

THE EFFECT OF COUNTRY OF ORIGIN ON
PRODUCT EVALUATIONS: A TEST
OF THE MATCHUP HYPOTHESES

BY

MYUNG-KYOO CHOI

Bachelor of Business Administration
Seoul National University
Seoul, Korea
1974

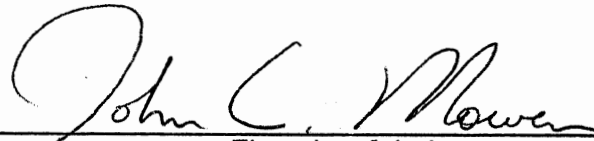
Master of Business Administration
Oklahoma State University
Stillwater, Oklahoma
1987

Submitted to the Faculty of the
Graduate College of the
Oklahoma State University
in partial fulfillment of
the requirements for
the Degree of
DOCTOR OF PHILOSOPHY
July, 1991

Thesis
1991D
C545e
cop. 2


THE EFFECT OF COUNTRY OF ORIGIN ON
PRODUCT EVALUATIONS: A TEST
OF THE MATCHUP HYPOTHESES

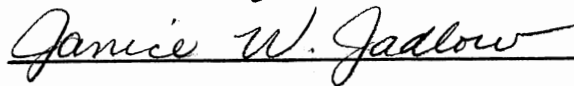
Thesis Approved:

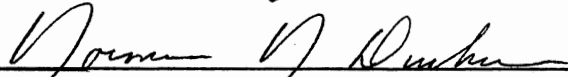


Thesis Adviser









Dean of the Graduate College

ACKNOWLEDGEMENTS

I would like to express my deepest appreciation to Dr. John C. Mowen who served as the chairman of my program and dissertation committees. My successful fulfillment of all the requirements of the doctoral program at Oklahoma State University and completion of this dissertation might have been very difficult without Dr. Mowen's great support and help. He provided me with directions for being a successful academician. As an academic advisor, he gave me intelligent guidance and insights so that I could finish all the work necessary during the doctoral study. I've, however, never thought him only as an academic advisor. He has been a great teacher for my life. He understood my weaknesses and difficulties as a person and as a foreign student. He always encouraged me and supported me morally. I will always remember his continuous encouragement, invaluable help, and wonderful understandings.

I also would like to thank other committee members, Dr. Clifford E. Young, Dr. Ruth H. Krieger, Dr. Richard Germain, and Dr. Janice W. Jadlow for their valuable advice in developing research ideas and designs and in collecting and analyzing the research data. I appreciate valuable suggestions and comments on the dissertation

proposal that came from Dr. Joshua L. Wiener, Dr. Ajay Sukhdial, and other marketing faculty. Dr. Stephen J. Miller, head of the marketing department, guided me throughout the whole program. I will remain grateful to him.

My special thanks go to Mrs. Key W. Keys at English Language Institute of OSU. She helped me conduct part of the dissertation research using Japanese students who were participating in an English language program at the institute.

My mother, father- and mother-in-law, my wife, Kyungae, and my two children, Sonook and Youngjae, supported and understood me for a long time. My sincere appreciation is expressed to all of them.

My Lord, Jesus Christ, should deserve my greatest gratitude for helping me love my life and have overcome all the difficulties in finishing my study in the U.S. I will always live within my Lord's everlasting love toward me.

TABLE OF CONTENTS

Chapter	Page
I. INTRODUCTION.....	1
Country of Origin Effect on Product Evaluations.....	3
Identification of the Problem.....	5
Purpose of the Study.....	7
Outline of Research Methodology.....	8
Contributions of the Study.....	11
Organization of the Dissertation.....	13
II. LITERATURE REVIEW.....	14
Overview.....	14
Research Findings.....	23
The Country of Origin Effects for Products in General.....	23
The Country of Origin Effect for Specific Products and Brands.....	28
Consumer Bias Against Products from Less Developed Countries.....	34
The Country of Origin Effect for Products from Developed Countries...	38
Consumer Preference for National Products.....	43
Country of Origin Effect Is Specific to Consuming Countries.....	47
Demographic and Personality Variables and Country of Origin Effect.....	49
Changes in Country Image and the Role of Promotion.....	54
Country of Origin Effect Is Specific to Product Classes and Product Attributes.....	58
Methodological Issues.....	61
III. RESEARCH METHODOLOGY.....	67
Research Objectives.....	67
Research Hypotheses.....	70
Matchup Hypotheses.....	70
Role of Consumer Involvement.....	78
Research Design.....	81

Chapter	Page
Experimental Design.....	81
Selection of Test Products and Countries.....	83
Three Separate Studies.....	86
Samples.....	86
Procedure.....	87
Questionnaire Design.....	88
Measurement of the Variables.....	90
Image Match Between a Product and a Country.....	90
Consumer Attitudes Toward the Test Product (H1).....	91
Consumer Attitudes Toward the Advertisement for the Test Product (H2).....	92
Consumer Involvement.....	92
Consumer Ethnocentrism as a Covariate.....	93
Informational Value of Product Cues...	94
Data Analysis.....	94
 IV. ANALYSIS AND FINDINGS OF THE STUDY.....	 97
Reliability Tests and Purification of Multiple Measures.....	98
Image Match Between a Product and a Country.....	99
Consumer Attitudes Toward a Test Product.....	100
Consumer Attitudes Toward an Advertisement for a Test Product...	101
Consumer Involvement.....	102
Consumer Ethnocentrism.....	103
Manipulation Check.....	105
Effect of Image Match on Product Evaluations: Test of Hypothesis 1.....	105
Effect of Image Match on Attitudes Toward Advertisements: Test of Hypothesis 2....	113
Image Match and Consumer Ethnocentrism: Test of Hypothesis 3.....	120
Product Involvement and Country of Origin Effect: Test of Hypothesis 4.....	124
Summary of Results.....	128
 V. CONCLUSIONS, LIMITATIONS AND IMPLICATIONS.....	 132
Research Findings and Conclusions.....	132
Implications of the Study.....	136
Limitations.....	139
Directions for Future Research.....	142
 REFERENCES.....	 146

Chapter	Page
APPENDIXES	
APPENDIX A - PILOT STUDY QUESTIONNAIRE.....	156
APPENDIX B - MAIN STUDY QUESTIONNAIRE.....	170
APPENDIX C - MAIN STUDY QUESTIONNAIRE (JAPANESE VERSION).....	185

LIST OF TABLES

Table	Page
I. Research Hypotheses.....	82
II. Mean Levels of Image Match and Involvement...	85
III. Scale for Measuring Consumer Involvement.....	93
IV. Scale for Measuring Consumer Ethnocentrism...	95
V. Reliability Analysis of Image Match Scale....	100
VI. Reliability Analysis of Product Attitude Scale.....	101
VII. Reliability Analysis of the Scale for Attitudes Toward Ads.....	102
VIII. Reliability Analysis of Involvement Scale....	103
IX. Reliability Analysis of Ethnocentrism Scale..	104
X. Mean Levels of Image Match Between Product and Country.....	106
XI. Mean Levels of Involvement with Test Product.....	108
XII. Effect of Image Match on Product Evaluations.....	109
XIII. Mean Attitudes Toward Matched/Mismatched Products	109
XIV. Effects of Image Match and Country of Origin on Product Evaluations.....	111
XV. Mean Attitudes Toward Products Made in Each Country	112
XVI. Effect of Image Match on Attitudes Toward Ads.....	115
XVII. Mean Attitudes Toward Ads for Matched/Mismatched Products	116

Table	Page
XVIII. Effects of Image Match and Country of Origin on Attitudes Toward Ads.....	118
XIX. Mean Attitudes Toward Ads for Products Made in Each Country	119
XX. Relationship Between Ethnocentrism and Evaluations of Foreign Products: Matched Products.....	121
XXI. Relationship Between Ethnocentrism and Evaluations of Domestic Products: Matched Products.....	122
XXII. Relationship Between Ethnocentrism and Evaluations of Mismatched Products: American Subjects.....	123
XXIII. Relationship Between Ethnocentrism and Evaluations of Foreign Products: Japanese Subjects.....	124
XXIV. Relationship Between Country of Origin, Image Match, and Consumer Ethnocentrism.....	125
XXV. Relationship Between Involvement and Country of Origin Effect	127
XXVI. Relationship Between Country of Origin, Image Match, and Involvement.....	129

LIST OF FIGURES

Figure	Page
1. Consumer-Product-Country Triad	74
2. Interactions Between Product and Country	113
3. Consumer Ethnocentrism as Related to Country of Origin and Product/Country Match.....	126
4. Involvement as related to Country of Origin and Product/Country Match.....	130

CHAPTER I

INTRODUCTION

Due to the increase in world production and international trade between countries, each country has become a market in which domestic products and those from foreign countries compete with each other for consumer attraction. Nearly every country is no longer the exclusive province of domestic manufacturers. The U.S. market, in particular, has evolved into an attractive target not only for industrialized countries, but also for many developing countries. Evidence that some foreign countries have successfully penetrated the U.S. market is seen in the rapidly increasing imports of products from Europe, Asia, and Latin American countries. For example, imported goods comprise 35 to 40 percent of the U.S. market for textile and apparel products and even as high as 50 percent in some product categories (Serrin 1984). In addition, some imports are increasingly labeled with well-known U.S. national and private brand names. Unlike purely domestic and purely foreign products, those "hybrid products" (Han and Qualls 1985; Johansson and Nebenzahl 1986) or "bi-national products" (Han and Terpstra 1988) that include two countries of

origin represent an additional challenge for consumers in terms of quality evaluations of the products.

In line with the trend of globalization of domestic markets, numerous studies have been conducted since the mid-1960s on how the country of origin of a product influences consumers' product evaluations. Studies have found that consumers have different country images or general perceptions of quality for products made in different countries (Bilkey and Nes 1982). Nearly all products originating in foreign countries have been found to be subject to country of origin effects (Han and Terpstra 1988).

Very little, however, is known about the effect of country of origin on consumers' product evaluations. Many studies on the issue of country-of-origin effects tend to merely report the existence of substantial differences in perceived quality between products made in different countries. More research is needed to clarify the exact nature of the country of origin effects. In particular, knowledge is necessary about the relationship between the country image and other product attributes in determining consumer attitudes toward products from different countries. Unlike previous studies that have neglected the fact that country of origin effect is an individual difference phenomenon, the present research focuses on the consumer rather than on the product itself. This type of research demonstrates how the

country of origin effect varies depending on the psychological characteristics of the consumer. More knowledge about the exact nature of the country of origin effect would have significant implications for international marketing and consumer behavior.

Country of Origin Effect on Product Evaluations

The country of origin effect on product evaluations refers to the tendency for a consumer to change his/her attitudes toward a product or brand on the basis of information on the country of origin of the product. The country of origin would have a negative effect if a consumer changes his/her attitudes unfavorably upon receiving information about where the product was made. A negative country of origin effect frequently occurs when a consumer in more developed countries evaluates products made in less developed or developing countries. On the other hand, the country of origin information would have a positive effect if a consumer changes his/her attitudes more favorably after knowing the country of manufacture. A positive country of origin effect has been found to occur when a consumer in less developed countries evaluates products from economically developed, industrialized countries (Bilkey and Nes 1982). In both cases, attitude change based on information about the country of origin is likely to be

biased because the change is not derived from considering the true merits of a product but from inferring the quality of the product from the image associated with the country of origin.

Why does the country of origin information affect consumers' perceptions of product quality? One dominant view maintains that consumers use country image in product evaluation because they often are unable to detect the true quality of a country's products before purchase and use (Huber and McCann 1982; Shapiro 1982; Erickson, Johansson, and Chao 1984; Johansson, Douglas, and Nonaka 1985). Country of origin, like price, may serve as a proxy variable when other information is lacking. Because consumers are unable to evaluate true intrinsic quality, they may rely on extrinsic cues such as country image to infer the quality of products from them.

Another view maintains that consumers recode and abstract individual elements of information into higher order units or "chunks" (Miller 1956; Simon 1974) because information chunks are easier to store in and retrieve from long-term memory (Simon 1974). The process of information chunking may evolve around country image (Han 1989). Consumers may abstract information about products made in a country because brands with the same country of origin tend to have very similar product attributes. Country image formed in this way affects consumer

attitudes toward a brand from the country.

Country of origin is an image variable. An image variable can be seen as some aspect of a product that is distinct from its physical characteristics but that is nevertheless identified with the product (Erickson, Johansson, and Chao 1984). Country image or "made in" image refers to the picture, the reputation, or the stereotype that consumers attach to products of a specific country. The image can be created by such variables as representative products, national characteristics, economic and political background, history, and traditions (Nagashima 1970). It can have a strong influence on consumer behavior in the international market.

Identification of the Problem

Previous research on the country of origin effect has evolved around factors related to products rather than those associated with individual consumers. Most country image studies have tried to find out whether there are significant differences in perceived quality for various products in general, for classes of products, for specific types of products, or for particular brands of products made in different countries (Bilkey and Nes 1982). Some studies have also examined whether the country of origin effect is specific to product attributes (Etzel and Walker 1974; Han and Terpstra

1988). In general, the findings of these studies show that the country of origin effect holds for all kinds of products and for different product classes, types and brands. The effect is also found to be specific to individual product attribute dimensions.

Without caution, however, these findings might be interpreted as holding for all consumers or for an individual consumer for all times. Previous research has neglected the possibility that the country of origin effect might be specific to different consumers or to different psychological characteristics of an individual consumer (Bilkey and Nes 1982; Han 1989; Hong and Wyer 1989). The neglect is due, in part, to the focus on product factors rather than on consumer factors.

The same product made in a given country may be evaluated differently across different consumers and/or across different psychological states of a consumer. Previous research has not attempted to investigate why this happens. Previous studies have not explained why various products made in the same country are not subject to the same degree of country of origin effects. Why is a product from a specific country evaluated favorably by a consumer, whereas another product from the same country is evaluated unfavorably by the identical consumer? For example, consumers' evaluations of Afghan rugs would be very different from those of Afghan television sets (Han 1989). English winter coats were judged favorably by

French consumers but English playing cards, cough syrup, and life insurance were evaluated unfavorably by the same consumers (Baumgartner and Jolibert 1978). Research on the country of origin effect should advance beyond the mere investigation of differences in consumer attitudes toward products from various countries by addressing these kinds of questions and by focusing on individual consumers.

Purpose of the Study

The purpose of this study is to examine empirically how some characteristics of the consumer influence the country of origin effect on product evaluations. The general goal is to help clarify the exact nature of the country of origin effect. The study assumes that the role of country image in product evaluations would be specific to individual consumers. The specific objectives of the study are:

1. to investigate how the country of origin effect is influenced by the nature of match between the general image of a country and the image of a product made in the country, and
2. to examine how the level of consumers' involvement with a product affects the country of origin effect on evaluations of the product.

He looks at perceptions through

He never defined what he means by this

With respect to the first objective, the study hypothesizes that the country of origin effect is

different in magnitude and direction depending on whether there is a matchup between general image of a country and the image of a product made in the country from the perspective of an individual consumer. This issue is addressed by examining whether consumer attitudes toward a product and an advertisement for the product are favorable or unfavorable depending upon whether there is a match or mismatch between country image and product image. The impact of consumer ethnocentrism on the role of image match in product evaluations is also investigated. The second objective addresses whether the degree of country of origin effect is significantly different according to the level of consumer involvement with a product.

Taken together, the two objectives focus on consumers rather than on products. Findings of the study may explain why country of origin has different effects across different product classes and across different consumers within same product class.

Outline of Research Methodology

An experimental design with self-administered questionnaires was employed. Data were collected from a sample consisting of students. The entire research consisted of three separate studies. The first and second studies used American subjects and the third study Japanese students who were participating in an English

program at a local U.S. university. The study using Japanese subjects was conducted in order to check how American and Japanese consumers were different in some aspects of consumer behavior. Test products used as experimental stimuli in the second and third studies were different from those used in the first study. Three studies and different product types were used mainly to ensure that the results of the entire study were from the effect of experimental manipulations but not from the effect of characteristics specific to a unique product type.

Four test product types were selected through the use of a pilot study; hand-made rugs, wall-to-wall stainless carpets, athletic shoes, and sandals. In the pilot study, the U.S. and China were selected as two countries of origin of the test products. Each test product was chosen because the images of each product type matched well with one test country but not with the other country.

The questionnaire asked the respondents to indicate how much they were involved with each test product. Respondents' level of consumer ethnocentrism was also collected. Respondents provided their perceptions of the relative importance of several informational cues associated with a product in product evaluations. The cues included brand name, price, country of origin, retailer reputation, warranties, and quality. Each

respondent indicated his/her attitudes toward each test product made in the U.S. and China. The respondent also indicated his/her attitudes toward an advertisement for each test product made in the U.S. and China. Finally, each respondent provided information on his/her overall impression about the level of matchup between the images of each test product and the positive images of the U.S. and China.

The variables in the study included the level of match between general country image and product image, consumer involvement, consumer ethnocentrism, and importance of product cues in product evaluations. Consumer involvement with each test product and consumer ethnocentrism constituted covariates in the study. Consumer attitudes toward each test product made in each country and those toward the advertisement for the product served as the dependent variables of the study.

The study used a 2 (match versus mismatch between general country image and product image) x 2 (two countries of origin; U.S. versus China) between-subjects experimental design. The level of match between country image and the images of each test product was measured using a 3 item semantic differential scale. Consumers' level of involvement with each test product was measured through the use of an adapted version of the scale originally developed by Bloch (1981). Consumer ethnocentrism was measured by employing Shimp and

Sharma's (1987) scale. Consumer attitudes toward the test products and ads for them were measured using scales developed in the study. Relative importance of each informational cue in product evaluations was measured by asking the respondent to indicate the importance of each cue. Scales were purified using factor analysis or by applying item-to-total correlational analysis. Analysis of covariance (ANCOVA), paired t-tests, and correlation analysis were the major statistical methods relied upon in data analysis.

Contributions of the Study

The present study was designed to advance the extant country of origin literature base in part by explicitly addressing the limitations of past studies. First, hypotheses were formulated based on well-developed theories in social psychology and consumer behavior. The study incorporated the cognitive elements of a product, a consumer, and country of origin into a coherent conceptual framework. Unlike many past studies, this one had sufficient theoretical underpinnings. Second, the research hypotheses focused on the relationship between country of origin effect and psychological characteristics of the consumer. The study demonstrated that the country of origin effect is not a simple, unidimensional phenomenon but that the effect varies in magnitude and direction depending on the

characteristics of the consumer. The study introduced new variables into the literature on the country of origin effect by examining how such new variables as image matchup and involvement influence the effect of country of origin on product evaluations. The study was the first attempt to provide evidence that country image is an individual difference variable. It demonstrated that researchers on the country of origin effect should adopt a new perspective that focuses on the individual consumer in order to capture a clearer picture of the effect.

The present study used advertisements for the test products as experimental stimuli instead of just verbal descriptions of products that have been widely used in past studies. The study also included consumer ethnocentrism as a covariate in order to examine its effect on the evaluations of products made in various countries. Scales used in the study to measure several constructs were purified. Reliability of the measurement scales used in the study was reported. Taken together, factors likely to affect consumers' evaluations of products from different countries such as consumer characteristics, relevant product attributes, and product nationality were examined simultaneously in the study. Managerially, the insights obtained in the study will help domestic marketers dealing with imported products, manufacturers competing with foreign products, and

foreign producers entering the US market to formulate appropriate marketing programs.

Organization of the Dissertation

This dissertation consists of five chapters. Chapter I introduces the research problem and the purpose of the study. The chapter also overviews the research methodology to investigate the research topic and addresses the contributions the study would make in research on the country of origin effect. Chapter II reviews the relevant literature. Chapter III details the research methodology utilized in the dissertation research. The chapter describes the research objectives, research hypotheses, research design, measurement of the variables, data collection procedure, and methods of data analysis. Chapter IV presents the findings of data analysis. It shows the results of tests of the research hypotheses developed in Chapter III. Finally, Chapter V discusses the conclusions, theoretical and managerial implications, and limitations of the research and provides suggestions for future research.

CHAPTER II

LITERATURE REVIEW

Overview

Early research on the effect of country of origin of a product on consumer evaluations focused on the direct impact of the country of origin cue on the formation of and changes in consumer attitudes toward products made in different countries. In general, both empirical observations and experimental research indicate that country of origin has a considerable influence on the quality perceptions of a product (see Bilkey and Nes 1982 for a review). Attitudes toward a specific product or brand can be substantially changed, both favorably and unfavorably, when the country of origin of the product or brand is revealed to the consumer (Gaedeke 1973).

The country of origin effect holds for products in general, for classes of products, for specific types of products, and for specific brands. It holds whether the product source countries are alternative developed countries, less developed countries versus more developed countries, and alternative less developed countries (Bilkey and Nes 1982). Products made in different, more developed countries are not all evaluated equally.

Products from less developed countries tend to be evaluated as being inferior to those from more developed, industrialized countries. This consumer bias indicates a seemingly positive relationship between product evaluations and degree of economic development of a country (Schooler 1971; Hampton 1977). The country of origin bias was identified to be related in part to consumers' perceptions of perceived risk associated with a product (Hakansson and Wootz 1975; Hampton 1977; Baumgartner and Jolibert 1978). Hampton (1977) found a general increase in perceived risk for products made abroad. His finding indicates that there may be a hierarchy of perceived risk having an inverse relationship with economic development (Bilkey and Nes 1982).

Schooler's (1965) study showed that products made in less developed countries were not evaluated equally. Consumers were biased for or against products from a less developed country when they were evaluating products made in different, less developed countries. Schooler found that Guatemalan students gave lower evaluations to products made in El Salvador and Costa Rica than to domestic and Mexican products and that this bias was related to a general negative attitude toward people from the former two countries.

Though most studies on the country of origin effect have dealt with consumer goods, the country of origin

effect has also been shown to hold for industrial products (White 1979; White and Cundiff 1978; Hakansson and Wootz 1975; Chasin and Jaffe 1979). U.S. purchasing managers' perceptions of various attributes of industrial products from five developed countries were significantly different (White 1979). Other studies show that there is a significant difference in perceived quality of industrial products based on country of origin.

Several studies found a tendency for consumers to evaluate their own country's products relatively more favorably than do foreign consumers (Nagashima 1970, 1977; Lillis and Narayana 1974; Bannister and Saunders 1978). Krishnakumar (1974), however, found that a sample of respondents from some developing countries discriminated against their own products in favor of products made in more developed countries.

Studies have also found that attitudes toward foreign product change over time. There has been a significant improvement in the Japanese image and a relative deterioration of the U.S. image (Dornoff, Tankersley, and White 1974; Nagashima 1977). Changes in attitudes may come from factors outside of marketing efforts such as economic development of the source country, improvement in the political and economic relationship between the source country and the consumer's own country, and travel experience in the source country. Nevertheless, studies have demonstrated

that marketing efforts could improve attitudes toward foreign products. Reiersen (1967) found that exposure to communication and promotion improved attitudes about Italian products, but not Japanese products. Reiersen's study indicates that advertising may be effective in changing consumer attitudes toward products from a country if prejudice against the country is not too strong.

Some earlier studies tried also to clarify the relationship between demographic or personality variables and the country of origin effect, though the results of the studies are mixed (Schooler 1971; Anderson and Cunningham 1972; Dornoff, Tankersley, and White 1974). Research findings on the relationship between the country of origin effect and such demographic variables as age, sex, race, education, or income were not consistent. Though some studies found an inverse relationship between preference for foreign products and level of dogmatism, conservatism, or status concern (Anderson and Cunningham 1972; Wang 1978), there has been too little research on this issue to make a conclusive statement.

Another important finding in earlier studies is that attitudes toward products from a country vary by product categories (Etzel and Walker 1974; Gaedeke 1973; Nagashima 1970, 1977; Halfhill 1980). This finding implies that the effect of country of origin is specific to product classes. Etzel and Walker (1974) found a

significant difference between general country attitudes and specific product attitudes by country source. Thus, they concluded that it might be misleading to base advertising on general national product attitudes because specific product attitudes are more relevant. More recent research shows that country image is also specific to product attributes (Han and Terpstra 1988). The research indicates that although country images are different between product categories, country images on specific product attribute dimensions are generalizable across different product classes. In fact, the research finding that the country of origin effect is specific to product classes and/or to product attributes has made a considerable contribution to the country of origin literature by demonstrating that products from a given country are not subject to the same degree of the country of origin bias. It also shows that the effect of country of origin is not a unidimensional construct but a multidimensional phenomenon that is determined by the consumer's psychological combination of different images on the various attributes of a product made in a given country.

Recent research performed since 1984 on the country of origin effect has approached the problem from different perspectives and used new methodologies in the investigations. Going beyond a narrow focus on the direct impact of the country of origin cue on product

evaluations, a new research trend is directed to the investigation of the exact nature of the cue itself and its relationship with other informational cues (Erickson, Johansson, and Chao 1984; Johansson, Douglas, and Nonaka 1985; Hong and Wyer 1989; Han 1989). Researchers attempted to focus upon how the role of country image influenced consumer evaluations of various products and different attributes of a product. For example, Han's (1989) study tried to develop and test two alternative causal models representing the structural relationship between the constructs of country image, consumers' beliefs, and attitudes. According to the results of the study, the role of country of origin is different depending on consumers' familiarity with a product made in a country. When consumers are not familiar with a country's products, country image may serve as a halo from which consumers infer a brand's product attributes. It directly affects consumers' beliefs about product attributes and indirectly affects their attitudes toward the brand through those beliefs. Thus, the causal relationship is: country image → beliefs → brand attitude. In contrast, as consumers become familiar with a country's products, country image may become a construct that summarizes their beliefs about product attributes and directly affects their attitude toward the brand. Thus, the structural relationship among the constructs is: beliefs → country image → brand attitude. Han's (1989)

research provided a new insight into the nature of the effect of country of origin since nearly all previous studies explicitly or implicitly viewed country image as a halo that consumers use to infer the quality of an unknown foreign product (Bilkey and Nes 1982).

The cognitive processes underlying the effects of country-of-origin and of specific attribute information on product evaluations have been investigated from an information processing perspective. The country of origin was shown to have a direct impact on product evaluations. It was also shown to stimulate consumer attention that is paid to other attribute information (Hong and Wyer 1989). These studies by Hong and Wyer (1989) and Han (1989) represent a different perspective from that of earlier research on the country of origin effect in that the recent studies have focused on the internal, psychological processes taking place within the consumer. On the other hand, earlier studies emphasized product factors outside the psychology of the consumer that are related to the country of origin effect.

Other recent studies (Erickson, Johansson, and Chao 1984; Johansson, Douglas, and Nonaka 1985; Han and Terpstra 1988) tried to clarify the relationship between the country of origin cue and other informational cues in product evaluations in order to overcome the limitations of most previous studies based on a single cue, the source country. The single cue approach has tended to

bias the results of research in favor of finding a significant country of origin effect.

Han and Terpstra (1988) examined the effects of country-of-origin and brand name cues on consumer evaluations of uni-national and bi-national products and estimated the perceived values of such cues. They found that source country stimuli had more powerful effects than brand name on consumer evaluations of bi-national products. The study also provided a new perspective on country-of-origin research because it dealt with bi-national products that involved two countries of origin. Bi-national products refer to the following products; (1) products that are foreign-made but carry a U.S. brand name (e.g., General Electric TV made in Taiwan), and (2) U.S. made products which carry a foreign brand name (e.g., Honda Civic made in the U.S.).

Johansson and his colleagues (Johansson, Douglas, and Nonaka 1985; Erickson, Johansson, and Chao 1984) proposed a new methodological approach for examining the impact of country of origin on product evaluations. Using a form of a multiattribute attitudinal model analyzed by means of simultaneous regression, the approach allows the examination of the impact of other attributes as well as country of origin on evaluations. It takes into consideration the effect of familiarity and knowledge about product class. The approach also represents an estimation procedure that allows for the

identification of possible two-way causation between beliefs and attitude, in which attitudes are determined by beliefs (Fishbein and Ajzen 1975) or in which attitudes can influence the formation of beliefs (Zajonc 1980; Zajonc and Markus 1982; Beckwith and Lehmann 1975; Holbrook 1983). The results of the study by Erickson, Johansson, and Chao (1984) indicated that country of origin affects beliefs but not attitudes. Adoption of a multiattribute approach suggests that the impact of country of origin may be considerably more complex than is typically assumed.

The assessments of reliability and validity of the measurements used in research on the effect of country of origin have been inadequate or nonexistent (Bilkey and Nes 1982). Jaffe and Nebenzahl's (1984) research represents an attempt to overcome this limitation. They tested the reliability and validity of each of two different questionnaire formats based on the semantic differential scale that have been used in comparative image studies of countries. The authors found that though the two formats have nearly equal reliability, they are not equivalent. Their findings imply that country image studies that have used different questionnaire formats may not be comparable, even if the scale items are the same.

In sum, early research on the country of origin effect showed that consumers' product evaluations were

affected by information on the nationality of a product. All kinds of products tend to be evaluated differently depending on their country of origin. Products made in developed countries are, in general, rated more favorably than those from less developed countries. Products made in the countries that are in the approximately same degree of economic development are not evaluated equally. This is due, in part, to consumers' preference for their own products. However, the country of origin effect has been shown to be specific to product categories and/or attributes. Also, studies found that attitudes toward foreign products change over time.

The validity of early studies was questioned because most of them used a single cue, country of origin, in their research design. Recent research in the 1980's, however, has tried to overcome the limitations of early research by utilizing a multi-cue design. The multi-cue studies are an attempt to approximate the reality as close as possible and thereby to clarify the role of country of origin in product evaluations and selections.

Research Findings

The Country of Origin Effects for Products in General

Since the mid-1960's, considerable efforts have been expended in ascertaining whether the country of origin

influences product evaluations. Most of those efforts found that country of origin of a product does indeed affect product evaluations (see Bilkey and Nes 1982 for a review). In general, numerous studies have found that consumers have significantly different country images or general perceptions of quality for products made in different countries (Han 1989). Most consumers have been found to have stereotyped images of a country (Bannister and Saunders 1978). Stereotyping has been found among U.S., British, French, Finnish, Swedish, Japanese, Guatemalan, Turkish, Indian, and Taiwanese respondents (Bilkey and Nes 1982). For example, German products have a reputation for technological excellence and high functional performance while French products have an image of aesthetic appeal, exclusivity, refinement, and high fashion (Nagashima 1970, 1977; Bannister and Saunders 1978). The stereotyped images might cause consumers to generalize their attitudes and opinions across wide ranges of products from any given country.

The country of origin effect has been found to hold for products in general in many studies (Reiersen 1966; Nagashima 1970, 1977; Anderson and Cunningham 1972; Gaedeke 1973; Lillis and Narayana 1974; Bannister and Saunders 1978; Dornoff, Tankersley, and White 1974; White 1979). Reiersen (1966) first raised the question of U.S. consumers' attitudes toward foreign products as national stereotypes. A section of Reiersen's study assessed

attitudes toward products in general made in each of ten selected developed nations. The section did not specify the classes of products in question. The respondents ranked products in general made in America in first place and Japanese products in last. The distribution of opinions expressed concerning the quality of various nations' products in general showed significant differences. Reiersen (1966) concluded that the results of the study demonstrated definite stereotyping of foreign products by American consumers. They showed a statistically significant difference in the perceptions of quality of foreign products. Nagashima's (1970) first study measured U.S. and Japanese businessmen's attitudes toward products made in the U.S., Japan, England, Germany, Italy, and France. In the study, the concept of products in general made in a specific country was conceptualized as the "Made in (name of the country)."

The results of the study demonstrated stereotype images of Japanese and U.S. businessmen toward products of the various nations. In general, "Made in Germany" appeared to be appreciated most of all foreign labels. The "Made in U.S.A." designation was not regarded as highly by Japanese businessmen as U.S. businessmen seemed to think. Japanese businessmen did not regard "Made in Japan" as favorably as U.S. businessmen regarded "Made in U.S.A." label. "Made in England" still carried the traditional image of excellence, and maintained a strong

prestige value in Japan. This was not strongly held in the United States. The national stereotype image of "Made in France" was the poorest of the test countries. However, it still had a unique prestige value in Japan.

Nagashima's (1970) cross-cultural research made another contribution by trying to define product "quality" by breaking the concept down into constituent dimensions such as design, price, value, style, service and engineering, thereby permitting a multi-dimensional measure of quality. He attempted to capture all of these dimensions of the concept of quality by using a 20 item semantic differential scale. Nagashima (1970) also found that some representative products of a country influence the formation of total product image of that country.

Gaedeke (1973) investigated specifically the opinions of U.S. consumers toward the quality of overall imported products made in various developing countries and the United States. The study results showed that generally products made in U.S.A. were ranked noticeably higher than products from any of the developing countries. Gaedeke (1973) applied chi-square tests to determine if significant differences occurred in the distribution of opinions expressed regarding countries' products in general, product classes, and selected product items by comparing observed frequencies with theoretical expected frequencies. The results of the chi-square analysis showed that significant differences

did occur. Thus, the sample of students as surrogates for general consumers expressed significant differences of opinions toward the quality of products from the developing countries. This was true whether imported products in general, classes of products, or specific product items were considered. Though U.S. products were evaluated higher than products from any developing country, Gaedeke (1973) concluded that with regard to imports from developing countries "consumers may have a much higher product quality image of such imports than has generally been assumed or acknowledged (p. 24)." This conclusion clearly indicates that domestic producers may have misplaced faith in their continuing enjoyment of a perceptually superior national image for quality (Bannister and Saunders 1978).

Bannister and Saunders (1978) investigated attitudes of United Kingdom consumers towards domestic products and the product offerings from a selection of technologically advanced countries highly active in the U.K. market. The results of the study showed that U.K. consumers rated products of domestic origin quite highly but, compared with the respondent ratings in the various U.S. and Japanese studies, the U.K. consumer demonstrated relatively favorable inclinations towards imported products. Both of the Gaedeke (1973) and Reiersen (1966) studies showed that U.S. consumers consistently ranked U.S. products in first position. In contrast, the U.K.

consumer rated West Germany higher than the United Kingdom on four of the five attribute dimensions examined. This finding is in agreement with the Nagashima (1970) study which found that U.S. and Japanese businessmen believed that German manufacturers were more concerned with performance than outward appearance. In sum, substantial differences have been found in the stereotyped images held by U.K. consumers toward products made in selected countries highly active in the U.K. domestic market.

The Country of Origin Effect for
Specific Products and Brands

The country of origin effect has also been found to hold for classes and specific types of products (Dornoff, Tankersley, and White 1974; Gaedeke 1973; Nagashima 1970, 1977; Reiersen 1966; Schooler 1965; Schooler and Sunoo 1969; Schooler and Wildt 1968; White and Cundiff 1978) and for specific brands (Gaedeke 1973; Han and Terpstra 1988). The respondents in Gaedeke's (1973) study provided their opinions about the quality of classes of products imported in relatively large volume from developing countries, and about specific product items. The classes of products examined included food products, electronic items, and textiles. The results of chi-square analysis of the study showed that there were significant differences in the distribution of opinions

expressed toward food products, electronic items, and textiles, as well as toward selected product items. Reiersen (1966) also asked for respondents' attitudes toward classes of products and toward specific products made in various industrialized nations. Mechanical products (automobiles, refrigerators, etc.), food products, and fashion merchandise were the classes of products investigated. Examples of specific product items examined included English furniture, Japanese shoes, and Swedish radios. The results of the study demonstrated that in every category the student respondents ranked American products in the first place, and Japanese products in last. French fashion merchandise was ranked much higher than French products in other categories, while Germany was ranked lower in fashion merchandise than any other product class. Like Gaedeke (1973), Reiersen (1966) applied chi-square analysis to determine if significant differences did occur in the distribution of opinions expressed concerning the quality for classes of products and specific products from various nations. Significant differences did occur. Thus, the student sample thought that the products made in the selected countries varied greatly in quality.

In Schooler's (1965) experimental study, each of four groups of subjects evaluated a juice sample and a fabric sample made in one, and only one, of the four

Central American countries. The groups were homogeneous and the products were identical in all respects, except for the name of the country of origin appearing on the label. Therefore, significant differences in the evaluation of products should indicate preconceptions of product characteristics based on national origin, particularly if similar intercountry differences were demonstrated for each of the two products. The results of analysis of variance indicated a significant difference in the evaluations of products on the basis of country of origin.

Schooler and Sunoo's (1969) research replicated the same experimental design as the one used in Schooler's (1965) experiment. The only difference was the designation of regional areas rather than countries as the origins of production and the use of two different types of products, a beige cloth of medium weave and a simple goblet of modest design. The areas of Asia, Africa, South America, and Western Europe were included. As a control group, Western Europe served as a norm around which deviations were assumed to be important. Schooler and Sunoo (1969) hypothesized that American consumers would not evidence bias against the manufactured goods of developing areas labeled regionally. That is, "inter area" differences would not exist; evaluations of a given product would not vary according to area of origin. The rationale for the

hypothesis was that the image of a vast area encompassing several nations is likely to be less precise than the image of a single foreign country. The results of the experimental study supported the hypothesis, showing no significant difference between areas. Subjects did not evidence bias against the products of developing areas labeled regionally. If the results are borne out with broader samples and with additional classes of products including intangible ones, they would indicate that regional labeling may be rather effective in circumventing consumer bias on the basis of country of origin of a product.

The effect of consumer bias on the selection decision between similar, alternative domestic and foreign products could be offset by manipulation of the price differential (Schooler and Wildt 1968). In Schooler and Wildt's (1968) experiment, subjects evaluated two pieces of glassware, one of which was labeled "Made in Japan," the other "Made in U.S.A." The results of the experiment showed that American consumers were biased against Japanese products. The results demonstrated that for most consumers, product bias for national origin can be offset through manipulation of the price differential between very similar, alternative domestic and foreign goods. It was also shown that as the price differential increased, then effect of the bias on the selection decision diminished until a point of

indifference was reached. At that point, the buyer would consider the value offered by the domestic product and the foreign good to be equally attractive. Beyond the point of indifference, the consumer should consider the price differential a dominant influence and choose the lower priced good. Though the validity of the findings in Schooler and Wildt's (1968) research should be qualified in consideration of their use of a single product made in a foreign country, they are meaningful in that they demonstrate clearly that a negative inclination toward a foreign product should not be equated with an unalterable unwillingness to buy. For most consumers, the effect of bias based on country of origin of a product can be offset with price concessions of varying amounts, that is through manipulation of the price differential between the domestic product and the foreign good.

Nagashima (1970, 1977) employed a method different from the one usually used in country of origin research in order to investigate the country of origin bias across different classes of products. Instead of asking the respondents to evaluate directly various categories of products made in different countries on the basis of semantic differential or Likert-type scales, he first asked them to list the product classes which came first to their minds when they saw various "Made in" names. He secondly asked the respondent to indicate the country

that he/she thought produced each of several test products of the greatest value when one considered price, quality, design, service, etc. The answers to the first question revealed some representative products of a country that contributed in part to the formation and change of total country image. For instance, automobiles, computers, foods, and electronic products were strongly associated with the concept of "Made in U.S.A.", cameras, electronic products, automobiles, and shipbuilding were with "Made in Japan", and cosmetics, perfumes, and wines were with "Made in France." The responses to the second question showed that Japanese businessmen rated the U.S. as the best overall producers of automobiles and food products, and second in electrical appliances. Their counterparts in the U.S. also rated American products as the best on automobiles and electrical appliances, giving second place to U.S. textiles. For the Japanese, "Made in Japan" was rated best on electrical appliances and second best on textiles, pharmaceutical products, and foods. The responses to the first and second questions were fairly consistent. The representative products that are strongly associated with an image of a country would receive favorable ratings if they were evaluated directly based on semantic differential or other scales of the same sort.

White and Cundiff (1978) investigated specifically

whether industrial buyers allow national stereotypes to influence their evaluations of industrial products and their perceptions of product quality based on country of origin. Three products examined were an industrial lift truck, a metal working machine tool, and a dictation system. An examination of the results of analysis of variance reveals that for all three products there is a statistically significant difference in the perception of quality of the products based on information about the country in which they were made.

Consumer Bias Against Products
from Less Developed Countries

One of the consistent findings in research on the country of origin effect is the tendency for consumers to evaluate less favorably products made in less developed countries than those from developed, industrialized countries (Hong and Wyer 1989; Gaedeke 1973; White and Cundiff 1978; Han and Terpstra 1988; Han 1989). Products made in the U.S. were ranked noticeably higher than those from developing Asian and South American countries for products in general as well as for various product categories, including food, electronics, and textiles (Gaedeke 1973). In White and Cundiff's (1978) study, the U.S. and West Germany were rated above Japan in perceived quality for all test products involving industrial lift trucks, dictation systems, and metal working machine

tools, with Brazil being rated below all of these countries. Korean television sets and automobiles were evaluated lower than their U.S. and Japanese counterparts for country image, product attributes, and general brand attitude (Han 1989). In Hong and Wyer's (1989) pretest for selecting test countries in their main study, subjects rated West Germany and Japanese electronic products significantly more favorably than those made in Mexico or Korea. Country images for the U.S., Japan, Germany, and Korea as producers of television sets and automobiles showed that the Korean image was weakest on all product attribute dimensions except for the dimension of economy (Han and Terpstra 1988). For the overall ratings, average perceived values for television sets descended in the order of Japan, U.S., Germany, and Korea, while those for automobiles descended in the order of Japan, Germany, U.S., and Korea. In fact, the salience of country-of-origin cue in product evaluations was so strong that source country stimuli were found to have more powerful effects than brand name on consumer evaluations of bi-national products (Han and Terpstra 1988). Gaedeke (1973) also found that specific brands might be evaluated higher or lower when the country of origin was revealed as a less developed country in comparison with no country-of-origin information being given. These findings suggest that consumer evaluation of the same U.S. branded products would depend upon the

country of manufacture of the product.

Despite the consistent research finding that consumers are biased against products from developing countries, the issue of why country of origin affects consumer perception of quality unfavorably for those products has not been discussed clearly. Some studies suggest a positive relationship between consumer evaluations of a product and the degree of economic development of the source country (Schooler 1971; Hampton 1977; Tongberg 1972; Wang 1978). Several other variables have also been suggested as being explanatory of such a bias. They include the source country's economic, cultural, and political systems (Wang 1978), and perceived similarity with the source country's belief system (Tongberg 1972). The latter variable demonstrated a high correlation with economic development and the former variables also seem to correlate highly with economic development (Bilkey and Nes 1982).

Some studies show that the consumer bias appears to be stronger against Eastern Europe countries than their degree of economic development should indicate (Bannister and Saunders 1978; Chasin and Jaffe 1979; Schooler 1971; Darling and Kraft 1977). "Made in USSR" was clearly the least favored of the seven countries analyzed in Bannister and Saunders' research because of USSR's problems associated with distribution and market penetration in the U.K. market in spite of USSR's

advanced technology. Though the USSR was perceived positively by American businessmen in the areas of "advanced technology," "dependability," and "quality," it was weakest on such marketing variables as "maintenance/service," "credit terms," and "style" (Chasin and Jaffe 1979). Finnish consumers believed that more advertising for Russian products was needed to inform them adequately (Darling and Kraft 1977). Chasin and Jaffe (1979) proposed that consumer stereotypes about communism and standardized images about Eastern European countries were responsible for much of the downgrading tendency. Unfavorable attitudinal and emotional values with respect to the social, economic, and political systems of the countries are generalized and transferred to the products made in them.

The country of origin bias against products from developing countries has been found to have a relationship with the consumer's perceived risk (Hampton 1977). Hampton found a general increase in perceived risk for products made abroad in comparison with the same products made in America. Hampton's findings indicate the existence of perceived risk having an inverse relationship with economic development of a country. He found no interaction between products and source countries. Hence, a low risk product made in an economically developed, low-risk country might be perceived as a high-risk product if it were made in a

high-risk, developing country (Bilkey and Nes 1982). However, some specific products showed lower risk when made abroad. Though most of these cases involved products made in other developed countries, freeze dried coffee made in Brazil and electronic calculators made in Hong Kong exhibited lower risk than their counterparts made in the United States (Hampton 1977). The Brazilian example may indicate a case in which a country image and reputation as a renowned producer of the particular raw material of high quality transferred to the processed product made from the same raw material. The Hong Kong case may indicate a pattern in which a country has obtained a very favorable reputation for the same type of product (Bilkey and Nes 1982).

The Country of Origin Effect for Products from Developed Countries

It has been found in many studies that products originating in more developed countries are also subject to the effect of country of origin (Reiersen 1966, 1967; Schooler and Wildt 1968; Nagashima 1970, 1977; Lillis and Narayana 1974; Hakansson and Wootz 1975; Bannister and Saunders 1978; White and Cundiff 1978; Baumgartner and Jolibert 1978; Niffenegger, White, and Marmet 1980; Cattin, Jolibert, and Lohnes 1982; Johansson, Douglas, and Nonaka 1985). Products made in different industrialized countries are not all evaluated equally

since consumer evaluations vary upon receiving the country of origin information. Student respondents in Reiersen's (1966) study rated American products most favorably and Japanese products least favorably among ten developed nations including the U.S., Japan, and Western European countries. American consumers were found to place a value on their bias against Japanese products (Schooler and Wildt 1968). The value could be expressed as a price differential between the Japanese product and the American product. The finding demonstrated that the selection decision between similar, alternative American and Japanese products was responsive to varying the price differential between the two products (Schooler and Wildt 1968).

The U.S. and Japanese consumers' perceptions of the images of "made in" concepts of five developed nations showed significant differences between those nations for each of the Nagashima's (1970) twenty semantic differential items measuring consumer perceptions of product quality (Nagashima 1970, 1977; Lillis and Narayana 1974). In addition to American consumers, Japanese (Nagashima 1970, 1977; Lillis and Narayana 1974; Narayana 1981), British (Bannister and Saunders 1978; Niffenegger, White, and Marmet 1980), French (Baumgartner and Jolibert 1978; Cattin, Jolibert, and Lohnes 1982), Swedish (Hakansson and Wootz 1975), and Finnish (Darling and Kraft 1977) consumers demonstrated perceptual

differences in the evaluations of products based on the country of manufacture, though the products were from within developed countries. Consumers do not perceive all foreign products made in developed countries as being the same or very similar. They are capable of distinguishing among foreign products on important characteristics.

The importance of the country of origin in selecting a seller of industrial products was also evidenced. In Hakansson and Wootz's (1975) study, of the two characteristics of the supplier of industrial products, location and size of the suppliers, location was found to be of more importance, accounting for about 50 % of the explained variance in the selection of bidders by Swedish industrial purchasers. Size of the suppliers accounted for about 10-15 % of the explained variance. In particular, Hakansson and Wootz (1975) concluded that the industrial purchaser was more sensitive to the supplier's location in high than in low need uncertainty situations in which need uncertainty referred to the purchaser's difficulty in interpreting the precise nature of a need formed in his/her firm and in specifying characteristics of the item to be ordered. The analysis of variance for each of the three industrial products examined by White and Cundiff (1978) revealed that for all three products there was a statistically significant main effect for the country of origin but not for the price variable. No

interaction between country of origin and price was found. These results show that there is a significant difference in the perception of quality for the products from developed countries on the basis of information about the country of origin. A significant main effect for the country of origin was also obtained in the evaluations of four different classes of products made in America, France, England, and Germany (Baumgartner and Jolibert 1978). This time, however, there was a significant interaction between nationality and product. For instance, English winter coat was not judged as disfavorably as other English products by French respondents. American playing cards were rated higher than English playing cards, but American cough syrup was rated lower than English cough syrup. The finding implies that the country of origin effect was dependent upon the types of products in question.

What could cause such an interaction between source country and type of product? Countries may be viewed as having images, analogous to the marketing concept of "brand image." Different countries may have different national reputations for technological sophistication, reliability, design and value of a product. As in the case of developing countries, consumers were found to hold stereotyped images toward products made in more developed nations. Substantial differences have been found in these stereotyped images of countries held by

British consumers (Bannister and Saunders 1978). Country image held by the consumer has been found to affect consumer rating of product attributes as well. Consumers make inferences about product quality from country image. As evidenced from the findings by Erickson, Johansson, and Chao (1984) and Johansson, Douglas, and Nonaka (1985), country image as a halo may directly affect consumers' beliefs about product attributes and indirectly affect overall evaluation of products through those beliefs.

Summing up from several studies (Niffenegger, White, and Marmet 1980; Nagashima 1970, 1977; Lillis and Narayana 1974), American products are generally seen as heavily advertised, technically advanced, produced by mass production methods, comparatively more attractive to the younger consumers, and possessing a slight masculine bias. Products made in France are usually viewed as luxurious and somewhat exclusive, possessing a prestige in the ownership, less advertised, hand made, less technically advanced, having a limited choice and size of model, and more appealing to the feminine market. A product labeled "Made in Germany" seems to indicate better economy, higher technical and engineering quality, heavy industry producers, high performance, mass production, less advertising, and worldwide distribution. The aggregate results of the study by Cattin, Jolibert, and Lohnes (1982) indicate that "Made in Germany" is

perceived as the best concept by both American and French respondents. This is consistent with both Nagashima's (1970, 1977) and White's (1979) results. English products are seen in general as expensive and luxury items, reliable and handmade in the old tradition of careful and meticulous workmanship, high in prestige, less advertised, concerned little with outward appearance, less esthetically appealing, and geared to the older generation and to men. Products made in Japan are seen as reasonably priced, necessary and common, technically advanced, mass-produced, worldwide distributed, imitative, highly advertised, and appealing to young people and to the majority of the middle class consumers.

Consumer Preference for National Products

One factor that contributes to the significant difference in consumer evaluations of domestic and foreign products is the tendency for consumers to evaluate their own country's products relatively more favorably than foreign products. This is quite clear in Schleifer and Dunn (1968), Reiersen (1966), Nagashima (1970), Lillis and Narayana (1974), Narayana (1981), Bannister and Saunders (1978), Baumgartner and Jolibert (1978), Hakansson and Wootz (1975), and Cattin, Jolibert, and Lohnes (1982). Schleifer and Dunn (1968) suggested

that consumers' preference for national products is due in part to the "reference group effect" (Kelly and Woodruff 1956).

Reference groups may be a major source of a person's attitudes and opinions. One's country-men may serve as a national reference group so others of one's nationality would be a frame of reference. A person will more readily adopt and support the values, norms, attitudes, and physical objects associated with his/her countrymen than those of some other nationality that is not a reference group for him/her. Thus, Schleifer and Dunn's (1968) experimental research found that objects associated with America, that is, the products manufactured there, are evaluated more favorably by American subjects than similar objects associated with (manufactured in) some other country. U.S. consumers ranked American products consistently in first place for various products originating from most European countries, Japan and the United States (Reiersen 1966). They believed their country is a prominent leader in mass production, heavy industry, technological advancement, inventiveness, recognizable brands, and youthful appeal (Nagashima 1970, 1977; Lillis and Narayana 1974). To a lesser degree, they considered American products to be worldwide distributed, possess a large choice of size and model, and make use of clever colors. In terms of quality factors, U.S. consumers perceived U.S. made

products to be generally higher in reliability, workmanship, and prestige associated with the products (Narayana 1981).

In the early 1970's, Japanese consumers considered Japanese products to be of high quality (Nagashima 1970, 1977; Lillis and Narayana 1974; Narayana 1981). They were highly impressed with good workmanship and the economy gained from their country's products (Lillis and Narayana 1974). They thought their products to be highly advertised and to offer a variety of recognizable brands. Thus, Japanese consumers were favorably disposed toward their own products and even considered them to be of higher quality than U.S. made products (Narayana 1981).

British consumers also rated products of domestic origin quite highly though, compared with the respondents' ratings in the U.S. and Japanese studies, the U.K. consumer demonstrated relatively favorable inclinations towards foreign products (Bannister and Saunders 1978). If nationalism (Schooler 1965; Baumgartner and Jolibert 1978) or ethnocentrism (Shimp and Sharma 1987) really affects consumer evaluations of products, it might be inferred that British consumers rely relatively less on those ideologies in product evaluations compared with consumers in other countries. Though nationalism and/or ethnocentrism may be a dominant factor influencing consumer preference for local products as shown with French (Baumgartner and Jolibert 1978;

Cattin, Jolibert and Lohnes 1982) and Swedish (Hakansson and Wootz 1975) consumers, consumers' nationalist bias might be related to the concept of perceived risk. The consumer's stereotyped images of the product of foreign origin could influence his/her appreciation of the particular risk involved in the purchase of the product. Foreign products would be judged differently than domestic products with respect to different types (Jacoby and Kaplan 1972) of perceived risk. In terms of total perceived risk, foreign products would be evaluated riskier in situations where the characteristics of the need for a product and the consequences of the use of the product are highly uncertain.

Consumers' nationalist bias for their own country's products seems to apply also when the products under evaluations are all from less developed countries (Schooler 1965; Bilkey and Nes 1982). Schooler (1965) found that Guatemalan students evaluated Guatemalan products more favorably than the products from Costa Rica and El Salvador. This finding supports the existence of consumer bias within less developed countries (Bilkey and Nes 1982). Krishnakumar (1974), however, found that a sample of students from Taiwan and India studying in the U.S. discriminated against their own products in favor of products made in more developed countries. The finding suggests that consumers' preference for their national products does not apply when they evaluate and

compare products made in various countries in different stages of economic development. Theoretically, it also suggests that an explanation based on the theory of perceived risk may be more appropriate for consumers' preference for own country's products than an explanation based on nationalism or ethnocentrism. Krishnakumar's (1974) finding also suggests that living in the other country may cause a change in consumers' preference for own products.

Country of Origin Effect Is Specific
to Consuming Countries

The consumer bias for or against different countries may be specific to consuming countries. Studies have shown that respondents from certain consuming countries have different attitudes toward products made in a given country than do consumers from other countries (Nagashima 1970; Lillis and Narayana 1974; Cattin, Jolibert, and Lohnes 1982; Narayana 1981). For instance, the "Made in U.S.A." designation was not regarded as highly by Japanese businessmen as U.S. businessmen seemed to think, while U.S. businessmen rated Japanese products much higher in terms of technical advancement and worldwide distribution than Japanese businessmen rated their own products (Nagashima 1970). In an application of Nagashima's (1970) 20 item semantic differential scale, Lillis and Narayana (1974) found

significant perceptual differences between U.S. consumers and Japanese consumers regarding the "Made in" concepts for each of five test nations. In another application of the Nagashima scale, Narayana (1981) found that the factors representing the U.S. consumers' perceptions differ from the factors representing the Japanese consumers' perceptions. The perceptual differences for products labeled "Made in U.S.A." and "Made in Japan" can be described in terms of five factors. For U.S. consumers, these factors are quality, recognition, prestige, production form, and expensiveness. For Japanese consumers, the factors are recognition, quality, prestige, popularity, and functionality. Cattin, Jolibert, and Lohnes (1982) replicated and extended the studies done by Nagashima (1970, 1977) and White (1979) and showed perceptual differences between American and French industrial buyers concerning products made in selected developed nations. They conducted five two-group (American vs. French) discriminant analyses, one for each of the five "made in" concepts, with Nagashima's (1970, 1977) 20 scale items as the predictor variables. All five two-group discriminant analyses were significant at the .001 level, which indicates that the American and French perceptions of the quality of each "made in" concept differ significantly. For example, the Japanese and German "made in" concepts were perceived more favorably by the American than by the

French, while the "Made in England" concept was more favorably perceived by the French consumers. In addition, the $\hat{\omega}^2$, a measure of discriminating power, was substantially greater for the "Made in U.S.A." and for the "Made in France" than for the other "made in" concepts. Hence, the American and French perceptions of the "Made in U.S.A." and the "Made in France" concepts differed more than for the other "made in" concepts. This may have been caused by the national bias that prefers their own products to foreign products by the U.S. and French respondents.

Demographic and Personality Variables and Country of Origin Effect

Some studies have investigated the relationship between demographic and personality variables and country of origin effect (Schooler and Sunoo 1967; Schooler 1971; Tongberg 1972; Nagashima 1970; Anderson and Cunningham 1972; Dornoff, Tankersley, and White 1974; Wang 1978; Bannister and Saunders 1978). Such demographic variables as age, sex, education, income, race, and social class have been examined. Only a few personality variables, such as dogmatism, conservatism, and status concern, have been studied in terms of their relationship with attitudes toward foreign products.

Schooler and Sunoo (1967) found no statistically significant differences in the evaluation of foreign

products by American consumers on the basis of age. Some later studies (Schooler 1971; Tongberg 1972) found that older people tended to evaluate foreign products more favorably than did younger people. However, Wang (1978) found no such effect. In Bannister and Saunders' (1978) study, the relationship between age and attitudes toward foreign products was found to be specific to a particular country. For instance, the British consumer's attitudes about U.K. products become generally more favorable as his/her age increases. This was particularly noticeable in the ratings given for the attribute dimensions of reliability, workmanship, and value for money where significant differences were in evidence when comparing age groups (Bannister and Saunders 1978). One possible reason for the bias of older British consumers toward products made in the U.K. might be found in the study by Nagashima (1970). Apparently, Nagashima's respondents thought that British products were more likely to appeal to older people. That is, the older British consumers' preference for their own products might not be due to their old age but to U.K. products themselves which appeared to have been designed for the older generation. In contrast to the case of U.K. products, the younger respondents in Bannister and Saunders' (1978) study gave consistently more favorable ratings to Japanese products, providing further support for the Nagashima (1970) study where respondents felt that Japanese goods were aimed at

younger people. In addition, Bannister and Saunders found no significant relationship between age and attitudes towards products made in Germany and the Soviet Union.

With respect to the relationship between sex and the country of origin effect, Schooler (1971) and Dornoff, Tankersley, and White (1974) found that females evaluated foreign products more highly than did males, but this was not confirmed for products made in more developed countries (Dornoff, Tankersley, and White 1974). In Bannister and Saunders' (1978) study, males gave consistently higher ratings to products made in West Germany and the Soviet Union than did females, and there was a weak tendency for males to give slightly more favorable ratings to British products. Thus, as in the case of age, the relationship between sex of the consumer and his/her preference for foreign products appears to be country specific, which means that sex can be a significant cause of variance in attitudes toward specific countries of origin.

Consumers with higher education tended to evaluate foreign products more highly than did consumers with limited education in some studies (Schooler 1971; Anderson and Cunningham 1972; Dornoff, Tankersley, and White 1974; Wang 1978), but not in others (Tongberg 1972). In addition to the educational level of the consumer himself/herself, education-al level of the

household head was found to be a possible factor that could discriminate consumers exhibiting favorable attitudes toward foreign products from consumers showing low foreign product preference (Anderson and Cunningham 1972).

Since race of the consumer is strongly related to consumer ethnocentrism or nationalism, research findings on the relationship between race and preference for foreign products are similar to the finding that consumers are in general biased toward their own country's products. Non-whites tended to rate products made in Latin America and Asia higher than did whites (Wang 1978). On the other hand, whites rated products made in the U.S. and North America more favorably than did non-whites (Schooler 1971).

Wang (1978) found that in general consumers with higher income tended to view foreign products more favorably than did lower income consumers. Socio-economic class was, however, not uniform in its impact on the evaluations of products from various countries (Bannister and Saunders 1978). No significant differences were found in attitudes toward U.K. and USSR products across socio-economic groups and some socio-economic classes gave marginally better ratings to the French and Italian products. In Anderson and Cunningham's (1972) study social class did not show any significance in discriminating between high and low

foreign product preference.

Anderson and Cunningham (1972) demonstrated also the desirability of using personality attributes associated with attitudes toward foreign products as the basis for segmenting domestic markets for foreign products. They found an inverse relationship between level of a consumer's dogmatism and his/her preference for foreign products. Tongberg (1972), however, found no such a relation for products made in 13 specific countries when the type of country was disregarded, but consumers high in dogmatism tended to exhibit a favorable attitude toward products made in culturally similar countries. An inverse relation was found between a consumer's conservatism and his/her preference for foreign products in general (Anderson and Cunningham 1972; Wang 1978). Anderson and Cunningham found also an inverse relationship between status concern and attitude toward foreign products. The image of the consumer exhibiting high foreign product preference emerging from Anderson and Cunningham's (1972) research is that of an individual of relatively low dogmatism, low conservatism, low status concern, and high educational achievement. The image seems to confirm to the common-sense notion that evaluations of foreign artifacts, including products of foreign origin, are significantly conditioned by one's general tolerance of difference or openmindedness (Anderson and Cunningham 1972). The consumer high in

preference for foreign products should be less ethnocentric because high consumer ethnocentrism is strongly negatively correlated with consumers' beliefs, attitudes, and purchase intentions toward foreign-made products (Shimp and Sharma 1987).

In sum, the results of the studies on the relationship between demographic and personality variables and country of origin effect are mixed. In some cases, there are too few studies to make any conclusive statement. None of the demographic and personality variables examined seems to have sufficient explanatory power to predict a direction or level of preference for products made in other countries. Thus, the basic hypothesis that consumers exhibiting high preference for foreign products differ significantly from consumers displaying low foreign product preference on demographic and personality attributes is rejected.

Changes in Country Image and the Role of Promotion

Consumer attitudes toward products from a country may change over time. Studies indicate a substantial improvement in the Japanese image and a relative deterioration of the U.S. image (Lillis and Narayana 1974; Darling and Kraft 1977; Nagashima 1977; Chasin and Jaffe 1979). In fact, the Japanese image was so bad until 1960s that U.S. consumers ranked Japanese products

in last place among ten developed countries (Reierson 1966). Since the prejudice of American consumers toward Japanese products was intense and their attitudes about Japanese goods were strongly fixed, exposure to various promotional devices was not effective in changing consumer attitudes toward products made in Japan, while it was effective in improving the Italian image (Reierson 1967). This finding demonstrates that a nation with strong negative attitudes toward its products cannot change such attitudes without substantial efforts, especially in a short time period. Attitudes can be changed, however. Reierson's (1967) experiment showed that cumulative exposure to various types of communication media such as films, periodical advertising, publications, and merchandise displays could result in a significant change in attitudes toward Japanese products, compared with a control group not exposed to any communication medium, though exposure to only one form of those media was not effective. Traditionally, Japanese products have been considered very imitative and unreliable and low in quality (Nagashima 1970; Lillis and Narayana 1974; Darling and Kraft 1977). The image of "Made in Japan", however, has been significantly upgraded during the past two decades. Products made in Japan have been considered as improving faster in quality than products of any other country (Darling and Kraft 1977), as reliable and reasonably

priced as German products, and as expensive as U.S. products (Nagashima 1977). The dramatic improvement may be a reflection of the rapid growth of the Japanese economy and the success of some representative, prominent Japanese products such as Sony, Nikon, Toyota, and Honda. Prejudice against products made in Japan has faded away as a result of satisfactory consumer experience with Japanese products (Nagashima 1970). The image of products made in Germany has also improved to a great extent over the eight year interval in Nagashima's (1970, 1977) consecutive studies. The overall image of "Made in France" as perceived by Japanese businessmen has moved in a positive direction, though the profile of French image itself has not changed much.

In contrast to the improvement in Japanese and German images, there has been a relative deterioration in the images of American and English products (Nagashima 1970, 1977). In Nagashima's first study, U.S. products were considered superior in reliability to those of Japan and France but inferior to those of Germany and England. The second study indicates, however, that the "Made in U.S.A." image has fallen into a last place tie with French products on reliability score. The image of English products in Japan has been that of products made by hand with a tradition of careful and meticulous workmanship. Nagashima's (1977) second study showed, however, that the image of the United Kingdom as a modern

and progressive society was fading away. The image of English products on reliability has declined significantly compared with eight years ago in Nagashima's (1970) first study.

Improvement in the image of products from a country may result from the effective use of such marketing factors as price (Schooler and Wildt 1968; Johansson and Nebenzahl 1985), product quality (Nagashima 1970; Darling and Kraft 1977), and distribution (Reiersen 1967; Darling and Kraft 1977). The improvement may also result from forces outside of marketing efforts such as economic development (Nagashima 1970; Bilkey and Nes 1982) and socio-cultural and political relationships (Wang 1978; Tongberg 1972). Studies show also that communication and promotion can be used effectively to change attitudes toward products made in a country (Reiersen 1967; Schleifer and Dunn 1968; Etzel and Walker 1974). Promotion for a country with a strong negative image may fall in the area of rejection as social judgment theory (Sherif and Hovland 1965) proposes. This effect, in fact, was evidenced in Reiersen's (1967) experiment in which advertising for Japanese products was ineffective in changing attitudes of consumers who were intensely prejudiced against Japanese products. Nevertheless, Reiersen's study demonstrated that cumulative promotional efforts can result in a significant improvement in country image even if the prejudice is strong. According

to Schleifer and Dunn's (1968) findings, advertising for products for American consumers would be more effective if the advertisements use American models since U.S. consumers' attitudes toward advertised products were more favorable when the ads were associated with Americans than when associated with Egyptians. Testimonial advertising may also be particularly effective for foreign products (Bilkey and Nes 1982) because the consumer's attitude regarding an advertised product improved when the favorable attitudes of a national reference group toward the product were given to the consumer in the form of a consumer test (Schleifer and Dunn 1968). In addition, basing advertising on specific product attitudes rather than on general national product attitudes would be more effective since there is a significant difference between general country attitudes and attitudes toward specific product classes from the country (Etzel and Walker 1974; Halfhill 1980).

Country of Origin Effect Is Specific to
Product Classes and Product Attributes

Studies found that country image is specific to product classes and product attributes. That is, consumers' general perceptions of quality for products made in a given country depend on the categories and attributes of products under evaluation (Reiersen 1966; Nagashima 1970, 1977; Gaedeke 1973; Etzel and Walker

1974; Bannister and Saunders 1978; Baumgartner and Jolibert 1978; Halfhill 1980; Niffenegger, White, and Marmet 1980; Han and Terpstra 1988; Han 1989). This finding demonstrates that different classes of products and/or various attributes of products made in the same country are not subject to the same degree of country of origin effect in terms of direction and magnitude of the effect. In ANOVA terms, there is a significant interaction between nationality of a product and product classes or attributes. For instance, French fashion merchandise was ranked much higher by American consumers than French products in other categories, while Germany was ranked lower in fashion merchandise than any other product group (Reiersen 1966). French consumers evaluated English winter coat much higher than other English products and German playing cards much lower than other German products (Baumgartner and Jolibert 1978). Canned meat "Made in Brazil" had a much higher quality image than television sets "Made in Brazil" and Hong Kong ranked very high in textiles but very low in food products (Gaedeke 1973). The U.S. was usually rated as the best overall producer of automobiles and food products, while Japan was rated as the best on electrical appliances (Nagashima 1970, 1977).

Etzel and Walker (1974) investigated the degree of congruence between general national product stereotypes and attitudes toward specific types of products from the

same country. Four product classes (all products, automobiles, cameras, and mechanical toys) and three countries (U.S., Germany, and Japan) were involved. By the use of multivariate analysis of variance, Etzel and Walker found that in all but one situation (all German products vs. German autos) consumers revealed significant differences between general country attitudes and specific product attitudes by country of source. Halfhill (1980) replicated Etzel and Walker (1974) study by using the same test products, countries, and measuring instruments, with students serving as respondents instead of the housewife sample used in the Etzel and Walker study. Halfhill also found significant differences between national image and specific product image. These differences imply that developing advertising plans for specific products from a country should not rely on general national product attitudes but on specific product attitudes. Though Nagashima's (1970) study on the attitudes of Japanese and U.S. businessmen toward products made in various countries is of limited value because of the characteristics of his respondents (businessmen) and the lack of statistical analysis, he was able to identify the existence of both national stereotypes and specific product images.

Country image has also been found to be specific to product attributes (Bannister and Saunders 1978; Han and Terpstra 1988). For instance, German products were rated

high on attribute dimensions relevant to the intrinsic qualities of products such as workmanship and reliability, whereas French products were usually rated favorably for outward appearance (Bannister and Saunders 1978). German televisions and automobiles were rated the highest on prestige value among four test countries, but scored lowest on economy (Han and Terpstra 1988). This finding suggests that though individual country images are different between product categories, country images on specific product attribute dimensions can travel, or are generalizable well across product categories.

The finding that country image is specific to product classes and to product attributes does address the multidimensional nature of consumer attitudes as related to the "made in" image. The finding, however, does not imply that research on general national image and the concept of national product stereotyping is useless or irrelevant. The existence of a general "made in" image has already been noted and consumers are found to have preconceived national stereotypes and rely on them when evaluating products from a given country. Rather, the relationship between general country attitudes and specific product attitudes in influencing product evaluations deserves further research attention.

Methodological Issues

The results of nearly all of the previous studies on

the country of origin effect should be interpreted with the following main methodological limitations in mind: (1) most studies have involved only a single cue, the country of origin, (2) only verbal references to products rather than tangible products were given to the respondents as stimuli, and (3) reliability and validity of the measurements used were not assessed adequately (Bilkey and Nes 1982).

As can be seen in studies on the price-perceived quality relationship (see Olson 1977 for a review), a single cue study tends to find a significant cue effect that might or might not exist in the real world. When the country of origin is the only information supplied to respondents on which to base their evaluations, it tends to bias results in favor of finding a significant country of origin effect (Johansson, Douglas, and Nonaka 1985). Most of the studies examining the effect of country of origin merely report the existence of differences in perceived quality between domestic and foreign brands and between foreign brands, but fail to isolate the net portion of such differences due to country of origin of products (Han and Terpstra 1988). It may be attributed to their failure to control for such relevant factors as price, brand names, store image, and promotional message.

In an effort to overcome the limitations associated with single-cue studies by simulating the reality as closely as possible, some studies included a number of

types of information which served as the basis for the consumer's assessment of product quality (Schooler and Wildt 1968; White and Cundiff 1978; Erickson, Johansson, and Chao 1984; Johansson, Douglas, and Nonaka 1985; Han and Terpstra 1988; Hong and Wyer 1989). A multi-cue design also provides the possibility to investigate the functional nature of the relationship between various cues. Studies involving one or two more informational cues such as price (Schooler, and Wildt 1968; White and Cundiff 1978) and brand names (Han and Terpstra 1988) in addition to the country of origin cue still found a significant country of origin effect. However, findings of the studies based on a set of various product attributes are mixed. While Hong and Wyer (1989) still found the country of origin effect when twenty one product attributes are involved, the multiattribute attitudinal model approach as taken by Erickson, Johansson, and Chao (1984) and Johansson, Douglas, and Nonaka (1985) showed that country of origin affects beliefs but not attitudes. That is, country of origin appears to have some impact on the various attribute ratings of products but does not affect overall ratings.

The second methodological issue relates to the method of stimulus presentation. In many of the previous studies on the country of origin effect, the stimulus was a tangible product, the same kind of stimulus which normally confronts a consumer in the marketplace. In

most of the studies, however, the respondents were given only verbal descriptions of products and/or explanations of product attributes, rather than shown a tangible product. In such a situation, one can't be sure what respondents really have in mind when evaluating products (Bilkey and Nes 1982), if, in particular, the product in question is a service product such as life insurance (Baumgartner and Jolibert 1978). Results of a study might vary with different methods of stimulus presentation. In fact, Schooler (1971) found that product evaluations might differ depending on whether a tangible or an intangible product was used.

The third limitation has to do with the general lack of adequate assessment of reliability and validity of the measurements used in country of origin research. The importance of measurement validation was proposed earlier by Nunnally (1967). However, most of the studies contain little or no discussion of instrument validity. Few reports of assessments of reliability (Han 1989), face validity (Etzel and Walker 1974), content validity (Darling and Kraft 1977), and discriminant validity (Han 1989) can be found. The need for construct validation is especially important in comparative image studies where the locus of comparison may be stores, products, or countries. Though findings of studies are frequently compared explicitly or implicitly with those of other studies, those comparisons would be of limited value

without adequate construct validation of the measures used in the studies. For example, Nagashima's (1970, 1977) 20 item semantic differential scale was used in several studies to measure country image and efforts were made to identify dimensions underlying the concept of country image (Narayana 1981; Cattin, Jolibert, and Lohnes 1982; Han and Terpstra 1988). The results of the factor analyses, however, were inconclusive. Narayana's (1981) factor solution may be questioned for several reasons. The factor labels were arbitrary, the variables comprising similarly labeled factors were inconsistent between test countries, and the total variance explained by the first two factors was only 24 %. Cattin, Jolibert, and Lohnes (1982) also used Nagashima's scale to measure American and French purchasing agents' quality perceptions of products made in five countries. They, however, found no major set of factors that explained the underlying dimensions. The instability of factor structure would make validity of the measurement scale questionable (Zeller and Carmines 1980).

Another methodological issue is the paucity of cross-cultural studies. Nationality of the consumer was found to have a significant impact upon product quality evaluations (Peterson and Jolibert 1976). Most studies on the country of origin effect have been limited to American subjects. American consumers were able to and did differentiate between national product stereotypes

and individual products of non-domestic origin. More cross-cultural research is needed to identify intercultural perceptual differences and to determine if consumers in other countries demonstrate the same discerning ability as U.S. consumers.

CHAPTER III

RESEARCH METHODOLOGY

This chapter describes the methodology that was used to examine how the effect of country of origin on product evaluations is influenced by the characteristics of individual consumers. It consists of five sections: (1) the objectives of the study, (2) the research hypotheses, (3) the research design, (4) the measurement of the variables of interest, and (5) the analytical methods used to test the research hypotheses. The results of the data analyses are discussed in the next chapter.

Research Objectives

The previous chapter discussed literature showing that the country of origin of a product has a considerable effect on product evaluations. Consumer attitudes toward a product or brand can be substantially changed, both favorably and unfavorably, when the country of origin of the product is revealed. For example, products made in less developed or developing countries tend to be rated as being inferior to those from more developed industrialized countries. The effect of country-of-origin holds for products in general, for

classes of products, for specific types of products, and for specific brands.

Most consumers have been found to have stereotyped images of a country. These stereotyped images might cause consumers to generalize their attitudes across wide ranges of products from any given country.

Country image, however, has been found to be specific to product categories and/or to product attributes. Etzel and Walker (1974) found a significant difference between general country attitudes and specific product attitudes by country of source. This implies that attitudes toward products from a country vary by the categories of products (Gaedeke 1973; Reiersen 1966; Nagashima 1970, 1977). Country image has also been found to be specific to product attributes. Han and Terpstra (1988) showed that country images on specific product attributes are generalizable between product categories.

The research finding that consumers' attitudes toward foreign products vary with the categories of and attributes of products implies that all products made in a country may not be subject to the same degree of country of origin effects. The finding, however, does not explain why the relative degrees of the country of origin effects are different across different product categories/attributes. There might be many factors that could influence the effect of country of origin on product evaluations. However, the issue of "What are

those factors?" has not been examined in the literature. The lack of research attention paid to the issues of these kinds may be, in part, due to the emphasis on product factors in previous research.

The goal of the present research is to investigate how the effect of country of origin is influenced by factors associated with the consumer. Specifically, the roles of the following two factors in influencing the country of origin effect were examined: (1) the matchup of consumer images of a country with those of a product made in the country, and (2) consumer involvement. In relation to the issues associated with the first factor, the study investigated how the image matchup between a country and a product affects consumers' attitudes toward the product and the advertisement for the product. It also examined how consumer ethnocentrism influences the role of image match in product evaluations. With respect to the second factor, the study examined how consumer involvement with a product influences the country of origin effect.

The focus on consumer factors would be helpful in answering such questions as (1) "Is the country of origin effect for a given product the same or different across individual consumers?" and (2) "How does the country of origin effect vary by different product classes for a particular consumer?" The results of the study will be useful in extending the scope of the literature on the

country of origin effect beyond the mere report of the existence of differences in consumer evaluations of the products based on country of origin. The study will also be helpful in linking the country of origin literature to the general consumer behavior literature.

Research Hypotheses

Four research hypotheses were developed in this section. They were tested to examine how the country of origin effect is influenced by the nature of matchup between images of a product and those of the country in which the product was made and by consumer involvement with a product. The hypotheses were developed based on theories that were well established in social psychology and consumer behavior.

Matchup Hypotheses

The concept of image matchup or image congruence has been discussed in many fields. Studies on image matchup include those on product-endorser matchup (Sternthal, Phillips, and Dholakia 1978; Friedman and Friedman 1979; Freiden 1984; Forkan 1980), product-consumer congruency (Birdwell 1968), communicator-audience similarity (Aaker and Myers 1982; Simmons, Berkowitz, and Moyer 1970; Mills and Jellison 1968; Brock 1965), and media-market matching (Cannon 1986; Garfinkle 1963).

Every object, whether it is a product, a person, an

advertising medium, or a country, evokes some general or stereotype image depending on its features and the associations it brings to our mind. The matchup between images of objects A and B refers to the similarity or closeness of image of A to that of B as perceived by a person. For instance, research on product-endorser matchups has examined how the degree of fittingness of the image of an endorser for that of a product influences consumers' evaluations of the product. When an advertisement provides product-endorser match, the consumer exposed to the advertisement experiences perceptual and attitudinal congruity. Such congruity would result in increased favorable attitude toward the product because congruous experience is psychologically comfortable for the consumer (Zajonc 1960). Studies showed an interaction between product and endorser. That is, the effectiveness of an endorser type is dependent upon the type of product being endorsed. Examples of well-matched endorsers and products include Karl Malden for American Express and Orson Welles for Paul Masson wines. Mismatched examples are George Burns for a cat food and Brigitte Bardot for a face cream (Forkan 1980). In the cases of well-matched campaigns, there is a good matchup between celebrity image and product image from the perspective of the target market.

The present study is interested in the impact of matchup between the images of a country and of a product

on evaluations of the product. A country-product match is hypothesized to result in psychologically comfortable experience which would lead to favorable evaluations. On the other hand, a country-product mismatch would make the consumer experience perceptual and attitudinal incongruity, resulting in unfavorable attitudes toward the product.

The effect of image matchup on attitude formation and change can also be seen from a balance theory perspective. Balance theory (Heider 1958) posits that people tend to maintain cognitive consistency among the various ideas and concepts about which they think. Cognitive consistency refers to the tendency of people to develop and maintain a logical and consistent set of interconnected attitudes. The theory deals with the cognitive elements of an observer, another person, and an impersonal object. The basic premise of balance theory is that people prefer to maintain a balanced state among the cognitive elements. A balanced state occurs when the cognitive elements fit together harmoniously so that a person does not feel any stress for change. The balanced state occurs when the multiplication of the signs of the cognitive relationships between the elements results in a positive value, where a minus sign represents a negative or unfavorable relation and a plus sign a positive or favorable connection between two cognitive elements.

The theory has practical application to a number of

marketing areas, such as the use of celebrity endorsers to sponsor products (Mowen 1987). In this context, the cognitive elements of a consumer, an endorser, and a product form a cognitive triad. Companies attempt to develop favorable consumer attitudes toward their products (positive consumer-product connection) by using endorsers who are viewed very positively by consumers (positive consumer-endorser relation) and whose images match well with the products (positive endorser-product matchup).

The possibility of extension and generalizability of balance theory to other marketing problems has been suggested (Mowen 1980). The marketing manager could handle a wide variety of communication problems by identifying the relevant cognitive elements and by utilizing the simple multiplicative rules of balance theory. Based on the possibility of extension of balance theory, a consumer, a product, and country of origin of the product constitute a cognitive triad in the present research. That is, the original cognitive element of "another person" (e.g., an endorser) is replaced by "country of origin." Figure 1 on the next page shows a balance theory model of the consumer-product-country triad.

Past research on the country of origin effect and on product image has focused on the country-product connection and the product-consumer relation separately.

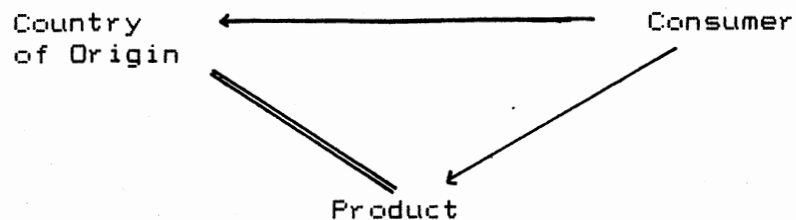


Figure 1. Consumer-Product-Country Triad

No research attention has been paid to a simultaneous consideration of the relationships among the elements of product, consumer, and country of origin. A contribution of the present research would be its incorporation of the cognitive elements of a product, a consumer, and country of origin in a balance theory framework.

Within the above model, the consumer is assumed to prefer a balanced state among the three cognitive elements. The consumer would evaluate favorably the quality of a product made in a given country if there is a matchup or balance between the image of the product and the image of the country from his/her perspective. For instance, the consumer is expected to rate highly the quality of a technologically sophisticated product if the product was made in an economically developed and technologically advanced country.

In the present research, however, the effect of country of origin was hypothesized to be different depending on the nature of the congruence between the

images of a product and country of origin of the product from the perspective of the consumer. For example, the matchup between the image of a product and positive images of country of origin of the product might attenuate the negative effect of country of origin for the product from a developing country, whereas the matchup between the image of the product and negative images of the country of origin might strengthen the unfavorable country of origin effect. Implicit in this is the idea that a country's image is multi-dimensional (Darling and Kraft 1977; Narayana 1981; Cattin, Jolibert, and Lohnes 1982; Han and Terpstra 1988; Nagashima 1977; Jaffe and Nebenzahl 1984). Some dimensions might be viewed positively and others negatively. A matchup between positively viewed dimensions and a product's image associated with those dimensions will make consumers evaluate the product favorably. A good example of the matchup of this sort is the high congruence between the image of Germany and that of automobiles (Etzel and Walker 1974). Thus, Hypothesis 1 is developed based on theories of image matchup and psychological balance:

H1: A match between the image of a product and the positive images of the country of origin of the product should lead to a more favorable product evaluation than a mismatch between the two images.

The image matchup between a product and a country is

also assumed to influence attitudes toward an advertisement for the product. An advertisement that provides a product-country match would lead the consumer to feel more favorable about the ad than an advertisement providing a mismatch because the ad for the matched pair should help the consumer experience perceptual and attitudinal congruity. Such congruous, psychologically comfortable experience is expected to result in more favorable attitudes toward the advertised product and the ad itself (Zajonc 1960). The construct of attitude toward the advertisement was found to be different from attitudes toward the advertised product (Mitchell 1986; MacKenzie, Lutz, and Belch 1986). Though attitude toward the advertisement and product attitude are related when attitudes are formed and changed in an advertising context, they appear to measure separate constructs. Researchers have proposed that attitude toward the ad is a mediating influence on brand attitude and purchase intention (Mitchell and Olson 1981; Shimp 1981). In general, past research has supported the hypothesis that there is a direct positive relationship between attitude toward the ad and attitude toward the advertised product (MacKenzie, Lutz, and Belch 1986). The positive relationship can also be seen from a balance theory perspective. When the consumer (P) is confronted with an ad (O) advocating a particular product (X), the O-X link is clearly positive. According to balance theory (Heider

1958), the consumer will attempt to achieve a balanced state by either liking both the ad and the product or disliking both. In H1, the matched product-country pair is hypothesized to lead to more favorable product attitude than a mismatched pair. Thus, in consideration of a positive relationship between attitude toward the ad and product attitude,

H2: A match between the image of a product and the positive images of the country of origin of the product should lead to more favorable attitudes toward an advertisement for the product than a mismatch between the two images.

Consumer ethnocentrism represents the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign products (Shimp and Sharma 1987). For ethnocentric consumers, purchasing foreign products is considered problematical because they think it hurts the domestic economy, causes loss of jobs, and is simply unpatriotic. For nonethnocentric consumers, however, foreign products should be evaluated on their own merits regardless of where they are made. Consumer ethnocentrism was found to have significant effects on the perceptions of quality for domestic versus foreign products and on consumer choice between them (Han 1988). Ethnocentric, patriotic consumers tend to rate domestic products more favorably than foreign products. They are more likely to purchase domestic products rather than

foreign products compared to less ethnocentric consumers (Shimp and Sharma 1987; Han 1988). The favorable effect of image match between a product and a foreign country would be less for highly ethnocentric consumers than for nonethnocentric consumers. This is because the effect of the image match on consumers' evaluations of domestic versus foreign products would be qualified by emotional, affective consumer ethnocentrism. Thus,

H3: A match between the image of a product and the positive images of a foreign country of origin should have a less favorable effect on the evaluations of the product made in the country for highly ethnocentric consumers than for nonethnocentric consumers.

Role of Consumer Involvement

The Elaboration Likelihood Model (Petty and Cacioppo 1981, 1983) of persuasion is a framework for understanding attitude formation and change. The model suggests that there are two routes to persuasion--the central route and the peripheral route. In the central route, attitudes are formed and changed by careful consideration and integration of information relevant to the true merits of object or issue. In the peripheral route, attitudes are formed and changed without active thinking about the object and its attributes, but rather by associating the object with positive or negative cues.

The model proposes that neither route alone can account for the diversity of attitude-change results observed. The important question thus becomes under what conditions is persuasion most likely via each of the two routes (Bitner and Obermiller 1985). Petty and Cacioppo (1981) suggest in their model that persuasion will occur via the central route when elaboration likelihood is high, that is, when a person is both motivated and able to process information about the attitude object. On the other hand, elaboration likelihood will be low if either or both of the above conditions (motivation and ability) are not met and persuasion will then be more likely via the peripheral route.

Much research evidence shows that under high involvement conditions, elaboration likelihood is high and attitudes are affected via the central route. In contrast, under low involvement conditions, elaboration likelihood is low and attitudes are affected via the peripheral route (Petty, Cacioppo, and Schumann 1983; Petty, Cacioppo, and Goldman 1981; Celsi and Olson 1988). Involvement refers to a person's perceived relevance of the object based on inherent needs, values, and interests (Zaichkowsky 1985). Thus, product involvement occurs when a product is related to the important values, needs or the self-concept of the consumer (Bloch 1981). The construct of product involvement has been identified as a significant variable in consumer behavior. Recently, the

construct has been divided into two distinct types: situational involvement and enduring involvement (Richins and Bloch 1986). The first type reflects product involvement that occurs only in specific situations, such as a purchase. The second type represents an ongoing concern with a product that transcends situational influences (Houston and Rothschild 1978; Laurent and Kapferer 1985; Rothschild 1979). Both situational involvement and enduring involvement represent a state of arousal and product interest.

Country of origin of a product has been identified, explicitly or implicitly, as a peripheral information cue in the literature on the effects of country of origin (Bilkey and Nes 1982; Han and Terpstra 1988; Hong and Wyer 1989; Han 1989; White and Cundiff 1978; Darling and Kraft 1977). Country of origin, as an item of unimportant information (Hong and Wyer 1989), may serve as a surrogate for other information (Han 1989). Consumers are more likely to use country of origin in product evaluations when product information is lacking (Han 1989; Olson and Jacoby 1972; Huber and McCann 1982) or when other product qualities are difficult to judge (Darling and Kraft 1977).

If country of origin is a peripheral cue, on the basis of the Elaboration Likelihood Model, it would have a greater effect on product evaluations under low involvement than under high involvement conditions. In

the present research the highly involved consumer is hypothesized to rely relatively more on intrinsic cues that could be used to assess true quality of a product, such as taste, design, performance, or fit, than on extrinsic cues such as country of origin, brand name, or seller reputation. On the other hand, the less involved consumer would rely more on extrinsic cues to infer the quality of a product from them. Thus, Hypothesis 4 is developed:

H4: The importance of country of origin information in product evaluations should be greater for consumers less involved with a product than for consumers highly involved with the product.

Table I on the next page is the table of the four research hypotheses.

Research Design

Experimental Design

In order to test the research hypotheses, a 2 (match versus mismatch between the image of a product and the image of country of origin of the product) x 2 (U.S. versus China country of origin) between-subjects, factorial design was used. Consumers' level of involvement with each test product class and consumer ethnocentrism served as covariates in the design. To control for the impact of product involvement on

TABLE I
RESEARCH HYPOTHESES

H1: A match between the image of a product and the positive images of the country of origin of the product should lead to a more favorable product evaluation than a mismatch between the two images.

H2: A match between the image of a product and the positive images of the country of origin of the product should lead to more favorable attitudes toward an advertisement for the product than a mismatch between the two images.

H3: A match between the image of a product and the positive images of a foreign country of origin should have a less favorable effect on the evaluations of the product made in the country for highly ethnocentric consumers than for nonethnocentric consumers.

H4: The importance of country of origin information in product evaluations should be greater for consumers less involved with a product than for consumers highly involved with the product.

evaluations of the test products, product classes with approximately the same consumer involvement were used as test products. The impact of consumer ethnocentrism on product evaluations should be controlled for in order to obtain the evaluations based on the own merits of products made in different countries. Advertisements for each test product were used as experimental stimuli instead of just verbal descriptions of products.

In the balance theory model of the consumer-product-country triad (see Figure 1 on page 74), the congruence between the images of a product and of country of origin represents a positive relation between Country of Origin and Product in the model. Positive images held by the consumer about a sourcing country represent a positive connection between Country of Origin and Consumer.

Selection of Test Products and Countries

A pilot study was conducted in order to select appropriate test products and two countries of origin. The purpose of the study was to choose two pairs of product types that could satisfy the following four conditions;

1. Two product types in each pair should be similar conceptually to each other,
2. The image of one product type in each pair matches well Country A but not Country B, while the image of

the other product type matches well Country B but not Country A,

3. Any product type in each pair should not be stereotypically associated with either Country A or Country B, and
4. Consumers' involvement with each product type in each pair should be similar.

Selection of pairs of products that satisfied Condition 2 was manipulation of the match/mismatch factor in the experimental design. The questionnaire in Appendix A was used in the pilot study. A sample of forty-two business students attending a local university participated in the study. Respondents indicated the level of matchup between the images of the following six product classes and the positive images of the U.S., Japan, Italy, and China; hand-made rugs, wall-to-wall stainless carpets, wooden floors, athletic shoes, dress shoes, and sandals. The respondent also provided his/her level of involvement with each of six product types. Hand-made rugs and wall-to-wall stainless carpets were selected as the first pair of test products and athletic shoes and sandals as the second pair. The U.S. and China were chosen as two countries of origin of the select test product types. As can be seen in Table II on the next page, the image of hand-made rugs matched well with the image of China but not with the U.S., while the image of wall-to-wall stainless carpets matched well with the U.S. but not

with China. Athletic shoes matched well the U.S. image but not the image of China, whereas sandals had a high match with the image of China but a low match with the image of the U.S. The validity of the matchup identified in the pilot study was verified in the main study through a statistical analysis for each pair of test products.

TABLE II
MEAN LEVELS OF IMAGE MATCH AND INVOLVEMENT

Products	Mean		Involvement
	U.S.A.	China	
Hand-made rugs	3.32	5.72	3.00
Wall-to-wall stainless carpets	6.07	3.07	3.63
Athletic shoes	6.04	3.19	4.76
Sandals	3.84	4.90	2.70

1. Image match: 7-point semantic differential scale (1=low match, 7=high match)
2. Involvement: 7-point Likert scale (1=low involvement, 7=high involvement)
3. U.S. image is significantly different from Chinese image for all types of products ($p < .01$, paired t-tests).
4. Involvement with rugs is significantly different from involvement with carpets ($p < .01$, paired t-test). Involvement with shoes is significantly different from involvement with sandals ($p < .01$, paired t-test).

Significant differences in involvement with each of two test products in each pair suggested the use of the involvement variable as a covariate for testing H1 and H2.

Three Separate Studies

The dissertation research consisted of three separate studies; Study 1, Study 2, and Study 3. Study 1 used hand-made rugs and wall-to-wall stainless carpets as test products. Studies 2 and 3 used athletic shoes and sandals as test product classes. The pair of products used in Study 1 was different from the pairs of products used in Studies 2 and 3 in order to show the generalizability of research findings across different product classes.

American students took part in Studies 1 and 2 and Japanese students studying English at a local U.S. university in Study 3. Study 3 was conducted to check if there was any difference between American and Japanese consumers with respect to the relationships between the country of origin effect and consumers' characteristics.

Samples

One hundred U.S. business students attending a local university participated in Study 1. Another one hundred U.S. students majoring business at the same university were the respondents in Study 2. One hundred three

Japanese students who were studying English at English Language Institute of the university were the respondents in Study 3. Though the limitations of using college students in the sample must be recognized, such individuals may well represent general consumers. Many studies on the country of origin effect used student samples (Reiersen 1966; Gaedeke 1973; Schooler and Sunoo 1969; Halfhill 1980) and the congruence of opinions between students and general consumers was evidenced (Halfhill 1980; Schooler and Sunoo 1969; Etzel and Walker 1974).

Procedure

In Studies 1 and 2, the questionnaire in Appendix B was administered to the respondents. The Japanese version of the questionnaire in Appendix C was administered in Study 3. In each study, student respondents provided their responses to the questionnaire in a regular class session. Each of the four different versions of the questionnaire was distributed randomly to the respondents.

The respondents saw three advertisements on the first three pages of the questionnaire. Each respondent was asked in Section 1 of the questionnaire to rate his/her general impression of each of the three advertisements. The first advertisement was for a car, the second ad for a test product, and the third ad for an

electric battery. The ads for a car and an electric battery were included to make the instruments resemble real life situations as closely as possible. In Section 2, the respondent was asked to show his/her general perceptions of the quality of test product types made in the U.S. or China. He/she also provided his/her perceptions of the quality of cars and electric batteries made in the U.S. in the section. In Section 3, the respondent indicated how he/she felt about the relative importance of price, brand name, country of origin, retailer reputation, warranties, and product quality when he/she evaluated the products in Section 2. After having completed the first three sections, the respondent was asked to provide his/her ideas about what was the purpose of the study. In the next section, the respondent indicated how much he/she was involved with each of the test product types. Respondents' level of consumer ethnocentrism was also measured. Finally, each respondent rated the extent to which the image of each test product matched the overall images of the U.S. or those of China.

Questionnaire Design

The questionnaire (Appendix B) was designed to get desired information from respondents regarding the country of origin effect on product evaluations. The questionnaire employed 7-point Likert-type agree/disagree

format and semantic differential scales. These two methods of measurement are commonly used in research on consumer behavior.

The questionnaire consisted of the following seven sections;

1. A series of questions asking consumers' attitudes toward each of the advertisements for a test product made in the U.S. or China and for a car and an electric battery made in the U.S.,
2. A series of questions concerning consumers' perceptions of quality for each test product type made in the U.S. or China and for cars and electric batteries made in the U.S.,
3. A series of questions regarding how respondents thought about the relative importance of several factors in evaluating test products,
4. A question asking the respondent to provide his/her ideas about the purpose of the study,
5. A series of questions asking information on consumers' level of involvement with each test product category,
6. A series of questions regarding respondents' level of consumer ethnocentrism, and
7. A series of questions regarding respondents' impression of the level of matchup between the image of each test product and the images of the U.S. and China.

These seven sections were divided into three parts for the convenience of data collection. Part I included all semantic differential questions and Part III all Likert-type agree/disagree questions. Part II was an essay style question about the objective of the study.

On the basis of the experimental design, the questionnaire took the following four different versions of the same format:

Version 1 was for the U.S.-matched product made in the U.S. (wall-to-wall stainless carpets in Study 1 and athletic shoes in Studies 2 and 3),

Version 2 was for the U.S.-matched product made in China (wall-to-wall stainless carpets in Study 1 and athletic shoes in Studies 2 and 3),

Version 3 was for the China-matched product made in China (hand-made rugs in Study 1 and sandals in Studies 2 and 3), and

Version 4 was for the China-matched product made in the U.S. (hand-made rugs in Study 1 and sandals in Studies 2 and 3).

The questionnaire was carefully translated into Japanese for the use in Study 3 (see Appendix C).

Measurement of the Variables

Image Match Between a Product and a Country

As mentioned earlier in the research design

section, a pilot study was conducted in order to select the product types whose images match well with the images of one test country but not with the images of the other country.

In both of the pilot and main studies, three 7-point semantic differential questions were used to measure the degree of match between product image and country image. The first question asked the respondent to rate the extent to which the image of each test product type matched well the overall images of the U.S. and China. The second question asked "What is the likelihood that American (Japanese) consumers would be satisfied with each test product made in the U.S. and China?" The last question asked the subject to rate the likelihood that a test product of high quality would be produced in the U.S. and China. The semantic differential was employed as the measurement technique. The theoretical rationale for using this technique was explained well by Osgood, Suci, and Tannenbaum (1957). In addition, "the semantic differential has enjoyed a popularity in marketing research that is unmatched by any other psychological scaling procedure" (Green and Tull 1978, p. 191).

Consumer Attitudes Toward the Test Product (H1)

Consumers' attitudes toward each test product made in each of the countries were measured on a 7-point

semantic differential scale anchored by good/bad, high quality/low quality, reliable/unreliable, and favorable/unfavorable. Reliability of the scale was checked and sum of the scores was used in data analysis.

Consumer Attitudes Toward the
Advertisement for the Test
Product (H2)

Consumers' attitudes toward the advertisements for each test product made in the U.S. or China were measured using a 7-point semantic differential scale anchored by good/bad, favorable/unfavorable, interesting/uninteresting, and like/dislike (Mitchell 1986; Mackenzie, Lutz, and Belch 1986). The sum of the scores on the four scale items was used in data analysis and reliability of the scale was checked.

Consumer Involvement

Consumers' involvement with each test product was measured using an adapted version of the scale developed by Bloch (Bloch 1981; Richins and Bloch 1986). The adapted scale is shown in Table III on the next page. Instead of Zaichkowsky's (1985) Personal Involvement Inventory, which is a bipolar adjective scale that has been widely used to measure the construct of involvement, Bloch's (1981) scale was utilized because the present study was more interested in enduring involvement than in

TABLE III
SCALE FOR MEASURING CONSUMER INVOLVEMENT *

-
1. It is worth the extra cost to purchase and use an attractive and attention-getting car.**
 2. I prefer to own a car with a strong personality of its own.
 3. Cars offer me relaxation and fun when life's pressures build up.
 4. Sometimes I get too wrapped up in my car.
 5. I generally feel a sentimental attachment to the cars I own.
 - # 6. I do not pay much attention to car advertisements in magazines or on TV.
 - # 7. I get bored when other people talk to me about their cars.
 8. It is natural that people become interested in cars.
 9. When I'm with a friend, we often end up talking about cars.
 10. I don't like to think of my cars as being ordinary.
 11. I enjoy discussing cars with my friends.
- * Adapted from Bloch (1981). Items 3, 6, 8, 11, 12, and 16 as listed in Bloch (p. 63) are not included.
** The term "car(s)" was replaced by other test products.
Responses to these items were reverse scored.
-

situational involvement (Richins and Bloch 1986). A 7-point Likert-type format was used. The scale was purified using factor analysis and item-to-total correlational analysis.

Consumer Ethnocentrism as a Covariate

In order to remove the effect of consumer

ethnocentrism on the evaluations of products from different countries, consumer ethnocentrism was included as a covariate for testing H1 and H2. Table IV on the next page presents the ethnocentrism scale as developed by Shimp and Sharma (1987). As in the case of the involvement scale, the ethnocentrism scale was also purified by using factor analysis and item-to-total correlational analysis.

Informational Value of Product Cues

Informational value of several cues associated with evaluating and choosing a brand of product was measured by asking respondents to provide perceptions of the importance of each of product cues. The cues included brand name, price, country of origin, retailer reputation, warranties, and quality. The relative importance of each cue in product evaluations was measured on a 7-point scale with very important=7 and unimportant=1.

Data Analysis

Analysis of covariance (ANCOVA) with product involvement and consumer ethnocentrism as covariates was used to test H1 and H2. The purpose of the analysis was to determine whether there was a main effect for the match/mismatch of images of a product and of the country of origin. A significant difference between the attitude

TABLE IV

SCALE FOR MEASURING CONSUMER ETHNOCENTRISM *

-
1. American people should always buy American-made products instead of imports.
 2. Only those products that are unavailable in the U.S. should be imported.
 3. Buy American-made products. Keep America working.
 4. American products, first, last, and foremost.
 5. Purchasing foreign-made products is un-American.
 6. It is not right to purchase foreign products, because it puts Americans out of jobs.
 7. A real American should always buy American-made products.
 8. We should purchase products manufactured in America instead of letting other countries get rich off us.
 9. It is always best to purchase American products.
 10. There should be very little trading or purchasing of goods from other countries unless out of necessity.
 11. Americans should not buy foreign products, because this hurts American business and causes unemployment.
 12. Curbs should be put on all imports.
 13. It may cost me in the long-run but I prefer to support American products.
 14. Foreigners should not be allowed to put their products on our markets.
 15. Foreign products should be taxed heavily to reduce their entry into the U.S.
 16. We should buy from foreign countries only those products that we cannot obtain within our own country.
 17. American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work.

* Shimp and Sharma (1987)

- 1). Response format is 7-point Likert-type scale (strongly agree=7, strongly disagree=1). Range of scores is from 17 to 119.
-

score toward a matched product-country pair and that toward a mismatched product-country pair should provide a support for H1. A significant difference between the attitude score toward the ad for a matched product and that toward the ad for a mismatched product should be supportive of H2.

H3 proposed that the positive effect of image match between a country and a product would be less for highly ethnocentric consumers than for nonethnocentric consumers. In order to test H3, correlation analysis was performed between product attitude scores and ethnocentrism scores only for the test product classes with a good image match with China.

The test of H4 was performed based on the respondents' perceptions of the relative importance of country of origin information in evaluating a product. H4 hypothesized that the importance of the country of origin cue would be greater for the consumers less involved with a product than for the consumers highly involved with the product. Correlation coefficients between the importance scores of country of origin cue and the scores on the involvement scores were used to test H4.

CHAPTER IV

ANALYSIS AND FINDINGS OF THE STUDY

This chapter presents the results of the tests of the research hypotheses developed in Chapter III and discusses the research findings. The data analyzed in the chapter was collected from three separate sets of samples: two sets of American students and one set of Japanese students.

The chapter consists of seven sections. The first section reports on the reliability of the measurement scales. The second section checks the effectiveness of the experimental manipulation and verifies the image match identified in the pilot study. Section three provides the results of the tests of Hypothesis 1. The section discusses the effect of image match between a product and a country on product evaluations. Section four reports the results of the test of Hypothesis 2 and discusses the effect of match between country image and product image on consumers' attitudes toward an advertisement for a product. The fifth section tests Hypothesis 3 and analyzes the role of consumer ethnocentrism in qualifying the effect of image match on product evaluations. Section six tests the last

hypothesis concerning the relationship between consumer involvement with a product and country of origin effect. Finally, the seventh section summarizes the findings of the study.

Reliability Tests and Purification of Multiple Measures

A measurement scale should be reliable and valid. Reliability of a measurement scale is not a sufficient condition for the validity of the instrument. Nevertheless, reliability is necessary for construct validation. Checking the reliability of a multiple-item scale should be conducted before data analysis. The use of multiple items in a scale is a good way to increase its reliability (Zeller and Carmines 1980).

Five constructs in the study were measured by multiple-item scales; image match between a product and a country, consumer attitudes toward a product, consumer attitudes toward an advertisement for a product, consumer involvement with a product, and consumer ethnocentrism. Cronbach's (1951) alpha coefficients and item-to-total correlations, customarily used to check reliability of a measurement scale (Churchill 1979), were applied to these measures.

Reliability analysis in this section shows that all of the multiple measures of the five constructs have alpha values .65 or above, indicating high internal

consistency of each set of items. Reliabilities of .50 to .60 suffice for early stages of basic research (Nunnally 1967). Most of the alpha values are greater than or close to Nunnally's (1978) new cutoff of .70.

Image Match Between a Product
and a Country

The following three items were used to measure the level of image match between a test product and a test country:

1. Rate the extent to which the image of a test product matches the overall image of a test country (V1),
2. Rate the likelihood that American (Japanese) consumers would be satisfied with a test product made in a test country (V2), and
3. Indicate the likelihood that a test product of high quality would be produced in a test country (V3).

Table V reports Cronbach's alpha reliability coefficients for the three items measuring image match between a product and a country. Item-to-total correlations ranged from .30 (item V1 when measuring image match between rugs and China in Study 1) to .84 (item V2 when measuring image match between sandals and China in Study 3). None of the three items was deleted because all item-to-total correlations were significant at $p < .05$.

TABLE V
RELIABILITY ANALYSIS OF IMAGE MATCH SCALE

Study	Product	Alpha Coefficients	
		U.S. Image	Chinese Image
1 (American subjects: Rugs/Carpets)	Hand-made rugs	.79	.68
	Wall-to-wall carpets	.67	.84
	Total	.78	.82
2 (American subjects: Shoes/Sandals)	Athletic shoes	.69	.78
	Sandals	.65	.66
	Total	.77	.81
3 (Japanese subjects Shoes/Sandals)	Athletic shoes	.74	.82
	Sandals	.78	.88
	Total	.87	.87

Consumer Attitudes Toward a Test Product

The following four semantic differential items were used to measure consumers' attitudes toward a test product: good/bad, high quality/low quality, reliable/unreliable, and favorable/unfavorable. Alpha coefficients for the set of items are reported in Table VI. Item-to-total correlations ranged from .64 (item good/bad when measuring attitudes toward carpets in Study 1) to .92 (item good/bad when measuring attitudes toward shoes in Study 3).

TABLE VI
RELIABILITY ANALYSIS OF PRODUCT ATTITUDE SCALE

Study	Product	Alpha Coefficients
1	Rugs	.95
(American	Carpets	.84
subjects:	Total	.92
Rugs/Carpets)		
2	Shoes	.96
(American	Sandals	.94
subjects:	Total	.95
Shoes/Sandals)		
3	Shoes	.95
(Japanese	Sandals	.92
subjects:	Total	.95
Shoes/Sandals)		

Consumer Attitudes Toward an
Advertisement for a Test Product

The four items of good/bad, favorable/unfavorable, interesting/uninteresting, and like/dislike were used to measure respondents' attitude toward each ad for each test product. The lowest item-to-total correlation of .69 was for the good/bad item for the sandals ad in Study 3. The correlation, however, was significant at $p < .01$. The highest correlation was .94 for the item interesting/uninteresting for sandals in Study 2. Cronbach's alpha coefficients for this set of items are summarized in Table VII.

TABLE VII
 RELIABILITY ANALYSIS OF THE SCALE
 FOR ATTITUDES TOWARD ADS

Study	Product	Alpha Coefficients
1	Rugs	.95
	Carpets	.88
	Total	.92
2	Shoes	.96
	Sandals	.95
	Total	.96
3	Shoes	.92
	Sandals	.86
	Total	.90

Consumer Involvement

An adapted version of Bloch's (1981) involvement scale was used to measure consumers' involvement with each test product class. The adapted scale has eleven items (see Table III on page 93). First, item-to-total correlational analysis for each test product was performed for the set of the items. Three items were deleted because one item (Item 1 in Table III) had a negative item-to-total correlation coefficient and two other items (Items 2 and 9 in Table III) had very low item-to-total correlations (Churchill 1979). Then, an exploratory principal component analysis with varimax rotation was performed on the remaining eight items. For

every test product type, each scale item showed a stable factorial structure by loading heavily on a single factor. All factor loadings were greater than .53 with only two exceptions of .48 and .40. Extracted factors explained 55 percent (athletic shoes in Study 2) to 79 percent (sandals in Study 3) of variance. Cronbach's reliability alpha's for the eight items retained are shown in Table VIII.

TABLE VIII
RELIABILITY ANALYSIS OF INVOLVEMENT SCALE

Study	Product	Alpha Coefficients
1	Rugs	.72
	Carpets	.74
2	Shoes	.80
	Sandals	.74
3	Shoes	.79
	Sandals	.70

Consumer Ethnocentrism

Shimp and Sharma's (1987) scale (see Table IV on page 95) was used to measure the respondents' ethnocentrism. None of the seventeen items in the scale

had item-to-total correlation coefficients near zero and there was no sudden drop in the item-to-total correlations. Therefore, factor analysis was conducted for the set of all the seventeen items for each study. Items 8 and 9 in Table IV showed unstable factor loadings across the three studies. They loaded heavily on a second factor in Studies 1 and 2. As a result, the two items were eliminated. A second factor analysis was performed on the set of the remaining fifteen items. It demonstrated stable and consistent factor patterns for each study. All factor loadings were greater than .59 and extracted factors explained more than 60 percent of variance in each study. Cronbach's reliability alpha for the 15 item scale is reported in Table IX.

TABLE IX
RELIABILITY ANALYSIS OF ETHNOCENTRISM SCALE

Study	Alpha Coefficients
1	.94
2	.96
3	.91

The ranges of coefficient alpha for the three studies are very similar to those in Shimp and Sharma's (1987)

original four studies. The ethnocentrism scale showed very high internal consistency reliability.

Manipulation Check

In the pilot study, the product pair of hand-made rugs and wall-to-wall stainless carpets and the pair of athletic shoes and sandals were selected as test products for use in the main studies. These products were chosen because hand-made rugs and sandals matched well with the image of China but not with the U.S. image, whereas stainless carpets and athletic shoes matched well with the U.S. image but not with the image of China (see Table II, page 85). The image match identified in the pilot study was verified in the main study as Table X on the next page shows, which indicates that manipulation of the match/mismatch experimental factor was successful.

Effect of Image Match on Product

Evaluations: Test of

Hypothesis 1

H1 proposed that a match between the image of a product and the positive images of the country of the origin of the product should lead to a more favorable evaluation of the product than a mismatch between the two images. In the present study, the image of hand-made rugs was identified to match well the image of China in a positive sense but not with the image of the U.S. On the

TABLE X
 MEAN LEVELS OF IMAGE MATCH BETWEEN
 PRODUCT AND COUNTRY

Study	Product	U.S.A.			China			t- value	p- value
		Mean	s.d.	n	Mean	s.d.	n		
1	Rugs	3.67	3.11	50	5.10	3.48	50	-6.11	.001
	Carpets	4.71	2.55	50	3.31	3.34	50	7.86	.001
2	Shoes	5.13	2.86	50	3.47	3.71	50	6.58	.001
	Sandals	3.85	2.86	50	4.97	2.94	50	-5.81	.001
3	Shoes	4.59	3.23	53	2.81	4.13	53	7.08	.001
	Sandals	2.71	2.88	50	4.16	3.36	50	-8.60	.001

1. Image match: low match=1, high match=7
 2. U.S. image is significantly different from the image of China for all product categories (p<.01, paired t-tests).
 3. n: sample size
 4. s.d.: standard deviation

other hand, it was shown that the image of wall-to-wall stainless carpets matched well with the image of the U.S., but not with the image of China. With respect to foot-wear, there was a good match between the image of athletic shoes and the image of the U.S., while athletic shoes matched poorly with the images of China. The image of sandals, however, matched well with China's image but not with the U.S.'s.

In Study 1, it was expected that consumers' evaluations of hand-made rugs made in China would be more

favorable than those of hand-made rugs made in the U.S., but consumers' evaluations of wall-to-wall stainless carpets made in the U.S. should be more favorable than those of Chinese carpets. In Studies 2 and 3, consumers' evaluations of athletic shoes made in the U.S. were expected to be more favorable than those of shoes made in China, whereas consumers' evaluations of sandals made in China were expected to be more favorable than those of American sandals.

In order to test H1, an ANCOVA model was examined with consumers' attitudes toward the test product as the dependent variable and match/mismatch and country of origin as the independent variables. Consumers' involvement with the test product class and consumer ethnocentrism were included as covariates in the analysis. As shown in Table XI on the next page, and consistent with the pilot study, involvement with hand-made rugs was significantly less than that with wall-to-wall stainproof carpets ($p < .01$) and involvement with sandals was significantly less than that with walking shoes ($p < .01$ in Study 2, $p < .05$ in Study 3).

ANCOVA was performed first with the match/mismatch factor as the only experimental factor to study its impact on product evaluations. In each study, there was a significant main effect for the match/mismatch manipulation, as can be seen in Table XII on page 109. The ANCOVA model explained 40%, 55%, and 43% of variance

TABLE XI
MEAN LEVELS OF INVOLVEMENT WITH TEST PRODUCT

Study	Product	n	Mean level of involvement	t-value	p-value
1	Rugs	50	2.19 (4.64)	-5.05	.01
	Carpets	50	2.83 (5.52)		
2	Shoes	50	2.90 (7.04)	3.22	.01
	Sandals	50	2.40 (5.36)		
3	Shoes	53	2.92 (7.76)	2.13	.05
	Sandals	50	2.55 (6.32)		

1. low involvement=1, high involvement=7
2. t-test for each study
3. n: sample size
4. standard deviations in parentheses

in Studies 1, 2, and 3, respectively. Table XIII on the next page shows that consumers' attitudes toward products with a product-country match were significantly more favorable than those toward products with a product-country mismatch. On average, Study 1 respondents evaluated American carpets and Chinese rugs more favorably than Chinese carpets and American rugs. Thus H1 was strongly supported. In Study 1, there were significant interactions between match/mismatch and involvement ($p < .05$) and between match/mismatch and consumer ethnocentrism ($p < .1$) (Table XII). The interactions, however, did not appear in Studies 2 and 3.

TABLE XII
EFFECT OF IMAGE MATCH ON PRODUCT EVALUATIONS

Study	Model-F	Partial-F Values				
		M Match/ mismatch	I Involve- ment	E Ethno- centrism	M x I	M x E
1	12.73 (.001) df=5, 99 R-square =.40	18.00 (.01)	0.19 (.66)	0.16 (.69)	5.50 (.02)	2.97 (.09)
2	23.43 (.001) df=5, 99 R-square =.55	3.44 (.07)	0.62 (.43)	0.25 (.62)	0.04 (.84)	0.85 (.36)
3	14.62 (.001) df=5, 102 R-square =.43	3.90 (.05)	3.89 (.05)	1.29 (.26)	0.00 (.99)	0.01 (.93)

1. p-values in parentheses
2. df= degrees of freedom for model and total

TABLE XIII
MEAN ATTITUDES TOWARD MATCHED/MISMATCHED PRODUCTS

Study	Matched Products			Mismatched Products			t- value	p- value
	Mean	s.d.	n	Mean	s.d.	n		
1	5.40	3.76	50	3.91	3.68	50	7.28	.01
2	5.05	4.26	50	2.88	3.74	50	10.84	.01
3	4.39	5.09	52	2.55	4.00	51	8.14	.01

1. Favorable attitude=7, unfavorable attitude=1
2. In each study, mean attitudes are significantly different between matched and mismatched products (t-test for each study).
3. n: sample size
4. s.d.: standard deviation

The comparison of consumers' attitudes performed in the above analysis was between matched and mismatched products. It was not between attitudes toward a product made in the U.S. and those toward the same product made in China. In order to analyze the effects of match/mismatch and country of origin simultaneously, analysis of covariance was conducted with the two factors as the independent variables. The dependent variable is the same as in the above analysis: that is, consumers' evaluations of products made in each country. The results of the analysis demonstrate consistently a significant main effect for the match/mismatch manipulation (Table XIV on the next page). The ANCOVA model explained 45%, 62%, and 51% of variance in Studies 1, 2, and 3, respectively.

Table XV on page 112 shows that hand-made rugs made in China were evaluated more favorably by American subjects than those made in the U.S., while wall-to-wall stainless carpets made in China were evaluated significantly less favorably than U.S.-made carpets. Athletic shoes made in the U.S. were evaluated more favorably than the same product type made in China by both American and Japanese consumers. On the other hand, consumers' attitudes toward American sandals were significantly less favorable than those toward sandals made in China.

This finding confirms the previous finding that

TABLE XIV

EFFECTS OF IMAGE MATCH AND COUNTRY OF ORIGIN ON PRODUCT EVALUATIONS

Study	Model-F	Partial-F Values								
		C	M	I	E	C x M	C x I	C x E	M x I	M x E*
1	8.04 (.001) df = 9, 99 R-square = .45	0.42 (.52)	17.54 (.01)	0.13 (.72)	0.34 (.56)	0.03 (.86)	0.75 (.39)	1.69 (.20)	6.59 (.01)	2.14 (.15)
2	16.42 (.001) df = 9, 99 R-square = .62	1.23 (.27)	7.74 (.01)	0.62 (.43)	0.06 (.81)	0.12 (.73)	2.53 (.12)	1.61 (.21)	1.01 (.32)	0.04 (.85)
3	10.63 (.001) df = 9, 102 R-square = .51	0.01 (.92)	6.30 (.01)	3.43 (.07)	1.98 (.16)	5.47 (.02)	0.54 (.46)	0.14 (.70)	0.23 (.63)	0.03 (.87)

1. * C = Country of origin, M = match/mismatch, I = involvement, E = ethnocentrism
2. p-values in parentheses
3. df = degrees of freedom for model and total

TABLE XV
MEAN ATTITUDES TOWARD PRODUCTS MADE IN EACH COUNTRY

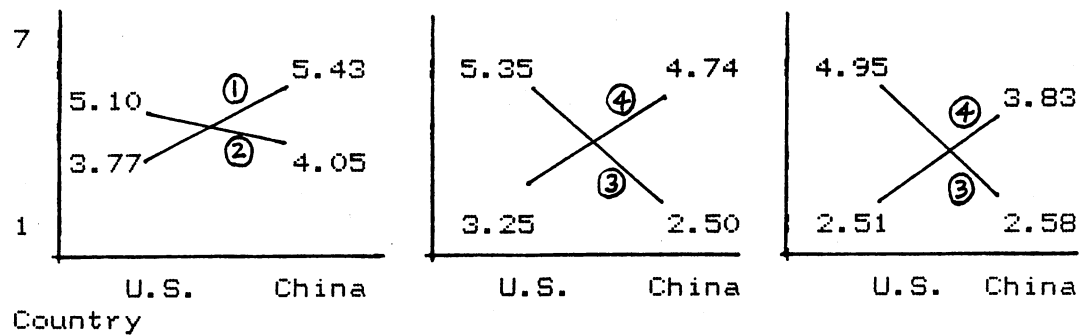
Study	Product	U.S.A.		China		t-value	p-value
		Mean*	n	Mean*	n		
1	Rugs	3.77 (4.26)	25	5.43 (4.13)	25	-5.60	.01
	Carpets	5.10 (3.30)	25	4.05 (2.97)	25	4.72	.01
2	Shoes	5.35 (3.66)	25	2.50 (3.43)	25	11.36	.01
	Sandals	3.25 (3.47)	25	4.74 (4.52)	25	-5.22	.01
3	Shoes	4.95 (5.40)	26	2.58 (4.28)	27	7.09	.01
	Sandals	2.51 (3.75)	24	3.83 (3.65)	26	-5.03	.01

1. Favorable attitude=7, unfavorable attitude=1
2. In each study, average attitudes toward an American product are significantly different from those toward a Chinese product for each product type ($p < .01$, t-test for each product).
3. n: sample size
4. * Standard deviation in parentheses

there is a significant interaction between product and nationality (Baumgartner and Jolibert 1978). Figure 2 on the next page shows the product x nationality interaction. The present study, however, shows that one reason for the interaction is the role of image match

between a product and a country in product evaluations.

Attitude



① : Rugs, ② : Carpets, ③ : Shoes, ④ : Sandals
Figure 2. Interactions Between Product and Country

Effect of Image Match on Attitudes

Toward Advertisements: Test

of Hypothesis 2

H2 proposed that a match between the image of a product and the image of the country of origin of the product should lead to more favorable attitudes toward an advertisement for the product than a mismatch between the two images. On the basis of H2, it was expected that consumers' attitudes toward the advertisements for hand-

made rugs made in China and wall-to-wall stainless carpets made in the U.S. would be more favorable than their attitudes toward the advertisements for hand-made rugs made in the U.S. and wall-to-wall carpets made in China. Consumers' attitudes toward the advertisements for athletic shoes made in the U.S. and sandals made in China were expected to be more favorable than their attitudes toward the advertisements for athletic shoes made in China and sandals made in the U.S. An analysis of covariance was performed with the match/mismatch factor as the independent variable. Consumers' involvement with the test product and consumer ethnocentrism were included as covariates in the analysis.

As can be seen in Table XVI on the next page, the results of the analysis support H2 with the exception of Study 2. Image match between a product and a country was shown to influence consumers' attitudes toward an advertisement for the product. There was a significant interaction between match/mismatch and consumer ethnocentrism in Study 1. The effect, however, did not appear in Studies 2 and 3. The ANCOVA model explained 37%, 17%, and 36% of variance in Studies 1, 2, and 3, respectively.

In Study 2, H2 was not supported. This may be due to the fact that consumers' evaluations of the advertisements for the test products in Study 2 depended

on factors other than match/mismatch including the quality of printings of the ads and the nature of the ad

TABLE XVI
EFFECT OF IMAGE MATCH ON ATTITUDES TOWARD ADS

Study	Model-F	Partial-F Values				
		M Match/ mismatch	I Involve- ment	E Ethno- centrism	M x I	M x E
1	10.98 (.001) df=5, 99 R-square =.37	9.56 (.01)	0.02 (.90)	1.69 (.20)	0.08 (.78)	9.11 (.01)
2	3.76 (.004) df=5, 99 R-square =.17	2.56 (.11)	1.47 (.23)	1.01 (.32)	0.90 (.35)	0.04 (.84)
3	10.97 (.001) df=5, 102 R-square =.36	3.37 (.07)	0.43 (.51)	0.02 (.89)	0.73 (.39)	0.62 (.43)
1.	p-values in parentheses					
2.	df= degrees of freedom for model and total					

copy for each test product.

Attitudes toward the advertisements for a hand-made rug made in China and for a wall-to-wall stainless carpet made in the U.S. were, on the average, more favorable than attitudes toward the ads for a hand-made rug made in

the U.S. and for a wall-to-wall carpet made in China (Table XVII). Table XVII also shows that American and Japanese consumers' attitudes toward the ad for athletic shoes made in the U.S. and the ad for sandals made in

TABLE XVII
MEAN ATTITUDES TOWARD ADS FOR
MATCHED/MISMATCHED PRODUCTS

Study	Matched Products		Mismatched Products		t-value	p-value
	Mean*	n	Mean*	n		
1	5.03 (3.93)	50	3.69 (4.42)	50	6.41	.01
2	4.56 (4.48)	50	3.50 (4.13)	50	8.98	.01
3	3.85 (4.89)	52	2.35 (3.20)	51	7.34	.01

1. Favorable attitude=7, unfavorable attitude=1
 2. In each study, average attitudes are significantly different between matched and mismatched products ($p < .01$, t-test for each study). 3. n: sample size
 4. * Standard deviation in parentheses

China were more favorable than their attitudes toward the ad for Chinese shoes and the ad for American sandals.

In order to see the effects of the manipulations of match/mismatch and country of origin, another series of

ANCOVA models were examined. In each, the two factors were the independent variables and attitude toward the ad was the dependent variable. Table XVIII on the next page shows the results of the analyses that consistently support H2. There was a significant main effect for the match/mismatch manipulation. Consumers' attitudes toward the ad for a product with a country-product match were significantly more favorable than consumers' attitudes toward the ad for a mismatched product.

In the above analysis for Study 2, there was a significant main effect for the match/mismatch factor. This was not the case for the factor when ANCOVA was conducted with the match/mismatch factor as the only independent variable (see Table XVI). When the factor was the only classification variable, attitude scores toward the ads for the matched products (U.S. shoes and Chinese sandals) were pooled together and the average of the pooled scores was compared with the average of the attitude scores pooled across the mismatched products (U.S. sandals and Chinese shoes). As a result, the effect of image match on attitudes toward the ads might have been attenuated by such factors as differences in structures and written copies of the ads for shoes and the ads for sandals. This phenomenon, however, did not occur when analysis of covariance was performed with match/mismatch and country of origin as two independent variables because attitude scores were not pooled across

TABLE XVIII

EFFECTS OF IMAGE MATCH AND COUNTRY OF ORIGIN ON ATTITUDES TOWARD ADS

Study	Model-F	Partial-F Values								
		C	M	I	E	C x M	C x I	C x E	M x I	M x E *
1	6.44 (.001) df = 9, 99 R-square = .39	2.14 (.15)	7.15 (.01)	0.09 (.76)	0.57 (.45)	0.05 (.83)	0.15 (.70)	2.79 (.10)	0.11 (.74)	5.75 (.02)
2	9.67 (.001) df = 9, 99 R-square = .49	0.62 (.43)	4.57 (.04)	0.02 (.88)	2.36 (.13)	1.53 (.22)	0.80 (.37)	0.76 (.39)	0.01 (.94)	0.41 (.52)
3	7.09 (.001) df = 9, 102 R-square = .41	0.08 (.78)	4.67 (.03)	0.67 (.42)	0.06 (.81)	3.05 (.08)	0.18 (.69)	0.43 (.51)	1.20 (.28)	0.26 (.61)

1. * C = Country of origin, M = match/mismatch, I = involvement, E = ethnocentrism
2. p-values in parentheses
3. df = degrees of freedom for model and total

the ads for different product types.

Table XIX demonstrates that consumers' attitudes toward the ad for a hand-made rug made in China were

TABLE XIX
MEAN ATTITUDES TOWARD ADS FOR PRODUCTS
MADE IN EACH COUNTRY

Study	Product	U.S.A.			China			t- value	p- value
		Mean	s.d.	n	Mean	s.d.	n		
1	Rugs	3.64	4.92	25	5.07	4.50	25	-4.29	.01
	Carpets	4.98	3.35	25	3.73	3.95	25	4.83	.01
2	Shoes	4.61	3.96	25	2.37	3.28	25	8.71	.01
	Sandals	2.87	4.68	25	4.50	5.02	25	-4.75	.01
3	Shoes	4.20	5.08	26	2.36	3.10	27	6.39	.01
	Sandals	2.33	3.38	24	3.49	4.32	26	-4.19	.01

1. Favorable attitude=7, unfavorable attitude=1
 2. In each study, average attitude toward the ad for an American product is significantly different from that toward the ad for a Chinese product for each product type ($p < .01$, t-test for each product).
 3. s.d: standard deviation
 4. n: sample size

significantly more favorable than those toward the "almost-the-same-ad" for the same product type made in the U.S. On the other hand, attitudes toward the ad for a wall-to-wall stainless carpet made in the U.S. were

more favorable than those toward the same ad for the same type of carpet made in China. In Studies 2 and 3, American and Japanese subjects showed more favorable attitudes toward the ad for athletic shoes made in the U.S. than toward the same ad for the same shoes made in China. Subjects from both countries showed, however, more favorable attitudes toward the ad for sandals made in China than toward the same ad for the same type of sandals made in the U.S.

Image Match and Consumer Ethnocentrism:

Test of Hypothesis 3

Consumer ethnocentrism was hypothesized to moderate the positive role of image match in evaluations of foreign products because it tends to make consumers rate domestic products more favorably than foreign products (Han 1988). A highly ethnocentric consumer would evaluate a foreign product less favorably than would a less ethnocentric consumer even when the image of the product matches well the images of the country in which the product was made. H3 hypothesized that a good image match between a product and a foreign country of origin should have a less favorable effect on the evaluations of the product made in the country for highly ethnocentric consumers than for nonethnocentric consumers.

In order to test H3, a series of correlational analyses were performed between ethnocentrism and product

evaluations for the test products whose images matched well with the images of China, that is for hand-made rugs in Study 1 and for sandals in Studies 2 and 3. A significant negative relationship was expected for each of these product classes. Table XX shows the results of the analyses. H3 was not supported as can be seen in Table XX. The relationship between consumer ethnocentrism and product attitudes was not significant. The direction, however, was as expected inverse for all test product classes. This demonstrates that consumer ethnocentrism has a negative but insignificant effect on the evaluations of a foreign product whose image matches well with the image of the country of origin.

TABLE XX

RELATIONSHIP BETWEEN ETHNOCENTRISM AND EVALUATIONS
OF FOREIGN PRODUCTS: MATCHED PRODUCTS

Study	Product	Correlation Coefficients Between Ethnocentrism and Attitudes	n
1	Chinese Rugs	-.20 (.17)	25
2	Chinese Sandals	-.07 (.37)	25
3	Chinese Sandals	-.24 (.12)	26
	Overall	-.02 (.42)	76

1. n: sample size
2. p-values in parentheses
3. One-tailed test

On the other hand, the relationship between the American subjects' consumer ethnocentrism and attitudes toward the U.S.-matched products was positive, though not significant (Table XXI).

TABLE XXI

RELATIONSHIP BETWEEN ETHNOCENTRISM AND EVALUATIONS
OF DOMESTIC PRODUCTS: MATCHED PRODUCTS

Study	Product	Correlation Coefficients Between Ethnocentrism and Attitudes	n
1	American Carpets	.03 (.45)	25
2	American Shoes	.07 (.37)	25

1. n: sample size
2. p-values in parentheses
3. One-tailed test

The relationship between consumer ethnocentrism and attitudes toward the products with a product-country mismatch was mixed and insignificant in most cases (Table XXII on the next page).

For the Japanese subjects, correlation coefficients between consumer ethnocentrism and evaluations of foreign products were all negative though none of them was significant, regardless of match or mismatch (Table XXIII on page 124). Though the average level of the

TABLE XXII

RELATIONSHIP BETWEEN ETHNOCENTRISM AND EVALUATIONS
OF MISMATCHED PRODUCTS: AMERICAN SUBJECTS

Study	Product	Correlation Coefficients Between Ethnocentrism and Attitudes	n
1	American Rugs	.35 (.09)	25
	Chinese Carpets	.01 (.95)	25
2	American Sandals	.17 (.42)	25
	Chinese Shoes	-.01 (.99)	25

1. n: sample size
2. p-values in parentheses
3. Two-tailed test

Japanese subjects' consumer ethnocentrism (2.62) on a 7-point scale) was significantly less than that of the American subjects' (3.32), consumer ethnocentrism seemed to have played a more negative role in the evaluations of foreign products for Japanese consumers than for their American counterparts.

In order to check the existence of a triple interaction between image match, country of origin, and consumer ethnocentrism, a median split was made on the respondents' ethnocentrism scores. Then, three-way analysis of variance was performed for each Study with product involvement as a covariate. The results of the analysis, however, show no significant triple interaction in any of the three Studies as can be seen in Table XXIV on page 125. The ANCOVA model explained 44%, 31%,

TABLE XXIII
 RELATIONSHIP BETWEEN ETHNOCENTRISM AND EVALUATIONS
 OF FOREIGN PRODUCTS: JAPANESE SUBJECTS

Study	Product	Correlation Coefficients Between Ethnocentrism and Attitudes	n
3	American Shoes	-.16 (.44)	26
	Chinese Shoes	-.16 (.42)	27
	American Sandals	-.08 (.70)	24
	Chinese Sandals	-.24 (.23)	26
1. n: sample size 2. p-values in parentheses 3. Two-tailed test			

and 40% of variance in Studies 1, 2, and 3, respectively. Figure 3 on page 126 is the pictorial representation of the results of the analysis.

Product Involvement and Country of
 Origin Effect: Test of
 Hypothesis 4

H4 hypothesized that country of origin information should be more important in product evaluations for consumers less involved with a product than for consumers highly involved with the product. The hypothesis was developed on the basis of the Elaboration Likelihood Model (Petty and Cacioppo 1981, 1983).

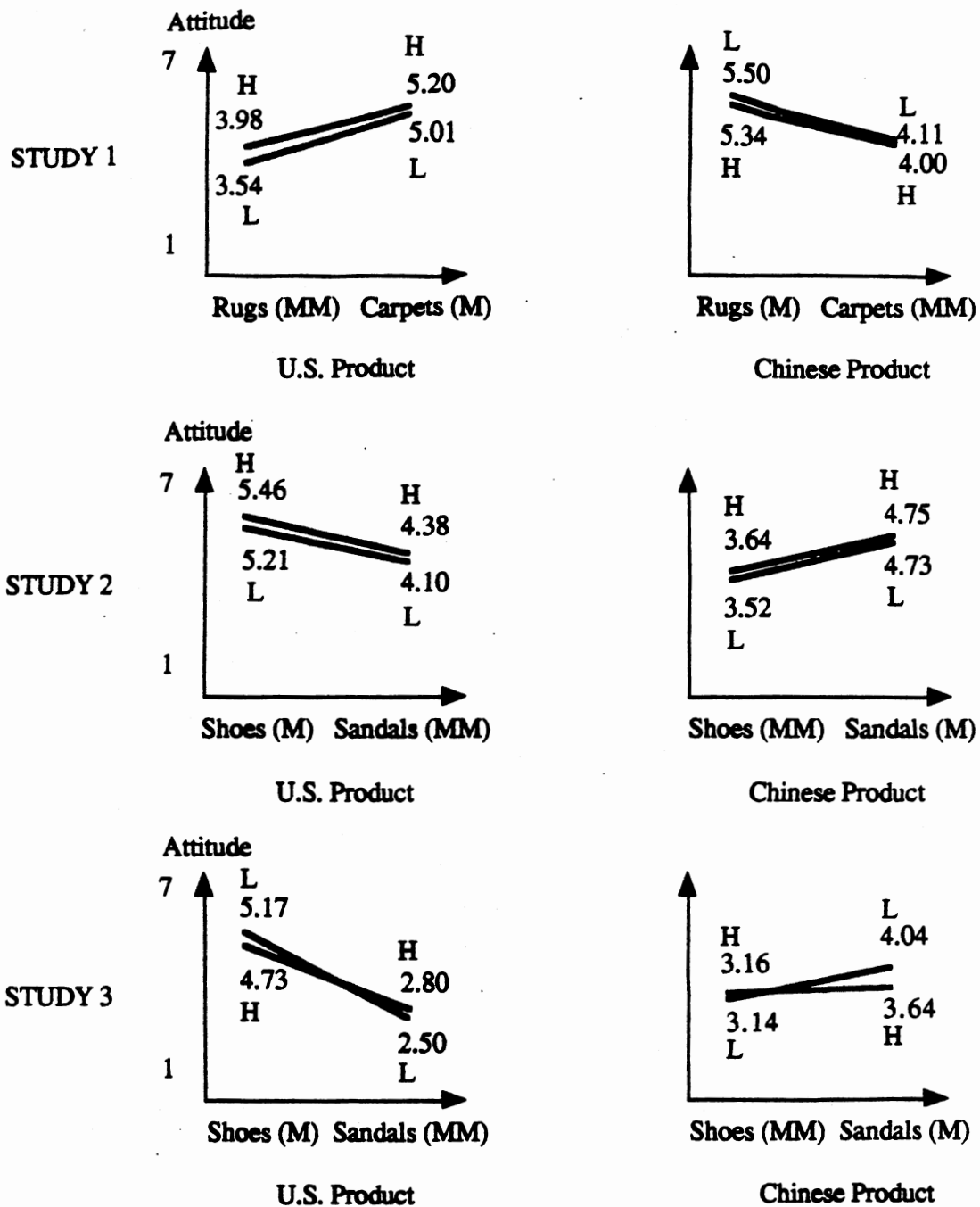
In order to test H4, a series of correlational analyses were conducted between the scores on the

TABLE XXIV

RELATIONSHIP BETWEEN COUNTRY OF ORIGIN, IMAGE MATCH, AND CONSUMER ETHNOCENTRISM

Study	Model-F	Partial-F Values										
		C	M	E	I	C x M	C x E	C x I	M x E	M x I	E x I	C x M x E *
1	6.36 (.001) df = 9, 99 R-square = .44	0.93 (.34)	12.90 (.01)	1.22 (.27)	1.11 (.29)	0.01 (.91)	0.37 (.55)	1.26 (.26)	0.14 (.71)	3.57 (.06)	1.86 (.18)	1.47 (.23)
2	3.54 (.001) df = 9, 99 R-square = .31	0.79 (.38)	27.11 (.01)	2.09 (.15)	1.69 (.19)	0.39 (.53)	0.29 (.59)	0.03 (.86)	0.04 (.84)	0.02 (.88)	1.60 (.21)	0.36 (.55)
3	5.50 (.001) df = 9, 102 R-square = .40	0.13 (.72)	5.18 (.02)	1.83 (.18)	1.97 (.16)	9.36 (.01)	0.11 (.74)	0.68 (.41)	0.70 (.40)	0.12 (.73)	1.50 (.22)	0.25 (.61)

1. * C = Country of origin, M = match/mismatch, E = ethnocentrism, I = involvement
2. p-values in parentheses
3. df = degrees of freedom for model and total



1. Favorable product attitude = 7, unfavorable attitude = 1
2. H = highly ethnocentric consumers, L = less ethnocentric consumers
3. M = matched product, MM = mismatched product

Figure 3. Consumer Ethnocentrism as Related to Country of Origin and Product/Country Match

involvement scale and the subjects' importance scores of the country of origin cue in product evaluations. A significant negative correlation coefficient was expected for each product type in the analyses. Table XXV shows that all correlation coefficients between product

TABLE XXV
RELATIONSHIP BETWEEN INVOLVEMENT AND
COUNTRY OF ORIGIN EFFECT

Study	Product	Correlation Coefficient	n
1	Rugs	-.53 (.01)	50
	Carpets	-.63 (.01)	50
2	Shoes	-.73 (.01)	50
	Sandals	-.48 (.01)	50
3	Shoes	-.74 (.01)	53
	Sandals	-.69 (.01)	50

1. n: sample size
2. p-values in parentheses
3. One-tailed test

involvement and the importance of country of origin information in product evaluations are negative and significant at $p < .01$. Thus H4 was strongly supported. Country of origin information seems to be a peripheral cue in product evaluations and to play a more important role in the evaluations for consumers less involved with a product than for consumers highly involved with the

product.

An ANCOVA model was examined to see if a significant triple interaction exists among country of origin, image match, and product involvement in product evaluations. The results of the analysis show a significant interaction only in Study 2 (see Table XXVI on page 129 and Figure 4 on page 130). When the country of origin was the U.S., highly involved consumers evaluated the matched product (athletic shoes) more favorably than did less involved consumers. Less involved consumers, however, evaluated the mismatched product (sandals) more favorably than did highly involved consumers. On the other hand, when the country of origin was China, highly involved consumers' attitudes toward the test products were significantly more favorable than less involved consumers' attitudes, regardless of match or mismatch. No triple interaction of similar kind occurred in Studies 1 and 3 (Table XXV and Figure 4). In Study 1, there was a significant country x involvement interaction ($p < .05$) (Table XXVI). In fact, the interaction was expected to occur in consideration of H4 which was strongly supported. The interaction, however, did not occur in Studies 2 and 3.

Summary of Results

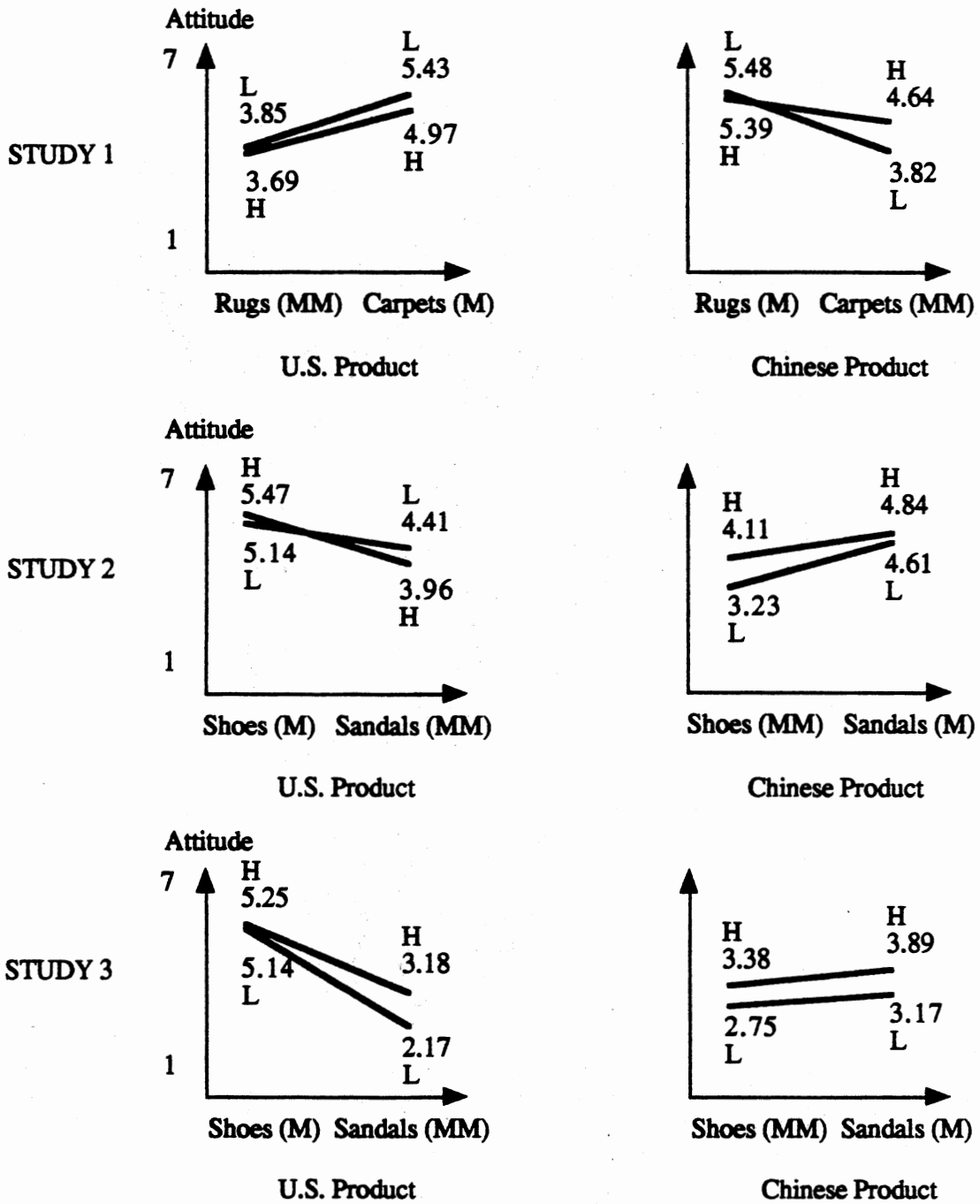
Chapter IV presented the results of testing the research hypotheses. H1 was strongly supported. A

TABLE XXVI

RELATIONSHIP BETWEEN COUNTRY OF ORIGIN, IMAGE MATCH, AND PRODUCT INVOLVEMENT

Study	Model-F	Partial-F Values										
		C	M	I	E	C x M	C x I	C x E	M x I	M x E	E x I	C x M x I*
1	6.33 (.001) df = 9, 99 R-square = .44	3.47 (.07)	10.32 (.01)	0.16 (.69)	0.59 (.44)	0.44 (.51)	4.08 (.05)	1.94 (.17)	1.56 (.22)	1.18 (.28)	0.23 (.63)	0.50 (.48)
2	4.03 (.001) df = 9, 99 R-square = .34	0.07 (.79)	1.65 (.20)	2.88 (.09)	0.09 (.76)	0.01 (.92)	1.77 (.19)	0.32 (.58)	0.17 (.68)	0.03 (.85)	2.02 (.16)	3.26 (.07)
3	6.46 (.001) df = 9, 102 R-square = .44	0.15 (.70)	5.29 (.02)	1.02 (.32)	1.96 (.16)	11.51 (.01)	0.43 (.51)	1.33 (.25)	1.82 (.18)	0.19 (.66)	3.76 (.06)	0.07 (.80)

1. * C = Country of origin, M = match/mismatch, I = involvement, E = ethnocentrism
2. p-values in parentheses
3. df = degrees of freedom for model and total



1. Favorable product attitude = 7, unfavorable attitude = 1
2. H = highly involved consumers, L = less involved consumers
3. M = matched product, MM = mismatched product

Figure 4. Involvement as Related to Country of Origin and Product/Country Match

positive image match between a product and a country of origin had a significant favorable effect on the evaluations of the product. Hand-made rugs and sandals made in China were evaluated very favorably by both American and Japanese consumers, though the products were from a less developed country, because their images matched well the positive images of the country of origin. H2 was supported with a minor exception in Study 2. It was shown that a matchup between the image of a product and the positive images of the country of origin could lead consumers to evaluate an ad for the product quite favorably.

H3 was not supported. Though the direction of the relationship between consumer ethnocentrism and evaluations of a foreign product with a good product-country match was negative as was hypothesized, the relationship was not significant. H4 was strongly supported. Consumers less involved with a product were shown to rely more heavily on country of origin information in evaluations of the product than were highly involved consumers.

Chapter V will conclude the whole study and discuss the limitations and implications of the study, along with the directions for future research.

CHAPTER V

CONCLUSIONS, LIMITATIONS AND IMPLICATIONS

Research Findings and Conclusions

The primary purpose of the present study was to investigate the relationships between the country of origin effect on product evaluations and selected characteristics of the consumer. Specifically, the issue of how the country of origin effect is influenced by the image match between a product and a country, product involvement, and consumer ethnocentrism was investigated.

One major finding of the study was that the negative effect of country of origin for products from a less developed country can be overcome if the image of a product from the country matches well with the general image of the country in a positive sense. A matchup between product and country images would, of course, strengthen the positive favorable effect of country of origin for the products made in a more developed industrialized country.

The study found that a match between the image of a product class and the positive images of country of origin of the product led consumers from both the U.S.

and Japan to evaluate the product more favorably than a product for which there was not a good match between product and country images. Consumers' attitudes toward hand-made rugs and sandals made in China were significantly more favorable than their attitudes toward the rugs and sandals made in the U.S., respectively. On the other hand, wall-to-wall stainless carpets and athletic shoes made in the U.S. were evaluated significantly more favorably than the same carpets and shoes manufactured in China.

The favorable effect of a matchup between product and country images was also shown to hold for consumers' evaluations of the advertisements for products. The positive favorable effect of the image match was not so strong and significant for consumers' attitudes toward advertisements as it was for their attitudes toward products themselves. However, consumers indicated significantly more favorable attitudes toward an advertisement for a product whose image matched well with the positive images of its country of origin than toward an advertisement for a mismatched product. Consumers' evaluations of an ad for a wall-to-wall stainless carpet made in the U.S. were significantly better than their evaluations of an ad for the carpet made in China. Other factors that could affect the evaluations, such as the contents of the ad copy and the overall ad structure, were held constant in the ads. On the other hand, both

American and Japanese consumers' evaluations of an ad for a hand-made rug made in China were more favorable than those of an ad for the same product type made in the U.S. Likewise, consumers' attitudes toward the ads for American athletic shoes and Chinese sandals were more favorable than those toward the ads for shoes made in China and sandals made in the U.S., respectively.

Consumers' involvement with a product was shown to have a significant influence on the country of origin effect. Information about where a product was made played a more significant role in product evaluations when the consumer was less involved with the product than when he/she was more involved with the product. Country of origin information appears to serve as a peripheral cue in the evaluations of product. The present study found a significant negative relationship between consumers' product involvement and their perceptions of the importance of country of origin in product evaluations for both American and Japanese subjects over all test product classes.

Consumer ethnocentrism revealed some evidence of moderating the favorable effect of an image match between a product and a country on product evaluations. The study found a negative relationship between consumer ethnocentrism and the favorable evaluations of foreign products whose images matched well the images of countries of origin, though the relationship was not

significant. Highly ethnocentric consumers tended to evaluate less favorably hand-made rugs and sandals made in China than did nonethnocentric consumers. Consumer ethnocentrism, however, had a positive relationship with consumers' attitudes toward domestic products.

The findings of the study demonstrate that the country of origin effect is a more complex concept than is typically assumed. They show that the effect is influenced by a variety of characteristics of the consumer, such as a match between product and country images, product involvement, and consumer ethnocentrism.

The present study provides evidence for the viability of balance theory (Heider 1958), matchup hypothesis (Forkan 1980; Sternthal, Phillips, and Dholakia 1978; Hawkins, Best, and Coney 1983), and the Elaboration Likelihood Model of persuasion (Petty and Cacioppo 1981, 1983). In a balance theory model of the consumer-product-country triad (see Figure 1 on page 74), the consumer was shown to prefer a balanced state among the three cognitive elements. A matchup or balanced relationship between the image of a product and the image of a country from the perspective of the consumer was shown to lead him/her to evaluate favorably the quality of the product.

The use of different classes of products in the present study helped generalize the findings of the study across various product types. And the use of Japanese

subjects helped determine whether the same relationship existed between the three psychological characteristics and the country of origin effect in a country other than the U.S.

Implications of the Study

The results of this study provide several useful implications for researchers and marketing practitioners. For researchers, the findings of the study demonstrate that research on the country of origin effect should move beyond the mere investigation of differences in consumer attitudes toward products made in various countries. Consumers' attitudes toward products from a country vary by product class. The issue of what factors determine which products are evaluated the most favorable and the least favorable has not been studied. The present study shows that, in addition to product-related attributes, there is another class of variables, consumer characteristics, which can influence the effect of country of origin on product evaluations. Specifically, the study identified some consumer characteristics such as image match between a product and a country, product involvement, and consumer ethnocentrism as those factors that can influence consumers to evaluate differently products made in a country. This implies that the country of origin effect is an individual difference variable and therefore that research on the effect needs

to focus on individual consumers rather than on products themselves. More exact nature of the country of origin effect could be understood only if the focus of research starts from an individual consumer's perspective rather than from the products or consumers in a collective sense.

The issue of the relationship between the country of origin effect and consumer characteristics has important practical implications for countries that need to increase exports of products, for marketers that want to increase sales of their imported products, and for firms that source products in countries different from where the products are sold. Such marketers must decide whether they should promote their products as "made in" or would it be more advantageous to promote the qualities of an individual product. Given the importance of a match between country or "made in" image and product image in product evaluations, the above question has important relevance to the marketing executive in his/her strategy formulation for foreign products or foreign countries. A firm should not feel it can capitalize on a good national image to support a product whose image does not match the country image, and conversely should not feel reluctant to market a new product in the U.S. for fear of negative image carry-over. Image matching is indeed viable for marketing foreign products. The message conveyed by the image of a

country and the message about a product ought to converge in order to induce consumers to evaluate the product favorably.

A nation's stereotype images are related to entire industries, national economies, politics, and cultures and may not be influenced by the desires or strategies of only one firm. However, selling inferior products may make consumers change their established favorable country image and influence the rest of the country's industries. Individual marketers can contribute to the improvement in country image by marketing products of high quality.

The concept of country image is multidimensional (Jaffe and Nebenzahl 1984; Nagashima 1970, 1977). While a country's image may be generally negative, certain dimensions can nevertheless be evaluated favorably. Therefore, a marketer may affect consumers' attitudes toward his/her product most efficiently by identifying a favorable positive dimension of the image of country of origin and by matching the dimension with salient product attributes viewed positively by consumers. By emphasizing and increasing the relevance of positively matched dimensions and decreasing the saliency of negative dimensions, a larger segment of the target market may be successfully reached. Also, decisions about the location of production facilities in different countries should be made with some consideration of the possible image match problems which may be encountered in

marketing the products in a target market.

Marketers dealing with products made in a country with negative images would find it desirable to identify and focus on the market segments in a target country that are insensitive to the country of origin effect. The findings of the present study imply that consumers highly involved with the products and/or nonethnocentric consumers would be a good target for those marketers. The association of products with negative images with the name of highly reputable local retailers can improve the images where prejudices are initially not too strong.

The present study did not find a strong relationship between consumer ethnocentrism and the country of origin effect. Marketers need to be careful not to conclude that the use of "Crafted with Pride" campaign and buy-American themes would be effective in promotional efforts. Consumer ethnocentrism alone would not be a meaningful basis for protecting the U.S. market from the penetration of foreign products.

Limitations

Despite the importance of research findings of the present study, the study was exploratory and has some limitations. First, many factors other than those investigated in the study may influence the country of origin effect. In the study, only three characteristics of the consumer were investigated: image match between a

product and a country, product involvement, and consumer ethnocentrism. Many other consumer characteristics, product-related factors, and situational contingency variables could influence the country of origin effect. Some consumer characteristics such as product familiarity, prior experience with a particular product class, and travel experience in a country would be the explanatory variables for the difference in the country of origin effect. For example, consumers familiar with a specific product category may be less likely to rely on country of origin as a cue in product evaluations. Similarly, satisfactory or unsatisfactory experience with products or brands from a specific country may color evaluations of other products or brands made in that country.

Product-related factors such as product availability and price differentials between domestic and foreign products may also affect the country of origin effect. Such situational contingency variables as historical, political, and economic relationships between two countries may influence the strength or direction of the country of origin effect.

Second limitation of the study is related to the use of a single cue approach. Subjects in all the three Studies were asked to indicate the relative importance of each of several cues including country of origin. However, more thorough analysis of the relationships

between product attributes should be examined in terms of how much influence country of origin cue provides in product evaluations when all other relevant information about a product is available.

Third, the present study examined the relationships between the country of origin effect and overall country image and product image. Because country image is multidimensional (Jaffe and Nebenzahl 1984; Nagashima 1970, 1977) and it is specific to product attribute dimensions (Han and Terpstra 1988), examination of both overall and dimension-specific evaluations should help clarify the exact nature of the country of origin effect. For instance, although country of origin of a product influenced consumers' overall evaluations of the product, it did not affect their inferences about product attributes that had not been mentioned in the descriptions of the product (Hong and Wyer 1989). When the impact of image match on the country of origin is examined, it would be desirable to investigate the impact of a match between individual dimensions of country image and several product attributes.

The fourth limitation concerns the scope of research. The present study considered only two countries of origin. Ideally, more countries at different levels of image matchup with a specific product would be needed to test the research hypotheses. As far as the number of test products is concerned, two

different pairs of similar products were used in separate studies in order to prevent specific characteristics of a product from confounding the results of the study. However, four products may still not be enough to generalize the research findings.

Finally, general problems associated with the use of student samples should be addressed. Although homogeneous student respondents are desired when the primary goal of research is to obtain scientific theory that can be generalized (Calder, Phillips, and Tybout 1981), ideally, more representative samples would be preferred to students. In particular, Japanese students used in part of the present study may not be representative of general Japanese consumers because they have lived in the U.S. for at least several months.

Directions for Future Research

It is hoped that the present study will act as a stimulus in the area of quality perceptions of products made in various countries. Indeed, much remains to be done in the way of empirical research as well as theoretical development before the exact nature of country of origin effect is understood. Several directions for future research on the country of origin effect can be suggested. First, image match between a product and a country, product involvement, and consumer ethnocentrism may not be the sole reasons for the

difference in country of origin effect for products made in a specific country. Future research needs to investigate how the country of origin effect is influenced by other consumer characteristics, product-related factors, and situational contingency variables. The relationship between each of these variables and the country of origin effect can be examined individually or many relevant variables can be included in a consistent framework. In addition, the effect of country of origin on choice of products from various countries merits further investigation because consumers' attitudes toward the products do not necessarily influence their choice. The relationship between consumers' different attitudes toward products made in different countries and their purchase intentions or product selection needs to be examined in the future.

Second, in consideration of the multidimensionality of country image, it is suggested that the impact of matchups between dimensions of country image and relevant product attributes should be studied in future research. The product image can be specified in terms of a multidimensional attribute space based on the perceptual scores on a number of salient attributes. The same attribute dimensions can be used to measure stereotype images of countries as makers of the product in question. It is then possible to describe subjects' perceptions into a joint product/country map and to define distances

in this perceptual space as measures of the levels of image match between a particular product and a country. The measures of image match can then be used as predictor or independent variables in order to see its effect on consumers' attitudes toward products and/or ads for them.

Third, it is needed to adopt a multi-cue approach in investigating the effect of country of origin on product evaluations. Relevant information about several product attributes other than country of origin should be available to subjects for making their evaluations. Measurement of the magnitude and direction of the country of origin effect within a research framework involving various information cues is recommended.

Fourth, future research of similar kind to the present study can extend the scope of research by including a large number of different countries and products. The results of more extended research could be more generalizable across products and countries than those of this study.

Finally, the issue of how country image is formed and changed merits further investigation. More research is needed to find the determinants of country image and the variables which can explain how consumers change their images about a country. From a marketing perspective, the role of promotion in forming and changing country image should be further examined. The types of media exposure that can effectively affect

consumers' formation of country image can be identified and the extent to which they adjust their country image upon acquiring new product information can be investigated. Also, the issue of how consumer ethnocentrism develops and changes warrants further investigation.

REFERENCES

- Aaker, David A. and John G. Myers (1982), Advertising Management, 2nd ed. Englewood Cliffs, NJ: Prentice-Hall, Inc.
- Anderson, W. T. and William H. Cunningham (1972), "Gauging Foreign Product Promotion," Journal of Advertising Research, 12 (February), 29-34.
- Atkin, Charles and Martin Block (1983), "Effectiveness of Celebrity Endorsers," Journal of Advertising Research, 23 (February/March), 57-61.
- Bannister, J. P. and J. A. Saunders (1978), "UK Consumers' Attitudes Towards Imports: The Measurement of National Stereotype Image," European Journal of Marketing, 12 (8), 562-570.
- Baumgartner, Gary and Alain Jolibert (1978), "The Perception of Foreign Products in France," in Advances in Consumer Research, Vol. 5, H. K. Hunt, ed. Ann Arbor, MI: Association for Consumer Research, 603-605.
- Beckwith, Neil E. and Donald R. Lehmann (1975), "The Importance of Halo Effects in Multi-Attribute Attitude Models," Journal of Marketing Research, 12 (August), 265-275.
- Bilkey, Warren J. and Erik Nes (1982), "Country-of-Origin Effects on Product Evaluations," Journal of International Business Studies, 13 (Spring/Summer), 89-99.
- Birdwell, Al E. (1968), "A Study of the Influence of Image Congruence on Consumer Choice," The Journal of Business, 41 (January), 76-88.
- Bitner, Mary J. and Carl Obermiller (1985), "The Elaboration Likelihood Model: Limitations and Extensions in Marketing," in Advances in Consumer Research, Vol. 12, Elizabeth Hirschman and Morris Holbrook, eds. Ann Arbor, MI: Association for Consumer Research, 420-425.
- Bloch, Peter H. (1981), "An Exploration into the Scaling of Consumers' Involvement with a Product Class," in

- Advances in Consumer Research, Vol. 8, Kent B. Monroe, ed. Ann Arbor, MI: Association for Consumer Research, 61-65.
- Bodenhausen, Galen V. and Meryl Lichtenstein (1987), "Social Stereotypes and Information-Processing Strategies: The Impact of Task Complexity," Journal of Personality and Social Psychology, 52 (May), 871-880.
- and Robert S. Wyer (1985), "Effects of Stereotypes on Decision Making and Information-Processing Strategies," Journal of Personality and Social Psychology, 48 (February), 267-282.
- Brock, T. C. (1965), "Communicator-Recipient Similarity and Decision Change," Journal of Personality and Social Psychology, 1, 650-654.
- Brucks, Merrie (1985), "The Effects of Product Class Knowledge on Information Search Behavior," Journal of Consumer Research, 12 (June), 1-16.
- Calder, Bobby J., Lynn W. Phillips, and Alice M. Tybout (1981), "Designing Research for Application," Journal of Consumer Research, 8 (September), 197-207.
- Cannon, Hugh M. (1986), "Media-Market Matching versus 'Random Walk' in Television Media Selection," Journal of Advertising Research, 26 (April/May), 37-41.
- Cattin, Philippe, Alain Jolibert and Colleen Lohnes (1982), "A Cross-Cultural Study of 'Made In' Concepts," Journal of International Business Studies, 13 (Winter), 131-141.
- Celsi, Richard L. and Jerry C. Olson (1988), "The Role of Involvement in Attention and Comprehension Processes," Journal of Consumer Research, 15 (September), 210-224.
- Chasin, Joseph B. and Eugene D. Jaffe (1979), "Industrial Buyer Attitudes Toward Goods Made in Eastern Europe," Columbia Journal of Business, 14 (Summer), 74-81.
- Churchill, Jr., Gilbert A. (1979), "A Paradigm for Developing Better Measures of Marketing Constructs," Journal of Marketing Research, 16 (February), 64-73.
- Cronbach, L. J. (1951), "Coefficient Alpha and the Internal Structure of Tests," Psychometrika, 16, 297-334.
- Darling, J. R. and F. B. Kraft (1977), "A Competitive Profile of Products and Associated Marketing Practices of Selected European and Non-European Countries,"

- European Journal of Marketing, 11 (7), 11-23.
- Dolich, Ira J. (1969), "Congruence Relationships Between Self Images and Product Brands," Journal of Marketing Research, 6 (February), 80-84.
- Dornoff, Ronald J, Clint B. Tankersley and Gregory P. White (1974), "Consumers' Perceptions of Imports," Akron Business and Economic Review, 5 (Summer), 26-29.
- Erickson, Gary M, Johny K. Johansson and Paul Chao (1984), "Image Variables in Multi-Attribute Product Evaluations: Country-of-Origin Effects," Journal of Consumer Research, 11 (September), 694-699.
- Etzel, Michael J. and Bruce J. Walker (1974), "Advertising Strategy for Foreign Products," Journal of Advertising Research, 14 (June), 41-44.
- Fishbein, Martin and Icek Ajzen (1975), Belief, Attitude, Intention and Behavior: An Introduction to Theory and Research, Reading, MA: Addison-Wesley.
- Forkan, James P. (1980), "Product Matchup Key to Effective Star Presentations," Advertising Age, 51 (October), 42.
- Freiden, John B. (1984), "Advertising Spokeperson Effects: An Examination of Endorser Type and Gender on Two Audiences," Journal of Advertising Research, 24 (October), 33-41.
- Friedman, Hershey H. and Linda Friedman (1979), "Endorser Effectiveness by Product Type," Journal of Advertising Research, 19 (October), 63-71.
- Gaedeke, Ralph (1973), "Consumer Attitudes Toward Products 'Made In' Developing Countries," Journal of Retailing, 49 (Summer), 13-24.
- Garfinkle, Norton (1963), "A Marketing Approach to Media Selection," Journal of Advertising Research, 3 (3), 7-15.
- Green, Paul E. and Donald S. Tull (1978), Research for Marketing Decisions, 4th ed. Englewood Cliffs, NJ: Prentice-Hall, Inc.
- Griffitt, William B. (1966), "Interpersonal Attraction as a Function of Self-Concept and Personality Similarity-Dissimilarity," Journal of Personality and Social Psychology, 4 (5), 581-584.
- Hakansson, Hakan and Bjorn Wootz (1975), "Supplier

- Selection in an International Environment--An Experimental Study," Journal of Marketing Research, 12 (February), 46-51.
- Halfhill, D. S. (1980), "Multinational Marketing Strategy: Implications of Attitudes Toward Country of Origin," Management International Review, 20 (4), 26-30.
- Hampton, Gerald M. (1977), "Perceived Risk in Buying Products Made Abroad By American Firms," Baylor Business Studies, * (October), 53-64.
- Han, C. Min (1989), "Country Image: Halo or Summary Construct?," Journal of Marketing Research, 26 (May), 222-229.
- (1988), "The Role of Consumer Patriotism in the Choice of Domestic versus Foreign Products," Journal of Advertising Research, 28 (June/July), 25-32.
- and Vern Terpstra (1988), "Country-of-Origin Effects for Uni-national and Bi-national Products," Journal of International Business Studies, 19 (Summer), 235-255.
- and W. J. Qualls (1985), "Country of Origin Effects and Its Impact upon Consumers' Perception of Quality," in Historic Perspective in Consumer Research: National and International Perspectives, C. T. Tan and J. Sheth, eds., Association for Consumer Research.
- Hawkins, Del I., Roger J. Best, and Kenneth A. Coney (1983), Consumer Behavior: Implications for Marketing Strategy, Rev. ed., Plano, TX: Business Publications.
- Heider, Fritz (1958), The Psychology of Interpersonal Relations, New York, NY: John Willey & Sons, Inc.
- Holbrook, Morris B. (1983), "Using a Structural Model of Halo Effect to Assess Perceptual Distortion Due to Affective Overtones," Journal of Consumer Research, 10 (September), 247-252.
- Hong, Sung-Tai and Robert S. Wyer, Jr. (1989), "Effects of Country-of-Origin and Product-Attribute Information on Product Evaluation: An Information Processing Perspective," Journal of Consumer Research, 16 (September), 175-187.
- Houston, Michael J. and Michael L. Rothschild (1978), "Conceptual and Methodological Perspectives on Involvement," in 1978 Educators' Proceedings, Subhash

- C. Jain, ed. Chicago, IL: American Marketing Association, 184-187.
- Huber, Joel and John McCann (1982), "The Impact of Inferential Beliefs on Product Evaluations," Journal of Marketing Research, 19 (August), 324-333.
- Jacoby, Jacob and Leon Kaplan (1972), "The Components of Perceived Risk," in Advances in Consumer Research, Vol. 3, M. Venkatesan, ed. Chicago: Association for Consumer Research; 382-383.
- Jaffe, Eugene D. and Israel D. Nebenzahl (1984), "Alternative Questionnaire Formats of Country Image Studies," Journal of Marketing Research, 21 (November), 463-471.
- Johansson, Johny K., Susan P. Douglas and Ikujiro Nonaka (1985), "Assessing the Impact of Country of Origin on Product Evaluations: A New Methodological Perspective," Journal of Marketing Research, 22 (November), 388-396.
- and Israel D. Nebenzahl (1986), "Multinational Production: Effect on Brand Value," Journal of International Business Studies, 17 (Fall), 101-126.
- Johnston, J. (1972), Econometric Methods, 2nd ed., New York: McGraw-Hill.
- Kelly, Harold H. and Christine L. Woodruff (1956), "Members' Reactions to Apparent Group Approval of a Counternorm Communication," Journal of Abnormal and Social Psychology, 52 (January), 67-74.
- Krishnakumar, Parameswar (1974), "An Exploratory Study of the Influence of Country of Origin on the Product Images of Persons from Selected Countries," Unpublished Ph.D. Dissertation, The University of Florida.
- Laurent, Gilles and Jean-Noel Kapferer (1978), "Measuring Consumer Involvement Profiles," Journal of Marketing Research, 15 (February), 41-53.
- Lillis, Charles M. and Chem L. Narayana (1974), "Analysis of 'Made In' Product Images--An Exploratory Study," Journal of International Business Studies, 5 (Spring), 119-127.
- MacKenzie, Scott B., Richard J. Lutz, and George E. Belch (1986), "The Role of Attitude Toward the Ad as a Mediator of Advertising Effectiveness: A Test of Competing Explanations," Journal of Marketing

Research, 23 (May), 130-143.

Miller, George A. (1956), "The Magical Number Seven, Plus or Minus Two: Some Limits on Our Capacity for Processing Information," Psychological Review, 63, 81-97.

Mills, Judson and Jerald M. Jellison (1968), "Effect on Opinion Change of Similarity Between the Communicator and the Audience He Addressed," Journal of Personality and Social Psychology, 9 (2), 153-156.

Mitchell, Andrew A. (1986), "The Effect of Verbal and Visual Components of Advertisements on Brand Attitudes and Attitude Toward the Advertisement," Journal of Consumer Research, 13 (June), 12-24.

----- and Jerry C. Olson (1981), "Are Product Attribute Beliefs the Only Mediator of Advertising Effects on Brand Attitude?" Journal of Marketing Research, 18 (August), 318-332,

Monroe, Kent B. (1976), "The Influence of Price Differences and Brand Familiarity on Brand Preferences," Journal of Consumer Research, 3 (June), 42-49.

Mowen, John C. (1980), "On Product Endorser Effectiveness: A Balance Model Approach," in Current Issues and Research in Advertising, James H. Leigh and Claude Martin, Jr., eds. Ann Arbor, MI: Graduate School of Business Administration, The University of Michigan.

----- (1987), Consumer Behavior, New York, NY: Macmillan Publishing Company.

Nagashima, Akira (1970), "A Comparison of Japanese and U.S. Attitudes Toward Foreign Products," Journal of Marketing, 34 (January), 68-74.

----- (1977), "A Comparative 'Made In' Product Image Survey Among Japanese Businessmen," Journal of Marketing, 41 (July), 95-100.

Narayana, Chem L. (1981), "Aggregate Images of American and Japanese Products: Implications on International Marketing," Columbia Journal of World Business, 16 (Summer), 31-35.

Niffenegger, Phillip, John White and Guy Marmet (1980), "How British Retail Managers View French and American Products," European Journal of Marketing, 14 (8), 15-20.

- Nunnally, Jum C. (1967), Psychometric Theory, 1st ed. New York: McGraw-Hill Book Company.
- (1978), Psychometric Theory, 2nd ed. New York: McGraw-Hill Book Company.
- Olson, Jerry C. (1977), "Price as an Informational Cue: Effects on Product Evaluations," in Consumer and Industrial Buying Behavior, A. G. Woodside, J. N. Sheth and P. D. Bennett, eds. Amsterdam: North-Holland.
- and Jacob Jacoby (1972), "Cue Utilization in the Quality Perception Process," in Proceedings of the Third Annual Conference of Association for Consumer Research, M. Venkatesan, ed. Chicago, IL: Association for Consumer Research, 167-179.
- Osgood, C. E., G. J. Suci and P. H. Tannenbaum (1957), The Measurement of Meaning, Urbana, IL: University of Illinois Press.
- Peterson, Robert A. and Alain J. P. Jolibert (1976), "A Cross-National Investigation of Price and Brand as Determinants of Perceived Product Quality," Journal of Applied Psychology, 61 (4), 533-536.
- Petty, Richard E. and John T. Cacioppo (1981), Attitudes and Persuasion: Classic and Contemporary Approaches, Dubuque, IA: William C. Brown.
- and John T. Cacioppo (1983), "Central and Peripheral Routes to Persuasion: Application to Advertising," in Advertising and Consumer Psychology, Larry Percy and Arch Woodside, eds. Lexington, MA: Lexington Books, 3-23.
- , John T. Cacioppo and David Schumann (1983), "Central and Peripheral Routes to Advertising Effectiveness: The Moderating Role of Involvement," Journal of Consumer Research, 10 (September), 135-146.
- , John T. Cacioppo and Rachel Goldman (1981), "Personal Involvement as a Determinant of Argument-Based Persuasion," Journal of Personality and Social Psychology, 41 (November), 847-855.
- Reierson, Curtis C. (1966), "Are Foreign Products Seen As National Stereotypes?," Journal of Retailing, 42 (Fall), 33-40.
- (1967), "Attitude Changes Toward Foreign Products," Journal of Marketing Research, 4

- (November), 385-387.
- Richins, Marsha L. and Peter H. Bloch (1986), "After the New Wears Off: The Temporal Context of Product Involvement," Journal of Consumer Research, 13 (September), 280-285.
- Rothschild, Michael L. (1979), "Advertising Strategies for High and Low Involvement Situations," in Attitude Research Plays for High Stakes, John Maloney and Bernard Silverman, eds. Chicago, IL: American Marketing Association, 74-93.
- Schleifer, Stephen and S. Watson Dunn (1968), "Relative Effectiveness of Advertisements of Foreign and Domestic Origin," Journal of Marketing Research, 5 (August), 296-299.
- Schooler, Robert D. (1965), "Product Bias in the Central American Common Market," Journal of Marketing Research, 2 (November), 394-397.
- (1971), "Bias Phenomena Attendant to the Marketing of Foreign Goods in the U.S.," Journal of International Business Studies, 2 (Spring), 71-80.
- and Sunoo (1969), "Consumer Perceptions of International Products: Regional vs. National Labeling," Social Science Quarterly, 49 (March), 886-890.
- and Albert R. Wildt (1968), "Elasticity of Product Bias," Journal of Marketing Research, 5 (February), 78-81.
- Serrin, W. (1984), "Textile Law Orders a US Label," New York Times, (December 29), 1-14.
- Shapiro, Carl (1982), "Consumer Information, Product Quality, and Seller Reputation," Bell Journal of Economics, 13 (Spring), 20-35.
- Sherif, Muzafer and Carl I. Hovland (1961), Social Judgment: Assimilation and Contrast Effects in Communication and Attitude Change, New Haven, Conn: Yale University Press.
- Shimp, Terence A. (1981), "Attitude Toward the Ad as a Mediator of Consumer Brand Choice," Journal of Advertising, 10 (2), 9-15.
- and Subhash Sharma (1987), "Consumer Ethnocentrism: Construction and Validation of the SETSCALE," Journal of Marketing Research, 24 (August),

280-289.

- Simon, Herbert A. (1974), "How Big Is a Chunk?" Science, 183 (February), 1-23.
- Simmons, Herbert, Nancy Berkowitz and R. John Moyer (1970), "Similarity, Credibility, and Attitude Change: A Review and a Theory," Psychological Bulletin, 73 (1), 1-16.
- Sternthal, Brian, Lynn Phillips and Ruby Dholakia (1978), "The Persuasive Effect of Source Credibility: A Situational Analysis," Public Opinion Quarterly, 42 (Fall), 285-314.
- Tongberg, R. C. (1972), "An Empirical Study of Relationships Between Dogmatism and Consumer Attitudes Toward Foreign Products," Unpublished Ph.D. Dissertation, The Pennsylvania State University.
- Varadarajan, P. "Rajan" (1986), "Product Diversity and Firm Performance: An Empirical Investigation," Journal of Marketing, 50 (July), 43-57.
- Wang, Chih-Kang (1978), "The Effect of Foreign Economic, Political and Cultural Environment on Consumers' Willingness to Buy Foreign Products," Unpublished Ph.D. Dissertation, Texas A&M University.
- White, Phillip D. (1979), "Attitudes of U.S. Purchasing Managers Toward Industrial Products Manufactured in Selected European Nations," Journal of International Business Studies, 10 (Spring/Summer), 81-90.
- and Edward W. Cundiff (1978), "Assessing the Quality of Industrial Products," Journal of Marketing, 42 (January), 80-86.
- Wind, Yoram, Vijay Mahajan, and Donald J. Swire (1983), "An Empirical Comparison of Standardized Portfolio Models," Journal of Marketing, 47 (Spring), 89-99.
- Zaichkowsky, Judith Lynne (1985), "Measuring the Involvement Construct," Journal of Consumer Research, 12 (December), 341-352.
- Zajonc, Robert B. (1980), "Feeling and Thinking: References Need No Inferences," American Psychologist, 35 (February), 151-175.
- (1960), "The Concepts of Balance, Congruity and Dissonance," Public Opinion Quarterly, 24, 280-296.
- and Hazel Markus (1982), "Must All Affect Be

Mediated By Cognition?," Journal of Consumer Research,
12 (December), 363-364.

Zeller, Richard A. and Edward G. Carmines (1980),
Measurement in the Social Sciences: The Link Between
Theory and Data, Cambridge, New York: Cambridge
University Press.

APPENDIX A

PILOT STUDY QUESTIONNAIRE

CONSUMER SURVEY QUESTIONNAIRE

The purpose of this survey is to obtain information about your views of various types of products. Please read the directions to each question carefully and answer all the questions. There are no right or wrong answers. All of your responses will be highly appreciated. Thank you for your cooperation.

[1] Different products have their own images in terms of their technological sophistication, aesthetic appeals, practical usefulness, economic value and importance to the consumer, etc.. Different countries also have good or bad images as producers of various kinds of products. For example, France usually has good images as a producer of cosmetics, fashion merchandise, and artistic works. In this case, it is said that there is a good matchup between the image of France and the images of these products.

1) Please rate the extent to which the image of each of following products matches the overall image of Japan.

(1) Wooden floors

1	2	3	4	5	6	7
Low						High

(2) Hand-made rugs

Low						High

(3) Wall-to-wall stainless carpets

Low						High

(4) Sandals

Low						High

(5) Dress shoes

Low						High

(6) Athletic shoes

Low						High

(6) Athletic shoes

Low							High
1	2	3	4	5	6	7	

[2] What is the likelihood that American consumers would be satisfied with each of the following products made in Japan?

(1) Wall-to-wall stainless carpets

	1	2	3	4	5	6	7	
Low								High

(2) Wooden floors

Low								High

(3) Hand-made rugs

Low								High

(4) Dress shoes

Low								High

(5) Sandals

Low								High

(6) Athletic shoes

Low							High
1	2	3	4	5	6	7	

[3] What is the likelihood that American consumers would be satisfied with each of the following products made in Italy?

(1) Athletic shoes

1 2 3 4 5 6 7 High
 Low -----

(2) Sandals

Low ----- High

(3) Dress shoes

Low ----- High

(4) Wooden floors

Low ----- High

(5) Wall-to-wall stainless carpets

Low ----- High

(6) Hand-made rugs

Low ----- High
 1 2 3 4 5 6 7

[4] What is the likelihood that American consumers would be satisfied with each of the following products made in the U.S.?

(1) Wall-to-wall stainless carpets

1 2 3 4 5 6 7 High
 Low -----

(2) Athletic shoes

Low ----- High

(3) Hand-made rugs

Low ----- High

[6] How likely is it that high quality athletic shoes would be produced in each of the following countries?

(1) China

1	2	3	4	5	6	7	
Low							High

(2) U.S.

Low							High

(3) Italy

Low							High

(4) Japan

Low							High

1	2	3	4	5	6	7	

[7] How likely is it that high quality wooden floors would be produced in each of the following countries?

(1) U.S.

1	2	3	4	5	6	7	
Low							High

(2) Japan

Low							High

(3) China

Low							High

(4) Italy

Low							High

1	2	3	4	5	6	7	

[10] How likely is it that high quality sandals would be produced in each of the following countries?

(1) Italy

	1	2	3	4	5	6	7	
Low								High

(2) Japan

Low								High

(3) U.S.

Low								High

(4) China

Low								High

	1	2	3	4	5	6	7	

[11] How likely is it that high quality hand-made rugs would be produced in each of the following countries?

(1) China

	1	2	3	4	5	6	7	
Low								High

(2) U.S.

Low								High

(3) Japan

Low								High

(4) Italy

Low								High

	1	2	3	4	5	6	7	

[12] Please indicate the level of your agreement with each of the following statements by checking the appropriate places. Please do not skip any question.

EXAMPLE

 If you agree slightly with the following statement, you would place your check mark (✓) on the appropriate place as shown below:

"I prefer to own a car with a strong personality of its own."

Strongly Disagree	Disagree	Slightly Disagree	Don't Know	Slightly Agree	Agree	Strongly Agree
-----	-----	-----	-----	-----	-----	-----
1	2	3	4	5	6	7

	Strongly Disagree					Strongly Agree
1. It is worth the extra cost to purchase the best wooden floors I can afford.	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6 7
2. I pay much attention to advertisements for wooden floors in magazines or on TV.	-----	-----	-----	-----	-----	-----
3. I enjoy discussing wooden floors with my friends.	-----	-----	-----	-----	-----	-----
4. It is worth the extra cost to purchase the best athletic shoes I can afford.	-----	-----	-----	-----	-----	-----
5. I pay much attention to advertisements for athletic shoes in magazines or on TV.	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6 7

	Strongly Disagree				Strongly Agree		
6. I enjoy discussing athletic shoes with my friends.	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
7. It is worth the extra cost to purchase the best stainless wall-to-wall carpets I can afford.	-----	-----	-----	-----	-----	-----	-----
8. I pay much attention to advertisements for stainless wall-to-wall carpets in magazines or on TV.	-----	-----	-----	-----	-----	-----	-----
9. I enjoy discussing stainless wall-to-wall carpets with my friends.	-----	-----	-----	-----	-----	-----	-----
10. It is worth the extra cost to purchase the best sandals I can afford.	-----	-----	-----	-----	-----	-----	-----
11. I pay much attention to advertisements for sandals in magazines or on TV.	-----	-----	-----	-----	-----	-----	-----
12. I enjoy discussing sandals with my friends.	-----	-----	-----	-----	-----	-----	-----
13. It is worth the extra cost to purchase the best handmade rugs I can afford.	-----	-----	-----	-----	-----	-----	-----
14. I pay much attention to advertisements for handmade rugs in magazines or on TV.	-----	-----	-----	-----	-----	-----	-----
15. I enjoy discussing handmade rugs with my friends.	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7

Strongly
Disagree

Strongly
Agree

16. It is worth the extra
cost to purchase the
best dress shoes I
can afford.

1 2 3 4 5 6 7

17. I pay much attention
to advertisements
for dress shoes in
magazines or on TV.

18. I enjoy discussing
dress shoes with
my friends.

Thank you very much!

APPENDIX B

MAIN STUDY QUESTIONNAIRE

(Among four different versions of the questionnaire, only the one for hand-made rugs made in China is included in this appendix because all other versions are the same except for the name of the test product and the country of origin. See the section on questionnaire design on page 87.)

CONSUMER SURVEY QUESTIONNAIRE

The purpose of this study is to obtain information about your views of several advertisements and products. Please read the directions to each section carefully and provide your response.

It will take about 15 minutes for you to finish the questionnaire. Please answer all questions. Do not skip any section or question. There are no right or wrong answers. All of your responses will be kept in strict confidence, and they are highly appreciated. Thank you for your cooperation.

**STEP ON THE GAS
AND THE WHOLE CAR MOVES.**

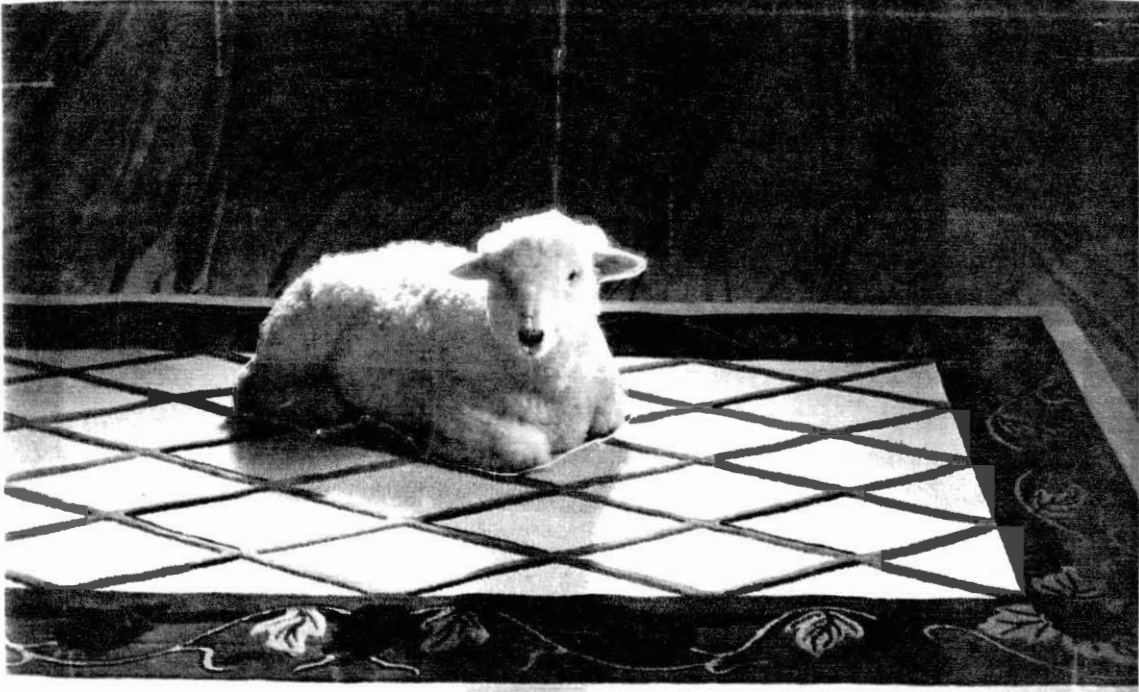


Put your foot down. If your car doesn't have a dual-overhead-cam, 16-valve 1.8-liter ready-to-go-when-you-are engine...get one. Tracer LTS. Hit the road. Hit 1-800-446-8888 and we'll send you more reasons to get one.



Made in U.S.A.

*... and everywhere that Han went,
the lamb was sure to go.*



Crafted in virgin wool, Han rugs feature unique designs, wonderful colors, and unparalleled creativity.

Handmade in China, Han combines traditional loom methods with years of tradition to create one-of-a-kind tapestries.

Call 1-800-834-5566
for the nearest HAN store

HAN

Custom is our standard

Made in China



SANTA'S LITTLE HELPER.



Made in U.S.A.

Part I:

Part I of this questionnaire includes Sections 1 through 3. It consists of pairs of bi-polar adjectives. Please check the appropriate spaces that reflect your feelings most closely.

Example

If you think cars made in the U.S. are expensive but not very much, you would place your check mark (✓) on the appropriate place as shown below:

1. Expensive ----- ✓ ----- Inexpensive
 1 2 3 4 5 6 7

Section 1:

[1] Please rate your general impression of each of the advertisements on the preceding pages. Check the appropriate places.

(1) Ad for the car

1. Bad ----- Good
 1 2 3 4 5 6 7

2. Uninteresting ----- Interesting
 1 2 3 4 5 6 7

3. Dislike ----- Like
 1 2 3 4 5 6 7

4. Unfavorable ----- Favorable
 1 2 3 4 5 6 7

(2) Ad for the hand-made rug

1. Bad ----- Good
 1 2 3 4 5 6 7

2. Uninteresting

Interesting

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Dislike

Like

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Unfavorable

Favorable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

(3) Ad for the electric battery

1. Bad

Good

1	2	3	4	5	6	7
---	---	---	---	---	---	---

2. Uninteresting

Interesting

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Dislike

Like

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Unfavorable

Favorable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Section 2:

[1] Please indicate your general perceptions of cars made in the U.S. Check the appropriate places.

1. Bad

Good

1	2	3	4	5	6	7
---	---	---	---	---	---	---

2. Low quality

High quality

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Unreliable

Reliable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Unfavorable

Favorable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

[2] Please indicate your general perceptions of hand-made rugs made in China. Check the appropriate places.

1. Bad

Good

1	2	3	4	5	6	7
---	---	---	---	---	---	---

2. Low quality

High quality

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Unreliable

Reliable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Unfavorable

Favorable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

[3] Please indicate your general perceptions of electric batteries made in the U.S. Check the appropriate places.

1. Bad

Good

1	2	3	4	5	6	7
---	---	---	---	---	---	---

2. Low quality

High quality

1	2	3	4	5	6	7
---	---	---	---	---	---	---

3. Unreliable

Reliable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

4. Unfavorable

Favorable

1	2	3	4	5	6	7
---	---	---	---	---	---	---

Section 3:

How important was each of the following factors in your evaluation of each of the above products? Please check the appropriate places.

[1] Cars made in the U.S.

	Unimportant						Very important
1. Brand Name	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
2. Price	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
3. Country of Origin	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
4. Retailer Reputation	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
5. Warranties	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
6. Quality	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7

[2] Hand-made rugs made in China

	Unimportant						Very important
1. Brand Name	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
2. Price	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
3. Country of Origin	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7

	Unimportant						Very important
4. Retailer Reputation	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
5. Warranties	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
6. Quality	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7

[3] Electric batteries made in the U.S.

	Unimportant						Very important
1. Brand Name	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
2. Price	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
3. Country of Origin	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
4. Retailer Reputation	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
5. Warranties	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7
6. Quality	-----	-----	-----	-----	-----	-----	-----
	1	2	3	4	5	6	7

Section 1:

[1] Please indicate the level of your agreement with each of the following statements by circling only one appropriate number for each question. Please do not skip any question.

	Strongly Disagree				Strongly Agree		
1. It is worth the extra cost to purchase and use an attractive and attention-getting hand-made rug.	1	2	3	4	5	6	7
2. I prefer to own a hand-made rug with a strong personality of its own.	1	2	3	4	5	6	7
3. Hand-made rugs offer me relaxation and fun when life's pressures build up.	1	2	3	4	5	6	7
4. Sometimes I get too wrapped up in my hand-made rug(s).	1	2	3	4	5	6	7
5. I generally feel a sentimental attachment to my hand-made rug(s).	1	2	3	4	5	6	7
6. I do not pay much attention to advertisements for hand-made rugs in magazines or on TV.	1	2	3	4	5	6	7
7. I get bored when other people talk to me about their hand-made rugs.	1	2	3	4	5	6	7
8. It is natural that people become interested in hand-made rugs.	1	2	3	4	5	6	7
9. When I'm with a friend, we often end up talking about hand-made rugs.	1	2	3	4	5	6	7
10. I don't like to think of my hand-made rug(s) as being ordinary.	1	2	3	4	5	6	7
11. I enjoy discussing hand-made rugs with my friends.	1	2	3	4	5	6	7

Section 2:

How much do you agree with each of the following statements? Please circle only one appropriate number for each question.

	Strongly Disagree				Strongly Agree		
1. Americans should always buy American-made products instead of imports.	1	2	3	4	5	6	7
2. Only those products that are unavailable in the U.S. should be imported.	1	2	3	4	5	6	7
3. Buy American-made products. Keep America working.	1	2	3	4	5	6	7
4. American products, first, last, and foremost.	1	2	3	4	5	6	7
5. Purchasing foreign-made products is un-American.	1	2	3	4	5	6	7
6. It is not right to purchase foreign products, because it puts Americans out of jobs.	1	2	3	4	5	6	7
7. A real American should always buy American-made products.	1	2	3	4	5	6	7
8. We should purchase products manufactured in America instead of letting other countries get rich off us.	1	2	3	4	5	6	7
9. It is always best to purchase American products.	1	2	3	4	5	6	7
10. There should be very little trading or purchasing of goods from other countries unless out of necessity.	1	2	3	4	5	6	7
11. Americans should not buy foreign products, because this hurts American business and causes unemployment.	1	2	3	4	5	6	7

	Strongly Disagree				Strongly Agree		
12. Curbs should be put on all imports.	1	2	3	4	5	6	7
13. It may cost me in the long-run but I prefer to support American products.	1	2	3	4	5	6	7
14. Foreigners should not be allowed to put their products on our markets.	1	2	3	4	5	6	7
15. Foreign products should be taxed heavily to reduce their entry into the U.S.	1	2	3	4	5	6	7
16. We should buy from foreign countries only those products that we cannot obtain within our own country.	1	2	3	4	5	6	7
17. American consumers who purchase products made in other countries are responsible for putting their fellow Americans out of work.	1	2	3	4	5	6	7

Part IV:

[1] Please rate the extent to which the image of hand-made rugs matches the overall image of the U.S.

Low ----- High
 1 2 3 4 5 6 7

[2] What is the likelihood that American consumers would be satisfied with hand-made rugs made in the U.S.?

Low ----- High
 1 2 3 4 5 6 7

[3] How likely is it that high quality hand-made rugs would be produced in the U.S.?

Low ----- High
 1 2 3 4 5 6 7

[4] Please rate the extent to which the image of hand-made rugs matches the overall image of China.

Low ----- High
1 2 3 4 5 6 7

[5] What is the likelihood that American consumers would be satisfied with hand-made rugs made in China?

Low ----- High
1 2 3 4 5 6 7

[6] How likely is it that high quality hand-made rugs would be produced in China?

Low ----- High
1 2 3 4 5 6 7

Thank you very much.

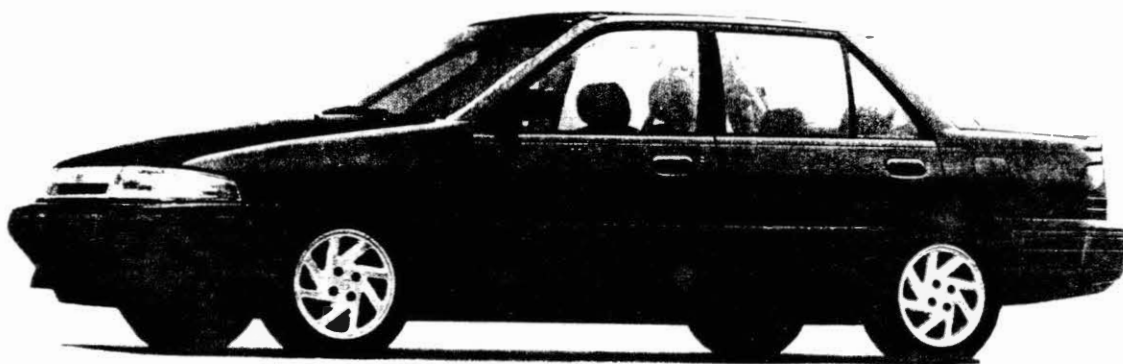
APPENDIX C
MAIN STUDY QUESTIONNAIRE
(JAPANESE VERSION)

消費者アンケート

このアンケートの目的は、いくつかの広告と商品についてのあなたのご意見を調査することです。各セクションの説明をよく読んで、質問にお答え願います。

このアンケートは、20分程度で終了できるようになっています。セクションや質問を飛ばすことなく、すべての質問に答えてください。このアンケートにおけるあなたの個々の回答に関する秘密は、固く厳守することをお約束致します。今回はアンケートにご協力頂きまして、誠にありがとうございます。

アクセル一つで
パワフル 加速



とにかく一度お乗りになってください。DOHC16バルブ、1.8ℓ "超加速" エンジン搭載の、このトレーサーLTSで、あなたはもうフリーウェイの注目の的。トレーサーLTSに関する詳細は、1-800-446-8888 (フリーダイヤル) へどうぞ。



Made in U.S.A.

軽快な足取りで、何マイルも・・・



画期的なアイデアを取り入れた、いま話題の「フローター」サンダルは

- 衝撃吸収効果
- 安定性
- 履き心地 の3点で抜きん出ており、なおかつ
価格もお求めやすくなっております。

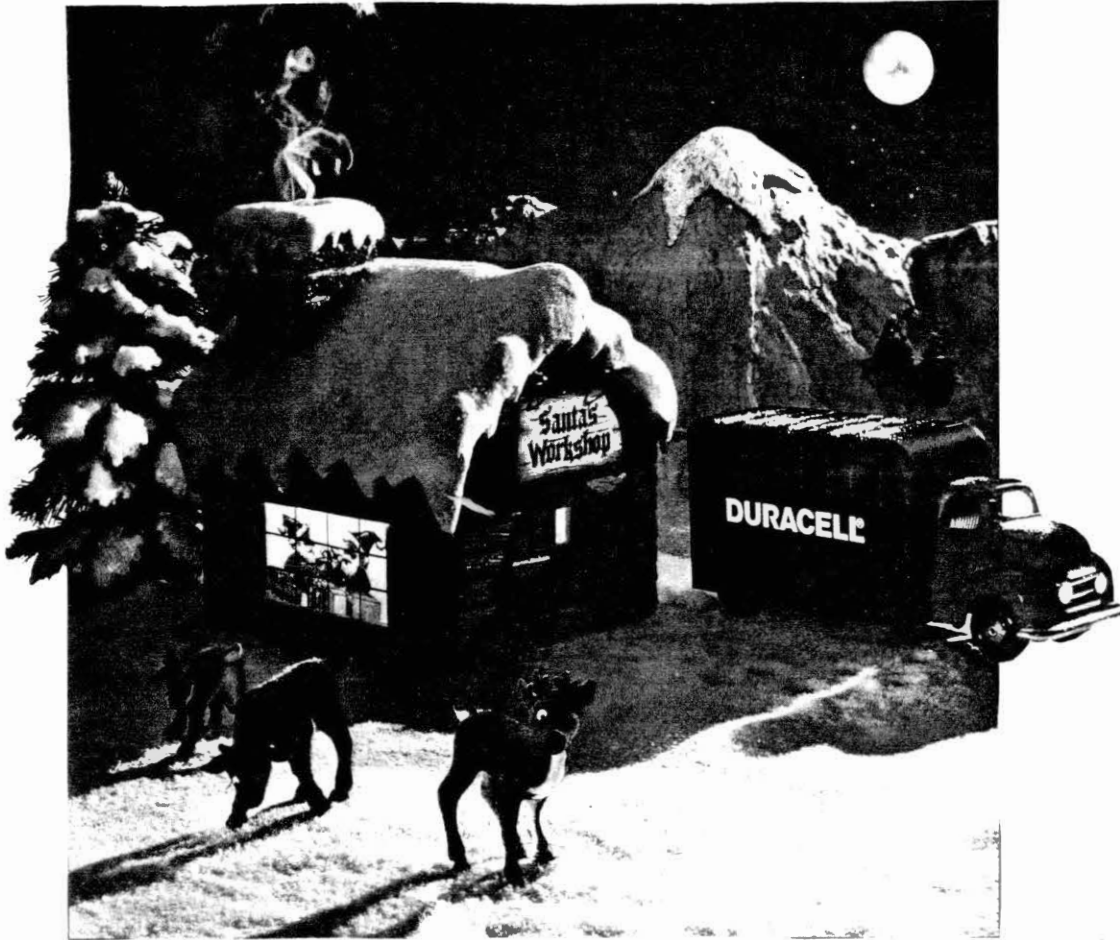
アメリカに工場を持つ「フローター」は、その長年の伝統に奢ることなく、より一層皆様にご満足いただける製品の開発に努力いたしております。

Made in U.S.A.

最寄りのFLOATERS代理店へのお問い合わせは 1-800-834-5566 へ

FLOATERS

技術と信頼のサンダル



SANTA'S LITTLE HELPER.



Made in U.S.A.

第1部

第1部は、3つのセクションからなっています。各質問には、それぞれ反対の意味を表す言葉が両端に示してあります。ご自分の考えにもっとも近いと思う欄にV印を記入してください。

(例)

もしアメリカ車があなたにとって、確かに高い車だが極端には高くないと思われた場合は、下記に示すようにV印を記入してください。

1. 高い 1 2 V 3 4 5 6 7 高くない

セクション1

(1) 先のページにある各広告に関して、以下の項目にお答え願います。

(1) 車の広告について

1. 良くない 1 2 3 4 5 6 7 良い

2. 面白くない 1 2 3 4 5 6 7 面白い

3. 気に入らない 1 2 3 4 5 6 7 気に入った

4. 好感が持てない 1 2 3 4 5 6 7 好感が持てる

(2) サングルの広告について

1. 良くない 1 2 3 4 5 6 7 良い

2. 面白くない 1 2 3 4 5 6 7 面白い

3. 気に入らない 1 2 3 4 5 6 7 気に入った
4. 好感が持てない 1 2 3 4 5 6 7 好感が持てる
- (3) 乾電池の広告について
1. 悪い 1 2 3 4 5 6 7 良い
2. 面白くない 1 2 3 4 5 6 7 面白い
3. 気に入らない 1 2 3 4 5 6 7 気に入った
4. 好感が持てない 1 2 3 4 5 6 7 好感が持てる
-

セクション2

[1] アメリカ車に対してあなたの持つ一般的な印象に関して、以下の項目にお答え願います。

1. 悪い 1 2 3 4 5 6 7 良い
2. 低品質 1 2 3 4 5 6 7 高品質
3. 信頼性に欠ける 1 2 3 4 5 6 7 信頼性が高い
4. 好感が持てない 1 2 3 4 5 6 7 好感が持てる

[2] アメリカ製のサンダルに対してあなたの持つ一般的な印象に関して、以下の項目にお答え願います。

1. 悪い 1 2 3 4 5 6 7 良い
2. 低品質 1 2 3 4 5 6 7 高品質
3. 信頼性に欠ける 1 2 3 4 5 6 7 信頼性が高い
4. 好感が持てない 1 2 3 4 5 6 7 好感が持てる

〔3〕アメリカ製の乾電池に対してあなたが持つ一般的な印象に関して、以下の項目にお答え願います。

1. 悪い 1 2 3 4 5 6 7 良い
2. 低品質 1 2 3 4 5 6 7 高品質
3. 信頼性に欠ける 1 2 3 4 5 6 7 信頼性が高い
4. 好感が持てない 1 2 3 4 5 6 7 好感が持てる

セクション3

上記各製品の評価に際して、重要視した要素、また、重要視しなかった要素に関して、下記の項目にお答え願います。

〔1〕アメリカ車について

重要でない

非常に重要である

1. ブランド名

1 2 3 4 5 6 7

	重要でない				非常に重要である		
2. 価格	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
3. 製造国	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
4. 販売元における評価	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
5. 保証	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
6. 品質	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>

〔2〕アメリカ製のサンダルについて

	重要でない				非常に重要である		
1. ブランド名	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
2. 価格	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
3. 製造国	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
4. 販売元における評価	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
5. 保証	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
6. 品質	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>

パートⅡ

パートⅡには セクション 1 と 2 があります。それぞれの 質問には、
賛成 — 反対 という形で 答える様になっています。セクション 1、セクション 2
の両方共、各質問に対して、あなたの賛成、又は 反対の度合いを 示して下さい。
賛成 — 反対 の度合いは (左から右へ):

全く反対	反対	やや反対	どちらとも言えない	やや賛成	賛成	全く賛成
1	2	3	4	5	6	7

あなたの気持ちに 一番 近いと思われる番号を 丸で 囲んで下さい。

(例)

もし あなたが 次の文に対して、やや賛成 という場合、下に示した様に、
番号 5 を 丸で 囲んで下さい。

“ アメリカ人は 輸入品の替わりに 常に アメリカ製品を
買うべきである。”

全く反対	反対	やや反対	どちらとも言えない	やや賛成	賛成	全く賛成
1	2	3	4	⑤	6	7

セクション 1 :

- [1] 次の 各質問についての あなたの 賛成 — 反対 の 度合いを 一番
ふさわしい と思える番号を 丸で 囲むことにより、示して下さい。
1つの質問に対して、1つの番号だけを 丸で 囲む様、注意して下さい。
1つの質問も とばさない様、お願いします。

				全く反対						全く賛成
1	少し位	余分なお金を払っても		1	2	3	4	5	6	7
	サンダル	は 魅力的で、								
		人目を引くものがよい。								
2	私は	どちらかと言えば、	個性的な	1	2	3	4	5	6	7
		サンダル	を 所有したい。							

	全く反対					全く賛成	
	1	2	3	4	5	6	7
3 日常の中で、プレッシャーが たまった時、サンダルは 安堵感と 楽しみを 与えてくれる。							
4 私は 時々、私の サンダル のことにとても 気を 取られてしまうことがある。							
5 私は 普通、私の サンダル に対して、強い愛着を 感じる。							
6 私は あまり、サンダル に関するの 雑誌、テレビ等の 広告には 関心がない。							
7 他の人が 私に その人達の サンダル のことで 話しかけてきても、 退屈な気分になる。							
8 人々が サンダル に 興味を持つのは 自然なことである。							
9 友達といると、最終的には サンダル の 話をしていることが 多く ある。							
10 私の サンダル は 他の人と 同じでは 嫌だ。							
11 友人とサンダル に ついての 会話をすることは とても 楽しい。							

セクション 2 :

次の各文章にあなたはどの程度賛成ですか。
各文章につき、1つの番号を丸で囲んで下さい。

	全く反対					全く賛成	
	1	2	3	4	5	6	7
1 日本人は輸入品の替わりに、 常に日本製品を買うべきである。							
2 日本は、日本には存在しない 商品だけ、輸入すべきである。							
3 日本の繁栄のため、日本製品を 買うべきである。							
4 何があっても、日本製品である。							
5 外国製品を購入するという行為は、 日本人意識に反するものである。							
6 日本の失業人口が増えるので、 外国製品を購入するのは好ましくない。							
7 日本人なら、常に日本製品を 購入すべきである。							
8 他の国々に利益を奪われない様、 日本人は日本製品を購入すべきである。							
9 日本製品を購入するのが、常に ベストである。							
10 必要以外は外国からの輸入や貿易は 最小限にとどめるべきである。							

[2] 日本人消費者の アメリカ製 サングル に対する満足度は、
どの程度だ と 思いますか。

	1	2	3	4	5	6	7	
低い	_____	_____	_____	_____	_____	_____	_____	高い

[3] アメリカ製の サングル の品質は、どの程度だ と 思いますか。

	1	2	3	4	5	6	7	
低い	_____	_____	_____	_____	_____	_____	_____	高い

[4] サングル に対するイメージと、中国 に対するイメージは、
どの程度 一致する と 思いますか。

	1	2	3	4	5	6	7	
低い	_____	_____	_____	_____	_____	_____	_____	高い

[5] 日本人消費者の 中国製 サングル に対する満足度は、
どの程度だ と 思いますか。

	1	2	3	4	5	6	7	
低い	_____	_____	_____	_____	_____	_____	_____	高い

[6] 中国製の サングル の品質は、どの程度だ と 思いますか。

	1	2	3	4	5	6	7	
低い	_____	_____	_____	_____	_____	_____	_____	高い

アンケートは 以上で 全て 終了です。
御協力 どうも 有難うございました。

VITA²

Myung-Kyoo Choi

Candidate for the Degree of
Doctor of Philosophy

Thesis: THE EFFECT OF COUNTRY OF ORIGIN ON PRODUCT
EVALUATIONS: A TEST OF THE MATCHUP HYPOTHESES

Major Field: Business Administration

Biographical:

Personal Data: Born in Jangsoo, Chonbook Province, Korea, June 3, 1952, the son of Hanjik and Wynam Choi. Married to Kyung-Ae Kim on June 9, 1975. Became father of Son-Ook and Young-Jae Choi.

Education: Passed a national examination to qualify high school graduation, November, 1967; received Bachelor of Business Administration degree from Seoul National University in February, 1974; received Master of Business Administration degree from Oklahoma State University in May, 1987; completed requirements for the Doctor of Philosophy degree at Oklahoma State University in July, 1991.

Professional Experience: Korean Government official, Ministry of Health and Social Affairs, September, 1974, to April, 1979; general manager of Department of Research and Development, Hyup Jin Enterprise Co. Ltd., May, 1979, to December, 1981; senior manager of Department of Planning and Development, Pusan Express Bus Terminal and Department Store Co. Ltd., October, 1982, to March, 1984.