking (Dogerlioglu-Demir & Tansuhaj, 2011). They are associated with values of universalism, stimulation, self-direction, and innovation (Schwartz, 1992; Steenkamp et al., 1999). Universalism corresponds to the understanding of the general well-being. Stimulation is associated with excitement, novelty, and challenge. Self-direction refers to creativity, exploitation, and freedom (Schwartz, 1992).

Finally, innovation is related to novelty and modernity (Steenkamp et al., 1999). These values reflect the relevance of global brands as well as their image. Consequently, when consumers have these cultural values, global brands are favored and positive attitudes are generated, as displayed by Steenkamp and De Jong (2010). This preference for global brands can be improved in emerging markets contexts because consumers from these countries signify more global brands with modernity, future, and abundance (Batra et al., 2000).

Likewise, studies (e.g., Dogerlioglu-Demir & Tansuhaj, 2011; Steenkamp & De Jong, 2010) indicate that consumers seeking power values are susceptible to materialistic and personal influences. Therefore, these consumers tend to prefer global brands because they are associated with status. As a result, these brands can lead to power and superiority sentiments (Schwartz, 1992).

In contrast, local brands' values are based on traditions and environmental friendliness, which become important in local consumption (Bauer et al., 2013), triggering positive attitudes towards these brands. Traditionalism involves respect, commitment, and acceptance of the customs and ideas of a particular culture and religion. Therefore, traditional consumers act according to their cultural values, which is precisely what local brands often communicate. Steenkamp and De Jong (2010) state: "if a consumer desires to shop traditionally, without altering his or her status quo or disrupting social norms, local brands seem to be the best choice". A study developed by Dogerlioglu-Demir and Tansuhaj (2011) in Turkey and Thailand shows that traditionalism is an important effect on buying local brands in Thailand. However, for Turks, its factor is not very impactful. These findings suggest that the effect of traditionalism might vary depending on the context. Based on that, further studies can investigate the relationship between traditionalism and country's globalization. Countries which have been globalized for longer - usually developed markets - may have lost their traditional values. On the other hand, consumers from these markets may be more fed up with standardized products and may seek to reconnect with their origins. Therefore, there is a research field that can be improved analyzing the effect of country's economic development level.

Nostalgia is also another value to the consumption of local brands. Before the intense consumption of global brands, products were manufactured and consumed locally. As a result, many consumers look nostalgic for the past, recreating family recipes and local specialties. Easter in Italy is unthinkable without regional specialties, Indians swap recipes online for the traditional Konkani Chana Dal, and many people in the United States search on the internet for the perfect Mom's salad (Euromonitor, 2014). Hence, nostalgia - or the need to return to the past - makes people develop a great appreciation for local brands, enhancing their interaction with them. However, even with several studies asserting a positive relationship between nostalgia and attitudes towards local brands, there are some researchers, such as Steenkamp and De Jong (2010), who achieve a conflicting conclusion, i.e., perhaps local brands do not have such a significant gain with consumers' nostalgia. Even though there is a lack of studies comparing the effect of nostalgia in emerging and developed markets, Mandler et al. (2020) argue that consumers who experienced more globalized cultures tend to value their local roots more. Thus, this can be evidence that nostalgia effects could be enhanced in more developed countries.

Consumers also have intrinsic characteristics that are inherent to their cultural values but also impact their attitude towards local and global brands. One of them is the consumer identity. When consumers have a global identity – i.e., they feel that they belong to the global community and identify with a global lifestyle, with people around the world (Tu et al., 2012) – they reveal this identity by favoring global brands rather than local brands. Conversely, if they have a local identity, defined by fitting in to the local community, and by identifying with a local lifestyle (Tu et al., 2012; Zhang & Khare, 2009), they often choose local brands. In addition, the local/global identity can lead people not only to global vs. local brand preference but also to their perceptions about the brand origin (Yeboah-Banin & Quaye, 2021). However, this relation can change in specific conditions. Under the state of uncertainty, consumers with a stronger global identity tend to prefer local brands. On the other hand, consumers with local identity move their preference for global brands. This effect occurs because uncertainty activates divergent thinking styles. Thus, their purchase choices may change (Ng et al., 2021).

However, the effect of consumer identity can vary depending on the country's context. A study conducted in two African markets (South Africa and Ghana) shows that consumers with global identities tend to prefer global brands. However, the findings suggest that local identity only marginally activates local brand preference in Ghana. This can be explained by the fact that, in emerging markets, the sense of superiority of foreign brands is high enough to mitigate the local identity effect (Yeboah-Banin & Quaye, 2021). In addition, Zhang and Khare (2009) also suggest a growth in consumers who possess both identities, which boosts competition between local and global brands.

Consumers can also express a need for uniqueness characteristics by acquiring new, original, and unique products to develop and improve their self-image and social image (Tian et al., 2001). The previous literature presents some divergent findings. A study developed by Kumar et al. (2009) showed that Indian consumers' need for uniqueness is positively associated with attitudes towards American products. Therefore, when consumers constantly search for something unique and singular, they prefer global brands. These brands are characterized by their credibility, quality, and prestige (Punyatoya et al., 2014). These characteristics are intrinsic to global brands, resulting in positive attitudes towards them. However, Bartikowski and Cleveland (2017) argued that the need for uniqueness is also considered as a possible moderator of the attitudes towards both local and global brands. Their findings suggest that cosmopolitan Chinese consumers with a low need for uniqueness prefer global brands. In contrast, consumers with a high need for uniqueness prefer local brands. This can be explained by the globalization exposition. Consumers in globalized markets are used to consuming products from different origins. Therefore, for them, the need for uniqueness can be positively associated with local brands, while consumers in globalizing markets see the possibility of consuming global brands as a way to feel unique. Therefore, further study of this construct in different markets (emerging vs. developed) is needed for a greater consensus on its effect.

Another consumer characteristic is risk aversion. Consumers not tolerant to risk and uncertainty will pursue well-known brands, which increases their confidence and reduces their perceived risk. Based on that, if local brands are closer to consumers and have congruence with their region and customs, they can take advantage of consumers' risk aversion (Chailan & Ille, 2015; Shu & Strombeck, 2017). On the other hand, as explained before, global brands can have an image more related to quality and prestige (Özsomer, 2012). Thus, these brands can improve confidence and satisfaction in post-purchase, especially in emerging markets where local brands have a disadvantage in terms of production investment, distribution, and communication.

In addition, demographic aspects also have a crucial role in activating attitudes towards global and local brands. For instance, a higher level of education usually implies lower perceived risks towards global brands, because more educated consumers generally have more intense contact with other cultures. This contact increases the preference for global brands over local brands (Steenkamp & De Jong, 2010). Furthermore, demographic aspects can moderate the relation between other factors and attitudes towards global and local brands. Likewise, Srivastava (2015) suggests that higher social classes seek global brands due to prestige and status associated with these brands. Additionally, an increase in income can also cause preferences for local brands. Since consumers in developed markets have greater access to education and higher social status, the relevance of demographic aspects highlights the nuances between emerging and advanced markets.

Another important consumer-related factor that influences brand preference is ethnocentrism. It is defined as the belief in adequacy, morality, and national pride in purchasing domestic products rather than foreign ones (Shimp & Sharma, 1987). It may influence consumers to select local brands, given it is based on cultural appreciation. However, there are inconsistent findings in the literature about the role of this construct in the brand origin phenomenon. Some authors underscore it as an antecedent of positive attitudes towards local brands (Steenkamp & De Jong, 2010) while others consider ethnocentrism a moderator and not a direct effect on attitudes (Akram et al., 2011; Roy & Chau, 2011; Steenkamp et al., 2003; Winit et al., 2014). Given the findings that indicate that consumers from emerging markets have a more positive evaluation toward foreign brands (Sharma, 2011), ethnocentrism can have a more impactful effect on developed markets, where consumers have a more protectionist and nationalist view. However, there is still a lack of studies that compare the ethnocentrism effect in different market contexts.

A study developed by Diamantopoulos et al. (2019) presents some concerns about consumer dispositions – such as the use of ethnocentrism – to explain consumers' responses to global brands. On the other hand, there are previous studies in different contexts (developed and developing markets) that support the negative impact of ethnocentrism on attitudes towards global brands (Akram et al., 2011; Steenkamp et al., 2003; Swoboda et al., 2012).

After examining and discussing the content of each paper, we propose some research questions for future studies based on the research streams investigated. The research opportunities emerged from the conceptual framework as well from the different discussions that appeared when we compared the findings from developed and developing countries.

First, in terms of brand-related aspects, research opportunities arise in the face of global vs. local phenomenon that is still not very well explained by previous studies. Market globalization is a factor that deserves to be more closely investigated. Studies have shown that globalized developed countries are starting to place more value on the local brands rather than having good attitudes towards global brands (Mandler et al., 2020; Randrianasolo, 2017). Therefore, future studies can analyze how globalization moderates perceived brand credibility across different markets and can also analyze the impact of brand authenticity in different market contexts.

In addition, previous literature suggests that consumers from developing countries may be more emphatic on functional and symbolic values than consumers from developed countries (Yu & Dong, 2017). Thus, further research should investigate the most important drivers of brand values across the markets.

Regarding cultural values, we argue that some aspects need to be explored in future studies to investigate cultural influence in developed and emerging markets. First, as we discussed earlier, local brands can benefit from traditional values. However, emerging markets are generally countries that have a colonized culture in which they value and try to imitate aspects of western countries (Faria & Hemais, 2017). Therefore, traditionalism may have a weaker effect in developing countries, unlike developed countries that tend to have a greater appreciation of their culture. Thus, further research should investigate how traditionalism influences the preference for global and local brands in emerging markets. The country's globalization level can also be explored as an antecedent of universalism cultural value, generating a preference and choice for global brands.

Finally, regarding consumer-related aspects, some factors need further investigation. Risk aversion is one of them. It is known that macroeconomic factors can influence consumer purchasing behavior (Dekimpe & Deleersnyder, 2018). In the face of economic downturns, which are more common in emerging markets, consumers tend to become more risk averse. Therefore, future studies should explore how risk aversion leads to purchase intention in different markets during the economic crisis. In addition, the fact that emerging countries have more unequal income distribution can increase the search for premium brands to create a perception of superiority concerning the group they are inserted.

In addition, ethnocentrism is a controversial aspect that still needs further exploration in the international marketing field. Some cultural orientations should be tested to check their role as boundary conditions for ethnocentrism effects on preference for global and local brands across different markets. For example, if a country's cultural factors, such as universalism and traditionalism, can affect the influence of ethnocentrism on brand attitudes. Furthermore, as ethnocentrism underscores the protection of consumers' own country (Shimp & Sharma, 1987), future studies can also compare the effects based on the country's economic level and economic volatility. Since emerging countries are more volatile, consumers can have their ethnocentrism highlighted in these times of adversity to protect the local economy.

Chart 1 summarizes research questions that can be explored by future studies as an opportunity to improve this research field.

Research Questions
How globalization moderates perceived brand credibility across different markets?
How does brand authenticity impact the attitude towards global brands in developed countries?
What are the most important drivers of brand values across developed and developing markets?
How can global and local brands manage the local iconness perception across markets?
How does traditionalism influence the preference for global and local brands in emerging markets?
How does the country's level of globalization influence consumers' choice for global brands?
What are the effects of ethnocentrism across different cultural orientations?
How does ethnocentrism vary across different country economic level impacting consumers' preference for global and local brands?
How does risk aversion lead to purchase intention in different markets during economic crisis?
How does local identity effects on brand preference vary across emerging and developed markets?
How can economic inequality affect the perception of premium for global brands?
How does consumer local/global identity effect diverge across emerging and advanced markets?

Source: elaborated by the authors (2022).

Even though the research streams present several opportunities for future studies, researchers also need to contribute to this study field by using different methods. As we highlighted, the great majority of previous literature used quantitative methods by applying surveys and experiments. These approaches contribute to a better understanding of consumer behavior and intentions. However, with this type of data, it is difficult to investigate some firm-based outcomes, such as market share, sales, and marketing investment effectiveness. Therefore, future studies should increase the exploration of secondary data (e.g., retail panel data) to investigate marketing strategies outcomes with real historical information, such as market share, sales, and return on investment. In addition, authors might develop more qualitative research. This method is important to ground new theories and explore constructs and conceptual models that improve the phenomenon investigation.

5. FINAL REMARKS

In a globalized environment, domestic and foreign brands are fighting for consumers' hearts and minds in several markets. International marketing literature suggests that there are many factors influencing consumer preference for global and local brands. These preferences may change depending on the context studied. Based on that, this interaction between these brands makes it important to understand which factors determine consumers' attitudes and behavior towards them in developed and emerging markets. Therefore, in this research, we aimed to provide a systematic review of global and local brands literature by analyzing and comparing the results from developed and emerging countries contexts and highlighting new directions for further studies in this field.

By analyzing 44 papers from the Web of Science and Scopus database, we developed a conceptual framework with three research streams: brand-related aspects, cultural values, and

consumer-related aspects. Each research stream is composed of variables investigated in previous studies. Our study presents an overview of the current state of the global vs. local brand literature. The findings from this systematic literature review suggest that variables may have different outcomes depending on the context studied. Some recent studies have questioned the current relevance of brand origin on consumer attitudes in the face of the advance of globalization (e.g., Steenkamp, 2019b), while our findings show that this phenomenon is still relevant in different contexts and cultures.

In addition, many aspects have been changing consumers' minds and hearts. For instance, global brands – years ago – were generally associated with quality, prestige, and credibility (Özsomer, 2012; Steenkamp et al., 2003). However, this association has changed in recent years with the advance of a sense of nationalism in developed markets (Mandler et al., 2020; Randrianasolo, 2017). This example shows the importance of revisiting previously phenomena studied, but this time investigating specific characteristics that emerge from different contexts of developed and developing countries. As a result, we provide a research agenda to further studies investigate these phenomena.

From a practical perspective, the results from this literature review provide great insights to local brands managers to create better strategies protecting their share from new foreign entrants. At the same time, they also provide insights to global brands managers to define the best ways to establish themselves in different markets and expand their sales around the world.

Given the importance of local and global image, the “perception versus reality” factor is an aspect of brands strategies. Brand name, familiarity, and communication strategies may influence consumers' perceptions of what is local or global (Ahmed & D'Astous, 2008; Melnyk et al., 2012). There are many cases in which iconic local brands are indeed manufactured abroad. The essentially Australian brand Vegemite, for example, is produced by a global manufacturer in another country. Similarly, consumers in many countries believe Nestlé locally manufactures many of its branded products, such as Milo and Nescafé. Therefore, managers can create advantages associated with perceived brand localness or perceived brand globalness. In this context, further studies should deeply analyze marketing positioning and investment strategies of local and global brands in both developed and emerging markets.

Finally, brands need to search for consumers with characteristics that fit into brands' features and more receptive cultures. Thus, global brands should pursue consumers who have a global identity to improve attitudes and preferences towards these brands. At the same time, local brands should target consumers with a local identity and who search for congruence. Although this study field is mature and vast, we can conclude that it can still be expanded with new research questions and directions discussing developed and developing market contexts.

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Authors contributed equally for the article's elaboration. All authors worked together to develop the contextualization, definition of research design, analysis of the results, and conclusions.

CONFLICTS OF INTEREST

There is no conflict of interest in this article.

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