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The Social Construction of Consumer Trust in High-involvement Brands:

Infant Formula Consumption in Urban China

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## **ABSTRACT**

Consumer trust has gained increasing interest among scholars and practitioners. However, a review of existing literature indicates a lack of understanding of consumer trust in relation to how consumers experience the evolving trust development with high-involvement brands, particularly after crises like food safety incidents.

This working paper is the first part of a longitudinal study on consumer trust in high-involvement brands, in the context of infant formula consumption in urban China. Empirical findings indicate that trust as a social construct not only refers to the relationship between the trustor and trustee, but also refers to broader social interactions and relations, especially in the initial building of trust, such as inexperienced mothers choosing infant formula brands, as in this case. We argue that consumers, brands, interpersonal relationships, and social institutions are interacting with each other to develop trust, rather than each functioning as dependent or independent variables in linear causal relationships.

This work contributes to a further understanding of consumer trust building by incorporating interpersonal-based and institutional-based trust building into the consumer-brand relationship. Findings also highlight how Chinese parents' trust in infant formula brands is socially constructed within their social-cultural background, and provides insights different from previous research conducted in western markets.

A follow-up study will be undertaken with the same group of participants by the time when their babies are about 7-8 months old, in order to explore how new parents' trust in their intended infant formula brand may develop, and how consumers' trust in infant formula brands impacts their brand selection and consumption over time.

#### INTRODUCTION AND BACKGROUND

## **Food Consumption and Infant Formula Consumption in China**

Food consumption is a crucial part of our everyday life and closely related to the very fundamental human needs for safety and surviving. Food safety concerns and consumers' trust in food are now global issues as many food safety incidents have occurred across the world, especially since the 1990s (Kjærnes, Harvey, & Warde, 2007). The potential risks involved in modern food systems have increased the research of trust in food (e.g., Chen, 2008; Kjærnes et al., 2007; Mazzocchi, Lobb, Bruce Traill, & Cavicchi, 2008), and studies found that high-involvement food products are considered more risky (see for examples, Mitchell, 1999).

Among all food categories, milk formula is viewed as special because it is the most commonly used breastmilk substitute for babies. According to Euromonitor (2016) milk formula is one of the largest categories within health and wellness packaged food at a global level, as well as the fastest growing category between 2010-2015. China is not just the largest but also the fastest growing formula milk market globally, leading the largest absolute growth of global milk formula sales over 2010-2015, and accounting for 43% of global milk formula sales in 2015. China will continue to lead growth in the forecast period of 2015-2020.

This industrial report also points out that premiumisation is a key trend in emerging markets like China. Especially since the melamine scandal in 2008, a milk formula contamination which killed six babies, Chinese parents have been looking for safety and confidence in a brand, and premium ranges are more trusted and performing well in China. It is thus one of the key recommendations for milk formula manufacturers to establish stronger and more premium brands on which parents can rely (Euromonitor, 2016).

Being the largest and fastest growing milk formula market, China is of strategic importance for many local and international players. However, it is also an emerging market where its market environment, social and cultural background, and consumer behaviours are different from its western counterparts. As trust is a context-specific construct (Mayer, Davis, & Schoorman, 1995), existing knowledge and understanding of western markets and consumers cannot be simply applied to this emerging market, therefore, it is necessary and worthwhile to explore consumer trust in this emerging market in context.

## **Research Questions and Research Objective**

In recent years, the performances of infant formula brands in the Chinese market have exemplified the consequences of losing consumer trust. The fact that babies under six months basically sustain on breastmilk or breastmilk substitutes makes the consumption of infant formula a sensitive and high-involvement context for the study of consumer trust in the brand. How consumer trust is built at the beginning and how it develops over time are the key questions of interests of this research.

To address the above questions, this work explores the basis and dynamic of consumer trust in brand within the context of infant formula consumption in urban China. The focus is on infant formula, an emotional and functional decision for inexperienced consumers, i.e. new parents. By exploring how new parents develop their trust in infant formula brands, we may better understand the consumer-brand relationship and how the dynamics of trust development impact this relationship in high-involvement contexts.

In an age when product-harm crises and product recalls are pervasive, consumer trust building and its development is a topic of practical significance. Furthermore, the emerging Chinese market also warrants more attention. Due to the process of globalisation, China is closely connected to and interacting with the world. The Chinese market shares some modern similarities with its western counterparts, yet still there are significant differences in many the socio-cultural background, consumer such as characteristics and consumption patterns. These similarities and differences are worth further exploring, as trust is context-specific and little work has been done in existing literature. The infant formula market in China provides a rich field for such an exploration, which is expected to yield different insights from previous research conducted in the western markets.

This is a consumer-centric research which aims to understand how consumers make sense of trust in consumer-brand relationships. The overall goal of this research is to explore the social construction of trust building and development between new parents and infant formula brands in urban China, and further explore how this trust-building process impacts their brand selection and consumption.

#### LITERATURE REVIEW AND THEORETICAL APPROACH

#### **Trust and Initial Trust**

Trust is essential in most forms of exchange (e.g., Blau, 1964; Morgan & Hunt, 1994; Zucker, 1986). The fundamentality and complexity of trust in different areas of social life has led to significantly diverse definitions and conceptualisations of trust among different disciplines. Based on a comprehensive review of trust research, Mayer et al. (1995) defined trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party."

It is widely agreed that trust involves the elements of risk and uncertainty (e.g., Blau, 1964; Lewis & Weigert, 1985; Zucker, 1986). Traditionally, trust has been studied in ongoing interactions between two parties (e.g., Blau, 1964), however, the concept of "initial trust", theorised by McKnight, Cummings, and Chervany (1998), establishes that trust may develop at the beginning of a relationship even if there is a lack of direct interpersonal interactions of the two parties. McKnight et al. (1998) suggest that personality-based, institution-based, and cognition-based trust work together to sustain a relatively high initial trust at the early stage of a relationship. Initial trust between parties, therefore, is "based on an individual's disposition to trust or on institutional cues that enable one person to trust another without first-hand knowledge", rather than "based on any kind of experience with, or first-hand knowledge of, the other party" (p. 474).

### **Consumer Trust in the Brand**

Consumer trust has also been recognised as a key factor in consumer-brand relationships (e.g., Morgan & Hunt, 1994), and is gaining interest among scholars and practitioners. In the modern commercial world, brand is the interface between consumers and companies, and therefore a symbolic representative of a company, with which trust may be developed (Lau & Lee, 1999).

Consumer trust in the brand can be understood as a consumer's willingness to rely on the brand in the face of risk because of positive expectations of that brand (Lau & Lee, 1999). Within the marketing discipline, consumer trust in the brand has also been conceptualised as "brand trust", and Delgado-Ballester, Munuera-Alemán, and

Yagüe-Guillén (2003, p. 37) argued that consumer trust can be conceptualised as "the confident expectations of the brand's reliability and intentions in situations entailing risk to the consumer".

In line with the notion that trust includes both cognitive and emotional dimensions (Lewis & Weigert, 1985; McAllister, 1995), this research views consumer trust in the brand as both cognitive and emotional-based. On the one hand, trust in a brand serves as a mental mechanism by means of which customers reduce the uncertain risks associated with product choice (Matzler, Grabner-Kräuter, & Bidmon, 2008). On the other hand, trust is also "a feeling of security held by consumer that the brand will meet his/her consumption expectations" (Delgado-Ballester & Munuera-Alemán, 2001, p. 1242), especially in the face of risk and in the situation of consumer vulnerability. The two components of consumer trust in the brand, i.e., brand reliability and brand intentions reflect the cognitive and emotional dimensions respectively.

Prior research has identified various antecedences (e.g., competence, integrity, and benevolence), and consequences (e.g., purchase intention, brand commitment and loyalty), of consumer trust in brand (e.g., Chaudhuri & Holbrook, 2001; Delgado-Ballester & Munuera-Alemán, 2001; Lau & Lee, 1999; Li, 2008), proving the positive correlation between consumer trust and brand performance. With few exceptions (e.g., Elliott & Yannopoulou, 2007; Romaniuk & Bogomolova, 2005), however, these studies have mainly been conducted in post-consumption contexts, with a restricted scope merely between the two parties in the trusting relationship, neglecting the broader social environments where these trusting relationships are rooted.

## **Social Constructionist Approach**

As argued by Khodyakov (2007), trust has been mostly studied as either an independent variable concerning the benefits of trust, or as a dependent variable concerning factors that impact trust. These approaches, however, fail to capture the dynamic nature of trust in the given social context, and neglect the influence of social-cultural factors on trust building and evolving process.

To address this aspect of trust, the present work adopts a sociological proposition of trust, viewing trust as a social construction based on both emotional and cognitive dimensions (Lewis & Weigert, 1985). This view of trust also emphasises that trust should be understood as "relations among people" rather than "psychological states taken individually" (p. 968). Furthermore, food consumption and infant

feeding are important aspects of social practices rather than merely individual behaviours. Infant feeding and infant formula consumption are also socially constructed (Afflerback, Carter, Anthony, & Grauerholz, 2013; Lee, 2007), and should be understood as "embedded" in social relations and contexts (Granovetter, 1985).

In this research, therefore, consumer trust in the brand is not only studied within the relationship between the consumer and the brand, i.e., Chinese mothers and infant formula brands, but also studied as a dynamic process within wider social-cultural contexts and relations where this trusting relationship develops.

#### RESEARCH METHOD AND DATA COLLECTION

Most of the existing research has adopted quantitative approaches, focusing on the causal explanations of consumer trust and how it is related to a wide range of other variables. How consumers actually understand and interpret the world around them regarding their trust in the brand, and how this trust develops over time remain unknown. Given the exploratory nature of this research and the complex nature of trust, semi-structured qualitative in-depth interview was employed to record consumers' lived experience with relevant brands.

To capture the temporal element of dynamic trust development process (Lyon, Möllering, & Saunders, 2012), this research adopted a longitudinal design to collect data with the same group of participants by two sets of interviews in different periods.

In the first stage of this research, a total of 28 Chinese women, recruited by snowballing, were interviewed in a face-to-face manner, during March to June, 2016, in four major cities in China, namely Beijing, Shanghai, Guangzhou, and Shenzhen. By the time of interviewing, 25 of these women were in their 7<sup>th</sup>-9<sup>th</sup> month of pregnancy of the first child, two were having the second child, and one has given birth to the first child one month prior to due date. Each interview lasted between 50-80 minutes, documenting how participants selected their preferred infant formula brands prior to childbirth, and how they made sense of trust with these brands in the process of selection and decision making.

This same group of participants will be interviewed for the second time to update their ongoing experience of trust with the chosen brands when their babies are about 7-9 months of age.

#### **EMPIRICAL FINDINGS**

With the permission of participants, all interviews of the first stage were recorded, transcribed, and translated from Chinese to English. Thematic coding and analysis were conducted using the qualitative software QSR NVivo. Main themes and findings emerging from the data collected in the first stage of research are addressed in this section.

# High Perceived Risk and High Involvement of Infant Formula Consumption

According to interviews, participants were basically the main or sole decision maker of infant formula purchasing, deciding which brand to buy and how to buy. Participants' perceived risk of infant formula consumption appeared to be relatively high to them due to infant formula contaminations in the past, and negative news coverages regarding infant formula safety at present.

All participants concerned very much about the quality and safety of infant formula they were about to purchase. As urban residents, most participants realised that they have a wide range of brands and purchasing channels for selection, and they also have a certain level of consumption power to pursue high-end infant formula brands. For example,

"I think the food that babies eat are the most important. Its quality and safety directly influences babies' health; therefore, I think as long as you have the capacity, you would like to buy the best. You are willing to spend more money to give your baby better products to eat." (RU)

"I can't make my baby a real prince, but I can buy him the same blankets as the prince's. And the bottle, which costs a few hundreds, isn't super expensive. I can provide the best within my capability, including infant formula. Compared with other factors, price is in fact the least considered." (SI)

The vulnerability of the babies and the importance of baby foods have also made infant formula a special category of high functional and emotional involvement for participants. For example, "Because we are so hurt by domestic brands that we are a bit scared. Even though I myself or people around me were not the ones who actually got hurt, I'm still (affected) by these incidents. I will be afraid in heart, since I don't want my baby or the baby of relatives to be a guinea pig in an experiment." (WJ)

"Newborns are treasured little ones and vulnerable, and you don't want incidents happen to them. The baby is just too little and you'll be so concerned and worried that he can't get over it." (CC)

"When choosing the brands, bearing in mind that it's the only food for the baby, therefore must be carefully selected and compared, which made me really annoyed." (MO)

However, compared to their Western counterparts, Chinese mothers usually have to make extra efforts to ensure the safety of infant formula. One of the common practices of participants is to ask friends or relatives living in foreign countries to buy and mail infant formula products to them from overseas. For example,

"Who bothers to do extra work? If I can get the good products at the store next to my place, why do I need to buy from overseas?" (SU)

"It's the best to have an overseas friend to send you local products in her living country." (PP)

"If I don't have any (overseas friends or relatives), I may try to find someone who has this connection." (CC)

The high perceived risk has aggravated this involvement, as perceived risk is also viewed as an antecedent of involvement (e.g., Laurent & Kapferer, 1985). Regardless of their intention to breastfeed or bottle feed, participants acknowledged that they were more cautious when buying infant formula than buying other baby products or adults foods. Selecting and buying infant formula among all available brands was often a struggle, and an exhausting task to participants, although to various extents for different individuals. As a result, more time and money are invested, more emotions are evoked, and more social actors and relations are involved in the relationship between participants and their preferred brands. These will be addressed later in relevant findings.

## The Existence of Initial Trust before Consumption

In the face of risk, there is a need for trust, as trust is the willingness of risk-taking (Mayer et al., 1995). Elliott and Yannopoulou (2007) found that in a high involvement context, consumers have to trust the symbolic brand in order to make a purchase choice. In other words, initial trust (also understood as pre-purchase and preconsumption trust in this research) is necessary for new consumers to be willing to engage in an exchange relationship with a brand, namely, to purchase and use infant formula of that brand.

Although very worried about the safety of infant formula, participants also realised that they "can't worry too much", since their need for infant formula has created an interdependence between themselves and infant formula makers. They may trust several brands and choose one or some among these trusted brands according to the price, purchasing channels and other product features.

Some are very confirmed with their trust, for example,

For the brand, I trust it very much, without any denial or doubt, none. If I do have.... Even these is a little bit (denial or doubt), I won't consider it. It's just because I don't have any (denial or doubt of it). (MG)

I think I won't even take them into consideration if I don't trust them. (WJ)

Since I have chosen this brand, I have to trust this brand. If I don't trust it, why do I buy it? Why do I feed it to my baby? Right? I certainly trust it. ... Now that I've chosen, I shall not be unassured. (CL)

Some are feeling more helpless like this:

"Yes, I would worry, but you can't worry too much. You still have to choose one among so many brands, as you can't leave it. You just have to pick one which you think is acceptable among these many brands and just go with it. This is the only way, the only way, you don't have other options. So baby formula is really very annoying an issue to me. "(BB)

"Seems there's no other way if you don't trust?"(SU)

Participants demonstrated their initial trust in infant formula brands in several ways.

- [1] Feeling safe and secure to use infant formula of their chosen brands to feed the baby in the future. For example,
  - "I feel that there won't be any problem when I use it to feed my baby. Right. Definitely no problem to feed my baby with it." (CC)
- [2] Will not blame the brand in the first place if the baby is unsettled. For example,
  - "I haven't used it yet, but I think, at least, when the baby has some issues like crying or feeling uncomfortable, I won't associate them with the infant formula in the first place. At least the infant formula won't be considered as the first factor. "(LB)
- [3] Having positive expectations of the chosen brand safe, rich in nutrition, sufficient provision for baby growth, etc., and believe that the brand may fulfill its promise to meet expectations. For example,
  - (Do you think this brand can meet your expectation?) "It should be okay, as so many people are having no problem with it, my baby should also have no problem with this one." (XR)

(Do you think this brand can meet your expectation?) "I think so. I've gathered comprehensive information to make the selection, therefore it should be no problem." (AN)

The level of initial trust of each participant varies due to individual differences. Acknowledging their trust or not, participants showed a certain level of initial trust in preferred brands which they felt confident to buy, even before gaining any actual feeding experience with these brands. In interviewing, participants agreed that they feel secure, although to different extents again, to feed their babies with the brands they have bought or were about to buy, and hold positive expectations of their chosen brands regarding their future product performance, even though they actually have no control over these brands and their performance.

This initial trust may be either confirmed or violated in future interactions with that brand. If there is any evidence of disconfirmation, consumer trust can be violated easily. And once this trust is violated, it is difficult to restore. For example,

"Because our trust is very vulnerable. Especially for local consumers like us, we are extremely frightened people, once

bitten twice shy. Once it has a problem, we don't dare (trust) again." (MIN)

"But if the infant formula has such a problem, it must be malicious, because it may cause severe consequences. ... I can't imagine any accidents that could be called an accident under such a strict standard. ...No accidents are allowed." (XM)

"I don't think I will trust again after such a serious incident, as there are just a few years for a baby to have baby formula. So I think I can't afford to take the risk." (IW)

Notably, participants' initial trust was basically found in foreign brands only. Most of the participants never considered or even paid any attention to domestic brands at all, let alone dared to feed with domestic brands. Participants are not willing to be vulnerable to domestic brands, or in other words, not willing to take the risk of feeding with domestic brands, those brands they do not trust.

## **Consumer Trust Building Based on Brands**

According to the conceptualisation of brand trust, brand reliability and brand intentions (Delgado-Ballester et al., 2003) are the two important components based on which consumer trust may develop. To place trust in a brand, consumers have to evaluate whether brand has ability and competence to fulfill its promise, and whether this brand's behaviour is guided or motivated by favorable and positive intentions towards the consumers' welfare and interest in situations entailing risk.

Participants have strong functional needs of infant formula, so all of them concerned very much about the reliability perspective of infant formula brands, which has been demonstrated by their description of a brand that they may trust. For example,

"Its production, including its nutritional content, is safe, and regulated. Including its manufacturing and processing, which shall also be trustworthy and true. Everyone can drink it and feel secure to drink it." (PP)

"How can you win my trust if you can't even reach the quality standard? This is the most fundamental." (WJ)

"The most important thing for a baby formula brand to gain my trust, is its reputation and safety." (LIN)

"It must be professional in milk powder producing, especially baby formula milk powder. The baby formula produced by this brand can provide comprehensive nutrition, be close to breastmilk, and must be comprehensive in all sorts of nutrition." (YI)

However, it is difficult for a brand by itself to claim its reliability to target consumers for trust building when consumers lack primary experiences with the brand. Brands may initiative promotion campaigns to attract consumers, but most participants claimed that they would not be affected by advertisements. On the contrary, they valued a brand of "not having incidents in the past" and viewed "not being involved in negative news" as the proof of brand reliability.

"From a consumer's perspective, the best one is the one without any negative news." (IW)

"And the brand should hold a good brand image, say, at least it's free from negative coverage for many recent years.... In the first place, I think, good quality means no negative publication/reports rather than recommended by many people." (WW)

"Then I checked whether these brands had negative reviews, that is, whether they got any incidents in the past." (XM)

Nevertheless, from the perspective of participants, they still have no direct interaction with any specific brands, therefore, "having no past incidents" can be viewed as a reflection of a brand's positive interactions with its existing and past consumers. By this criterion, it is understandable that domestic infant formula brands were not considered trustworthy for all participants, due to past infant formula contaminations in China.

Brand intention was not as frequently mentioned as brand reliability when participants were describing a trusting brand, yet it is indispensable for trusting relationships, as it represents the belief that the brand will not take advantage of the consumers when unexpected problems arise during consumption practice. For example,

"When I encounter any problem, I won't be worried that they may escape from their responsibility. I just feel very secure." (YI)

Companies in foreign countries may have more sense of responsibility. In China, I think they are not responsible at all. If they have any sense of responsibility, would there be incidents exposed from time to time? (CL)

"It should be responsible to kids and babies. It must have a sense of responsibility... Truly, because foreign countries have stronger corporate responsibility than their Chinese counterparts." (HL)

In the cases of negative encounters, brand intentions mean a lot to participants' perception of a brand. For example,

"And, in fact, for a company, it's impossible to be free from any problems forever. But once there is a problem, they will have better solutions, or they can fix the problem for you. For example, when something goes wrong, they may admit and recall those products, then you feel actually the whole process is pretty secure." (BB)

"Domestic ones, I think, may try to shirk their responsibility in the first place, once there is an incident. But foreign ones, most of them will take the responsibility and make efforts to compensate and make up their mistakes." (WJ)

Brand reliability and brand intention are undoubtedly fundamental in building consumer trust in the brand. However, since infant formula consumption is of high perceived risk and high involvement, the mere interaction between participants and infant formula brands is not strong enough for them to be willing to engage in the exchange. Therefore, it is natural for participants to seek external assistance to evaluate the trustworthiness of potential brands. The following two findings illustrate how participants draw on wider information sources and social relations to their initial trust-building.

# Word-of-Mouth, Interpersonal Relationships, and Consumer Trust Building

As first-time pregnant women, most participants had no actual bottle feeding with any infant formula brands, therefore, they had no direct experience with any brand when they bought their first infant formula product before giving birth. It is common practice for participants to consult other more experienced mothers for suggestions when choosing infant formula brands.

The process of one consulting another is actually a process of WOM communication, the verbal communication related to a certain brand, product, or service among individuals (Arndt, 1967). WOM has been viewed as an antecedent of consumer trust in some studies (e.g., Awad & Ragowsky, 2008), as well as a consequence of consumer trust in other studies (e.g., Ranaweera & Prabhu, 2003). Nevertheless, WOM relies on social interactions between individuals.

Almost all participants have been affected by WOM, to various level. Some of them solely relied on WOM, for example,

"I completely follow other people's voices. It's all about how others speak of it. I would just ask them, have you had a baby? Which brand are you feeding baby? How's it? And people would tell you this and that of it. Then you may think, well, this brand sounds good." (HL)

"It's mainly the influence of my colleagues, as I didn't do other investigation, not even checking anything." (SU)

"Just bought what they have recommended. ... It seems that I've done nothing except for word of mouth from my friends. ...I would just follow others, those experienced mothers. ...Anyway, I will only buy what they have already tried and use. Since they have used it, I think it should be no problem." (ZH)

More commonly, the majority of participants utilised WOM as one of the most important information sources and quality cues of a certain brand. For example,

"Then secondly, some friends of mine - not necessarily 100% or the majority of them - have recommended it to me. ... But I seldom ask people who I don't know well. I may ask my workmates, as many of them have just become new mothers in the last one or two years." (WW)

"I didn't do much selection actually. Basically I referred to the internet and other friends to learn about what other babies are given." (XM)

"Then I started to listen to my colleagues' advice. And it's much more convenient. It could be really tiring if I did the comparison for each one. ... At the end I collected the advice from my colleagues and just did a comparison among these several brands, which was more targeted." (MO) And a few of them did not take WOM as the most important assistance when choosing infant formula brands. For example,

"I think it would be my own knowledge learned on the internet. It may be one of my own habits, probably due to my science background, and some experience with the gaming industry, I like to do analysis with comparison. ...So I'm relatively confident in my own ability to make good choices... in this regard, as long as I and my husband are agreed with each other, our opinion weights 80% and others' opinion weights 20%. That is, our own views will weight heavier. Other people's opinions don't affect us too much." (XY)

They gave me lots of instructions, but I didn't pay much attention. I just had a look at it, and didn't notice much about where they bought baby formula. So I picked one randomly, Nutrilon, that's it. I can't recall what was the brand that they bought among those brands. Well, it doesn't matter, just get Nutrilon and it would be fine. (ZZ)

Interestingly, only one of these participants has consulted professionals like doctors regarding choosing infant formula. According to national breastfeeding promotion initiatives, it is true that doctors shall encourage breastfeeding and they are not allowed to recommend any specific infant formula brands to mothers, yet it seems that participants were more used to seek for suggestions from acquaintances at the first place.

WOM communication is the way how trust can be transferred from one consumer to a brand through trusting interpersonal relationships. As summarised by Doney, Cannon, and Mullen (1998), one of the most important trust building processes is transference process, referring to trust transferred from trustworthy sources (acquaintances or institutions) to brands with which the consumers have no first-hand experience. According to the transference process of trust building, participants may trust a person of their own interpersonal relationships, and then transfer their trust to brands recommended by this trusted person. For example,

"I referred to several friends around me, with whom I'm quite familiar. They shared with me very detailed experience, so that I didn't have to bother too much. Yup. They recommended, and I decided to give it a go. ... I have a sense of trust in them (friends) as we have a close relationship. (IW)

"About the selection of brands, I mainly refer to the brands that my colleagues are using, via word of mouth. ... Again, it's by word of mouth. I may not believe the example of only one baby, neither may I believe the examples of two babies, yet basically there are about 10 colleagues feeding with these two brands." (LIN)

In this case, experienced mothers served as actual examples to demonstrate the reliability of a brand. Experienced acquaintances, known and familiar to participants, are trusted sources of WOM regarding infant formula brands, as participants believed that these acquaintances are more knowledgeable about infant formula brands, and would not take advantage of the participants. But WOM of strangers on the open online forums and shopping sites would be viewed as suspicious, as participants have no proof of the strangers' motivations and credibility of their recommendations. For example,

"On the internet, some may be advertising messages and you can't tell whether they are true of false. If I ask people who I don't know, perhaps they could be purchasing agents of that brand, or a representative of that brand, so when they give you suggestions, it may be a kind of advertising or promoting. So I think I'd better ask relatives and friends whom I know, which make me feel more secure." (YI)

"For information on the internet, on the one hand, there are more personal comments, which are hard to distinguish; on the other hand, it's possible that many positive comments on a specific brand were made by the "internet water army" to promote that brand." (IW)

Based on interpersonal relationships, the third party's accumulated interactions and information about the brands are able to function as evidence of a brand's reliability for inexperienced consumers to build trust in that brand via WOM.

The content of WOM mainly concerns the nutritional elements of the product, flavours, tastes, physical attributes of the milk powder, and whether it is easy to accept by the baby, etc. Therefore, it strongly links to the reliability aspect of an infant formula brand.

# Country-of-Origin, Social Institutions, and Consumer Trust Building

Prior research suggests that country-of-origin (COO), as an important extrinsic cue for inferring product quality, is a remedy for risk reduction (Cordell, 1992). Different from the specific functional attribute of a product, COO is usually related to a consumer's general

perception about the quality of products made in a particular country and the nature of people from that country. As modern food systems are more and more globalised and complicated nowadays, it is common that a brand of one country may include raw materials from another country, have its products manufactured in a third country, and have its products sold in the fourth country. It is the same case with infant formula brands. Here we include all these variations of COO into the overall COO of a brand.

COO of an infant formula brand, including the place of production, was frequently mentioned by participants when reasoning why they trusted a certain infant formula brand. Participants' perception of the country-of-origin of different infant formula brands mainly influences initial trust-building in four ways.

[1] Participants' perceptions of a foreign country's structural systems (regulations, standards, laws, policies, authorities, institutions, etc.) contribute to participants' perceived reliability of brands of that country, and participants believe that these systems will prevent brands and companies of that country from taking advantages of consumers to make profits. For example:

"I think either Japan or Korea, in Asia, Japan and Korea relatively have better protection of baby products, so I kind of trust them. ...and I learned that Japan as a country has a good regulation over its food products....And NZ has very strict requirements of baby formula. It has been doing well in protecting its babies and women. So I trust the policy of this country, and another one, I trust that the policy will regulate companies. ... Therefore, truly trusting this company may be mainly because of the trust in the policy of this country, as it indeed pays attention to protecting its babies. Foreign countries care for women and babies relatively well." (MG)

[2] Participants' perceptions of a country's level of economic development and technological improvements contribute to participants' perceived reliability (e.g., advanced in product technology and innovation) of brands of that country. For example:

"Foreign countries have more advanced technology." (XR)

"For those well-developed countries, they might have endured and gone through this stage and therefore, their management and regulation system would be more sound than ours." (MO) [3] Participants' perceptions of a country's social-cultural norms and values contribute to participants' perceived reliability (e.g., care about details) and intention (e.g., being more responsible and conscientious) of brands of that country. For example:

"I think Japanese are very rigorous, and they do things in detail, very rigorous and up to the standard. ...I have to admit that their products are better than Chinese products. ...You say Japanese baby formula is not good? Don't you see their own Japanese babies are feeding with Japanese baby formula?" (HL)

"Personally I believe that Japan and Germany people both have a very rigorous spirit and they strictly follow the standards. ... Then you got to learn about the rigor of Germans in their life, work, and other aspects. German handicraft and other things are well recognized over the world. And for Japanese, their rigor in the attitudes towards work is indeed worthy of my admiration." (ZZ)

[4] Perceptions of a country's natural environment contribute to participants' perceived reliability of brands of that country. For example:

"I feel that they have better pastures and environments, consequently better milk." (ZH)

"I also think Australian infant formula shall be good, because the environment is pretty good there. And NZ milk seems pretty authentic as well." (RU)

The above perceptions of the COO of infant formula brands can also be grouped into two categories according to their influences in trust building. The first category is perceptions of specific social institutional factors, like regulation systems, food safety standards, environment protections, etc. This group of perceptions helps participants to confirm the reliability of brands; the second category is perceptions of invisible social-cultural factors, like cultural traditions, national characters, values, etc. The second group of perceptions helps participants to confirm the intentions of brands.

As mentioned before, trust can be transferred from trustworthy sources to brands, and WOM is the mechanism by which trust can be transferred in interpersonal relationships. Similarly, participants' trust in a certain brand can be transferred from their trust in the country where this brand is from. And the influences of COO on consumer trust building is mainly based on participants' trust in the social institutions of a country.

Institutional trust, also recognised as social trust or system trust, means that one believes the necessary impersonal structures are in place to enable one to act in anticipation of a successful future endeavour (McKnight et al., 1998; Zucker, 1986). These structures include regulations, guarantees, certifications, and legal recourse, etc., in given social contexts. For participants, regulations of authorities play a crucial role as an ultimate guarantee of brand reliability. For example,

"Companies are profit-driven, so they are keen to gain more profit as long as there is still profit available. If the regulation and control is weak in foreign countries, they may end up with the same circumstances." (LB)

And this explains why many participants pursue infant formula from overseas. As their trust in a brand is heavily based on their trust in the country where this brand is from and where its products are manufactured, while a country which they don't trust is involved, they may develop distrust towards that product or that brand. For example,

"As long as China is involved, or if it's a Sino-foreign joint venture, I feel there are some compromises. Perhaps this is my prejudice on our own Chinese people. ... If they are involved, they may focus more on the profit rather than the value of the product. But foreigners are simpler and focus more on building up the brand rather than only pursuing profit. So if I'm to buy something among the joint-venture product and the solely foreign-own product, I definitely will have the authentic one, which is not likely to have any unapproved items inside." (WJ)

"I know some brands are using imported milk powder and repackaged in China, which means these products have gone through reprocessing and repacking. I just think that as long as China is involved in any part of the process, there will be a danger." (AN)

"I think they are completely different things sold in China and in foreign countries.... So after entering into China, no matter what the brands are, they may lower the requirement of themselves to meet the great demand and needs of the Chinese. Because the amount is so great that they have to lower the cost and quality to feed this amount." (SY)

Notably, COO of a brand plays a significant role in building consumer trust, influencing participants' perceptions of brand reliability and

brand intentions simultaneously. However, participants' perceptions regarding a brand and its COO are not necessarily correct, and participants may build trust and make decisions based on wrong connections of a brand and its COO. Another fact is that, participants do not necessarily have to live in a country to form their perceptions of a country. Nevertheless, the mechanism of how COO works on consumer trust building will not impacted by these wrong connections or subjectively biased perceptions.

## **Other Social Actors and Consumer Trust Building**

Apart from personal experiences and knowledge, WOM communication with acquaintances, and evaluations of COO of the brand, participants also sought for extra information via broader social groups and sources, including reviews from online shopping sites, media news (especially negative reviews), and social groups like online mothers' groups and parenting forums. For examples,

"I added many mothers' groups in which there are mothers of the same stage of pregnancy or in the same city with me. Then mothers in the group will discuss topics like "what infant formula do you buy for your baby" or "what diapers do you buy for your baby". ... I believe it (information from these groups) pretty much. I'm very young in this group, because I haven't delivered the baby while most of them have already given birth. So I'll keep their words in mind. I won't take it as my only consideration, but I will listen and take them into account as references." (SI)

"I do (search on the internet). But I wouldn't arbitrarily say it's negatively reported when I got any single negative result from the search engine. I won't. At least formal news websites, like Tencent, Sina, Sohu, or IFENG (all of these are websites of popular news media in China}, never expose any negative reports of this infant formula regarding its product quality." (WW)

"Either the official sites of those brands or sites like GOU.com to see the sales of different brands. I would pay attention to those brands that are popular among many mothers." (XR)

"Search by the key words, using Baidu searching engine, then you get the reviews on it from major online forums." (LB)

These actors and information sources are not as important as acquiesces and COO perceptions, because some of the information is

provided by strangers or unfamiliar actors. Participants have to distinguish which is credible and which is not. But still it's common practices for participants to join some mothers' groups, and search for information on the internet, e.g., searching for consumer reviews on brands of interests, searching for news reports regarding brands of interests, and other general information regarding how to choose infant formula brands, etc. This kind of information creates a general profile of the brand of interests, and matches up this brand profile with personal knowledge, WOM from acquaintances, and perceptions of the COO of a brand for participants to further evaluate the trustworthiness of a brand.

#### **CONCLUSION AND DISCUSSION**

## **Actors Involved in Consumer Trust Building in the Brand**

In exchange relationships, trust functions as a lubricant (Gambetta, 1988), as well as a social complexity-reducing mechanism (Luhmann, 1979). Infant formula is a product that most consumers don't have professional knowledge of. Meanwhile, the complexity of infant formula manufacturing process, from the farm to the table, makes it uncontrollable or non-transparent to consumers, which may bring in even more uncertainty to consumers. In this regard, the process of trust building can also be understood as the process of decreasing uncertainty via accessible resources. Based on the empirical findings addressed above, it is clear that in addition to the interaction between the consumer and the brand, external social actors are also involved in the process of uncertainty reduction and consumer trust building.



Figure 1: An Integrated Model of Consumer-Brand Trusting Relationships

As shown in Figure 1, consumer trust in the brand is essentially the trusting relationship between two essential parties, i.e., the consumer and the brand. The party of consumer refers to individuals who may have different dispositions to trust, different levels of perceived risk regarding a given consumption context, and different levels of involvement in that consumption practice. The party of the brand refers to the brand names which represents its products and

associated companies. The brand may demonstrate its trustworthiness through its history, product features and performance, and marketing communications like advertisements and promotions.

Direct interactions between these two trusting parties are weak at the early stage. The consumer may have some personal experience and knowledge about the brand; and the brand may communicate with its consumers via marketing activities. Nevertheless, consumers' dispositions to trust, which are their consistent tendencies to rely on others across various situations developed over the course of lives (Erikson, 1968), still enabled them to develop trust in some infant formula brands, by involving with extrinsic social relations and Through WOM communication interpersonal institutions. in relationships, trust can be transferred from trusted acquaintances to a brand; Through institutional trust in the COO of a brand, consumer trust can be underpinned by the country image perceived by the consumer.

#### The Social Construction of Consumer Trust in the Brand

Brands, WOM, and COO effect have been separately studied in previous consumer-brand relationships literature, either as antecedents or consequences of consumer trust in the brand. However, little work has incorporated these constructs and examined them simultaneously from a social constructionist perspective. Based on empirical findings, we argue that trust as a social construct not only refers to the relationship between the trusting party and the trusted party, but also to broader social interactions and relations, especially in the initial building of trust, such as inexperienced mothers choosing infant formula brands, as in this case.

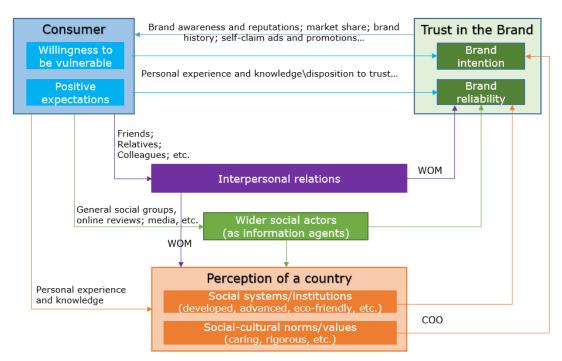


Figure 2: Interrelationships in Building Consumer Trust in the Brand

Figure 2 details how consumers, brands, interpersonal relationships, and social institutions are interacting with each other to develop trust in the brand. The interrelationships between these actors and social relations may become more significant when in the case of high perceived risk and high involvement, or when direct interactions between the consumer and the brand is not sufficient for trust building, as in the context of the current study.

From a sociological point of view (Lewis & Weigert, 1985), interpersonal trust based on interpersonal relationships and institutional trust based on impersonal social structures are the two basic forms of trust in our daily life. Institutional trust as one's belief about the social situations and structures (McKnight & Chervany, 2001), underpins all other trusting relationships in the given social context. As for trust in a specific object, either another person or a brand, it eventually comes down to interpersonal trust. A brand is owned by a company, and a company is owned and run by human beings.

In this terms, interpersonal relationships and social institutions are actually functioning in consumer trust building all the time, in either an overt or covert way. And whether functioning in either overt or covert way, in either strong or weak manner, mainly depends on the nature of each actor and the specific social context.

# "The Benefit of Doubt", "Presumption of Guilt", and "The Leap of Faith"

Empirical findings indicate a strong contrast between Chinese consumers' trust in foreign brands and distrust in domestic brands in infant formula category. Applying Lewis and Weigert's idea that "to trust is to live as if certain rationally possible futures will not occur" (1985, p. 969), we may assume that when a consumer trusts a brand, he trusts it as if unexpected problems will not occur in the future consumption; when a consumer distrusts a brand, he distrusts it as if unexpected problems will occur in the future consumption. The trusting "as if" indicates a "benefit of doubt", while the distrusting "as if" indicates the "presumption of guilt" of a brand's future performance perceived by the consumer, regardless of the brand's real reliability and brand intention.

From a process approach, Möllering (2001, 2013) suggests that trust in the face of vulnerability and uncertainty is a process of "leap of faith", which is not only a mental process of the trusting party, but also a social process involving the interaction of trustor and trustee with each other and with their social context. The "leap of faith" is a way to bracket out uncertainty and ignorance (Möllering, 2001). When the "leap of faith" take place, the nature of "as if" may determine whether the leap succeeds or fails. That is, when a consumer holds a "benefit of doubt" towards a brand, the "leap of faith" may succeed, and trust will be established. Contrarily, if the consumer holds a "presumption of guilt" towards a brand, the "leap of faith" may fail, and trust will not be established.

The social construction of consumers' initial trust in the brand is indeed a process of enabling the "leap of faith". The interactions between all involved actors in Figure 1 ultimately lead how consumers make sense of the direction of "as if". If the benefit of doubt outworks the presumption of guilt, and consumers take a trusting "as if", then the "leap of faith" will successfully take place, and consumer trust will be the outcome of this successful "leap of faith".

#### CONTRIBUTIONS AND APPLICATIONS

## **Theoretical Contributions**

Theoretically, this empirical work explores the process of trust building when direct experience and interaction is not readily available between the consumer and the brand, highlighting the interrelationships between consumers, brands, WOM communication between interpersonal relationships, CO0 effect based institutional trust, and wider social relations and actors. Findings contribute to consumer-brand theory by expanding knowledge of how is socially constructed, bν incorporating consumer trust interpersonal-based and institutional-based trust building, in a high functionally and emotionally involved context.

The application of longitudinal research design and interpretivist qualitative research method make it possible to document consumers' real experience with brands over time, thereby providing novel methodological insights to the study of consumer trust.

## **Managerial Applications**

Findings of this research may also benefit consumer-brand relationship management practices through further understanding of how interpersonal relationships and social institutions may impact the social construction of consumer trust in the brand.

#### Consistent Brand Performance

No matter how strong the influence of WOM recommendation and COO effect on a brand may be, the exchange takes place between the consumer and the brand, and a excellent product performance which meets the consumer's expectation is the foundation of creating and maintaining trust. When brand performance becomes inconsistent or unstable, the reliability of the brand cannot be predicted, consumer expectation may be disconfirmed, and consumer trust may consequently be violated. When the market competition is severe, trust is hard to rebuild once it is violated, as consumers have many other brand choices, especially for high perceived risk and high-involvement categories. Therefore, keep a consistent brand performance which meets consumers' expectation is the foundation of gaining consumer trust all the time.

## Positive WOM communication

In a society like China where consumers' trust in social institutions is weak, interpersonal trust plays a more significant role in exchange relationships. Due to the low level of trust in social institutions, consumers tend to protect their own welfare and interests by relying on trusted acquaintances. In the case of building initial consumer trust, the direction of WOM communication is usually from experienced consumers to inexperienced new consumers based on existing interpersonal relationships. It is worth considering for a

brand to motivate positive WOM communications given that brand is indeed trustworthy.

## COO Effect and Authenticity

In a time of globalisation, it is common that a brand of one country may use raw materials from several different countries, and have its products manufactured and assembled in some other countries, then sold in different markets. The significant influence of COO of a brand in building consumer trust is based on institutional trust of that country. In other words, it is an national endorsement of related countries to that brand and its products. Therefore, every country involved in the supply chain of a product may affect consumers' trust due to consumers' different levels of trust in different social systems. International brands shall pay attention to the negative influences of a social system with a low level of institutional trust in each stage of its production and distribution to maintain its authenticity, especially when the level of institutional trust of a particular country is closely related to its overall brand reliability and brand intentions for target consumers.

#### LIMITATIONS AND FUTURE RESEARCH

This work is based on interviews with a limited number of convenient samples, and only one category of product was studied. Therefore, the generalisability of the findings may be compromised. Potential biases may also be found due to the researchers' preassumptions and subjectivities as normally acknowledged in other interpretivst research. Additionally, the different languages using in the raw data collection, data analysis and presentation of final findings may inevitably result in a certain loss of original meaning in the translation between languages.

A follow-up interview will be undertaken with the same group of participants by the time when their babies are about 7-8 months old, in order to explore how new mothers' trust in their chosen infant formula brand may develop, and how consumers' trust in infant formula brands impacts their brand selection and consumption over time.

Further research on broader product categories and social contexts is also warranted as there is a lack of socially constructed understanding of trust building in the existing consumer-brand relationship literature.

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