Authenticity in B2B Relationships: Do Channel Members Really Care?

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Abstract

According to a significant amount of research, consumers take the notion of authenticity very seriously in their consumption decisions of such things as products, services, relationships and service encounters. On the other hand, business to business (B2B) transactions are thought to be more formal, following set processes, and more rational. However, as people are at the core of B2B transactions, one would expect to see some impact of authenticity on those transactions as well. As authenticity is almost completely absent from the B2B literature, using an interpretive thematic analysis this paper analyzed the relationships between distributors and their suppliers, and found that authenticity was a factor in those relationships. Furthermore, it was found that consistency, promises, a balanced presentation and spontaneity were important cues used by distributors in evaluating the authenticity of their suppliers. From this research it is clear that the authenticity theories are applicable and should be included in further B2B research.

Keywords: authenticity, channels, distributors, buyer-seller relationships
Introduction

Fake. Contrived. Disingenuous. Phony. Inauthentic. Do your customers use any of those words to describe what you sell or how you sell it? That is exactly how more and more consumers view what companies offer them. (Pine and Gilmore, 2007, p. 1)

Authenticity has received a lot of attention over the past several years. Just look at the Time Magazine article (March 24, 2008) “10 ideas that are changing the world” – you will find “Synthetic Authenticity” at number seven; top management writers Pine and Gilmour (2007) published a book titled Authenticity: What Consumers Really Want. It is apparent that authenticity has become a common concept across many different domains – including marketing.

Thus far the concept of authenticity in marketing is set quite firmly in the consumer realm. Consumers want to be sure that they are not spending their money on a sham, fake or forgery (e.g., Beverland, 2006; Brown, Sherry & Kozinets, 2003). Pine and Gilmore (2007, p. 4) say “practically all consumers desire authenticity.” These same consumers also work in channel companies, so it is reasonable to assume that the same is true as they deal with other businesses. However, there is scarce (if any) mention of authenticity within the channels and B2B literature. This paper endeavors to address this gap, and determine if authenticity is important in a B2B context, and if so, what cues are used by channel members in making authenticity evaluations.

Therefore, the main research questions of this paper are: (i) are companies subject to authenticity evaluations by distributors? and (ii) what factors or cues are used by distributors to assess the companies’ authenticity? As the concept of authenticity is rare in the B2B literature, this study is exploratory in nature, and seeks to understand if and how authenticity figures into this context. Thus a thematic analysis of a trade magazine, VARBusiness, was undertaken.

This paper is divided into the following main sections: first is a literature review of authenticity, the second makes the conceptual link between authenticity and companies. The third section outlines the method, followed by key findings. The fifth section provides a discussion of the findings followed by managerial implications and the conclusion.

Authenticity

At its core authenticity relates to notions of truthfulness, facts, honesty, genuineness, trustworthiness and actuality (Beverland, 2006). According to the Oxford English Dictionary (2001), authenticity is “something that is authentic; as being in accordance with fact, as being true in substance; as being what it professes in origin or authorship, as being genuine.”

Philosophically authenticity seems to be a concern for all people in their self-identity projects. Furthermore, in people generally apply authenticity judgments to objects, experiences and people around them. From the political, communications and tourism literatures we know that authenticity is a construct that people use as a global evaluation of other people, experiences and objects (e.g., Cohen, 1988; Donsbach & Jondura, 2003; MacCannell, 1973; Tolsen, 2001).

Within the marketing literature there are two main applications of authenticity. One is within a consumption context where consumers purchase and use items or engage in activities to
authentically display their identities. This view of authenticity is primarily internally focused (e.g., Arnould & Price, 2000; Schouten & McAlexander, 1995), dealing with how people feel about themselves, and how they attempt to reveal their true selves, especially to others.

The second use of authenticity is to make an evaluation of market offerings (Grayson & Martinec, 2004). Consumers are interested in the authenticity of certain products and services that they consume, such as premium wines (e.g. Beverland, 2006), retro cars and movies (e.g. Brown, Sherry & Kozinets, 2003), white water rafting (e.g. Arnould, Price & Tierny, 1998) and mountain man and MG car competitions (e.g. Belk & Costa, 1998; Leigh, Peters & Shelton, 2006). Authenticity evaluations can impact consumers’ satisfaction, loyalty, word-of-mouth behaviours – in both positive and negative directions.

This same discussion of authenticity has been largely absent from the marketing channels literature. There is some coverage of a concept that has similarities to authenticity – the problem of adverse selection (e.g. Akerlof, 1970), where one party has information about its products and services that the other party does not have. This has an impact on contracting between the partners, as there is no certainty about the true nature of the product or service. Thus, choice of partner, pricing and market size can be affected by this issue. As the concept of adverse selection concern appears in the channels literature (e.g. Cakanyildirim et al., 2010; Savaskan et al., 2004), and given its overlap with the notion of authenticity, it seems likely that channel members would have similar concerns as end consumers about authenticity. That is, they do not want to deal with fakes and phonies – they will react negatively to inauthenticity, and positively to authenticity. But how would this play out in a B2B setting?

We know that in a B2B setting there is more emphasis (versus the consumer context) on the corporate brand and the company behind it than on individual product brands (e.g. Kuhn, Alpert & Pope 2008). Thus in the B2B context, authenticity may function in relation to the entire company, rather than to a specific product or product brand. Companies actively engage in impression management practices (e.g. Elsbach, 1994), and it is expected that a company will attempt to manage their corporate brand to present an overall positive face to its stakeholders. The use of impression management implies that there is an actual or real version of the company that may be different from what is presented. This brings to mind the notion of authenticity; where authenticity is the comparison of what something appears to be, and what something purposefully claims about itself. It seems that this gap in a company’s claims about itself and its reality is relevant to the people’s perception and evaluation of companies. Therefore one would expect to see authenticity evaluations occurring within a channel, or B2B context. Thus this study first looks to see if there is evidence of this happening.

The second concern of this study is to uncover the cues used as in authenticity evaluations. Several cues are recognized from existing authenticity literature. We know that a balanced presentation, versus a self-enhancing or self-deprecating presentation, is considered more authentic; and honesty and self-knowledge are also indicators of authenticity (Robinson, Johnson & Shields, 1995). We also know that spontaneity or naturally occurring events and objects are perceived to be more authentic than prepared or staged events and objects (e.g. Cohen, 1988; MacCannell, 1973; Tolson, 2001). It has been shown that authenticity can be either indexical (objective) or iconic (subjective) or even a combination of both of these (e.g. Cohen, 1988; Grayson & Martinec, 2004). Finally, Beverland (2006) identified heritage, consistency, quality commitments, and downplaying of commercial motives as cues to authenticity. These characteristics, combined with overall notions of being real, trustworthy,
reliable, genuine and sincere (e.g. OED, 2001) provide a strong filter with which to analyze the data.

Method – Thematic Analysis

Thematic analysis is used to interpret the data for this study. Braun and Clarke (2006, p. 79) say that “thematic analysis is a method for identifying, analyzing and reporting patterns (themes) within data.” As a method in its own right, thematic analysis is infrequently recognized. It is, however, used as a process within many forms of qualitative analysis, and can be considered a good foundation for other qualitative methods (e.g. Boyatzis, 1998; Braun & Clarke, 2006; Roulston, 2001). Generally speaking, the analysis involves a search across all of the data, looking therein for patterns of meaning (e.g. Boyatzis, 1998; Braun & Clarke, 2006). To begin with, there are two broad approaches to doing thematic analysis, a more inductive approach and a theoretical approach. The inductive approach is closely aligned with a grounded theory approach (Glaser, 1992) where theories emerge from the data. The theoretical approach is more deductive, and requires a closer and deeper involvement in the related literature prior to analysis.

Braun and Clarke (2006, p. 86–87) outline six steps for completing a thematic analysis. These steps guide a researcher through the process of looking for “patterns of meaning” through to reporting on the meaning of themes in a paper. These steps are presented in Table 1 and are followed through this study.

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description of the process</th>
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<tr>
<td>1. Familiarizing yourself with your data:</td>
<td>Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.</td>
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<tr>
<td>2. Generating initial codes:</td>
<td>Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code.</td>
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<tr>
<td>3. Searching for themes:</td>
<td>Collating codes into potential themes, gathering all data relevant to each potential theme.</td>
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<tr>
<td>4. Reviewing themes:</td>
<td>Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic ‘map’ of the analysis.</td>
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<tr>
<td>5. Defining and naming themes:</td>
<td>Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme.</td>
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<tr>
<td>6. Producing the report:</td>
<td>The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis.</td>
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Table 1: Thematic Analysis Steps

This study utilizes a theoretical approach. The existing literature provides fairly deep coverage of authenticity but not within a B2B context. The analysis in this paper looks to see if similar findings are evident in the B2B context.

The Data Set – VARBusiness Magazine

VARBusiness is “A management-related publication featuring trends and profiles of people in the VAR [value added reseller] market” (online publisher description). It is a regularly
published trade magazine with a total readership (with pass-along) of 450,000. It is designed to highlight the issues, concerns, trends and news within the Information Technology industry channel (primarily in North America). It includes interviews with company personnel such as distributor, supplier and customer senior management. It also provides commentary by industry and subject matter experts, on companies, the industry and people within the industry. It provides multiple perspectives from within the channel and external to the entire channel in a way that there can be corroboration of evidence. Additionally, as compared with interviews, there is no chance of “leading questions”; thus where evidence related to the research questions of interest is found, it could be considered as strong support for the importance of authenticity.

Of the over 12 years of issues of VARBusiness available online, one year was chosen for this paper’s analysis. The author read through all articles in detail allowing the author to become very familiar with the content of the magazine. Once one year’s worth of issues was read in its entirety, other years’ articles were scanned in less detail – looking specifically for articles that dealt with issues and concerns of distributors and their suppliers. This fits with a theory-driven approach to thematic analysis where “you are coding to identify particular (and possibly limited) features of the data set” (Braun & Clarke, 2006, p. 89). The types of articles in VARBusiness are quite technical in nature, and use a significant amount of technical jargon. The tech industry, and the technology used therein changes very rapidly; as the technology changes, so does the jargon. At times, the authors of articles, and industry people being interviewed or quoted use this technical jargon, assuming that the reader is familiar with its meaning. Without this familiarity, it would be difficult to adequately read and understand the full meaning of the articles. Thus in order to complete a thorough and well understood reading and analysis of the data set, the author chose a timeframe in which he worked in the industry, and thus has knowledge and experience to understand the technical terms and issues that are discussed in many of the articles. This facilitated a more in-depth analysis and interpretation of the data. The year chosen for this complete reading was 2001.

There is undoubtedly additional supporting information to be found in articles other than from the year 2001. However, as is common in other qualitative research, when repetition of themes is encountered, it is acceptable to stop gathering and analyzing data (Glaser & Strauss, 1967). This repetition occurred within the data from 2001. However, in order to supplement this information, articles from other years were also analyzed. These served to confirm that similar themes were evident across time, and that there was nothing particularly unique about 2001. In total, more than 1000 articles from the trade journal were read and analyzed.

Findings

Authenticity
The first phase of the analysis was to look for evidence that distributors make authenticity evaluations of their suppliers. As a preliminary step in this phase, the terms “authentic” and “authenticity” were put into an electronic search of the entire archive of VARBusiness. In that entire database of over 300 issues, in thousands of articles there were only 19 incidents of these terms. Only two of these were relevant to the current research. One was the COO of a supplier that made a passing reference to one characteristic of his own company being authentic; the other was a distributor saying that he wanted authentic relationships with his suppliers. The other incidents related to issues such as security, accessing web sites and software copies and piracy.
Clearly “authenticity” is not a term that commonly springs to mind in the people who contribute to *VARBusiness*. However, there are many other words, terms and concepts that can indicate that authenticity is a concern. Therefore, analysis of data in order to explore the issue of authenticity needed to be carried out by looking for themes that related to authenticity; themes that indicate that distributors are evaluating suppliers to find out what they are *really* like.

One such theme is that of a corporate façade. A façade is generally the front of a building, but it can be an artificial, superficial front that hides what the building is actually like. In the data, there were many instances where distributors wanted to know what the real corporate supplier was like. One quote in particular gives an indication of a façade: “you also really have to understand and trust the organization *behind* the company you're getting into” (April 16, 2001: 40). That is, a supplier makes claims about itself, but it is necessary for its distributor to get behind that front to feel confident in doing business with the supplier. In another example, one application services provider (ASP) was described as follows:

“At the end of the day, Pandesic was simply overhyped,” Laube concludes. “You had two businesses [two companies had merged to form Pandesic] who knew nothing about running a service business-and it showed.”

In Pandesic's case, it expected world-class customers to beat a path to its door before it verified its business model or its technology. (Jan 8, 2001: 46)

In other words, Pandesic was projecting capabilities beyond what it actually had. The reality did not match the façade. When distributors realized this, it was not long before Pandesic failed. Distributors look for signs of a gap between the corporate claims for itself, and what the reality is. In speaking about some suppliers, another VAR said:

The main problem … is mismatch: mismatched skills, investor expectations, management capabilities and, most critically, mismatched delivery models. They tout the new economy, but operate under old-economy models. (Jan 8, 2001: 71)

Here again there is a disparity between what suppliers project, and how they actually operate. The disparity – i.e., “mismatch” – represents authenticity, or when the disparity is large, inauthenticity. The editors of *VARBusiness* also recognize the importance of not being fake. In discussing effective supplier advertising strategies, one editor said:

Solutions-oriented companies trying to glean insights from the massive investments made by others into Super Bowl spending should keep the following in mind: After singing puppets, fighting brides and attacking wolves, audiences have soured on broken promises, unmet expectations and phony platitudes. (Feb 5, 2001: 65)

One can almost hear the derision in the editor’s voice as he attacks inauthentic advertisements, and he clearly alludes to distributors’ – i.e. the “audiences” – dissatisfaction with such approaches. It is not just dissatisfaction though; the dissatisfaction has led to defections by distributors.

Vendors are calling for lunch dates, sending reps to hunker down for business-development meetings and trying to renew old acquaintances. For solution-provider executives living in warmer climates, the calls are going out for golf dates. "I won't turn them down," one veteran solution provider says, but "Where have they been?" Solution providers, sceptical about vendor claims to begin with, have grown downright suspicious.
They've moved business from vendors that stopped paying attention to them and instead rewarded those that understand partnerships. (Feb 19, 2001: 18)

From past experience, and history with these suppliers, the distributors know that the lunch and golf dates are mostly illusions of care and concern by their suppliers. They are not symbols of true care, and the distributors end up thinking less of the suppliers that use these tactics, and moving business away from these suppliers. Also, when there are illusions of care and concern, the distributor may begin to think of the motivations behind such actions. The motivations are not interpreted as in the best interests of the distributors, rather in the interests of the supplier – and the distributor’s interests are secondary or peripheral.

There are also positive authenticity evaluations – not just negative evaluations for inauthentic situations, as the above quotes may have implied.

What made Fiorina's [then CEO of Hewlett Packard (HP)] remarks helpful in the short term, according to analysts, was her candor in admitting a problem existed in the first place.

“In any relationship, the most important issue is credibility,” says Jonathan Eunice, an analyst at Nashua, N.H.-based Illuminata. “When a company like HP comes forward and says what it had to say, there’s a propensity to give it a chance to come back and fix the problem.”

HP did not claim to be perfect, nor did it claim to be completely ‘bad’, rather it presented a balanced picture of itself. This has been shown in other literature to be interpreted as authentic, and is a positive attribute (e.g., Robinson, Johnson and Shields 1995). One could also see Fiorina’s remarks as showing honesty and integrity. As a result of the above situation with HP, there was a very positive response and reaction from HP’s distributors. Suppliers must walk a fine line with how they promote themselves. The tendency is to only talk about the positive things. But in the communications literature this focus only on self-enhancement is generally considered inauthentic. It appears the same holds true in the channels context.

**Authenticity Cues**
Although the word ‘authenticity’ is not used by distributors in the above quotes, it is clear that authenticity evaluations are taking place. In addition to this finding that authenticity evaluations take place in the channel, several types of authenticity cues emerged from the data; that is, indicators that helped distributors determine whether the reality of the vendors matched the façade that they projected – or how authentic they were.

**Communication – Balance Versus Hype**
One important cue is the use of self-enhancing communications. That is, when suppliers make seemingly incredibly positive claims about themselves: their abilities, their values, what they guarantee, or their past track record in dealing with stakeholders, distributors tend not to believe them. Distributors refer to this form of communication as “hype”, and too much of it leads to evaluations of inauthenticity. However, when more balance is used, distributors are more accepting of the claims:

While some companies have tried to win business by promising clients more and delivering less, Reston, Va.-based Proxicom wins business by giving clients realistic expectations and then delivering on them, says CTO Craig Miller. For instance, when bidding on a project to build a trading hub for the mining industry, Miller says his
company, which Compaq recently announced it is acquiring, came up against a number of well-known e-services companies that promised end-to-end solutions in less than three months for under $1 million.

“No one had even heard of Proxicom in this organization, but we came in and said, ‘No, you don't really understand the complexity of this. We are going to charge you $5 million and take six to eight months to do it,’” Miller says. “So we were by far the highest bidder, but we walked out with the gig because we were able to sit down and explain to them that these things are not as easy as they are being portrayed.” (May 14, 2001: 77)

Distributors recognize the hype, and know to avoid it. In the quotation presented above the suppliers who made unrealistic claims for what they could accomplish were sending signals to their distributors that they were not for real – they were inauthentic. But Proxicom, whose claims were more balanced and honest looked more authentic, and won the business. This fits well with Robinson, Johnson and Shields (1995) findings. Key to Robinson, Johnson and Shields (1995) study were the attributions behind someone making a balanced, self-enhancing or self-deprecating communication. In particular, self-enhancers are viewed as less honest, as they may have an ulterior motive for claiming such overwhelmingly positive characteristics for themselves. But a balanced presentation, such as given by Proxicom seems to recognize a reality that is not overly positive, yet not overly negative; distributors can relate to and understand this, as it is how they experience the world themselves.

**Consistency**

Another cue to suppliers’ authenticity is their consistency. By its very nature, this involves some measure of history of the supplier. This matches with the importance of heritage as identified by Beverland (2006). As a result, newly created suppliers could be at a disadvantage in this regard. However, distributors look to their suppliers to be consistent in their actions, communications and behaviour. The CEO of supplier ViewSonic says:

> The ViewSonic program is truly based on what the solution provider and reseller want. We listen carefully to their needs. They have come to know that through the consistency in our program, we meet their needs as well as ours. We wind up in a win-win relationship." – James Chu, Founder, CEO & President/ViewSonic (March 19, 2001: 135)

The genuineness of ViewSonic is shown by the consistency in its program. In the above quote, it is the supplier itself that shows recognition of what evaluation criteria are used by its distributors. If consistency exists, then a distributor can have confidence in knowing what a supplier is really like. On the other hand, lack of consistency is a cue to the inauthenticity of a supplier as the following quotation illustrates:

> Others, meantime, point out that Oracle has taken bold stances before, only to change positions later. Who can forget the number of times Oracle trashed Microsoft’s proprietary approach to operating systems and applications technology? As it turns out, Oracle's new plan borrows heavily from Microsoft. (April 2, 2001: 26)

In the above quote Oracle shows inconsistency in core business issues in dealing with its distributors. This unpredictability in a supplier means that distributors cannot figure out what the supplier is truly like, and the distributor in this case considered severing ties with Oracle.
Promises
A third cue that distributors use in making authenticity evaluations is promises – are they honoured? Or broken? Promises are cues to the honesty of the supplier, and obviously, broken promises are indicators of inauthenticity.

Founded in January 1999, Netpliance promised in its commercial [Super Bowl XXXIV] to make everyone, including Dallas Cowboy cheerleaders, “Web heads” ... A few months later, the company gave up on its original mission and promise. In November 2000, Netpliance declared that its attempt to compete with box manufacturers for consumer attention wasn’t working. It announced a strategic shift in its business model and said that it would become an “enabling infrastructure and managed services company.” (Feb 5, 2001: 65)

Going back on promises makes people question the true nature of a supplier, while keeping promises helps to build up the strength of a supplier. Not only is the above quote an example of a broken promise, it is an example of inconsistency. That is, what is commonly viewed as stable over time – the mission of a company – was changed when the promise was broken. With broken promises, and a changing mission, it would be difficult for anyone to know what the true company was like.

It seems that promises – whether they are kept or not – give an indication as to the true nature of a supplier. Promises are the claims of a supplier about itself, which set up a façade for the supplier. Broken promises indicate that the company’s façade is a false front; whereas kept promises suggest that the facade has substance behind it, that is, an authentic supplier. However, reasons or motivations for broken promises can have an impact. At times industry or general economic conditions might create a situation whereby a supplier could not keep its promises. Thus distributors factor in the motives of the suppliers in deciding on whether or not broken promises are really signals of inauthenticity.

Spontaneous Versus Staged
A fourth cue that distributors seem to use in evaluating the authenticity of their suppliers is the spontaneity versus prepared or staged nature of communications and behaviours by the suppliers. That is, when a supplier has carefully crafted a communication, there are questions about its authenticity. But when the communication is perceived as naturally occurring, spontaneous or “off-the-cuff” it is deemed to be more authentic.

At the recent Oracle AppsWorld conference held in New Orleans, CEO Larry Ellison declared that partners should be able to see the same information about products, release plans and bug patches that internal Oracle employees do. Watch to find out if his lieutenants make it happen. (March 19, 2001: 18)

At a major conference designed to build up good feelings for Oracle amongst its distributors the presentation by CEO Ellison is obviously prepared and polished in advance. Recognition of this is apparent in that the channel analyst expresses doubts about the sincerity and authenticity of the promises. Essentially the proof will be in the actions of employees, and that will only be revealed in the future.

Often times, prepared, polished presentations that are overly positive are called “hype”. This also comes up in the data several times as something to be wary of in suppliers’
communications. The Oxford English Dictionary (2001) says that to hype something is “to cheat; to deceive, to con, especially by false publicity.”

Historically, vendors have espoused the virtues of their partnership programs in an effort to gain your loyalty and access to your end-user clients’ purchasing dollars. When vendors tout the quality of their partner programs, you’ve got to sift through the hype and ask: What do you have to give— and what do you expect to get in return? (March 19, 2001: 68)

The impression given here is that the suppliers pre-plan what they are going to claim in order to get distributors to partner with them. But because the promotional efforts are planned in advance, they are seen as hype, and thus need to be viewed with suspicion, and thus inauthentic.

Discussion

The first objective of this study was to look at whether or not distributors make authenticity evaluations of their suppliers. In some ways this was difficult to establish, as it is uncommon for channel members to actually use the term “authenticity” or “authentic”. However, the spirit of authenticity – the genuineness and core truth of what suppliers are really like – came through as a key concern of distributors. Within marketing, the authenticity perspective is typically that of the end-consumer (e.g. Brown, Sherry & Kozinets, 2003; Grayson & Martinec, 2004); yet this study has shown that authenticity is also important in the middle of the channel. That is, an important finding from this research is that suppliers are subject to authenticity assessments.

Within the marketing literature, authenticity has been viewed as iconic/subjective and indexical/objective (e.g. Grayson & Martinec, 2004), various factors comprising authenticity have been identified (e.g. Beverland, 2006); including heritage and pedigree, stylistic consistency, and downplaying of commercial motives. In addition to the iconic/subjective nature exhibited at times, Belk & Costa (1998) showed that authenticity can be socially constructed. The data analyzed in this study supported these findings. That is, the history of a supplier, its consistency in behaviour, the facts of its announcements and behaviour, as well as the subjective experiences of distributors all contribute to supplier authenticity assessments by distributors.

However, non-marketing literature (e.g. communications, tourism, political studies, discourse studies) has suggested other factors associated with authenticity: balanced versus self-enhancers and self deprecators, honesty, and self-knowledge (Robinson, Johnson & Shields 1995), spontaneity/naturally occurring versus staged/prepared (e.g. Cohen, 1988; MacCannell 1973; Tolson, 2001). Although these do not explicitly appear in the marketing literature, they were found to exist as important factors in the analysis of this data set. Distributors were suspicious of the authenticity of suppliers who were too positive in their presentations. Or distributors felt suppliers that really did not understand themselves – what they could do and accomplish – were inauthentic.

Thus it seems appropriate to bring these aspects of authenticity within the domain of marketing. This also makes logical sense as much of marketing revolves around the presentation of a corporation, product, idea, person or concept. In this data set one theme that emerged was that of a corporate façade. This is particularly apropos in light of the focus on the corporate brand. The corporate brand is the projection of the corporation; in the same way the façade is the projection of what a building is. At times the façade and the corporate brand are genuine
representations of the true nature of what is behind them, at other times they are significantly different. The more different they are, the more inauthentic they are perceived to be. Thus the façade is a metaphor for authenticity, and evaluations are ultimately a comparison of what is projected by the corporation and what the corporation is really like.

However, one needs to also understand what cues are used by distributors in authenticity assessments. Although this is a complex area, the data provides insights into these cues. The primary cues used by distributors were the self-enhancing messages of suppliers, consistency, broken promises, supplier self-knowledge and prepared or staged communications. While each of these is a signal or cue that distributors use, it also appeared that each or any of these created suspicion or skepticism of the supplier. Fein (1996) suggests that suspicion triggers deeper and more critical or evaluative thinking about an object. Thus when a supplier presents a self-enhancing message versus a balanced message; one that is too perfect, or too good to be true, distributors are suspicious, and draw conclusions that the supplier is not authentic. The same is true of each of the cues.

Importantly, when a cue raises suspicions, and triggers an assessment, distributors look at the suppliers’ motivations that underlie the cues. That is, what attributions do distributors make about the suppliers’ behaviours? Is the behaviour (e.g. broken promises) an indication of the intrinsic character of the supplier? Or are there external drivers? The first results in an assessment of “inauthentic”; the second, “authentic”.

Beverland (2006) suggested that commercial motivation resulted in assessments of inauthenticity for premium wines. However, in the data analyzed for this study, there was no indication that “commercial” motivation created a problem; on the contrary, it seemed that distributors expect and desire their suppliers to have a commercial, profit motivation. Probably a disavowal of commercial motivation would result in an assessment of inauthenticity (although no such disavowal was seen). However, one explanation that may reconcile Beverland’s findings and the findings of this study is that the motivations are not so much profit-oriented as self-oriented, or self-centred. That is, in Beverland’s study, a commercial motivation might have actually been an indication of the vintners’ attempts at benefiting themselves at the expense of the consumers. Thus it is not how commercial the motivations are, rather how self-centred they are. This matches the findings with the distributors evaluations of suppliers in this current study.

Therefore, motivation appears to interact with the cues to authenticity to generate overall authenticity evaluations of suppliers. Given the above discussion, a model has been developed to illustrate the constructs used. This is shown in Figure 1 below.

![Figure 1: Model of Authenticity Cues](image)
Results of Authenticity Assessments

Throughout the data in *VARBusiness* evidence emerged showing that authenticity assessments were made of suppliers. However, these assessments were not an end in themselves; rather, they resulted in consequences. For suppliers, it seemed that authenticity was important in helping to establish and maintain their presented identity. For distributors, a lack of authenticity, caused uncertainty about their supplier, and whether or not it could meet their needs.

Assessments of authenticity led to judgments of credibility and positive emotional reactions. When authenticity had been shown over time, loyalty was strengthened. Lack of authenticity resulted in negative affect, and in some cases, a determination to switch to other suppliers, or reduce dependency on a current supplier.

An additional key consequence of a lack of authenticity, or the perception of a lack of authenticity was a reduction in trust in the supplier. According to Morgan and Hunt (1994), trust is a key mediating variable in relationships. Trust has a positive relationship with relationship commitment, which has a negative relationship with propensity to leave the relationship. When a distributor perceived its supplier to be inauthentic, trust declined, and distributors would look for new suppliers, or put more emphasis on other suppliers’ products and services; essentially a shifting in loyalty away from the perceived inauthentic supplier. This fits with the findings of Schallehn, Burmann & Riley (2014) who showed that brand authenticity lead to brand trust.

Finally, the suppliers, as corporate entities could get hurt or helped by their authenticity ratings. Every year *VARBusiness* conducts a survey of VARs (distributors) to evaluate their vendors (suppliers). Although “authenticity” is not one of the rating categories, there was a link between authentic suppliers and high ratings, and inauthentic suppliers and low ratings. The authenticity evaluations were gleaned from VAR comments in the time prior to the rating survey. The survey results are public, and thus contribute to awareness of, and create associations of the supplier brand. This suggests that authenticity assessments have an impact on the corporate brand, and thus on corporate brand equity.

Implications

The findings of this study are significant in marketing for a number of reasons. First, although authenticity is not a new topic, its application and development has previously been focused on end consumers only. This study has expanded the scope of authenticity’s relevance into channels research, looking at distributors’ evaluations of their suppliers. This study has also advanced our understanding of authenticity and how it is used in a business context. That is, we now know more factors that are important in making authenticity assessments – i.e., the cues used by distributors to evaluate vendors’ authenticity - consistency, promises/honesty, balanced presentations and spontaneity. Importantly, we now also see that the supplier’s motives (self-interested versus other-interested) interact with these cues to contribute to the authenticity evaluations.

It is significant to know that authenticity and its evaluation takes place in the channel. However, it is also important to know that there are consequences to evaluations. Although this was not the primary focus of this study, it was noted that there appeared to be a link between authenticity, trust and loyalty or commitment.
For suppliers this is critical information in managing their companies. It shows that they cannot rely simply on functional characteristics such as leading edge technology, or high quality products and services. Underlying these are other corporate level attributes and characteristics that impact how they are viewed as business partners. The assessment of the supplier company’s ability to function in a relationship is of great significance to its distributors. Suppliers should attend to how they present themselves through their corporate brand. In particular, they should strive to be authentic in all that they do. This is a tall order, but one that can benefit them.

Conclusion

The goals of this preliminary study were to determine if distributors made authenticity evaluations of their suppliers as corporate entities, how they do so and what cues do they use in those evaluations. Although authenticity was not an explicit topic of discussion within the VAR community, it was clear that distributors did in fact make such authenticity assessments. That is, they looked at the genuineness of their suppliers, and they were concerned with issues of what their suppliers were really like. The main cues that they used to make these assessments were self-enhancing messages of suppliers, consistency, broken promises, supplier self-knowledge, and prepared or staged communications. These cues appear to interact with supplier’s self- versus other-centred motives.

These findings show that authenticity is important beyond the typical end-consumer and product brand research carried out in marketing. Authenticity has a much broader applicability and impact than has been studied to date. This leads us to conclude that it is important for further studies with authenticity to be carried out. In particular, as authenticity in this context is an assessment of a corporate entity’s authenticity, one would expect that the supplier’s corporate brand equity would be impacted. The degree and areas of that impact could guide how suppliers react or change in order to strengthen their perceived authenticity.
References


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