



## BRAND EVALUATION, ANIMOSITY, ETHNOCENTRISM AND PURCHASE INTENTION: A COUNTRY OF ORIGIN PERSPECTIVE

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### Abstract

The study aimed at exploring the concept of Country of Origin (COO) with respect to the issue of strategic behaviour. Furthermore, its relation with the four other factors or concepts, namely Consumer Ethnocentrism, Brand Evaluation, Consumer Purchase Intention, and Consumer Animosity in some way or the other had also been highlighted in this study in detail. The study further helped in framing four propositions for determining the stated relationships individually with the support of proper justifications. It also helped in concluding that the country, in which an organisation produces or even grows particular products has a lot to do with the cultural, as well as, moral notions of the consumers (Consumer Ethnocentrism and Consumer Animosity) along with their preferences, affordability, and needs over time (Consumer Purchase Intention). Finally, it also needs to be noted that this study facilitated in understanding that the COO influences the values, entity, as well as, the image of a brand in the minds of the target consumers.

Keywords: country of origin, brand evaluation, animosity, ethnocentrism, purchase intention

### Introduction

The concept of Country of Origin (COO) refers to where a product is manufactured, produced, processed or grown (Jiménez & San-Martin, 2016). Indicating the COO for the brand or

the associated products is considered to be a significant strategy, which is implemented by the majority of the companies for the winning over the battle of advertisements. This is because the consumers in the present era come across innumerable advertisements on

a regular basis on different mediums such as television, print media, radio, and internet as well. The implementation of COO indication thus happens to create a difference in the approach.

This enables the respective companies to obtain assistance from the potential positive expectations associated with the same (Aichner et al., 2017). On the other hand, the factors of brand evaluation, consumer purchase intention, consumer animosity, and consumer ethnocentrism are considered to be some of the major elements of the organisational behaviour, based on which the operations are conducted on a regular basis. These elements mostly consider the preferences, needs, and most importantly the behavioural traits of the consumers. This acts as the basic factor of analysis for the companies to maintain their positions in this world of utmost competition (Ha & Lee, 2012).

The study therefore aims at reviewing the previous researches conducted on the issues of COO along with its relation with varied factors namely Brand evaluation, consumer animosity, consumer purchase intention, and consumer ethnocentrism. These stated factors play essential roles for the business concerns of the present era, as promotion is the foremost area, which they mostly emphasise upon. This is mainly to hold on to their target markets, as well as, to maintain their performances in the long run. Contextually, proper discussions with required propositions for every relationship of the COO have thus been provided in this research paper so that the concerned issue can be understood in minute details.

## Literature Review and Propositions Development

### *Country of Origin and Brand Evaluation*

According to Eng et al. (2016), COO signifies “the country which a consumer associates with a certain product or brand as being its source, regardless of where the product is actually produced” (p.5704). Brand evaluation is significantly related to this concept of COO, as it provides the consumers with relevant information related to the products of an organisation or the brand as a whole. In this case, it has been found that brand evaluation considers different factors of an organisation namely, its brand image, equity, and loyalty. Contextually, brand equity refers to “the source of brand value added to a product or service in the marketplace” and hence serves as a significant approach of developing as well as maintaining the relationship of the consumers with the respective brands (Eng et al., 2016, p.5705). The varied components of determining brand equity entail “differentiation, satisfaction, loyalty, perceived quality, leadership, popularity, perceived value, brand personality, organizational associations, brand awareness, market share, market price and distribution coverage” (Eng et al., 2016, p.5705).

Furthermore, Kucharska et al. (2018) asserted that brand equity is “the incremental cash flows which accrue to branded products over and above the cash flows which would result from the sale of unbranded products” (p.770). This is intermittently related to the context of brand value, which can be defined as “the full and

final result of marketing operations within a given period which constitutes an objective way to measure the efficiency and effectiveness of adopted strategies” (Kucharska et al., 2018, p.770). Thus, it has been added by Ding (2013) that the impact of COO is an intangible barrier, which contributes largely in taking entry into the new markets on the international domain. This also takes into consideration the biasness of the consumers for the products of the local markets, especially related to the negative perceptions possessed by them in association with the imported products (Ding, 2013).

Rambocas and Ramsabhag (2018) deeply explored the concepts and further mentioned that COO is nothing but “the information about where a product is made” (42). Hence, it can be regarded as the attribute of an external product being used by the consumers for the purpose of getting its quality evaluated. It has also been found that highly positive reactions are obtained from the consumers towards a particular brand when they are portrayed to have been resources from the best and most favourable countries. However, the influence of COO images is considered to be of such an extent that the favourability can alter the perceptions of the consumers towards those brands with poor quality, as well as, recognition. Therefore, it helps in determining that the COO image may not be reliable and trustworthy at times. This is because it may mislead the consumers and influences them to purchase poor quality products at higher price (Rambocas & Ramsabhag, 2018). Contextually, Johnson et al. (2016) highlighted the article published in Forbes, which stated that “consumers are demanding

more information about where branded products are manufactured and most consumers consider COO when making purchases” (Johnson et al., 2016, p.404). Therefore, the previously conducted research on the similar issue of concern is currently being assessed for understanding the impact of the COO images on the product evaluation procedures implemented by the consumers (Johnson et al., 2016). Therefore,

*Proposition 1: Country of Origin is related to Brand Evaluation.*

#### *Country of Origin and Consumer Animosity*

According to Antonetti et al. (2019), the term ‘animosity’ can be defined as the “remnants of antipathy related to previous or ongoing military, political, or economic events” (p.739). Consumer animosity poses a negative impact on consumers’ minds, as it reduces their willingness to purchase and consume foreign products (Antonetti et al., 2019).

Papadopoulos et al. (2017) stated that the demographic profiles of the host countries are changing at a rapid pace by the people of the ethnic groups. As a result, new communities are being shaped taking into due consideration, the strong ties of the people with their homelands. In this case, So-hail and Opoku (2016) considered COO as an image-element, which comprises the significant attributes of the country, as well as, of the products produced therein, as for example technology, reliability, innovation, or even price. Moreover, the foreign products’ evaluation can be improved with continuous enhancement in the reputation of COO. This is because the negative

attitude of the consumers towards a particular country may restrict them from making positive purchase decisions despite being aware of the positive reputation of the country's potential of manufacturing superior quality products (Sohail & Opoku, 2016). Sui (2014) further considered the fact that COO associated with foreign branding contributes largely in enhancing the influence over the acceptance of the products by the consumers. However, some of the consumers still exist in this fast-paced world, which emphasises obtaining awareness about a brand/product effectively so that their purchase decisions do not get influenced by its COO image. This is because they have information regarding consumer animosity that COO effect "influences, positively or negatively, that the country of manufacture might have on consumer's choice processes or subsequent behaviour" (Sui, 2014, p.3). Therefore,

*Proposition 2: Country of Origin is related to Consumer Animosity*

#### *Country of Origin and Consumer Ethnocentrism*

According to Balabanis and Siama (2017), the concept of consumer ethnocentrism (CET) was introduced in the year 1987 by Shimp and Sharma, "to explain the biased preference for domestic products at the expense of foreign alternatives, has become more relevant than ever before" (p.166). In this context, Dursun et al. (2019) explained the concept of COO, which implies a particular event of influencing the perceptions of the consumers regarding a product. This concept actually acts as a 'halo effect' with respect to the evaluation of prod-

ucts, thereby shaping their decision-making process in the form of an extrinsic prompt. Since COO is intensely related to certain cognitive factors such as identity, autobiographical memories, pride, and emotions, a relationship tends to exist between the concepts of CET and COO as a whole (Dursun et al., 2019). The term 'ethnocentrism', as stated by Jiménez and San-Martin (2016) was initially used for providing appropriate explanations regarding "certain group behaviour patterns and inter-group relations", as it is a social occurrence that signifies the propensity of certain distinct groups, the ideas perceived by the superior groups, and preference of opting one's own things. Thus, it has been found that such behaviours take the responsibility of safeguarding group survival, which is not restricted within any geographical boundaries. On the contrary, it is the duties of a particular group to not only maintain but also to protect the cultural values, as well as, the norms along with one's personal identity (Jiménez & San-Martin, 2016).

Lewis and Grebitus (2016) further considered the marketing point of view and defined the concept of CET as the belief of an individual on the relevancy of consuming the products produced in the foreign markets. It, therefore, relates to the manner, in which the buying behaviour of every individual can be influenced with the support of being loyal "toward their own countries and/or antipathy toward other countries" (Lewis & Grebitus, 2016, p.257). This can precisely be understood with the support of certain real-life instances, one of which is maintaining a strong CET, as well as, acting as an important forecaster of the Czech consumers, whose foremost preference is

to purchase yogurt produced in Czech Republic. Another example is of the US consumers, who prefer to purchase the wool produced in Australia (Lewis & Grebitus, 2016). Therefore,

*Proposition 3: Country of Origin is related to Consumer Ethnocentrism*

#### *Country of Origin and Purchase Intention*

Kim et al. (2017) have defined 'purchase intention' as the reflection of the "consumers' predicted or planned future behaviours, or the possibility that belief and behaviour will translate into buying behaviour" (Kim et al., 2017, p.256). COO, with respect to the concept of purchase intention, has been referred by Bartosik-Purgat (2018) as "the influence (positive or negative) of the country of production/assembly on consumer evaluation of a product's quality" (p. 124). Arora et al. (2016) opined that COO has a certain amount of impact on the product evaluation, as a result of which purchase behaviours of the consumers get improved despite the fact that they do not possess any awareness regarding the appropriateness of the country, in which the products are produced. It has further been examined that the perceived COO poses challenges related to the perceptions of the consumers towards a brand origin, irrespective of the level of accuracy, which some way or the other affects the brand attitude largely (Arora et al., 2016).

Another element similar to the purchase intention, which has been mentioned by Rambocas, and Ram-subhag (2018) is the repeat purchase intention, which can be defined as "a customer's plan to purchase the same

product or service from the same supplier" (p.44). It is one of the most significant indicators used for measuring the performance of business firms.

For explaining the impact of COO in relation to the purchase intentions of the customers, an example of the Korean market has been highlighted by Yoon and Lee (2019). As per this case, the country image influences the purchase intention of the consumers seeking for Korean products. However, in case of the products, which are culture-specific in nature, the perceptions of the mass can be triggered with the inclusion of the pop culture of Korea with the name or the utility of products being produced therein. Therefore, this proves that "host consumers' attitude toward culture from a foreign country closely relates to the purchase intention of the country's products" (Yoon, & Lee, 2019, p.55). Therefore,

*Proposition 4: Country of Origin is related to Consumer Purchase Intention.*

#### Discussion

The five different factors of strategic behaviour, which have been presented in the study, are COO, Consumer Animosity, Consumer Purchase Intention, Consumer Ethnocentrism, and Brand Evaluation. All these factors are of great significance for the organisations to effectively operate in the different target markets. However, the concept of COO directly relates to the other three factors in some way or the other. In addition, these relationships are considered to be of great significance for the purpose of determining the future performances of the firms, with respect to their connection with

the consumers of the domestic, as well as, the international market. In addition, COO is actually the country, where the organisations produce, as well as, grow their products before distributing them into the target markets. All other proceedings of the business rely on these factors, as it helps in attracting the consumers by triggering their sense of need, urge to consume, and intention to purchase the end-products (Aichner et al., 2017).

Considering the factor of brand evaluation, it further needs to be noted that the information on the COO can be spread from the end of the firms to the consumers. This significantly helps them in assessing the value, equity, quality, popularity, as well as, personality and differentiation along with the level of satisfaction of the brand as per their perceptions (Eng et al., 2016). Therefore, the first proposition i.e. “Country of Origin is related to Brand Evaluation”, thus gets appropriately confirmed in this case.

Consumer animosity is another factor, which clearly depicts the strategic behaviour of an organisation and is related to the COO. It signifies the enmity or the presence of negative attitudes between the countries, which poses a tremendous impact on the habits along with the trends of the consumers in the long run. This further leads to the decline in the willingness of the consumers to purchase the foreign-based products and this may take place as a result of the COO image (Antonetti et al., 2019; Harmeling et al., 2015). Therefore, this addresses the second proposition, “Country of Origin is related to Consumer Animosity”.

CET is primarily determined from the negative point of view, as it stops the population of a particular nation from consuming foreign products, based on the moral notion that it reduces the sale of domestic goods. This can ultimately result in hampering the nation’s economy and leads to the unemployment of the local citizens (Fischer & Zeugner-Roth, 2017). However, with the use of CET scale, the performance of the factor can be adequately determined, thereby enabling it to make positive use of the COO in the long run (García-de-Frutos & Ortega-Egea, 2015). Therefore, this largely assists in proving the third proposition of “Country of Origin is related to Consumer Ethnocentrism”.

Finally, the factor of purchase intention has been discussed, which implies the urge of the consumers for purchasing a particular product. This significantly depends on varied other sub-factors such as past experiences, others experience, history of the products, needs for the same, the consumers’ financial capabilities, and their preferences among others. The proper assessment of all these factors is also possible through the evaluation of the COO image or through COO effect, which creates an impact on the consumers’ purchase intentions (Bartosik-Purgat, 2018). It can thus be inferred that the 4<sup>th</sup> proposition, “Country of Origin is related to Consumer Purchase Intention” has been adequately sufficed.

## Conclusion

The discussions provided in the aforementioned sections thus presents a clear idea of the 5 different concepts associated with strategic behaviour.

These factors are largely emphasised by the companies operating in the domestic, as well as, the international domain. One of these factors is the Country of Origin (COO), which can be considered to be an essential part of every organisation's operations. This is because it is related to majority of the other strategic behavioural factors, resulting in the maintenance of effective connection between the companies and the consumers in the long run. In this context, it has been found that COO's relation with the factor of brand evaluation can be inferred from the manner, in which even the name of a particular country associated with the products can positively or negatively influence its sale in the target market.

Similar is the relationship between consumer animosity and COO, wherein the international businesses can fail due to the negative behavioural traits among two or more nations. At times, the positivity reputation of particular nation can even increase the purchase decision of the consumers' as per the COO images. Another concept i.e. the Consumer Ethnocentrism (CET) may also get affected by the COO with respect to the moral perspectives of restricting the use of foreign goods. This is to ensure that the economy of the host nation can be maintained along with the employability of the citizens residing therein. Furthermore, the purchase intention is another factor, which is also related to COO. The intention of the consumers for purchasing a particular product or service largely depends on the evaluation of the products along with the country in which it has been produced. Thus, it can be differentiated from the alternatives available in the target markets. It can, therefore, be concluded

that based on this discussion, all the proposed propositions of the study can be adequately addressed, keeping into due consideration the issue of strategic behaviours.

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