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Country of Origin Effect? ‘Made In’ vs. ‘Branded In’ on Brand Belief

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ABSTRACT

The purpose of this study is to test how much match-up between country image and brand features influences on the brand belief. Especially this paper focused on the Country of origin effect on brand belief not in perspective of ‘Made in’ but ‘Branded in’. This study also uses country image in two dimensions, people-related and product-related instead of positive and negative image. Therefore, we set up the hypotheses as follows: first, brand belief is higher when country image and brand features are matched than mismatched. Second, Country familiarity will moderate between country image-brand features match up and brand belief. Third, Brand familiarity will also do. Forth, Brand belief will have a positive impact on brand attitude. To test these hypotheses, we use two stimuli of four types. We consider branded in German Volkswagen and branded in France Chanel No. 5 as a country image-brand features match-up and do branded in German Chanel No. 5 and branded in France Volkswagen automobile as mismatch case. All the hypotheses were supported as expected by the study. The results of this study suggest that global technological disparity is not very significant more in the global context. And this study implicates that ‘Branded In’ can be more important than ‘made in’ in country of origin effect.

Keywords: Country image, Brand belief, Brand attitude, Brand -Country match, Country familiarity, Brand familiarity.

1. INTRODUCTION

When consumers decide to buy a brand (product), they first consider where it is manufactured based on ‘made in concept’. For instance, many consumers have a positive perception of Belgium chocolate, France perfume, German cars and Swiss watches. This is a kind of bias and often called the country of origin (COO) effect. It’s also referred to as ‘made in’ concept (Josiassen, 2010). The globalization in markets

and production places has emphasized an impact of the country image on global consumer behavior for the last decades (Baughn & Yaprak, 1993). On the other hand, globalization has also caused a variety of changes in the production and marketing (Terpstra, 1987), which has added complexity to the effects of country image on consumers' decision making to purchase the products. As a result, various researches have been implemented on country of origin effect in perspective of 'made in' concept since the mid-sixties. Generally, most of these ones have found that consumers significantly have a variety of country images and buy a product based on it.

Meanwhile, the quality differences among products in consumers' perception disappear gradually because of technical advances during the decades. So nowadays consumers tend to buy is not a product but a brand.

And scholars and marketers have focused on brands more than products. In this light, the authors have thought that we have to divert our attention from a product to a brand. We, in particular, take note of Roth and Romeo (1992)'s study. They used 2×2 matrix which consists of two dimensions, country image (positive, negative) and product features (important, not important) and brought forth the number of 4 cases (favorable match, un favorable match, favorable mismatch, and unfavorable mismatch). As a result, they propose a framework which matches the product category features with perceived country image. And they examined how consumers judge products of a specific country.

In combination with the above, most studies agree that consumers judge the country of origin of the country based on the match between product features and country image. But in this study, we'd like to test how much match-up between country image (not in perspective of 'Made in' but 'Branded in') and brand features (symbolic and functional) influences on the brand belief. In conclusion, the finding questions in this paper are as follows:

- (i) Do consumers have a specific country image of people related or product related?
- (ii) How much does match-up between country and brand features influence on the brand belief?
- (iii) Does the familiarity (country, brand) moderate the relationship between match-up and the brand belief?
- (iv) Does the brand belief according to match-up impact on consumers' attitude toward brands?

2. THEORETICAL BACKGROUND AND DEVELOPING HYPOTHESIS

Country Image Dimensions

The country image as an origin of products are one of extrinsic cues, such as brands that may be part of a product's overall image (Papadopoulos, 1993; Eroglu & Machleit, 1989). Country image has been a critical research topic for a long time (Wortzel, 1995; Bilkey & Nes, 1982; Li, Dant & Schooler, 1965). Previous many studies have proven that consumers are likely to judge and form attitudes towards products according to country (image) where ones are made in (Bilkey & Nes, 1982). From a marketing perspective, Roth and Romeo (1992) proposed by definition that country image is "the overall perception consumers' form of products from a particular country, based on their prior perceptions of the country's production and marketing strengths and weaknesses". Country image has been consistently recognized as a variety of concept. Nagashima's (1970) study of US and Japanese businessmen was one of the first studies to look at

country image perceptions. He described country image as the picture, the reputation, the stereotype that consumers and businessmen connect to products of a particular country. This image is shaped by such variables as representative products, national characteristics, political and economic background, history and traditions (Nagashima, 1970). Additionally, Narayana's (1981) definition of country image is quite identical - "the aggregate image for any particular country's product refers to the total connotative field associated with that country's product offerings, as perceived by the consumer". It is generally accepted that the national image represents the beliefs consumers have in relation to particular countries (Kotler, Haider & Rein, 1993; Martin & Eroglu, 1993). In the literature on country images, definitions are often regarded as interesting for origin as a hint for consumers. Under the same concept, (Johansson, 1989; Martin & Eroglu, 1993) showed an empirical relationship between the determined country bias and product-country image. In addition to Nagashima (1993), this product-oriented perspective of origin image has been selected by fully a few other scholars. This flow of literature focuses on the products of a country and describes the origin image from the product origin aspect. Product origin is a dominant prospect in academic literature. The basis of this perspective is that the Origin image effect is attributed to the product-related characteristics/functions of the person/country of origin, or to the images typically associated with the product originating from a particular country. From the literature, we combined the product-origin images and category origin images and as we noted our paper product-related country image. In Product Perspectives, the term 'product' is used to describe an originating product rather than a single product. In this article, we investigate on Roth and Romeo (1992) and Roth and Diamantopoulos (2009) to define product-related country image as a person's beliefs about a country in connection to a certain product category. The informational cue "made in Germany" commit more instance signals and German products, to a large extent, may correspondingly positively emphasize the image of any particular set of goods from Germany. Accordingly, in this study, we investigated German, will be more associated with Product-related image of country. In turn, Schooler (1965) identified differential effects of consumer perception on basic origins image and contended that "an attitude towards the people of a given country is a factor in existing preconceptions regarding the products of that country". By and large, based on impressions of people-related image, the level of desired interaction, educational development, adaptable and socioeconomic developments are ordinary of a basic-origin perspective, too. In previous studies, many researchers have described an origin image with this perspective. These perspective advocates suggest that discriminatory effects on consumers' biases against consumer and origin are rooted in considering whether there are origin image effects (Schooler, 1965). On the other hand, consumers have the impression of countries and residents who impact the evaluation of products originating from their origin. The effect of a country image on the basic origin perspective is similarly defined and measured by the Schooler and others. We rely on Laroche, Papdopoulos, Heslop and Murali (2005), Roth, Diamantopoulos, and Montesinos (2008) to define people-related CI as a person's beliefs about a country in connection to its people. The informational cue, made in France give more impression signals, and in general, French products have a positive relationship with the image of a symbolic brand. The products from France are more designed, luxurious, glamorous and romantic. These cues are more relative with consumer social status of the owner. Accordingly, in this study, we investigated France will be more associated with people-related image of country.

According to this literature used to contrast the two country image based on the discussion, the following research hypothesis is raised:

H1: Brand belief is higher when country image and brand features are matched than mismatched.

Country of Origin Image with Brand Concept on Brand Belief

Brand Belief in Brand Concept

Companies are investing heavily in creative brand development and differentiation strategies for survival in a highly beneficial market. This is because brands are a set of associations (Keller, 1993). This plays a very critical aspect in consumer decision-making. Feishbein and Ajzen (1975) three kinds of beliefs conceptualized: informational, inferential and descriptive. These beliefs are organized in a variety of ways, all of which are likely to contribute to the consumer's belief in product attributes. Direct experience with the product leads to a descriptive belief. External sources of information, such as advertising and other sources are that which influence informational beliefs. Inferential beliefs are formed by making inferences (which is accurately or inaccurately) based on previous experience as this experience related to the current stimulus (Feishbein & Ajzen, 1975). For example, if country image refers product-related image and that country also set in brands good consumers might infer that since any brands particular country. This belief also can refer to brand concept (Functional or symbolic). Park, Jaworski, and MacInnis (1986) noted that consumer needs can be categorized as functional or symbolic. They clearly state that symbolic needs are related to social identification and self-image, and that functional demands relate to practical and concrete consumption problems. To take advantage of these two types of needs, Park, Jaworski, and MacInnis (1986) suggested that all brands should consist of a "brand concept" composed of generic abstractions that recognize the brand. They have tapped the functional symbolic needs of consumers in turn by proposing that the brand concept should be functional or symbolic. Park et. al., 's (1986) brand concept management framework encourages managers to choose specific concepts for a brand while introducing it, and then make use of the marketing mix to reinforce and support their brand life. This gives consumers an opportunity to clearly comprehend what a brand can do for them. It is suggested that within most product categories if individuals have different types of motivations, consumers' needs could be either symbolic or functional naturally and either of these two types of needs could be provided by brands. Thus, consumers' utilitarian or functional needs could be used with a "functional" brand, one placed with a functional brand meaning or concept. Likewise, a brand can become a "symbolic" brand to take advantage of the needs of those who want to improve their social image or self-image. Park et. al., (1986) argued that brands should be deployed. Aaker, (1997) conceptualized that brand concept is an important way to distinguish a brand and a key driver of consumer preference and usage. Brand personality is also a standard character that can be used to promote your brand internationally. The set of human characteristics which are linked to a brand is connected to the construct. Consumers may express his or her own self, specific dimensions of the self or ideal self by using a specific brand. Brand personality, which is regarded as a sub-dimension of brand linkage, is supposed to create brand value (Aaker, 1997). We say that there is a condition with congruence between brand features (functional vs. symbolic) and relevant aspects of country image. Using the same line of reasoning, we expect that brand belief is different on brand features and also depending on country images. In prior as noted, consumers' perception of country image (product-related or people-related) can drive to beliefs in brand features.

Moderating Effect of Country Familiarity and Brand Belief

When consumers want to buy a new brand or try a new service, they always think about their previous experienced use. In this section, we composed country familiarity and brand familiarity. Also, those

familiarities can influence to between our basic hypotheses as country image-brand features match up and brand belief. This is also evaluated by a halo effect as country image. Consumers use country image as a halo effect in order to evaluate products when they are not familiar with the country's products but what if consumers are familiar with the brands (Han, 1989). In this paper, we considered that Han's theory might refer to our findings. He asserts that the consumers unfamiliar with the brands should consider where those brands or products come from. And a particular country refers to perceptions of country image as product-related image country or people-related image country. In general, consumers' have a high familiarity with the country image and brand features match up, they will do not consider about country and brands. In the other hand, country image to brand beliefs when the brand features are perceived as match with the country's image, there will be no significant difference according to the country familiarity. Although, country image-brand features have a mismatch relation, consumers' will consider about more familiarity associated with country. In the same situation of brand familiarity of country image-brand features we set up similar hypotheses in this research. Moreover, we try to find both familiarity influence and also focused on moderating effect of familiarity. To compensate for those research gaps, the study presents the following research hypotheses:

H2: Country familiarity will moderate the relationship between country image-brand features match-up and brand belief.

H2(a): In the case of the match-up between country image and brand features, there will be no difference in brand belief according to the country familiarity.

H2(b): In the case of the mismatch between country image and brand features, brand belief will be stronger when the country familiarity is higher than low.

H3: Brand familiarity will moderate the relationship between country image-brand features match-up and brand belief.

H3(a): In the case of the match-up between country image and brand features, there will be no difference in brand belief according to the brand familiarity.

H3(b): In the case of mismatched between country image and brand features, brand belief will be stronger when the brand familiarity is higher than low.

Brand Attitude

Brand attitude is a learned preference tendency to respond consistently to friendly or unfriendly consumer brands, and the most abstract and highest level of strong brand association type is attitude (Keller, 2001). In this study, we focus on the relationship of brand beliefs on brand attitudes. The results of this study are as follows: First, Keller (1993) says that it is determined by the particularities associated with the brand's attributes and benefits. When a consumer is satisfied with a particular brand, if the customer has a favorable feeling for the brand, the purchasing decision is made on the most preferred specific brand and the actual purchase occurs. Thus, To create an archaic, benevolent attitude brand attitudes are defined as consumers' overall evaluations of a particular brand and are important because consumers are the criteria for behavior or selection that they take (Keller et. al., 1998); Brand attitudes reflect how companies evaluate and respond to advertisements, brands, products, and stores. In this sense, attitudes are a concept that can explain and

predict a wide range of market behaviors (Foxall and Goldsmith, 1994) Brand attitudes are a subset of brand equity measurement in a broad sense and are a component of brand equity.

H4: Brand belief will have a positive impact on brand attitude.

Country Image and Brand Features Matches

In a marketplace with growing global sourcing, goods are often made in more than one country (e.g., made in country X and designed in country Y). Product-origin persistent refers to the match-up between these different origins. This aspect of product origins has been prominent in the COO literature in recent years (Li et. al., 2000) and the increasing amount of COO studies recognizes the existence of multi-origin products. An attempt, (Chao, 2001) show that the consistency of product sources can affect how consumers evaluate products. Osgood and Tannenbaum (1955) first suggested the theoretical underpinning for congruency effects. The congruency effect posits that congruent information will be depended on and preferred to a greater extent because incongruent information creates disagreement.

Romeo and Roth (1992) strongly claimed that a few types of research have systematically studied what causes a favorable or consistent match between countries and products. They investigated how consumers see products produced in a particular country. Romeo and Roth (1992) proposed a framework for matching the importance of the product category dimension to the image of the country of origin of the same dimension. Figure 15.15.1 shown in product and country matches and mismatches model.

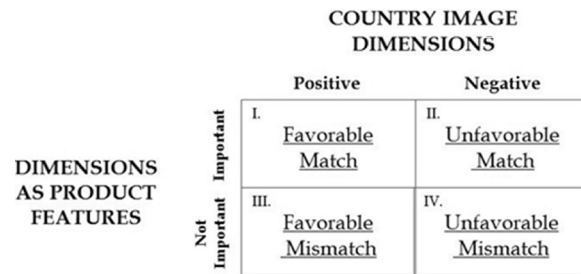


Figure 15.15.1: Country and Product Category Dimension (Roth & Romeo, 1992)

Thus, according to these literature reviews, we have conceptualized the research model below.

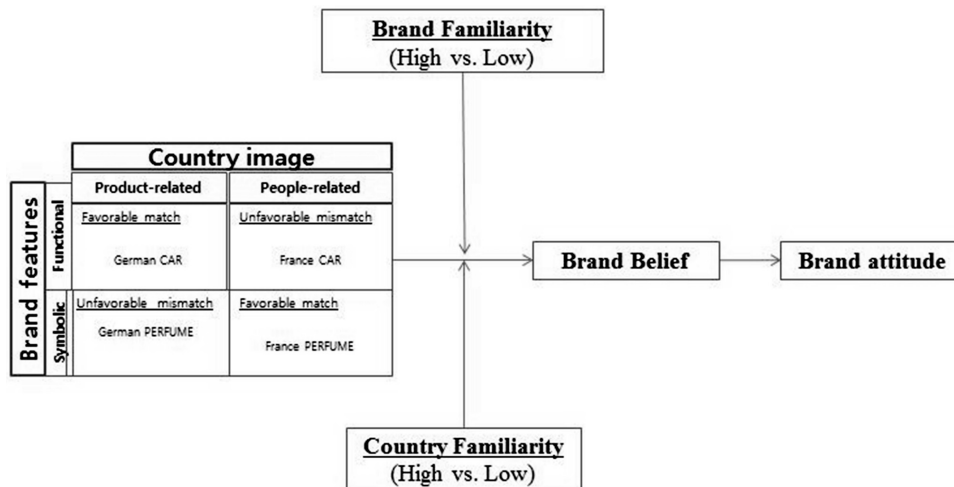


Figure 15.15.2: Conceptual Model

3. EMPIRICAL ANALYSIS

Sampling and Data Collection





The objective study examined the Country image, Brand-Country match, brand familiarity, country familiarity and consumer personality to measure Brand belief and Brand attitude. The research was conducted using quantitative research techniques including a semi-structured questionnaire survey. The questionnaire was collected from the Korean consumers who were workers who are, as well, known and more likely related to stimuli brands. The questionnaire contains 4 types of experimental stimuli evenly to men and women in their 20s to 50s living in Daegu and Gumi, Gyeongsangbuk-do in Korea. The research assistants were hired from the Global Business consulting (GBC) lab at Kumoh National Institute of Technology. Research conducted in December 2016, January 2017, at the same time most of the Universities' vacation period and cold weather conditions, the respondents' numbers were limited. The survey was distributed to workers at Samsung global company, Industrial bank of Korea, Hanwha systems which are located in Gumi city and Daegu city in Korea. As each participant was approached to fill out the questionnaire and selected randomly by the researchers. A total of 280 questionnaires distributed. 264 questionnaires were returned. From the returned questionnaires, 199 were usable indicating a response rate of 71.4%. These usable questionnaires were measured based on a 7-point Likert scales ("From strongly disagree" to "strongly agree") and also we used only high familiarity (likelihood was > 4) questionnaire. Lastly, a survey was conducted in the order of sex, age, occupation and, which are demographic variables.

Manipulation Check

As for the selection of Country and Brand of stimulus for this study, two developed countries (Germany and France), two type (Car and Perfume) brands were chosen.

Country image; in this paper, we measured the validation that two dimensions captured unique information before we examined product-country matches. Country image dimensions across the two countries were examined. Both of the countries are developed countries. Country image and brand features are explained in Table 15.1. The two dimensions of country image are product-related image and people-related image. Research has been conducted to generalize the findings to a more global context (Roth & Romeo, 1992). Brand concept: Brands were selected as being from namely two countries as Germany and France. The two features of the brand are functional brand (Volkswagen car) "The 'Volkswagen' Group has manufactured more cars than 'Toyota' and 'General Motors' first half of 2016 and is now the largest producer – and seller - of cars in the world. <http://www.autocar.co.uk/car-news/new-cars/volkswagen-world%E2%80%99s-largest-car-maker>") and as a symbolic brand, Chanel No. 5 The bottle's stopper, cut like a diamond is said to have been inspired by the geometry of the Place Vendôme in Paris. Most famous fragrance in the World. <https://en.wikipedia.org/wiki/Chanel#Fragrance>). As discussed earlier, cars and perfumes are relatively well-known brands for most consumers, so we investigate in this paper. Researchers also tested by pilot test and Focus group interview (FGI) in lab GBC at Kumoh National Institute of Technology. As shown in Table 15.1 study stimulus as brand selection.

Table 15.1
Stimuli

Division	Country image		
		(Product-related image)	(People-related image)
Brand features	Functional	Branded in German Volkswagen	Branded in France Volkswagen
	Symbolic	Branded in German Chanel No. 5	Branded in France Chanel No. 5
			
			

As shown in Table 15.2 for the stimulus used to actual analysis, an operational verification was performed to check whether the level of familiarity was the same for the all of the stimulus and whether the functional brand and symbolic brand were properly released. As shown in Table 15.2, the level of country familiarity and brand familiarity were similar, no difference across the four stimuli (2x2), (as Country familiarity of $M_{\text{German}} = 5.30$, $M_{\text{France}} = 5.22$, $p > .05$) and (as Brand familiarity of $M_{\text{Volkswagen}} = 5.14$, $M_{\text{Chanel No. 5}} = 5.29$, $p > .05$), with the mean value being statistically insignificant.

Table 15.2
Familiarity

S. No.		Stimuli	Mean	S.D	F	P
1.	Country	German	5.30	.845	.021	.640
2.		France	5.22	.806		
3.	Brand	Volkswagen	5.14	.740	.208	.309
4.		ChanelNo. 5	5.29	.754		

S.D = Standard Deviation
N = 199

Validity Analysis and Reliability Test

In order to assess the dimensionality of the constructs used, exploratory factor analysis (EFA) was performed. This process iterated until an optimal result was obtained. Table 15.3 lists the result of EFA. According to the above analytical results, one item was deleted and other items were loaded into expected factors. All constructs had Cronbach's alpha coefficients exceeding the .70 above, indicating reliability. The results indicate that there are common differences in this study. In every two of the cases which are Branded in German or Branded in France, we tested the reliability of latent variables as shown in Table 15.3 and Table 15.4. There was a total of 6 items (Country image items was divided two item) in both two case in every latent variable show up Cronbach's alpha coefficients exceeding the .70 above.

Table 15.3
(Case of Germany)
Reliability of latent Variables

	<i>Variables</i>	<i>No. of Items</i>	<i>Cronbach's Alpha</i>
Country image	People-related	6	.800
	Product-related	13	.950
Country familiarity		4	.902
Brand familiarity		4	.913
Brand belief		6	.882
Brand attitude		5	.958

Table 15.4
(Case of France)
Reliability of latent Variables

	<i>Variables</i>	<i>No. of Items</i>	<i>Cronbach's Alpha</i>
Country image	People-related	6	.791
	Product-related	13	.958
Country familiarity		4	.885
Brand familiarity		4	.885
Brand belief		6	.913
Brand attitude		5	.963

Measurements of Variables

In this paper we used item to total correlation and coefficient alphas as a preliminary measurement evaluation of our scales. Our surveys used an identical questionnaire, which tapped Korean consumers' perceptions of Germany and France as country images and their brand beliefs about brand concept. Through the research, we focused on country image as product-related or people-related. Country image has operationalized many forms (Roth & Diamantopoulos, 2009; Martin & Eroglu, 1993; Roth & Romeo, 1992). Additional, Lukas, Whitwell and Assaf (2013), Josiassen (2010), those researchers distributed basis origin images as six items, product origin images as eight items and category origin images six items. According to this research, we indicated nineteen items and divided basic origin image to people-related image, the combined product origin image and category origin image to product-related image. In the case of data measured 7-point Likert scale ("From strongly disagree" to "strongly agree") and data determined using Cronbach's alpha coefficients exceeding the .70 above. The brand concepts were modified into one functional item and one symbolic item to suit the purpose of this study, based on the study conducted by Kim, (2012). A factor analysis was performed to verify the functional and symbolic concepts from the accumulated data measures using a 7-point Likert scale, ("From strongly disagree" to "strongly agree") and Cronbach's alpha was used to ensure data reliability. For each brand, the concept with a significantly higher than mean values was applied as the concept of the brand. As is common in studies on country of origin effects (Gallarza, Saura, & Garcia, 2002; Erickson, Johansson, & Chao, 1984), brand beliefs were operationalized as latent constructs reflecting the products' perceived attributes. Beliefs about each brand Made in German Volkswagen vs. Made in France Volkswagen car

operationalized as a six-item factor measuring respondents' perception of car and perfume, with factors such as quality and value. Similarly, six items (value for money, reliability, quality, advanced technology, and suitable level) measured respondents' beliefs about and Made in France perfume vs. Made in German perfume.

4. RESULTS (HYPOTHESIS TESTING)

Hypothesis 1

The result of testing the hypothesis 1 shows regarding brand beliefs on when the country image and brand features have a significant relationship or in other words, Brand beliefs are higher when country image and brand features matched than mismatched. In the result of the analysis we found that as noted type of dimension ($M_{\text{Favorable match}} = 4.66$, $M_{\text{Unfavorable mismatch}} = 4.20$, $t = 2.64$, $p < .05$) hypothesis H1 was supported. Also, the image of two countries we tested are shown in Table 15.5. In the result of the analysis we found that France is more favorable with people-related image than product-related image. In the case of France, country image shows people-related country image ($M_{\text{People-related}} = 4.49$, $M_{\text{Product-related}} = 4.30$, $t = .113$, $p < .005$). In the case of Germany, the result shows product-related image ($M_{\text{people-related}} = 3.93$, $M_{\text{product-related}} = 5.29$, $t = .113$, $p < .005$). Our predictions regarding the image of Germany are product-related images and France is people-related images. Thus, hypothesis 1 is significantly supported.

Table 15.5
Country image

Country	Image	N	Mean	S.D	t	Sig
German	People-related	94	3.93	.825	.113	.000
	Product-related	94	5.29	.775		
France	People-related	105	4.49	.696	.113	.000
	Product-related	105	4.30	.967		

Table 15.6
Brand belief in Country image and Brand features

Type of dimension	N	Mean	S.D	t	Sig
Favorable match	98	4.66	1.24	2.64	.009
Unfavorable mismatch	101	4.20	1.36		

Hypothesis 2

Hypothesis 2 (H2) was set forth to check the main hypothesis as country familiarity will moderate between country image and brand features match-up and brand belief. The detailed results are shown in Table 15.7 and Table 15.8. The result of testing hypothesis 2 shows if the country image and brand features are match-up, there will be no difference in brand belief according to country familiarity. Consumers perceive, when country image and brand features match ($M_{\text{high_familiarity}} = 4.70$, $M_{\text{Low_familiarity}} = 4.75$, $t = -.159$, $p > .05$). The case of matches showed no difference in reliability depending on consumers' perception about brand belief according to country familiarity. Secondly, In the case of a mismatch, ($M_{\text{high_familiarity}} = 5.50$, $M_{\text{Low_familiarity}} = 4.04$, $t = .253$, $p < .05$) In contrast, there were statistically significant differences in the

brand belief when the country familiarity level was higher than low familiarity. Furthermore, as can be show in Table 15.7 and Table 15.8, Figure 15.3, univariate ANOVA analysis indicated that country familiarity significant two-way interactions moderated between country image-brand features match-up ($F = 5.43$, $p < .05$). Thus, moderating effect of country familiarity was significant.

Table 15.7
Moderating effect of country familiarity (ANOVA)

<i>Effects</i>	<i>df</i>	<i>F</i>	<i>Sig</i>
Main effect	.026	.015	.904
Country familiarity	8.26	4.74	.031
Main effect × country familiarity	9.47	5.43	.021

Table 15.8
Moderating effect of country familiarity

<i>Country</i>	<i>Country familiarity</i>	<i>Mean</i>	<i>S.D</i>	<i>t</i>	<i>Sig</i>
Favorable match	High	4.70	1.41	-.159	.874
	Low	4.75	1.00		
Unfavorable mismatch	High	5.50	1.29	.253	.013
	Low	4.04	1.36		

N = 199

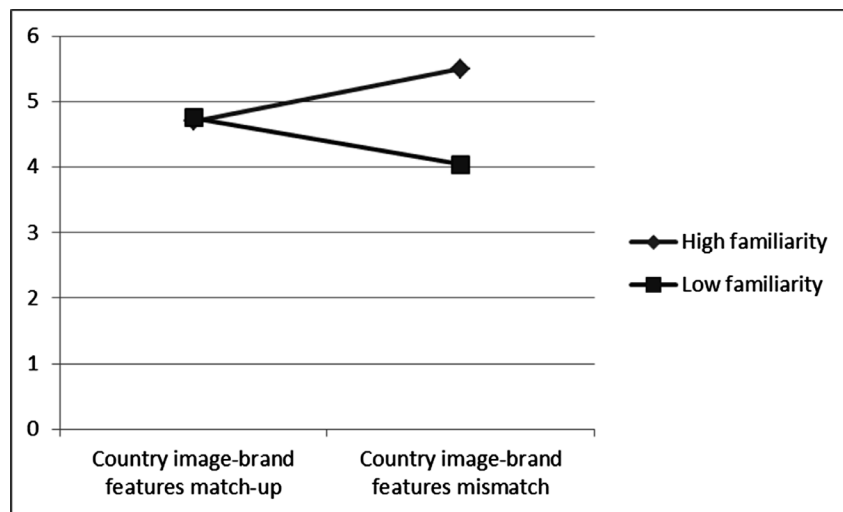


Figure 15.3: Country Familiarity

Hypotheses 3

As we reveal in Table 15.9, Table 15.10 researchers predicted hypothesis 3 (H3). The result of testing hypothesis3 Brand familiarity will moderate between country image-brand features match up and brand belief. Consumers perceive, when country image and brand features match ($M_{high_familiarity} = 4.87$, $M_{Low_familiarity} = 4.53$, $t = 1.05$, $p > .05$). The case of matches showed no difference in reliability depending on consumers' perception about brand belief according to brand familiarity. Secondly, In the case of a mismatch,

($M_{\text{high_familiarity}} = 5.78$, $M_{\text{Low_familiarity}} = 4.04$, $t = .334$, $p < .05$) In contrast, there were statistically significant differences in the brand belief when the brand familiarity level was higher than low familiarity. The results are shown in Table 15.9, 10 and Figure 15.4. Furthermore, as can be show in Table 15.9 and Table 15.10 Figure 15.3, univariate ANOVA analysis indicated that brand familiarity significant two-way interactions moderated between country image-brand features match-up ($F = 5.34$, $p < .05$). Thus, moderating effect of brand familiarity was significant.

Table 15.9
Moderating effect of brand familiarity (ANOVA)

<i>Effects</i>	<i>df</i>	<i>F</i>	<i>Sig</i>
Main effect	.747	.456	.501
Brand familiarity	19.2	11.7	.001
Main effect × brand familiarity	8.76	5.34	.022

Table 15.10
Moderating effect of brand familiarity

<i>Country</i>	<i>Brand familiarity</i>	<i>Mean</i>	<i>S.D</i>	<i>t</i>	<i>Sig</i>
Favorable match	High	4.87	1.25	1.05	.296
	Low	4.53	1.11		
Unfavorable mismatch	High	5.78	.558	.334	.001
	Low	4.04	1.36		

N = 199

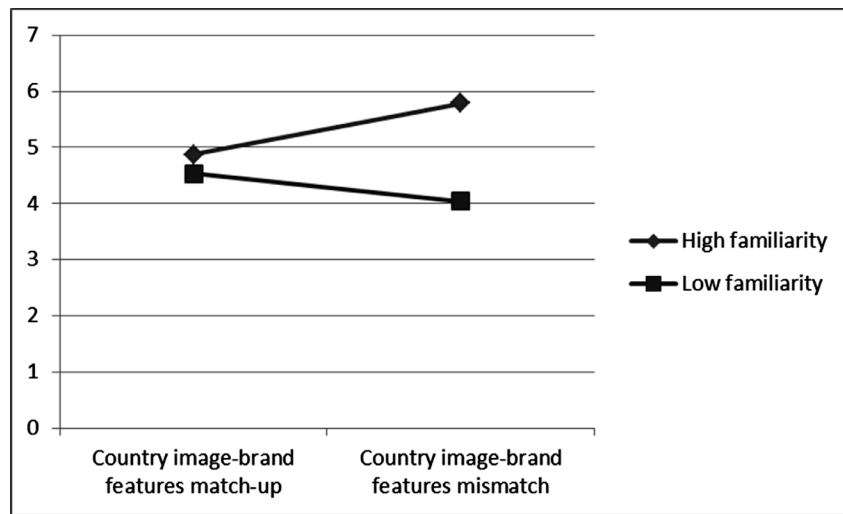


Figure 15.4: Brand Familiarity

Hypotheses 4

The result of testing hypothesis 4 shows regarding brand beliefs on brand attitude. The result suggests there is statistically significant relation between the brand belief and brand attitude ($\beta = .693$, $p < .01$); thus, Hypothesis 4 is supported.

Table 15.11
Brand belief on brand attitude

<i>Independent variable</i>	<i>Dependent variable</i>			
	<i>Regression coefficient</i>	<i>SE</i>	<i>F</i>	<i>Sig</i>
Brand belief	.693	.021	112	.000

5. CONCLUSION AND IMPLICATIONS

We examined the hypothesized country image tested by two developed countries which are familiar and well-known countries such as Germany and France. And we also used two brands (Functional vs. Symbolic) in this research as the functional brand is a car (Volkswagen) branded in Germany and symbolic brand as Chanel No. 5 branded in France. We tested by cross checking if these two brands are manufactured in both countries, then how they can influence consumers' brand beliefs and brand attitude. Additionally, researchers investigated whether country familiarity and brand familiarity can moderate between country image-brand matches and brand belief. There is a statistical significance in brand concept (functional brand vs. symbolic brand). There is no significance difference between two countries.

The purpose of this study was to investigate the brand beliefs and attitudes perceived by consumers in various conditions, and to examine the relationship between brand image and brand familiarity. The results of this study are summarized as follows. **First**, do consumers have a specific country image of people related or product related? Our predictions regarding the image of Germany are product-related images and France is people-related images and H1 was adopted because brand beliefs were higher when country image and brand features were not identical. In detail, there was no difference in the brand beliefs between the functional brand and the national image, and the brand belief was higher when the symbolic brand was consistent with the country image. **Second**, how much does match-up between country and brand features influence on the brand belief? And does the familiarity (country, brand) moderate the relationship between match-up and the brand belief? As the result the brand beliefs in the case of country image and brand features are not different according to country familiarity, H2(a) is adopted, and in the case of mismatch, brand belief is higher than country familiarity level H2(b). **Third**, H3(a) is adopted the brand beliefs when the country image and the brand features match each other there are no different according to the brand familiarity. H3(b) is adopted, and the brand belief in the case of incongruity is higher than that of the low brand familiarity. **Fourth**, does the brand belief according to match-up impact on consumers' attitude toward brands? In accordingly, H4 was also adopted because brand beliefs showed a positive effect on the attitude toward the final brand. Analysis of the above results shows that the technological gap between countries is decreasing with the development of advanced technology, and since the origin of the product is not externally visible, consumers focus on the brand rather than the origin. Therefore, in the case of product-related country image, the brand is perceived based on the functional features of the product rather than the origin. In the case of people-related country images, it also provides implications for perceiving the brand based on the symbolic features of the product.

6. LIMITATIONS AND FUTURE RESEARCH

In the research, several limitations may have compromised of our result. As the primary object of this study was defined by country image (Product-Related and People-Related) product country match was defined

by brand features. The selected countries were depended on our brand stimuli. As a result, researchers considered that countries should first be taken into consideration after we could select research stimulus. However, researchers, fortunately, found the statistical significance for the study. A brand description was created to motivate respondents to respond to the survey. The first page shows only brand name and logo, the second page shows Branded in country and brand logo and brand name. To help subjects envision the brands, used pictures were shown as artificial pictures. However, as mentioned in Bilkey and Nes (1982), questionnaires are restricted from participating in the survey because actual brands cannot be used as a topic consideration. In this study, we applied to representative brands and their countries in the world. However, some questions were raised by questionnaires about the inconsistencies between brands and origin. This study was to confirm the consumer's brand attitude based on the origin of the brand. Therefore, we examine the brand's consumer awareness sources presented in previous surveys and identify recent trend changes perceived by the entire population of consumers. This implies that the origin of the brand may no longer be a factor affecting the consumer's attitude. Furthermore, thanks to globalization, companies now have more opportunities to distribute their brands to consumers all over the world. At the same time, consumers can choose from a wide range of services and products in almost every category. Thus, country image is a significant variable to take into consideration when studying consumer evaluation of foreign products. Country image is linked to diverse marketing factors which have an impact on consumer decision including beliefs and familiarity.

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