Brand credibility and patronage intention towards cross-border e-commerce marketplaces

Francesca Magno
University of Bergamo (Italy)
e-mail: francesca.magno@unibg.it

Fabio Cassia
University of Verona (Italy)
e-mail: fabio.cassia@univr.it

Christian M. Ringle
Hamburg University of Technology (Germany)
and James Cook University (Australia)[1]
e-mail: c.ringle@tuhh.de

Abstract

The rapid growth of cross-border e-commerce is largely driven by marketplaces and third-party platforms (such as Amazon, JD.com, and others), which facilitate international online transactions. To attract customers, marketplaces need to establish brand credibility, which is a key antecedent of favorable consumer attitudes and behaviors. Marketplaces can leverage global and local brand positioning to enhance brand credibility in foreign markets. However, available studies have examined such effects for brands that were already familiar to consumers in foreign markets because they had been available there for a long time. When a firm is entering or has recently entered a foreign market and faces the liability of foreignness, brand credibility requires building brand familiarity in addition to establishing global/local brand positioning. We address this gap by proposing a model that integrates signaling theory with the mere exposure effect to explain the effects of global/local brand positioning and brand familiarity on brand credibility and market patronage intentions. The model is assessed using partial least squares structural equation modeling (PLS-SEM) with data collected from consumers who had been exposed to Temu advertising.

key words: Cross-border e-commerce; Brand credibility; Brand familiarity; Perceived brand globalness; Perceived brand localness