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# Consumer affinity for foreign countries: Construct development, buying behavior consequences and animosity contrasts

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# Consumer affinity for foreign countries: Construct development, buying behavior consequences and animosity contrasts

While many scholars have drawn attention to international business-inhibiting constructs like animosity (Klein, Ettenson, & Morris, 1998), consumer ethnocentrism (Shimp & Sharma, 1987), and liability of foreignness (Slangen, Beugelsdijk & Hennart, 2011), the impact of positive country affection and devotion on international business is much less understood. For example, anti-Americanism and Francophobia and their negative business effects have been studied (Amine, 2008). However, there is also an international Francophile community that loves French cuisine and French culture, and consumes French products as a way of expressing their identity. Our study provides new insights into consumer affinity, which are feelings of liking and fondness for a specific foreign country. The objectives of the study are to further develop the conceptual basis for consumer affinity and its domain and measurement scales, to provide insights into how general consumer affinity and its dimensions relate to intentional and actual buying behavior, to test whether consumer affinity and consumer animosity are unique constructs or just bipolar opposites of the same construct, and to discuss the potential role of consumer affinity in international business.

We endeavor to achieve the objectives through a series of qualitative and empirical studies. The paper proceeds as follows. First, we review the literature on affinity and related concepts. Next, we present the findings of qualitative studies, followed by quantitative studies for scale development and verification of constructs. Measurement scales are finalized and hypotheses of causal relationships are developed and tested in a final study.

# 1. Literature Review

In this section, we review consumer affinity and extract gaps in the literature, compare affinity with the closely related animosity construct, and discuss other constructs that are related to affinity.

# 1.1. Consumer Affinity

The theoretical roots of consumer affinity can be traced to Social Identity Theory (Tajfel, 1982). This theory distinguishes between in-groups and out-groups. In Social Identity Theory, a person has not only one "personal self," but also several social selves. These selves correspond to widening circles of group membership. Different social contexts may trigger an individual to think, feel, and act based on different

levels of selves. The consumer ethnocentrism construct is a prime example of ingroup favoritism in a business context. Identity is not deterministic (Schlenker, 1986; Turner, 1982), and often it is chosen by individuals of their own will (Swann, 1987). Hence, people who develop affinity toward a foreign country may do so because they identify with the country's culture, they consider the country to be one of their ingroups because they find it attractive, or they find that their identification with the country contributes to their social identity.

The term "affinity" has been used in at least three contexts in marketing and management in addition to consumer affinity for foreign countries (affinity marketing, cultural affinity, intercultural communication affinity). First, the term "affinity marketing" is used in the marketing literature to describe a concept of combining benefits for an affinity group with benefits for the individual (Woo, Fock, & Hui, 2006). Second, findings within the international marketing and management literature suggest that "cultural affinity" is related to psychic distance (Swift, 1999), to adaptation to foreign market needs and wants (Hallén & Johanson, 1985), to perceived ease of adoption of new Western technology in China (Phillips & Calantone, 1994), and to global umbrella brands and responsible marketing (Wood, Pitta, & Franzak, 2008). Third, Kupka, Everett & Cathro (2008) developed the intercultural communication affinity scale to assess expatriates' affective fit in host countries. Furthermore, the concept of international affinity captures a central place in international relations research in political science (Maoz, Kuperman, Terris & Talmud, 2006).

Jaffe & Nebenzahl (2006) introduced the term "consumer affinity." but their model was not empirically tested. Oberecker, Riefler, & Diamantopoulos (2008) expanded the concept in a qualitative study. They suggested that the underlying sources of affinity could be categorized into four macro drivers and three micro drivers. Their macro drivers seem to express *what* respondents like about the affinity target, and the micro drivers seem to express *how* they developed this affinity. In a recent study, Oberecker & Diamantopoulos (2011) conceptualized affinity as a higher order construct with two first-order dimensions (sympathy and attachment). They found that affinity was positively related to willingness to buy, negatively related to perceived risk of products from the affinity target, and they found no relationship between affinity and consumer ethnocentrism (Shimp & Sharma, 1987) nor between affinity and micro country image. Following Nagashima (1970), the image that one has about products from a given country has been termed the *micro* country image by Pappu, Quester, & Cooksey (2007).

We conclude there is a void in the affinity literature concerning several issues. First, the conceptualization of affinity in Oberecker & Diamantopoulos (2011) depicts affinity as a purely affective higher order construct where the two first order dimensions also are feelings (sympathy and attachment). However, feelings are often anchored in cognitive considerations. Cognitive appraisal theory has emerged as a dominant theory to understand emotions in the psychology literature (Ellsworth & Scherer, 2003). Appraisal theories assume that emotions come from evaluation of events, and it can be seen as the "cognitive approach" to emotions (Silvia, 2005). In

the case of affinity, the events that are appraised have to do with the dimensions of the country that is the target of the feelings. For example, a foreign country has a political initiative (event) that is considered desirable (appraisal), and this stimulates positive feelings toward a political dimension of the affinity target. Different appraisals of the same situation (e.g. political initiative) may evoke different emotions (Roseman & Smith, 2001), and our understanding of the dimensions are pivotal in our understanding of the appraisals.

Second, for the future role of the affinity variable in theory development and in business we need more insight into whether affinity is a unique construct or just the bipolar opposite of animosity. Third, Oberecker & Diamantopoulos (2011) did not find a link between consumer affinity and micro country image. However, the affinity target country in their study was operationalized as the country toward which the respondents felt the highest affinity. Thus, all evaluations were in a high affinity setting, and the findings may or may not be valid when a specific country is the affinity target. Fourth, Oberecker & Diamantopoulos (2011) was a single cue study in their measure of willingness to buy, and such studies have generally higher effects than multi cue studies (Verlegh & Steenkamp, 1999). The impact of consumer affinity on willingness to buy in Obereceker & Diamantopoulos (2011) needs to be confirmed in a multi-cue setting or by actual product ownership.

We endeavor to contribute to these issues in several ways. First, we develop the dimensions and scales to measure the dimensions empirically through qualitative and quantitative studies. Second, we empirically discern the affinity and animosity constructs. We find that some dimensions are shared between animosity and affinity and some are uniquely affinity. Third, we tests relationships between affinity and micro country image and affinity and buying intentions when two specific countries are affinity targets. This is different from Oberecker & Diamantopoulos (2011) who had the respondents choose the affinity targets. Finally, we extend the impact on buying behavior from single cue buying intentions to actual product ownership, and demonstrate how the affinity dimensions may give new insights into the behavioral consequences of affinity.

#### 1.2. Animosity and Other Related Concepts

Consumer affinity is related to the sociological concept of xenocentrism, which is the view that a group other than one's own is the center of everything and that all others, including one's own group, are scaled and rated with reference to it (Kent & Burnight, 1951; Perlmutter, 1954). Consumer affinity is different from xenocentrism, as consumer affinity does not imply that the foreign country is the center of reference nor does it imply that the foreign country is preferred above the home country.

Affinity is most closely related to animosity. The animosity concept in a marketing context was introduced by Klein et al. (1998) and has since been applied in a series of studies, most of which are reviewed in Riefler & Diamantopoulos (2007) and in Nes, Yelkur, & Silkoset (2012). Most of the bi-national studies that followed the Klein et al. (1998) study built on one or both of their two animosity dimensions (war animosity and economic animosity). Nes et al. (2012) expanded the animosity

concept, and found that animosity is related to four dimensions: war animosity, economic animosity, political animosity, and people animosity. Animosity was recently applied in several contexts outside the consumer marketing domain, for example, in trade economics (Fisman, Hamao & Wang, 2012), organizational buying (Edwards, Gut & Mavondo, 2007), international production shifts (Funk, Arthurs, Treviño & Joireman, 2010), role in economic recovery in emerging markets (Jiménez & Martín, 2012), and cross-border acquisition success (Fong, Lee & Du, 2012). These studies illustrate that animosity toward specific foreign countries has an important role in a wide range of international management problems.

# 2. Development of Constructs and Scales

This study followed Churchill's (1979) eight steps in the measurement process for developing the affinity construct: (1) the study specified the domains and gave the meaning of the affinity constructs, and (2) generated a sample of indicators that captured the domains defined. The study then followed the process of (3) collecting data, (4) purifying measures, (5) collecting data, (6) assessing reliability, (7) assessing validity, and (8) developing norms.

We used the linked emic model in our information collection to reduce single culture bias (Douglas & Craig, 2006). We did this by collecting qualitative and empirical data in the United States and in Norway. Input from each country was then used to develop constructs and scales. These countries represent one very large country and one very small country on two continents. The cultures have important similarities in the European heritage, but also substantial differences (Inglehart & Baker, 2000; Hofstede, 1980). Overall, the countries are similar enough for the same dimensions to be relevant and different enough to provide increased international validity.

# 2.1. Qualitative Pre-Studies for Domain Development and Item Generation

Step 1 in Churchill's (1979) procedure was captured in the previous literature review section, and in the qualitative studies discussed below. We related the construct to Social Identity Theory and an effort was made to separate the construct from animosity and other related concepts. Step 2 in the Churchill (1979) procedure was to generate a sample of indicators that captures the domain of the construct. To fulfill this step, we used qualitative studies.

We conducted interviews with open-ended questions in the United States and Norway to get insight into what dimensions make up the domain. We conducted fiftyfour semi-structured, in-depth interviews : 34 in the United States and 20 in Norway. We used a qualitative methodology with unprompted questioning to identify countries towards which feelings of affinity may exist and to identify the underlying reasons for such feelings. In the qualitative questioning, we asked respondents in the two sample countries to think about the foreign country that they liked the most and to answer a series of open-ended questions about that country. The most frequently mentioned affinity countries in the U.S. sample were Italy, France, Mexico, and Ireland, and in the Norwegian sample Italy and Sweden. The respondents selected altogether 24 countries. Most important was the question that asked why they liked the particular foreign country that they mentioned in the interview. We classified responses on why they liked a specific country (based exclusively on the "semantics" of the responses) under eight major categories of affinity. The classification was done using the software ATLAS.ti, which allows semantic classification through identified keywords. It allowed us to systematically consolidate all the qualitative responses and to weigh and evaluate the importance of each statement. With the help of this software, we were able to locate keywords, code, classify, and annotate findings into our quantitative data collection instrument that followed. The eight categories listed in Table 1 were a result of the coding and classification with ATLAS.ti. These categories are discussed in the following sections.

Category	Keywords	Frequency
Culture	Culture	(24)
	I like the culture.	(1)
	Cultural	(1)
	Language	(1)
	Heritage and traditions	(6)
	The social relationships	(1)
	Slower pace, relaxed	(4)
	Festivals	(2)
Arts and History	Art and artistic	(6)
	Aesthetics	(1)
	History	(24)
	Historical buildings, architecture and monuments	(19)
	Music, dance	(2)
	Poets and musicians	(3)
	Medieval characteristics and streets	(3)
	Outdoor activities and sights	(3)
People	Hard working	(6)
	People, great people, like the people	(16)
	Customer service	(1)
	Work ethic	(1)
	Easy going, laid back	(4)
	Family oriented	(2)
	Strong values	(4)
	Resourceful, productive	(3)
	Sense of humor	(1)
	Friendly, polite, welcoming, outgoing	(17)

Table 1: Qualitative Affinity Responses

	Diverse people	(2)
	Enjoy life, happy	(5)
	Educated	(1)
Landscape and	Climate, weather	(11)
Climate	Landscape, picturesque, scenery, beautiful	(32)
	Land, ecosystem, flora and fauna	(5)
Food	Food, love the food, enjoy the food, great food	(18)
Family and ancestry	Family, family history, relatives	(15)
	Ancestors, heritage	(14)
	Friends	(4)
Travel	Visited, vacation	(17)
	Studied abroad in the country	(1)
	Lived there	(2)
Politics	U.S. ally, ally in war against terror	(2)
	Political ties between our two countries	(1)
	Politically neutral	(5)
	Does not support terrorists	(1)

# Culture

When asked about the "affinity" country, respondents mentioned a variety of items related to the culture of the country. As cited in Oberecker et al. (2008), a country's values and traditions may trigger feelings of affinity, and a "*feeling of cultural proximity*" influences people's beliefs about other countries. Along these lines, culture, cultural issues, language, heritage and traditions, social relationships, slower pace, relaxed lifestyle, and festivals were mentioned as reasons for affinity towards a given country.

# Arts and History

A variety of items related to the arts, architecture, and history of the country were mentioned. A country's history may cause feelings of affinity. Art, aesthetics, history, historical buildings, architecture and monuments, music, dance, poets and musicians, medieval characteristics and streets, outdoor activities and sights were mentioned as reasons for affinity towards a given country.

# People

Affinity towards the people of a country can translate into affinity towards the country itself (e.g., Oberecker et al., 2008; Swift, 2002). Hardworking people, great people, fondness for the people, customer service, work ethic, easy going, laid back, strong values, resourceful, productive, sense of humor, friendly, polite, welcoming, outgoing, diverse people, enjoy life, happy, educated, creative, and sincerity were mentioned as attributes that influenced affinity towards the country.

#### Landscape and Climate

Positive associations with the landscape, weather, and climate of a country are found to impact positive attitudes towards the country (e.g., Verlegh, 2001). Several mentions of these aspects including climate, weather, landscape, picturesque scenery, ecosystem, flora and fauna were recorded in the qualitative interviews.

#### Food

Food is often one of the observable aspects associated with any country. Pleasant memories associated with the food and drink of a given country were expressed. As described in Table 1, food was cited several times as a reason for affinity towards the country.

#### **Politics**

Positive or negative associations with a country may be caused by impressions of a country's economic system and by its domestic and international policies. Peng-Er (2004) described examples of Taiwan and Japan's political relationship and of Japan's actions toward Taiwan due to Japan's relationship with the Unites States. The number of respondents stating that politics was the reason for their affinity towards a given country was very small in our study; in other words, politics was the weakest link in the explanation of affinity. As described in Table 1, the political reasons for affinity were the historical relationship between the two countries, support given during wartime, and the country's policies.

#### Family and Friends

The United States is a nation of immigrants. Many U.S. respondents expressed fond feelings for their country of heritage. In addition, personal contact with family and friends who had lived in the country and had had positive experiences was a source of affinity. Ancestry/heritage and contact with family and friends who lived in that country were grouped into this category.

#### Travel

The travel category relates to personal experience with the country of affinity either through short-term (e.g., vacations) or long-term stays (e.g., study abroad experiences) there. Firsthand experience with the country may induce positive feelings towards it (e.g., Shankar 2001; Swift 1999).

Following the qualitative classification, we proceeded with preliminary specification of the domain, describing what the construct is about and what is not to be included in the construct (Slavek & Drnovsek, 2012; Nunnally & Bernstein, 1994). Among the eight categories that emerged from the qualitative study, we excluded the travel category and the family and friends category because they emerged as characteristics of the respondents rather than characteristics of the country, which is the focus of this construct. The travel category provides events for cognitive appraisals that may result in affinity emotions, but travel is not an affinity dimension of the target country. Our six remaining categories at this stage included the characteristics of the country that Oberecker et al. (2008) termed macro drivers of

affinity (lifestyle, scenery, culture, and politics and economics) with the exception of "economics." The "economic" dimension is, however, very important in the animosity literature (Klein et al., 1998; Nes et al., 2012; Riefler & Diamantopoulos, 2007).

#### 2.2. Verification of Constructs and Scales

In our second study, we verified constructs, qualified measurement scales and proposed a final definition of the construct (Slavek & Drnovsek, 2012; Nunnally & Bernstein, 1994). This corresponds to step 3 and 4 in Churchill's (1979) procedure: to collect data and purify the measures. We collected data in Oslo, Norway and in Wisconsin, the United States. The samples were convenience samples. The response rate was 58.7 percent combined (63.2 percent in Norway and 52.5 percent in the United States); that is, this was the proportion of useable questionnaires received as a percentage of eligible respondents that were approached. We collected 573 usable questionnaires, 210 in the United States and 363 in Norway using the drop-off-pickup method. Similar to Oberecker & Diamantopoulos (2011), the foreign country the respondents liked the most represented the affinity countries. The most frequently mentioned affinity countries in the U.S. sample were (in rank order) England, Canada, Germany, Italy, Australia, Ireland, and Mexico. The most frequently mentioned in the Norwegian sample were (in rank order) Denmark, the United States, Sweden, England, France, Spain, and Italy. The scale reflecting affinity-related dimensions consisted of 22 Likert-type statements. We developed these from our exploratory research and from the literature review. We purified the measures by using factor analysis on each sample and on pooled data. Based on this we removed seven affinity items because of unsatisfactory scores. The factor loadings at this stage have limited interest since we added 4 items in the final study. We report the final quantitative purification analysis of affinity in Table 2.

The qualitative pre-studies and the quantitative purification studies suggested that the consumer affinity construct is related to four dimensions: culture/landscape, music/entertainment, people, and politics. The components of the culture/landscape dimension include affinity toward history, arts and architecture, nature and landscape. Affinity toward the country's food and cuisine is also part of this dimension and indicates that food and cuisine are perceived as part of the culture and perhaps also related to the nature. The components of the *people* dimension include affinity toward people's mentality and their way of living and being friendly and trustworthy. People and culture/nature issues are most frequently mentioned in the qualitative studies, and these are seemingly very important factors in consumer affinity. The components of the *music/entertainment* dimension include affinity toward the country's music and movies and entertainment. The final dimension, politics, reflects affinity toward the political system and the government policies. Our definition of consumer affinity builds on insights from the literature review and from our explorative and construct verification studies: Consumer affinity is a feeling of liking and fondness for a specific foreign country regarding its culture and landscape and/or its music and *entertainment, the people and their lifestyle, and its governmental policies.* Our process of construct development taps the respondents' affinity for a foreign country without consideration of the role of the country in any specific problem. Thus, the construct and its definition include, but is not limited to, affinity in people's role as consumers.

# 3. Development of the Research Model

First, we verify our four-dimensional affinity construct and hypothesize:

*Hypothesis1:* The consumer affinity construct is related to four dimensions: Culture/landscape, music/entertainment, people, and politics.

Symbolic attributes of a brand are important for explaining consumer behavior (Aaker, 1997; Austin, Siguaw, & Mattila, 2003). These studies argue that attitude objects (e.g., brands) are associated with personality traits that have symbolic and self-impressive implications for the consumer. As pointed out in the review conducted by Verlegh & Steenkamp (1999), the affective impact of the country cue relates to emotions, identity, pride, and autobiographical memories. These are positive associations when the country in question is one toward which the consumer feels affinity. Hence, for products or brands that are associated with an affinity country, buying and consuming products from the country may have symbolic and selfimpressive implications. Consumption of products provides the consumers with an opportunity to keep in touch emotionally with the affinity country. Oberecker and Diamantopoulos (2011) had the respondents choose their favorite country, and did find a relationship between affinity and willingness to buy in this high affinity sample. This finding is also supported in our qualitative studies, where 54 respondents expressed confidence in buying products from the affinity country, five respondents were undecided, and only two respondents were negative. Thus, we hypothesize a positive relationship between affinity and buying intentions.

Hypothesis 2: Consumer affinity has a direct positive impact on buying intentions.

A positive relationship between micro country image and buying intentions has long been established in the literature (Bilkey & Nes, 1982; Papadopoulos, 1993; Verlegh & Steenkamp, 1999), but is included here for model completeness.

Hypothesis 3: Micro country image has a positive impact on buying intentions.

Is the impact of affinity on buying decisions direct only, or does affinity also have an indirect effect on buying decisions that is mediated by micro country image (product-country image)? Micro country image may include components that are strongly related to affinity dimensions. Some examples are culture (e.g., agricultural products, design, and use of color), nature and landscape (e.g., outdoor apparel and sports equipment) and people (e.g. service products). This is supported by inferences from our qualitative studies where 37 of the 53 respondents perceived the quality of products from the affinity country to be better than the quality of products from other countries. We hypothesize: *Hypothesis 4:* The impact of affinity on buying intentions is mediated by the impact of micro country image.

Is affinity the polar opposite of animosity in the same construct, or are they distinct constructs? Jaffe & Nebenzahl (2006) took the former position while Oberecker et al. (2008) took the latter position. This disparity is a key issue in the development of affinity theory.

Affinity and animosity are feelings and are affective in nature. Though models of affect in psychology typically conceptualize positive and negative affect as diametric opposites (Larsen & Diener, 1992; Russell & Carroll, 1999; Watson & Tellegen, 1999), a study by Larsen, McGraw, & Cacioppo (2001) found situations where people felt happy and sad simultaneously. Diener & Iran-Nejad (1986) found positive and negative emotions were mutually exclusive at high levels, but they often co-existed at low and moderate levels. Two of the animosity dimensions in Nes et al. (2012) overlap with affinity (people and politics), and two affinity dimensions (culture/landscape and music/entertainment) contribute to affinity only. The two original dimensions in Klein et al. (1998) contribute only to animosity (war and economy). The inferences from the psychology literature discussed above and the unique dimensions in affinity and in animosity respectively, suggest they should be considered distinct constructs.

*Hypothesis 5:* Affinity and animosity are different constructs rather than bipolar opposites of the same construct.

# 4. Verification of Scales and Analysis of Hypotheses

#### 4.1. Method

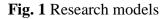
The fifth step in the Churchill (1979) procedure is to collect new data after the purification phase. We did this by collecting new data in Oslo, Norway, and used these data to test the hypotheses in the study. At this stage, we wanted fixed affinity country targets because this is the most relevant business situation, and because no previous studies have tested consequences of consumer affinity in this setting. We selected France and the United States as target countries because both countries tend to evoke rather strong positive or negative feelings. Both countries were among the top four affinity countries in our quantitative purification studies, and they were also among the top 15 animosity targets in Nes et al. (2012). The sample was a convenience sample. We divided Oslo into five regions and a balanced number of interviews were conducted in each region. Graduate students conducted the interviews using the drop-off-pick-up method. The interviewers received detailed written instructions and personal briefings and debriefings about all aspects of the data collection. We approached respondents in their homes. The response rate was 61.3% calculated as the proportion of useable questionnaires received in proportion to eligible respondents approached. A total of 586 usable questionnaires were collected. Each respondent evaluated two countries, giving 1,172 observations. The sample

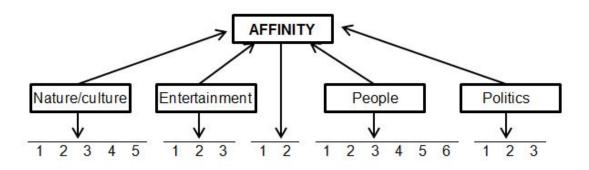
consisted of 46.2% males (Oslo average is 48.9%), average household income in the sample was NOK 575,000 (Oslo average is 480,000), and the average age was 37 years (same as the average age in Oslo).

The models (Figure 1) consisted of 10 variables and 38 items measured on a seven-point Likert scale that ranges from 1 (strongly agree) to 7 (strongly disagree). The items for buying intentions (3 items) and for micro country image (5items) were adapted from previous studies (Klein et al., 1998; Papadopoulos, Heslop, & the IKON Research Group, 2000). The affinity items are shown in the appendix. Two general affinity items were from our affinity definition. The politics dimension and the entertainment dimension each had only two items after the purification in study 2. One item from Papadopoulos (1993) was added to the politics dimension. The animosity items were from Nes et al. (2012) where the two-item scale for the latent animosity measure originally was adapted from Klein (2002). Finally, one item measured present or previous ownership of a car from France or USA respectively.

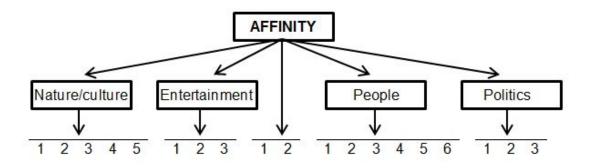
#### 4.2. Analytical Strategy

All variables in the research model were treated as latent and constructed as illustrated in Figure 1 (Model 1 and Model 2). The measurement model related to affinity used the four latent dimensions: culture/landscape, music/entertainment, people, and politics, in addition to the two-item latent variables of affinity, which measured whether the respondents liked France/US and whether they were fond of France/US. All models were estimated using Mplus v5.2 (Muthén & Muthén 1998–2007). All cases included in the analysis had complete data (N = 1032).





Model 1: Affinity as Individual Variable



Model 2: Higher-order Model of Affinity

# 5. Results

#### 5.1. Testing Affinity Measurement Models

Before assessing the hypotheses, we sought to identify the most appropriate measurement model for our data. This relates to step 6, assessing reliability, in the Churchill (1979) procedure. Specifically, the measurement models were evaluated to determine the best fitting model, one that better corresponded to the data across multiple measures of fit. The measures we used were the Comparative Fit Index (CFI), the Tucker-Lewis Index (TLI), the Root Mean Squared Error of Approximation (RMSEA), Standardized Square Root of the Mean Squared Residual (SRMR), the Akaiki Information Criterion (AIC), and the Chi-square per degrees of freedom ( $\chi 2/df$ ). A rank value of 1 in Table 2 represents best model fit. The final column of Table 2, the mean rank, displays the two models' mean fit rank, calculated as the arithmetic average rank across the six measures of fit.

The first model, Model 1 (in Figure 1), treated affinity as a *separate* variable. Four dimensions affected this variable: culture/landscape, music/entertainment, people, and politics. This model explained 89% of the variance of affinity and received the best model fit with CFI = 0.890, RMSEA = 0.084),  $\chi^2$  (140, N = 1032) = 1159.325. Model 2 (in Figure 1), which treats affinity as a *higher-order construct* similar to its treatment in the work on animosity by Klein et al (1998), fit less well, with numbers at CFI = 0.865, RMSEA = 0.091),  $\chi 2$  (147, N = 1032) = 1401.264.

We implemented the measures from Model 1 (see Figure 1) in the further analysis when testing the structural model regarding the affinity hypotheses. Table 3 reports the factor loadings for the affinity measurement model using Model 1. The estimated reliability of the latent variables was calculated as  $(\Sigma\lambda_i)^2 / [(\Sigma\lambda_i)^2 + \Sigma(1 - \lambda_i^2)]$ , where  $\lambda_i$  is the standardized factor loading for indicator *i* and the summation is over the indicators (Fornell & Larcker, 1981).

Step 7 in Churchill's (1979) procedure is to assess the construct validity of the measures. Table 4 reports the correlation matrix and the variables' reliability. Discriminate validity was supported in a series of tests where we constrained all correlations between trait factors to 1.00 (Fornell & Larcker, 1981). (These numbers are available from the authors upon request.) The final step 8 in the Churchill (1979) procedure reports statistics that summarizes the distribution of the scores. Scores regarding mean values, standard deviation, skewness and kurtosis are included in Table 4.

Hypothesis 1 stated that the consumer affinity construct was related to four dimensions: culture/landscape, music/entertainment, people, and politics. The test of the model, which treated affinity as an individual variable, supports this. The numbers are reported in Table 5. The analysis reported that culture/landscape affects the affinity variable (H1<sub>Culture/landscape</sub>: 0.579, p-value 0.01), as do music/entertainment (H1<sub>music/entertainment</sub>: 0.177, p-value 0.01), people (H1<sub>people</sub>: 0.224, p-value 0.01), and politics (H1<sub>politics</sub>: 0.272, p-value 0.01). Accordingly, hypothesis H1 related the affinity construct to the four dimensions: culture/landscape, music/entertainment, people, and politics. The explained variance of affinity was 92%.

Мс	odel Description		TLI <sup>⊳</sup>	RMSEA <sup>°</sup>	SRMR <sup>d</sup>	χ²/df <sup>e</sup>	AIC <sup>f</sup>	Mean Rank
1.	Affinity as Individual Variable	.890	.866	.084	.093	8.281	65636.462	1
		(1)	(1)	(1)	(1)	(1)	(1)	
2.	Higher-order Model of Affinity	.865	.842	.091	.107	9.532	65864.401	2
		(2)	(2)	(2)	(2)	(2)	(2)	
Be	st model	1	1	1	1	1	1	

**Table 2:** Comparison of Measures of Fit for Two Measurement Models in Affinity (Rank Order of Fit Across Models in Parentheses)

<sup>a</sup> CFI = Confirmatory Fit Index

<sup>b</sup>TLI = Tucker-Lewis Index

<sup>c</sup> RMSEA = Root Mean Square Error of Approximation

<sup>d</sup> SRMR = Standardized Square Root of the Mean Squared Residuals

 $e^{\alpha}\chi^{2}/df = chi$ -square per Degrees of Freedom

<sup>f</sup> AIC = Akaiki Information Criterion. Model  $\chi$ 2 and Degrees of Freedom are as follows: Model 1:  $\chi$ 2 = 1159,325 (140); Model 2:  $\chi$ 2 = 1401,264 (147).

	Unstandardized	Standard	Standardized	
Items	Factor Loadings	Error	Factor Loadings	
Affinity				
q1	1.000	.000	.835**	
q2	.992	.039	.743**	
Culture/landscape				
q3	1.000	.000	.611**	
q4	1.323	.078	.649**	
q5	.951	.056	.676**	
q 6	1.250	.072	.725**	
q7	1.224	.070	.721**	
Music/entertainment				
q8	1.000	.000	.880**	
q9	.997	.031	.834**	
q10	.536	.033	.496**	
People				
q11	1.000	.000	.356**	
q12	1.949	.186	.766**	
q13	1.600	.149	.729**	
q14	2.002	.183	.848**	
q15	1.377	.112	.578**	
q16	1.255	.139	.453**	
Politics				
q17	1.000	.000	.801**	
q18	.872	.036	.674**	
q19	.897	.049	.692**	

Table 3: Factor Loadings for the Affinity Measurement
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<sup>a</sup> CFI = .890; TLI = .866; RMSEA = .084; SRMR = .093;  $\chi^2$  = 1159,325 (140). <sup>b</sup> † p-value < .10; \* p-value < .05; \*\* p-value < .01

	1	2	3	4	5	6	7
1. Affinity	.768						
2. Culture /landsc.	.784**	.809					
3. Music/ entertain.	.156**	084	.792				
4. People	.763**	.508**	.161**	.799			
5. Politics	.647**	.473**	118**	.622**	.767		
6. Micro country image	.491**	.406**	.165**	.472**	.307**	.838	
7. Buying Intentions	.602**	.438**	.171**	.492**	.407**	.502**	.422
Descriptive Stati	stics						
Mean value	3.421	2.953	3.100	3.710	4.583	3.361	3.718
SD	1.501	1.195	1.466	1.093	1.301	1.083	1.144
Skewness	.313	.488	.467	.106	.093	.114	.327
Kurtosis	537	089	467	102	562	147	158

Table 4: Correlation Matrix and descriptive statistics

<sup>a</sup> Reliability of the latent variables in diagonal

<sup>b</sup> † p-value < .10; \* p-value < .05; \* p-value < .05; \*\* p-value < .01

			Structural Mo	del
Independent	Dependent	В	SE	β
Culture/landscape	Affinity	.805	.069	.580
Music/entertainment	Affinity	.155	.023	.186
People	Affinity	.534	.138	.253
Politics	Affinity	.271	.064	.253
Affinity	Micro country image	.484	.034	.525
Micro country image	Buying intentions	.108	.032	.254
Affinity	Buying intentions	.186	.034	.473

#### Table 5: Structural Equation Analysis for Affinity

#### Model fit:

Chi-square	1851.766
Df	309
CFI	.873
TLI	.856
RMSEA	.070
AIC	93756.272

<sup>a</sup> \* p-value < .05; \*\* p-value < .01

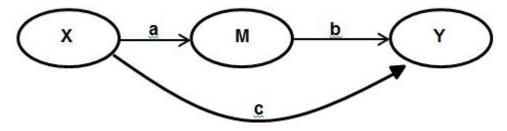
<sup>b</sup> B = unstandardized beta coefficients, SE = standard error,  $\beta$  = standardized beta coefficients

R<sup>r</sup> for affinity were .92, buying intentions .41, and micro country image .28.

#### 5.2. Testing Hypothesized Effects of Affinity

The results of the tests of hypotheses 2 and 3 are shown in Table 5 and illustrated in Figure 2. For hypothesis 2, we proposed that affinity has a direct and positive relationship to buying intentions. This relationship was supported in the structural model analysis (H2: 0.473, p-value < 0.01), supporting H2 statistically. Then we proposed that micro country image has a positive relationship to buying intentions. This hypothesis was also supported in the statistical test (H3: 0.254, p-value < 0.01), supporting H3. To summarize, the statistical tests support H2 and H3. The explained variance of buying intentions was 41%.

Fig. 2 Mediator Test Framework



The result of the test of hypothesis 4 is presented in Table 5. Here we test whether micro country image mediates the relationship between affinity and buying intentions. To test for this mediation effect we followed the recommendation to conduct simultaneous multiple mediations because we then could determine whether an overall effect existed for all mediators (total indirect effect) in addition to the effect of each mediator (specific indirect effects). Moreover, we could determine the unique effect of each mediator while controlling for the other mediators. We conducted this procedure by using the Bootstrapping test with 500 replications in Mplus. Bootstrapping is a way to overcome the limitations of statistical methods that make assumptions about the shape of sampling distributions, such as normality. It is becoming the preferred method for analyzing mediators.

The analysis showed that there was a significant direct effect of affinity on buying intentions (referring to path c in Figure 2). This link was a prerequisite for a mediation effect to be present. To estimate the indirect effect of a causal variable X on an outcome variable Y through a mediator M, we calculated the product of the unstandardized path linking X to M and the unstandardized path linking M to Y. This product is equal to the difference between the effect of X on Y in the absence of the mediator (the "total effect") and the direct effect of X on Y, controlling for the mediator. Thus, in this case, the indirect effect of affinity on buying intentions through micro country image was 0.052, calculated by multiplying 0.484 (representing the path from affinity on micro country image) by 0.108 (representing the path from micro country image on buying intentions) = 0.052 (see Table 6). The indirect effect was tested by bootstrapping a 95% confidence interval to avoid the unrealistic assumption that the sampling distribution of the indirect effect was normal. We implemented 500 bootstrapping resamples in Mplus. The indirect effect was statistically different from zero (Z = 3.250, p < .05, 95% bias corrected bootstrap confidence interval = 0.026 to 0.090). Thus, micro country image directly affects buying intentions but also strengthens the effect of affinity on buying intentions. This result/finding confirmed hypothesis 4.

The fit indices for the structural model were CFI = 0.874, RMSEA = 0.070,  $\chi^2$  (306, N = 1032) = 1831.863, and the fit indices for the mediating effect test were CFI = 0.873, RMSEA = 0.070,  $\chi^2$  (309, N = 1032) = 1851,766.

			Mediating Test							
		Dire	ect Eff	ect	Tot	al Effe	ect	Indirect I		Effect
Independe nt	Depende nt	В	SE	β	В	SE	β	В	SE	β
Affinity	Buying intentions	.186* *	.03 9	.47 3	.238* *	.04 3	.60 6	.052* *	.01 6	.133
Model fit:										
Chi-square										1851.766
Df										309
CFI										.873
TLI										.856
RMSEA										.070
SRMR										.078

Table 6: Bootstrap Mediator	Analysis of Micr	o country image	on the link betwe	en Affinity and
Buying Intentions				

<sup>a</sup> \* p-value < .05; \*\* p-value < .01

<sup>b</sup> B = unstandardized beta coefficients, SE = standard error,  $\beta$  = standardized beta coefficients

#### 5.3. Measurement Model of Animosity

Our next step was to test hypothesis 5, whether affinity and animosity are different constructs rather than bipolar opposites of the same construct. We did this in two tests. First, we tested a model where the constructs affinity and animosity were allowed to correlate and compared this model against a model where intertrait correlation was set to 1.00 (Fornell & Larcker, 1981). The Chi-square difference test

for this analysis is  $\Delta \chi^2$  ( $\Delta 1$ , N = 1032) = 114.688, p-value < 0.05, supporting the notion that affinity and animosity are distinct constructs.

Second, following Bagozzi, Yi, & Phillips (1991), we used the procedure of a one-factor versus a two-factor confirmatory model. The result from the difference test was  $\Delta \chi^2$  ( $\Delta 3$ , N = 1032) = 224.005, p-value < 0.05. In addition, this test supported the notion that affinity and animosity are distinct constructs. Taken together, the results of these two tests support hypothesis 5 statistically.

#### 5.4. Further Insights

In order to obtain further insight into the different impact of affinity and animosity on micro country image we treated the affinity dimensions as independent variables in a regression analysis with micro country image as dependent variable. We report the results in table 7.

Independent	Standardized			
variable	Beta	т	Sig.	
People	.224	6.434	.000	
Culture/landscape	.244	7.645	.000	
Music/entertainment	.096	3.085	.002	
Politics	.078	2.114	.035	
Military/war	003	067	.947	
Economy	001	022	.983	

 Table 7: Regression impact of affinity and of animosity dimensions on micro country image

**Dependent Variable:** micro country image  $R^2$  for micro country image .22 F 50.160 Sig .001. All tolerance values are above .44 and all VIF values are below 2.2.

The animosity variables that are most often applied in animosity research (war and economy) have as expected no impact on micro country image. All of the affinity dimensions have significant impact on micro country image. This is in accordance with our argument that micro country image is a mediating variable between affinity and buying intentions.

The explained variance of buying intentions was 30% in Oberecker & Diamantopoulos (2011) and 41% in our study. Both explained variances are highly satisfactory, but the studies are single cue studies, which in general have higher explained variances than multi cue studies. We compare the scores between owners (present or previous) of cars from the affinity targets with the scores of non-owners in table 8 to explore whether consumer affinity has an impact on real buying behavior.

		n Cars		US Cars				
				Sig.				Sig.
	Car			(2-	Car			(2-
	Ownership	n	Mean	tailed)	Ownership	n	Mean	tailed)
Affinity	No	422	2.9988	.075	No	501	3.9750	.005
	Yes	159	2.7862		Yes	80	3.4500	
Culture/lands.	No	424	2.4014	.019	No	504	3.6123	.046
	Yes	158	2.1886		Yes	77	3.3506	
Music/entert.	No	422	3.9834	.007	No	500	2.2973	.789
	Yes	158	3.6477		Yes	79	2.3333	
People	No	423	3.6505	.368	No	502	3.8539	.002
	Yes	157	3.5648		Yes	78	3.4124	
Politics	No	424	4.0464	.846	No	500	5.1953	.002
	Yes	159	4.0629		Yes	76	4.6491	
Micro image	No	420	3.2271	.571	No	501	3.5353	.173
	Yes	156	3.1718		Yes	79	3.3519	

Table 8: Differences between owners and non-owners of French and US cars

Owners of American cars have higher affinity for USA than non-owners, and they evaluate American people and American politics higher, but not so for American culture/landscape or music/entertainment. Owners of French cars on the other hand, have only marginally (p=.075) higher affinity for France than non-owners. Still, owners of French cars have higher evaluations of French culture and of French music/entertainment, but not of French people or French politics. This supports that consumer affinity may affect actual buying behavior. Furthermore, the relationship between consumer affinity and buying behavior may vary between brands.

#### 6. Discussion and Conclusion

#### 6.1. Theoretical Implications

In this study, we contribute to affinity theory in several ways. Obserecker & Diamantopoulos (2011) modeled general affinity, and they suggested it is a higher order construct with two first-order dimensions (sympathy and attachment). We extend the understanding of general affinity by developing the four dimensions and their scales. Building on cognitive appraisal theories of emotion (Ellsworth & Scherer, 2003; Silvia, 2005) we suggest that consumer affinity comes from appraisal of events, concerning the culture and landscape, the people, the music and entertainment and/or the politics of the affinity target country. The dimensions explained almost all (92%) of the variance in general affinity.

Oberecker & Diamantopoulos (2011) found general affinity has an impact on buying intentions. They had the respondents choose their favorite affinity targets, thus all cases were high affinity cases. We extend the impact of general affinity on buying intentions to two cases of specific target countries (France and USA). Specific target countries may better represent most business situations. Both Oberecker & Diamantopoulos (2011) and our study should be considered single cue studies with regard to the impact on buying intentions. Single cue studies normally give higher explained variance than multi-cue studies (Verlegh & Steenkamp, 1999). However, our finding that consumer affinity is related to actual product ownership (table 8) demonstrates the importance of the affinity construct.

The statistical tests supported that affinity and animosity are distinct constructs rather than bipolar opposites of the same construct (hypothesis 5). Affinity and animosity have two dimensions in common, and both have two unique dimensions. The two unique dimensions of affinity and the two unique dimensions of animosity, the inferences from psychology research discussed previously, and the empirical findings in our study provide a strong case for why affinity and animosity are distinct constructs rather than opposites of the same construct. This is a necessary condition for future development of affinity theory and of animosity theory as unique lines of research. Appraisal theories of emotion hold that it is the way a person interprets a situation-rather than the situation itself-that gives rise to one emotion rather than another emotion or no emotion at all (Roseman and Smith 2001; Siemer, Gross and Mauss, 2007). Our findings indicate that appraisals of events related to the people dimension and the politics dimension stimulate positive emotions (affinity), negative emotions (animosity) or no emotions. Appraisals of events related to culture/landscape and music/entertainment stimulate positive feelings or no emotions, but seldom negative emotions. Finally, appraisals of events related to economics or military/war stimulate negative emotions (animosity) or no emotions, but seldom positive emotions.

Contrary to Oberecker & Diamantopoulos (2011), we hypothesized and confirmed an indirect effect of affinity on buying intentions through micro country image (H4). We explain this by the role of the affinity dimensions. For example, consumers' affinity for the culture and landscape of a foreign country may influence perceptions of the quality of many products, like the cultural heritage of food products, clothing, and furniture. People affinity may be related to the perceived quality of service products and music and entertainment and is a dimension of affinity as well as product categories. Our data also provide additional insight into why most animosity research found no relationship between animosity and micro country image. Most animosity studies following Klein et. al. (1998) build on one or both of their animosity dimensions (war animosity and economic animosity). We found that war animosity and economic animosity have no impact on micro country image, which is in line with the findings in most previous animosity research (see table 7). However, all of the affinity dimensions influenced micro country image.

Overall affinity feelings may be a consequence of mixed feelings. Not all affinity backgrounds need be positive, and the role of the affinity backgrounds and the behavioral outcome may vary between cases. In table 8, we show how general affinity toward France is quite similar between (present or previous) owners and non-owners of French cars, while affinity for French culture/landscape and French music/entertainment is quite different between the groups. Therefore, the dimensions of affinity add to the richness of the construct, and increase the general insights that are possible.

#### 6.2. Implications for Management

Our findings indicate that affinity for a country has a positive impact on demand for products from the country. Managers need to assess the emotions that are directed towards their countries in order to capitalize on such information (Maher, Clark & Maher, 2010). We give one example in table 8 concerning car ownership. Cars, being conspicuous, are likely to be evaluated using symbolic criteria (Kressmann et al., 2006). Consumers purchase goods that act as a vehicle to express their identity, and symbolic attributes of a brand are important for explaining consumer behavior (Aaker, 1997; Austin et al., 2003). The argument is that symbolic attributes of attitude objects are associated with personality traits that have symbolic and self-impressive implications for the consumer. Image congruity theory holds that these associations should be congruent with the consumer's personality in order to influence consumer behavior. Ownership of an American car for a European consumer may signal a personality that is congruent with overall affinity toward the USA and appreciation of American people and American culture/landscape. Ownership of a French car may signal a personality congruent with appreciation of French culture and of French music/entertainment (table 8), but not necessarily an overall affinity toward France. The communication strategy may refer to the specific affinity backgrounds that may be congruent with the consumer's personality, e.g., the French culture for French automobiles, and the American country and people for American automobiles.

Jaffe & Nebenzahl, (2006) argued that affinity might be a segmentation variable for international marketers. Marketing the brand to a segment that feels affinity toward the country of origin would suggest including country of origin in the brand strategy, and that the marketer emphasize the dimensions of country image that are related to brand preference. The positive effect of consumer affinity on demand constitutes an economic argument for the practice by many governments of supporting promotion of their culture, music, and arts in foreign countries. The impact of affinity on demand also merits investments in nation branding (Kotler & Gertner, 2002). Nations compete and strive to attain a competitive advantage in attracting tourists, factories, talented people, and markets for their exports. Developing consumer affinity through promotion and stimulation of the affinity backgrounds (people, culture/landscape, music/entertainment, and politics) may contribute to nation brand equity.

#### 6.3. Limitations and Future Research

The conclusions in the study are limited by the convenience samples. The consumer affinity construct and its impact on consumer behavior need to be tested in other samples and other countries. Our research addressed buying intentions of products in general. However, different respondents may have had different products in mind when answering the questions, and this factor may have confounded their responses. Since most of the effect is affective in nature, conspicuous products with high social and psychosocial impact for the consumer may be most susceptible to affinity influence. Many other categories of products and brands than automobiles would make good candidates for study to replicate the measurements. Future research should examine if there is a potential relationship between product type and the magnitude of the affinity construct.

Consumer affinity may have an important role in corporate identity as well as and the implications that follow. van Riel & Balmer's (1997) affinity audit proposed that corporate identity is grounded in a basic social psychological process based on affinity. The premise is that the basic social psychological process constituting corporate identity is complex and employees had an affinity towards a range of values and beliefs. These may then take many different forms of which several may be linked to a foreign country, e.g. the values and beliefs of the organization's founder, those of the holding organization, or those of an external culture (van Riel & Balmer, 1997).

Affinity can provide the energy and motive for trust and other cooperative behaviors (Schmid, 2000). Affinity as a potential motivator of trust may have implications in international inter- and intra organizational relations. For example, task conflict is usually associated with effective decisions, and relationship conflict is associated with poor decisions in international management teams. Trust is a key to gaining the benefits of task conflict without suffering the costs of relationship conflict (Simons & Peterson, 2000). ), and if partners like each other, trusting is more likely (Johnson, Cullen, Sakano & Takenouchi, 1996). Trust and communication are key variables in organizational buying and in international interorganizational relations (Nes, Solberg & Silkoset, 2007). Affinity related to the people, culture and nature, politics, and music and entertainment may stimulate better communication because it is conductive of a positive atmosphere and understanding. Communication, of course, is crucial in international business. We conclude future research may find affinity toward foreign countries have a role in a wide range of international management problems.

# **Appendix: Scale Items**

# Affinity

- q1 I like France/the United States.
- q2 I feel fondness for France/the United States.

# Culture/landscape

- q3 I appreciate this country's history.
- q4 I appreciate French/U.S. food and cuisine.
- q5 I like the nature and landscape in France/the United States.
- q6 I like this country's arts.
- q7 I like this country's architecture.

#### Music/entertainment

- q8 I like French/U.S. music.
- q9 I like the movies and entertainment from France/the United States.
- q10 I like the language in France/the United States.

# People

- q11 I feel the people in France/the United States are open and friendly to foreigners.
- q12 I like the way of living in this country.
- q13 I trust the people in this country.
- q14 I like the mentality of the people in this country.
- q15 My experiences with the people from this country are positive.
- q16 I cannot identify with the people from France/the United States.

# Politics

- q17 I like French/U.S. government policies.
- q18 I like this country's political system.
- q19 The role of the country in world politics is admirable.

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