



BI Norwegian Business School - campus Oslo

GRA 19502

Master Thesis

Component of continuous assessment: Thesis Master of Science

Final master thesis – Counts 80% of total grade

Scandi Chic or Nordic Noir – The Value of the Nordic Brand and the Effect of Consumer Affinity and Stereotypes on Behaviour among International Consumers

Navn: Sara Johanna Helena Ekstrand

Start: 02.03.2018 09.00

Finish: 03.09.2018 12.00

Sara Ekstrand

MSc in Strategic Marketing Management

3.9.2018

This thesis is a part of the MSc programme at BI Norwegian Business School. The school takes no responsibility for the methods used, results found and conclusions drawn.

Abstract	3
1. Introduction	4
1.1 Research objectives	8
1.2 The Nordic region	10
2. Literature review and background	13
2.1 COO	13
2.1.1 Critique and issues in COO.....	15
2.2 Nations as brands	17
3. Theory	20
3.1 Consumer affinity	20
3.1.1 Drivers of affinity	22
3.1.2 What affinity is not	26
3.2 Affinity and brand love	26
3.3 Stereotypes	29
3.3.1 Different stereotypes.....	31
3.4 The need to consider category	33
4. Methodology	36
4.1 Pre-test 1	37
4.1.1 Pre-test 1 results.....	38
4.2 Pre-test 2	39
4.2.1 Pre-test 2 results.....	39
4.3 Main study	40
4.3.1 Measurements.....	40
4.3.2 Affinity	40
4.3.3 Stereotypes.....	41
4.3.4 Purchase Intention	41
4.3.5 Feeling towards brand and buying	42
4.3.6 Familiarity and knowledge.....	42
4.3.7 Demographics.....	43
4.4 Procedure	43
4.5 Sample	44
5. Results.....	45
5.1 Independent variable	45
5.2 Dependent variable	47
5.3 Manipulation checks.....	47
5.4 Analysis of Hypotheses	48
5.4.1 Affinity, stereotypes and knowledge	50
5.4.2 Category.....	54
6. Discussion	60
6.1 Theoretical implications	60
6.2 Managerial Implications	66
6.3 Research contribution	69
7. Limitations and future recommendations	71
7.1 Reliability and validity	71
7.2 Future research	72
8. References.....	74
9. Appendix	82

Appendix 1. Brands used in Pre-survey 1	82
Appendix 2. Definitions of functional, symbolic and experiential.....	82
Appendix 3. Company descriptions.....	83
Appendix 4. Affinity and stereotype items.....	84
Appendix 5: Overall evaluation of Nordic brands.....	84
Appendix 6: Overall familiarity with and knowledge of the Nordic region	85

Abstract

In this thesis I have explored the effectiveness and implications of the relatively new construct of consumer affinity and its potential ability to determine or predict consumer behaviour and preference for brands and products originating from the Nordic region. The theoretical discussion builds upon the well-researched area of country-of-origin and nation branding. Additionally, I compare the effectiveness of consumer affinity with that of stereotypes and broaden the affinity construct by comparing it to the construct of brand love. The relationship between the independent and dependent variables finally considers product category and pre-existing knowledge as moderating variables.

A total of 146 respondents from different parts of the world were asked to evaluate four Nordic brands (Norwegian, IKEA, Noma and Hurtigruten) in self-administered questionnaires.

My results show that consumer affinity does have an effect on consumer behaviour and significantly increase both purchase intention and brand evaluation for all brands and product categories. The affinity effect is further dependent on the reported familiarity and knowledge of the Nordic region, but irrespective of the number of times the consumer has visited the region. Hence, it is possible to develop deeper affinity already after one single visit, and managers should focus on providing more unique knowledge and “hidden secrets” about the region that is not already generally known, instead of repeating well-known figures and facts, and communicate shared values and norms. People having affinity towards the region evaluated all brands, regardless of category more favourably. There was further no difference between normative and personal affinity. Hence, both can be equally strong determinants of consumer affinity, and managers could feel comfortable in using convenient normative sources when trying to develop consumer affinity. Finally, even though the Nordic region was perceived as more stereotypically competent, than warm, but the effect on consumer behaviour did not differ between product categories.

1. Introduction

The Nordic is having a momentum it says. Bron, Skam, Avicii, Kygo, Noma, Mumin, sisu, hygge, Scandi chic ... are just some Nordic phenomenon that have reached people all over the world in recent years. Nordic noir, with crime authors as Jo Nesbø, Stieg Larson, Lars Kepler and Camilla Läckberg, has given an image of the Nordic as a region with daily cold blooded murders. Designer and fashion brands (e.g. Muuto, Republic of Fritz Hansen, Iittala, Artek etc.) refer to their Nordic heritage by including values as down-to-earth, honesty, simplicity, clarity, timelessness and functionality in their brand promises. In 2016, the Swedish actress Alicia Vikander won an Academy Award for best supporting actress for her role in *The Danish Girl*, and became the first Nordic citizen since the days of Ingrid Bergman to win in the actor categories – giving her worldwide coverage in the media. A year later, in 2017, the Swedish director Ruben Östlund won the prestigious Palm d’Or in Cannes and received an Academy Award nomination for his film *The Square*. The film, set in Stockholm, tells the story about the Danish art director Christian and his encounters with common Nordic values such as political correctness, tolerance, solidarity and freedom of speech. Lonely Planet, National Geographic, The New York Times and Architectural Digest list Oslo, Malmö, Iceland and Faroe Islands as destinations that earns a place on your bucket list 2018. In 2016, *The Little Book of Hygge – Danish Secrets to Happy Living* became an international bestseller, more recently followed by the book depicting the very Finnish phenomenon of *Kalsarikänni (Pantsdrunk) – The Finnish Path to Relaxation* (2018). *Hygge* was even listed as one of the most influential words of 2016 (McDonough, 2018). And, last but not least, the Nordic model, in terms of economy, political system, social security and welfare, has been praised by world leaders such as French president Emmanuel Macron (Chassany, 2017) and former US president Barack Obama (Korte, 2016). The recent international recognition of the Nordic region is endorsed by the Nordic Councils of Ministers, a cross-national organ that seeks to encourage and strengthen the cooperation among the Nordic countries and provide information about the region abroad. As part of a strategy set out by the council for the years 2015-2018 (Norden, 2015), with the aim of renewing the Nordic brand and promote the shared values of the Nordic countries (McLaughlin, 2016; Norden, 2015), the secretary general, Dagfinn Høybråten, and Eygló Harðardóttir, Icelandic minister for Nordic co-operation, write:

“The Nordic region is appealing. For some time, characteristically Nordic cuisine, design, films, music and literature have been bringing the Nordic region international recognition. The successes, which come from all the Nordic countries, often share a distinctly Nordic element – a Nordic trademark.”

The quote talks about a singular Nordic trademark that many of the success stories and achievements mentioned above have in common. But the question is, generally speaking, if there is a point in treating nations as single brands, and if these brands actually can influence consumer behaviour and purchase decisions? The positive effect that images, associations and achievements of a country have on consumer decision making do find support among scholars. For example, admiration for other countries and lifestyles is likely to enhance consumers’ desires to consume goods that are perceived as symbolic for other countries and cultures (see Cleveland & Laroche, 2007), more engagement and higher visibility often positively correlates with appeal (Anholt, 2010), and it is established that nations project certain characterising images of tradition, culture, values and norms that influence product perceptions (O’Shaughnessy & O’Shaughnessy, 2000).

One of the reason for why countries and their offerings are able to reach a broader international audience in the first place is naturally spelled globalisation. The general agreement in the literature is that companies and industries, as well as countries, regions and cities now compete in one market, where everyone join the game to get its own share of commercial, political, social and cultural transactions (Anholt, 2010; Cleveland, Laroche, & Papadopoulos, 2009). Because of globalisation, countries cannot afford to ignore the impact that reputation has on its economy, population and opportunities to engage in the global community and take advantage of the possibilities that the global community offers (Anholt, 2010). Especially the increasingly globalised mass-mediated marketplace is generally thought as a reason for why countries have become sensitive towards the way they are portrayed (Anholt, 2008; Kotler & Gertner, 2002). Highlighting the own heritage and elements from the past to convey stability, trust, confidence and familiarity, can help overcome the noise and challenges in the global market (Hakala, Lätti, & Sandberg, 2011). In an attempt to take advantage of positive associations to gain larger export goals, countries and their governments have for quite some time looked at the concept of country-of-origin (COO) (Dimitrova,

Korschun, & Yotov, 2017), which in a broad sense means that the country with which a firm or product is associated, will influence the acceptance on the market and the sales rates. Some claim that national reputation and nation brands in large behave in the same way as corporate brands since they play an important role for progress and prosperity (Hudson, Cárdenas, Meng, & Thal, 2017). By drawing on theory on corporate reputation, Dimitrova et al. (2017) found evidence that country reputation has a significant influence on bilateral trade and that the export from a specific country increased by 2 percent for each improvement (one place up) in the country's reputation on the world ranking.

All this makes globalisation a trend that directly or indirectly affects the consumers. However, there is no consensus whether or not the consumers have become equally global minded in their attitudes and behaviours (Cleveland et al., 2009). Especially in times of economic recession and downturns, people might be encouraged to buy local instead of choosing imported and global products (Bernard & Zarrouk-Karoui, 2014). Cleveland and Laroche (2007) note that globalisation on the one hand can erase the boundaries and differences between nations and cultures and create a homogeneous global consumer culture. On the other hand, globalisation can lead to the opposite and actively promote differences instead of suppressing them and actually strengthen national identities and ethnicity (Cleveland & Laroche, 2007). Vida and Reardon (2008) note the value of recognising that consumers in fact can harbour contradictory, both negative and positive, feelings towards global consumption and attitudes towards another country, making the consumer response to globalisation not as straightforward, or black and white, as one might think. Concepts of ethnocentrism, cosmopolitanism, and animosity (table 1) are commonly researched since they embrace both emotional and rational mechanisms behind consumer decision making in an international environment.

Table 1. Positive and negative consumer dispositions commonly used in the COO research. See e.g. Bartsch, Riefler, and Diamantopoulos (2016) for a summary of more (positive) concepts.

Ethnocentrism	The universal proclivity for people to view their own group as the center of the universe, to interpret other social units from the perspective of their own group, and to reject persons who are culturally dissimilar while blindly accepting those who are culturally like themselves. (Shimp & Sharma, 1987)
Animosity	The remnants of antipathy related to previous or ongoing military, political, or economic events. (Klein, Ettenson, & Morris, 1998)
Cosmopolitanism	A specific set of qualities held by certain individuals, including a willingness to engage with the other (i.e., different cultures), and a level of competence towards alien culture(s). (Cleveland & Laroche, 2007)
Xenocentrism	Favouritism toward out-groups coupled with negative stereotypical perceptions of one's own group (the in-group). (Balabanis & Diamantopoulos, 2016)
Xenophilia	Xenophilia means literally a love for strangers and foreigners ... and an implicit or explicit disrespect for or hatred of one's own sociological reference group. (Perlmutter, 1954)
Consumer Affinity	A feeling of liking, sympathy, and even attachment toward a specific foreign country that has become an in-group as a result of the consumer's direct personal experience and/or normative exposure and that positively affects the consumer's decision making associated with products and services originating from the affinity country. (Oberecker, Riefler, & Diamantopoulos, 2008)

Even if researchers have recognised the value of distinguishing between cognitive, affective and normative COO mechanisms when studying their influence of consumer preference for domestic and imported products (Vida & Reardon, 2008), the cognitive aspect of COO has attracted the most attention in research (Fischer & Zeugner-Roth, 2017; K. P. Roth & Diamantopoulos, 2009). Because of this, there are calls for more research on the affective and normative aspects of COO (Verlegh

& Steenkamp, 1999). To contribute to the development of the research field within country image and consumer behaviour, Oberecker et al. (2008) presented the affective construct of consumer affinity and defined it as “a feeling of liking, sympathy, and even attachment toward a specific foreign country ...” and how it ultimately will influence consumer behaviour. The authors explicitly chose to focus on the positive emotions that consumers might possess towards foreign countries, instead of the negative aspects, which at that time was seen to be overrepresented in the research field. At the same time, according to the classical paper by Kotler and Gertner (2002), most country images are based on stereotypes, and Chattalas, Kramer, and Takada (2008) empirically show that COO effects on product expectations are driven by national stereotypes, pointing to a direction where knowledge about a country also will have a decisive part in the consumer evaluation process.

1.1 Research objectives

With the aforementioned in mind, there are no straightforward results on how consumers behave on the global market place, and what specific factors that influence behaviour towards foreign brands and products. The results vary between contexts, audience, sample and research objectives. Looking at the issue in a Nordic context, some fundamental questions are whether or not the Nordic brand is as valuable a selling tool and internationally as cool, relevant and influential as we might think? Or is the Nordic brand merely based on stereotypes and simply non-existent in the minds of the customers? What kind of underlying mechanisms or dimensions influence consumer attitudes towards the Nordic region and consumption of Nordic products? And ultimately, is it of any value to link the product offering to the brand origin in a global market? Because as J.-C. Usunier and Cestre (2007) note, most products are not even associated with any specific country in the first place.

My aim for this thesis is to study if international consumers base their evaluation of the Nordic brand and the product offering on personal knowledge and emotions, or on generally established stereotypes, and consequently, what effect this has on consumer behaviour. In order to address these questions, my thesis draws upon the theoretical frameworks of the COO effect, consumer affinity and stereotypes. The concept of brand love is also discussed in an attempt to further develop and more thoroughly discuss the conceptual foundation of consumer affinity. By addressing

these topics, it will be possible to explore the level of attachment towards and knowledge of the Nordic region among international consumers, its outcomes on consumer behaviour, and finally implications for managers on how to best make use of the Nordic brand. The results will hopefully also contribute to a better and general understanding of consumption of foreign brands, not solely dependent on the Nordic region per se. In addition, the COO research field has received substantial criticism for its lack of both relevancy and of being too focused on cognitive aspects (Verlegh & Steenkamp, 1999). By including the affective and relatively new construct of consumer affinity, in addition to the cognitive concept of stereotypes, the research takes a multidimensional approach.

With the background of this, the main research objective is:

To establish the potential effect that consumer affinity and stereotypes might have in predicting or determining consumer behaviour and preference for Nordic products among international consumers.

The supporting research questions are:

How efficient are consumer affinity and stereotypes in influencing consumer behaviour and brand preference for Nordic products?

Do these behaviours and attitudes vary between product category?

Does the level of knowledge of the Nordic region alter this effect?

The rest of the thesis is organized as follows. First I will shortly present the Nordic region and discuss general perceptions. Then my review of the literature will cover the concepts and problems of COO, nation branding and stereotypes, followed by an introduction to affinity and brand love. This is followed by a formulation of research propositions and hypothesis. I then describe the methodology used for the study in detail, followed by a summary of results and final theoretical discussion. Finally, I acknowledge managerial implications, limitations and suggestions for future research.

1.2 The Nordic region

Before I dig into the theory, I will present the Nordic region as defined in this thesis, and further discuss general associations and perceptions of the region.

The definition of the Nordic region in this paper follows the geographic area consisting of Denmark, Norway, Sweden, Finland, Iceland, Faroe Islands, Greenland and Åland where the latter three islands are not independent countries per se, but instead have autonomy regarding internal issues. Faroe Islands and Greenland are part of Denmark, while Åland belongs to Finland. Denmark, Norway and Sweden are constitutional monarchies, while the younger countries Finland and Iceland are republics. The total population of all countries are about 27 million. Sweden, Denmark and Finland have been members of the European Union since the mid 1990's, Norway and Iceland instead have bilateral agreements with the EU regarding borders and economy. Denmark, Norway and Iceland have further been members of the military alliance NATO since 1949. Scandinavia is a frequently used term when addressing the Nordic region, especially in an English-speaking context, but since Scandinavia only includes Sweden, Norway and Denmark, the Nordic is in a geographical sense more accurate. Even though the Scandinavian countries might have a more visible role internationally, it would be faulty to leave the other countries out, especially Finland, since they all share more or less the same strengths in terms of social systems, politics, values, nature and even to some degree culture and language. In addition, the Nordic countries collaborate in many issues, from environmental issues to defence and cultural exchange (Norden, 2018).

Despite a relatively small population, the region is both visible and influential. In comparison to the EU, the Nordic countries in reality perform above average in terms of e.g. economic development, high employment in industries focused especially on knowledge and expertise, innovation and high tech, environmental friendly solutions and education (Andersen et al., 2007; Norden.org, 2018). Further, the Nordic region is the most digitalised in the world, with the most advanced digital public services. As an example of high performance rates, the Nordic Council of Ministers states in a report that the Nordic region account for 7 percent of the direct foreign investments in the EU, while the Nordic population is only 4 percent of the total population in Europe, with Sweden in the lead in terms of investments. As for the most important industries, the Nordic countries benefit greatly from IT and

technology, pharmaceutical products, forestry, steel and metal, shipping, energy and to some extent oil and gas (Denmark and Norway) (Norden.org, 2018). The Nordic model, in terms of social welfare, economic efficiency, stable labour market and investments in human capital, is further widely regarded as the benchmark and even “*a source for inspiration*” for others, despite facing challenges with an aging population and a globalized world (Andersen et al., 2007). The Economist (2013) even goes as far as updating a quote by Cecil Rhodes from “*to be born an Englishman is to win first prize in the lottery of life*”, to “*today the same thing could be said of being born Nordic*” with reference to the large spending on welfare, as well as perceived honesty and transparency of governments. Andersson and Hilson (2009) states that the Nordic model has been the “*utopia*” in the political discourse around Europe and the world, with Sweden as the example of an ultra-modern society. World Economic Forum (2017) listed nine reasons for why especially Sweden so easily beats other countries, including low corruption, powerful passport, highly reputable, globally competitive, gender equality (Finland was the first country in the world to introduce voting rights for women in 1906), innovation, and finally good language skills. Referring to various indexes, all Nordic countries rank high, e.g. in the World Happiness Report, Social Progress Index, Corruption Perception Index, Gender Inequality Index, Global Competitiveness Index and so on. Even though interpreting such rankings and indexes have to be done with caution, and the results might have to be taken with a pinch of salt, the consistency and the top scores on very different topics point to a general success factor derived from the Nordic model, together with political systems, as well as norms and values. Or as Andersen et al. (2007) write; “*based on the abundance of similar evidence it is hard to argue that the Nordic model is not consistent with a good business climate*”. Andersson and Hilson (2009) still acknowledge the possibility that the gold shimmering image of a welfare state might have changed in a post-modern era to become more part of what they call a “Nordic nostalgia”.

The economic development and welfare, together with equality and security is however still one of the main things associated with the Nordic region in international media, or at least the things that are highlighted in foreign press (Harvard & Stadius, 2013). The Nordic countries and its inhabitants are traditionally regarded as a rational people that are as coolly in their decision making as the northern climate, something that contrasts greatly from the days of the

Vikings or the people living in the southern parts of Europe (Harvard & Stadius, 2013). When the Swedish government explored the perceptions of Sweden among people in 13 different countries, the report concluded that stereotypes and clichés, both negative and positive, are still very much present. Even though the image of Sweden is recognised as very diverse, Sweden was most notably synonymous with welfare, ABBA, beautiful women, beautiful nature with a cold climate, neutral, peace addicted, high taxes, openness, transparency, and socialism. Clichés like sex, blond, blue eyed, high suicide rates and wealth was also frequently mentioned (Sweden, 2005). In an equivalent report on the image of Norway and public diplomacy published by the think tank London Foreign Policy Centre, the authors stated that Norway had actually lacked an obvious identity, as opposite to Sweden, and even went as far as calling the country invisible because of its “isolated” location, lack of icons such as ABBA or IKEA, and because people tend to have too little knowledge to build associations. One of the reasons behind this, according to the report, is that the Scandinavian countries share so many similarities regarding culture that it is difficult to accentuate a clear Norwegian identity and for people to actually become aware of the differences between the countries. Yet, where there is a specific Norwegian identity it mainly focused around nature, the oil industry and friendly people, but also impressions of cold weather and dullness were held by people (Leonard & Small, 2003). Both reports are still over ten years old and the perceptions might definitely have changed because of an increasing stream of global information. Even so they give some indication of how the image of the Nordic countries has developed over the years and show how steadfast associations can become in peoples’ minds.

2. Literature review and background

The foundation for my study will lay upon the effect of COO on consumer behaviour, and more notably on the positive side of COO that considers emotions and attachment as underlying mechanisms for why consumers prefer one product before the other, when only the country of origin is different. For this reason, the fairly young construct of consumer affinity will serve as my main area of focus. In order to answer the research questions that also consider level of knowledge about the origin country, I will add the thoroughly researched area of stereotypes as part of my theoretical discussion.

The aim of this section is to provide a literature review of the development of COO and where the vast research stands today. To give some perspective of the statement that nations and countries can be brands, I will also discuss nation branding in connection to COO. It is worth mentioning that COO is a very diverse research field dating back to the 1960's that touches upon several relevant ideas regarding negative consumer attitudes such as ethnocentrism and animosity (see table 1). These concepts have been thoroughly studied in the past and will be mentioned here but not discussed in detail.

2.1 COO

The COO effect on consumer behaviour has for long been one of the most persistent and researched questions among marketing scholars (Bilkey & Nes, 1982; Josiassen & Harzing, 2008; Koschate-Fischer, Diamantopoulos, & Oldenkotte, 2012; K. P. Roth & Diamantopoulos, 2009; Samiee, 2010; J. C. Usunier, 2006). If the COO is defined as the country with which a company or product is associated with (Samiee, 1994) the COO effect is *“any influence on product evaluation, risk perception, buying intentions, etc. resulting from COO information”* (Herz, 2013; K. P. Roth & Diamantopoulos, 2009). Since Dichter (1962) (as cited in Verlegh & Steenkamp, 1999) introduced the idea that COO may have a *“tremendous influence on the acceptance and success of products”*, and the subsequent empirical study by Schooler (1965) was presented, hundreds of research papers have touched upon the influence, impact and effect of COO (J. C. Usunier, 2006). A reason behind this large interest is that consumers have been shown to be sensitive to COO cues, also referred to as product-country-image (PCI), and it is accepted that the perceived image of a nation and national reputation is a factor in the consumer decision

making process (e.g. German cars, Italian leather, Swiss watches) (for review see Chattalas et al., 2008; Pharr, 2005). Favourably perceived countries can therefore charge premium prices (Jaffe & Nebenzahl, 2006). Industrialised countries and countries with a stable economic development have traditionally enjoyed a stronger advantage of the COO effect because of their country equity, compared to less developed countries (Kotler & Gertner, 2002; M. Roth & Romeo, 1992).

COO is generally understood as an extrinsic information cue because it does influence product perceptions but not the actual objective performance or appearance of the product, as opposed to intrinsic cues that directly changes the product performance (Olson & Jacoby, 1972). Extrinsic cues are for example price, warranty or brand, while intrinsic informational cues are taste, smell and colour that are used to evaluate the quality of the product (Veale & Quester, 2009). In other words, the COO cues live in the mind of the customer. Hence, COO as an extrinsic cue is not directly visible and its importance will therefore vary between individuals. In case of low consumer expertise, involvement, or when the cues are vague, consumers tend to rely more on extrinsic cues than intrinsic ones (Maheswaran, 1994; Zeithaml, 1988). Or the other way around, the more familiar the consumer is with the product category, the weaker the influence of COO on the purchase decision.

The most notable COO cue in earlier COO research was the “Made in”-label. Aichner (2014) identifies eight ways in which marketers normally incorporate COO in their product offering, divided in legally regulated (need to fulfil specific requirements stated in national or regional law) and unregulated strategies to enhance the COO effect (table 2).

Table 2. Aichner's (2014) list of the most common COO strategies.

Strategy	Example
Made In ...	Made in Italy, Made in USA
Origin or quality labels	Pizza Napoletana, Lübecker Marzipan, Parmigiano Reggiano, Feta Cheese, Champagne
COO embedded in the company name	Finnair, British American Tobacco, L'Oréal Paris, Scandinavian Airlines
Typical COO words embedded in the company name	Sandvik, Novo Nordisk
Use of the COO language	Das Auto, Lincoln National, IKEA's name on furniture, Yves Saint Laurent, Pomodoro Mutti
Use of famous people from the COO	
Use of flags or symbols	Baguette (France), Pizza and Pasta (Italy), Beer (Germany)
Use of stereotypical landscapes or buildings	Eiffel Tower (France), Pyramid of Giza (Egypt), Statue of Liberty (USA)

2.1.1 Critique and issues in COO

Despite a vast stream of research, the concept is still not fully, even poorly, understood and there is no general agreement among scholars about the actual effect and the strength of COO on consumer behaviour (J. C. Usunier, 2006; Verlegh & Steenkamp, 1999). The field has faced harsh criticism (for review see e.g. Herz, 2013), mainly because of a lack of practical and managerial relevance, study designs, theoretical models and ecological validity (Samiee, 2010; J. C. Usunier, 2006). Samiee, Shimp, and Sharma (2005) even states that there is a COO "inflation", and that the large amount of research has overstated the relative importance of the COO effect on consumer judgements, behaviour and managerial decision making. The critique against the lack of relevance for managers has to do with the fact that COO has been found to have a greater impact on customer perceptions and not actual purchase intentions or behaviour, and that customers generally are not aware of the origin country (not easily accessible), find it unimportant, or do not pay attention to it (Josiassen & Harzing, 2008; Samiee, 2010; J. C. Usunier, 2006). Global branding and multinational production and origins further weakens the relevance of COO according to one stream of researchers (J. C. Usunier, 2006). Lastly, early single-cue studies might have overestimated the power of COO on consumer behaviour by not including other intrinsic cues, so called multi-cue studies (Bilkey & Nes, 1982) and therefore forcing the participant to only consider the extrinsic cues as COO (J. C. Usunier, 2006). The COO effect

on consumer perceptions was, however, confirmed in the meta-analysis by Verlegh and Steenkamp (1999).

In a commentary article Josiassen and Harzing (2008) answer to the critique and argue, with reference to other researchers and studies, that consumers in fact do pay attention to COO and that the more globalised the market becomes, the more important the product country image is for the consumer. Other studies have noticed an automatic COO effect where mere exposure to COO cues can affect consumer behaviour even in situations where the consumer do not intend to use COO information in their product evaluation or are even unaware of their own COO stereotypes (Herz & Diamantopoulos, 2013; Liu, Johnson, & Johnson, 2005). For example, the majority of the COO research rests upon the notion that the consumer usage of COO is a rational, conscious and controlled, hence cognitive, construct (Verlegh & Steenkamp, 1999). Herz and Diamantopoulos (2013) propose that researchers need to switch their perspective from COO as a cognitively controlled process to see COO as a more automatic process that is “*spontaneously activated by the mere presence of country-specific stimuli*”. At the same time, Baumeister, Clark, Kim, and Lau (2017) argue that research should favour neither conscious nor unconscious mental processes, since human behaviour can be seen as being influenced by a combination of both. Favouring one over the other only results in overly simplistic interpretations.

One of the main problems with COO seems not to be the relevance, but how the concept is used and understood. Because of multinational production trends, COO can no longer be regarded as the pure country of manufacture (COM). Instead products can be assembled in a second country (COA) and designed in a third (COD). The pure country of manufacture can even be irrelevant for consumers (Josiassen & Harzing, 2008). This development has caused problems in the definition of what COO actually implies. Jaffe and Nebenzahl (2006) defines COO as “*the country which a consumer associates a certain product or brand as being its source, regardless of where the product is actually produced*”. Samiee (1994) takes an even broader perspective and defines COO simply as “*the country with which a firm is associated*”. This last definition, referring to associations, seems to have a strong support in the literature where it is argued that the country of the brand is more relevant for the consumers than the manufacturing country (J. C.

Usunier, 2006). The COB is what multinational companies also try to highlight in the first place while diminishing the visibility of the COO, mainly because of outsourcing practices to emerging countries with more profitable labour costs and negative country associations (J. C. Usunier, 2006). The fact that brands also try to convey origin cues by linguistic features, such as foreign sounding names, further support the use of COO as the origin of the brand and not the manufacturing country (Herz, 2013). A recurrent example of this in the literature is the American ice cream producer Haagen-Dazs whose name is clearly more Danish or Dutch sounding. But recognising COB as more important than COM still depends on whether the consumer knows the correct origin of the brand (Herz, 2013). Magnusson, Westjohn, and Zdravkovic (2011) found support for the use of the perceived origin (implicit associations), which may or may not be the actual or correct origin, as the variable that really matters. For this thesis the COO of the Nordic region represents the home of the brand and design of the products, which may or may not be the same as the country or region where the products are being manufactured or assembled.

2.2 Nations as brands

With the above discussion in mind, there seems to be no overall conclusion about the relevance of COO in a globalised world, with research both in favour of and against the consideration of COO as an important factor in consumer behaviour. A simple conclusion would be that COO does seem to influence consumers, in some way or another, but that the real magnitude of the effect will vary within context, country and category. However, the importance of national reputation as an underlying factor in consumer decision making and treating nations as brands on the global market has been highlighted in research for the last 20 years. It is believed that countries with a strong brand image, also produces strong brands (Fan, 2006). Branding a nation is additionally seen as the most effective way of altering and overcoming negative stereotypes (Medway, Swanson, Delpy Neirotti, Pasquinelli, & Zenker, 2015) – given that it has substance. Hakala, Lemmetyinen, and Kantola (2013) also talk about branding as a way of altering or reinforcing stereotypes, and as an essential tool to raise awareness about the country in question.

A loose definitions of a nation as a brand would be something like; the total sum of all beliefs, perceptions, thoughts and feelings of a nation in the mind of international

stakeholders (Fan, 2006; Hudson et al., 2017; Kotler & Gertner, 2002). This can in turn include people, places, culture, history, food, celebrities, global brands etc. Kotler and Gertner (2002) further points out that nation images “*represent a simplification of a large number of associations and pieces of information connected with a place*”. The overall purpose is to promote a positive nation image to establish brand identity in order to push exports and attract tourists and financial investments (Anholt, 2010). Even though the concept of nation branding is relatively new in research, some authors recognise that nations always have had brands – and its origins can be sourced to COO, destination branding, public diplomacy and national identity (Fan, 2010). The difference compared to COO is that nation branding takes a holistic approach and studies different parts of a country (people, business, culture, politics, economy, history etc.) and not only the product origin. Medway et al. (2015) talks about an ecosystem of brands where a nation is connected to other places through flow of resources and to other product/corporate/person brands. In general, nations as brands is an emotional and intangible response to the country as a whole and differs from pure product brands in the sense that it cannot be as easily (or not at all) relaunched, repositioned, modified or withdrawn from the market (Fan, 2006). Since the brand of a nation also is intangible, the brand can only create emotional benefits to the audience, rather than functional (Fan, 2006). Since the brand is in, so to say, the public domain, the nation itself is not able to control how the brand image is used and by whom (Fan, 2006).

However, similarly to COO, there is confusion about what the concept really is all about and what its purpose and outcomes are, and how it is exactly related to other similar concepts. As Stock (2009) notes, the field is still a bit vague since researchers often neglects existing concepts in favour of their own definitions and meanings, and therefore hinders a constructive academic debate. For example, there is a terminological confusion between the terms nation/places/countries, promotion/marketing and image/reputation/identity/personality (Papadopoulos, Hamzaoui-Essoussi, & El Banna, 2016), where some authors use the terms interchangeably, while others separate and define them clearly. Moreover, nation branding is often confused with propaganda, promotion, marketing or public diplomacy (Kaneva, 2011). Because of the complexity and the many definitions and interpretations, the subject of nation brands and branding are extremely difficult

to research (Fan, 2010). Anholt (2010), whom according to himself, coined the term nation brand in 1996, even says the term since then has been misinterpreted. Instead he argues that a country or region cannot be branded as products or services, because of an inherent complexity that cannot be fully managed. The author even regrets introducing the term in the first place (Anholt, 2010). The point is that nations cannot rely on (superficial) marketing activities, communication and PR to succeed in an international context (Anholt, 2010; Medway et al., 2015). Doing so would be naïve, vain and foolish (Anholt, 2008). Instead a nation has a brand in terms of a certain reputation, image and public opinion, and a reputation cannot be constructed, it can only be earned. Anholt (2007) talks about “*competitive identity*” that combines public diplomacy and brand management. Fan (2010) refers to it as nation image management, instead of nation branding, and thereby “*a process by which a nation’s images can be created, monitored, evaluated and proactively managed in order to improve or enhance the country’s reputation*”.

3. Theory

Following the discussion above on COO and nation branding, I will in the following section go deeper into the theoretical part of my thesis. First I will introduce and explain the construct of consumer affinity, which serves as the main theory for my research, and its relevance in the field of COO research. Thereafter, I will discuss stereotypes and its role in consumer decision making.

3.1 Consumer affinity

During the last 15-20 years, researchers have classified COO as part of a larger image consisting of cognitive (Bilkey & Nes, 1982), affective (Fournier, 1998) and normative components, suggesting that the concept is even more complex than originally thought (Ahmed & D'Astous, 2008). The cognitive aspect of COO has however attracted the most attention in research (Fischer & Zeugner-Roth, 2017; K. P. Roth & Diamantopoulos, 2009). Just as the marketing literature has given heavy attention to cognition, research on unfavourable consumer attitudes and emotions towards foreign countries (e.g. ethnocentrism and animosity) is overrepresented, while positive perspectives have been more neglected (Oberecker et al., 2008). To fill this gap in the research field in international marketing, Oberecker et al. (2008) and Oberecker and Diamantopoulos (2011) developed and tested the concept of consumer affinity, first proposed but not further explored nor tested by Jaffe and Nebenzahl (2006). The concept draws on social identity theory developed by H. Tajfel (1982) and captures consumer's tendencies to prefer products from one specific country, instead of foreign products in general. The original definition (Oberecker et al., 2008) of consumer affinity is as follows:

“A feeling of liking, sympathy, and even attachment toward a specific foreign country that has become an in-group as a result of the consumer's direct personal experience and/or normative exposure and that positively affects the consumer's decision making associated with products and services originating from the affinity country.”

From a managerial point of view, Oberecker and Diamantopoulos (2011) argue that it should be of equal importance to know why consumers buy global products as it is to know why consumers avoid buying globally, thus capitalising on positive consumer feelings towards a country. Or in other words, the affinity construct might

help managers to overcome negative attitudes towards a specific country and help them reposition the country image or brand by focusing on the consumers' positive feelings as opposite to the negative emotions (Asseraf & Shoham, 2016). The latest research including the consumer affinity construct has studied affinity and its impact on ethnic consumers' purchase intentions for product originating from countries perceived as friends (Papadopoulos, El Banna, & Murphy, 2017).

The base for affinity – social identity theory – includes the ideas of in-groups (sense of belonging) and out-groups (not belonging) and ultimately, how a person's own values are related to the COO of a product, hence a normative effect (Brijs, Bloemer, & Kasper, 2011). Generally, when a person develops emotions towards or identifies with a group, the group in question can go from being a part of one's out-group, to instead become part of one's in-group. The social identity theory suggest that a person has two sides of the self, an individual identity and a social identity (H. Tajfel, 1982). According to Oberecker and Diamantopoulos (2011), classifying the affinity country as an in-group does not necessarily mean that one identifies oneself with the country. A person can have affinity towards Italy, without feeling Italian (Oberecker & Diamantopoulos, 2011). Hence, affinity is in nature a highly positively valence out-group, but is also recognised as potentially being able to become a part of one's in-group (Oberecker & Diamantopoulos, 2011). Moreover, Oberecker et al. (2008) mentions that both similarities and dissimilarities between one's own country and culture and the foreign country can be reasons for sympathising with a country and hence develop affinity. Nes, Yelkur, and Silkoset (2014) approach the topic and argue that a person can develop affinity towards a foreign country for example because one identifies oneself with the culture of the country or find it attractive, and thus consider the country to be an in-group, or because the relation and identification with the country in question can contribute to strengthening one's social identity. Asseraf and Shoham (2016) classify affinity (together with cosmopolitanism) as a positive consumer attitude towards COO.

In a later study, Oberecker and Diamantopoulos (2011) empirically tested and explored the model and found that consumer affinity even had a stronger effect on consumer behavioural intentions, such as perceived risk, visits and investments, than cognitive consumer evaluations. Affinity also outweighed the negative effect

of consumer ethnocentrism (Oberecker & Diamantopoulos, 2011). Likewise, Nes et al. (2014) found evidence that consumer affinity affects micro country image, buying intentions and product ownership. Except for only a moderate effect on the dependent variable of willingness to buy, Bernard and Zarrouk-Karoui (2014) found a positive and significant relationship between affinity and willingness to pay among French customers that chose their own affinity target country. The affinity effect was, however, found to be of less importance than the effect of the cognitive country-image variable. Bernard and Zarrouk-Karoui (2014) therefore acknowledge that leveraging the country image is the most efficient way for international companies to increase sales globally. Affinity is also shown to have a positive and strong impact on product judgement but only a moderate effect on willingness to buy in a study by Wongtada, Rice, and Bandyopadhyay (2012) among Thai consumers' affinity towards the US.

Thus, the results of the affinity effect on behaviour are not consistent, but leans towards a conclusion that affinity to some degree do affect consumer intentions, without the presence of cognitive judgments (Papadopoulos et al., 2017). Because of the inconsistent results, for the sake of clarity, and in order to confirm the relevance of affinity on behaviour, I hypothesise, in line with the original theory by Oberecker et al. (2008), that consumer affinity has a positive effect on consumer behaviour.

H1: Consumer affinity has a positive effect on consumer brand evaluation and purchase intention

3.1.1 Drivers of affinity

Consumer affinity can be evolved both through direct experiences – idiosyncratic (personal) affinity – with the affinity country in question, e.g. vacations or other personally unique touchpoints, and through indirect experiences – normative affinity – through e.g. media, social networks and politicians (Oberecker et al., 2008; Verlegh & Steenkamp, 1999; Wongtada et al., 2012). The difference between these experiences is that the direct and idiosyncratic affinity only affects the self and the single individual, while the normative affinity is present on a so called national level and will have an impact on a larger number of people (Oberecker et al., 2008). How and from where a person gain knowledge about a subject will

therefore naturally affect consumer intentions in different ways. Both the entertainment industry and the media play an important role in shaping people's perceptions of places (Kotler & Gertner, 2002) and especially TV has traditionally been regarded as the most influential among all media channels, even though recent research found that the internet is equally effective in terms of brand building on trusted metrics (Draganska, Hartmann, & Stanglein, 2014). Dodd, Laverie, Wilcox, and Duhan (2005) on the other hand talk about personal and impersonal sources, and acknowledge that the literature also discusses internal vs. external sources, and strong-ties vs. weak-ties sources. Basically all of these, including idiosyncratic and normative, have more or less the same implications. Personal sources include information from friends and relatives, while interpersonal sources cover advertising, reviews and other media, or so called second or third sources. In the rest of this study, personal and idiosyncratic (personal) sources will therefore include travels, and friends and relatives, while normative sources will include media, entertainment exports, and celebrities, bloggers, influencers, politicians etc.

Dodd et al. (2005) further refer to earlier literature when stating that impersonal sources are more important for customers when they are in the beginning of the purchasing funnel, while personal sources become more and more important at the later stages. Similarly, Phau and Suntornnond (2006) state that direct experiences can result in consumer knowledge that is more reliable than knowledge obtained from indirect sources. The source that will be used by the consumer is also dependent on convenience (Dodd et al., 2005). Meaning that the more easily available the source is, the more important it will be for the consumer. So the importance of the source very much depends on the situation, even though the authors regard personal sources to have the strongest impact because of its high level of convenience. Worth mentioning is also that knowledge can be categorised as subjective knowledge, what the consumer think he knows, and objective knowledge, what the consumer actually knows about a product (Dodd et al., 2005).

Oberecker et al. (2008) did not further elaborate on the effects of idiosyncratic and normative affinity, but they stated that there are indications based on cross-study analysis that consumer affinity is predominantly evoked by personal experiences with a country as concluded above. The same is stated in the report from the Swedish government on the perceptions of Sweden abroad, mentioned earlier in the

section about the Nordic region, where it says that the image people have of Sweden depends greatly of the direct experiences (Sweden, 2005). M. Roth and Romeo (1992) (as cited in J.-C. Usunier & Cestre, 2007) still reserves the possibility that country knowledge in the form of actual visits will not automatically lead to a situation where the consumer evaluates the country more positively, a person might in fact become more negative, or stay neutral, in their attitudes after a visit. To test the assumption by the creators of affinity, I hypothesise that direct experiences with the target country, such as vacations and visits, might be considered to create stronger affinity for the target country.

H2: Personal (normative) knowledge of the target country is a stronger (weaker) determinant of consumer affinity

It is however not clear if the actual number of touchpoints (extraneous variable) with the affinity country does or does not strengthen the effect that the independent variable (affinity) has on the dependent variable (behaviour). Attachment theory suggests that familiarity correlates with stronger attachment, and that attachment is evolved over time and includes affective memories, as opposed to attitude, which can be developed without any previous contact with the object (Thomson, MacInnis, & Whan Park, 2005). Hence, since consumer affinity in its most extreme nature is based on a deeper understanding of the target country than simple attitude, I would predict that the more familiar the consumer is with the Nordic region, the more it will base its evaluation on affinity, or the deeper the affinity is. Langner, Schmidt, and Fischer (2015) further states that cognitive control will decline when passion grows stronger, and suggest that this could also be true for brands or objects. Hence, the more you like a country, the lesser the impact of pure knowledge will be, and the more your evaluation will be based on emotions. The importance of the brand also depends on the time spent thinking about and consuming the brand (Batra, Ahuvia, & Bagozzi, 2012). Aro, Suomi, and Saraniemi (2018) however found that it is possible to fall in love with a destination during the first visit, even though a long history appears to enhance brand love.

I expect that the level of knowledge about the target country will affect the relation between affinity and consumer behaviour, but that this relationship is not dependent on the number or amount of touchpoints.

H3: Consumers with strong (weak) knowledge about and familiarity with the target country will have higher (lower) levels of consumer affinity.

H4: The level of affinity is not dependent on number of touchpoints with the target country.

In the still scarce research on affinity, researchers have identified several dimensions as potential drivers of affinity. They can be categorised in two main groups; what the affinity country is and what the affinity country does. Oberecker et al. (2008) identified the sources for affinity as four macro drivers: lifestyle, culture, scenery, politics and economics, and three micro drivers: stay abroad, travel, and contact (Oberecker et al., 2008). The macro drivers explain what dimensions of the affinity target the consumers like, while the micro drivers explain how the consumers come to such a conclusion. While Oberecker and Diamantopoulos (2011) used a scale based on sympathy (low positive affect) and attachment (high positive affect) based on emotional attachment theory (Bowlby, 1979), other scholars have developed their own scales to measure affinity. Nes et al. (2014) found that the construct of affinity is determined by the four dimensions of culture/landscape, music/entertainment, people, and politics. The main dimensions according to Bernard and Zarrouk-Karoui (2014) is personal experience with the country, natural landscapes and finally culture including history and values. Wongtada et al. (2012) developed a scale most notably by including items concerning business and education in order to show that consumer affinity is not only influenced by scenery, people and lifestyle.

However, Bartsch et al. (2016) highlight the critique to the use of culture, entertainment, people and politics as measurements of affinity since these scales is too focused on country image and also include cognitive dimensions. K. P. Roth and Diamantopoulos (2009) believe that measuring affinity through sympathy and attachment is more correct since *“despite using the term ‘affinity’ in their labels, these latter scales are more appropriate for characterizing country perceptions rather than measuring consumers’ affect toward countries”*. In this research, I will exclusively use the original definition and measurements focusing on sympathy and attachment originally set out by Oberecker and Diamantopoulos (2011).

3.1.2 What affinity is not

In the negative category of affective COO one find ethnocentrism and animosity. The main difference between these concepts is that ethnocentrism and cosmopolitanism are general and not directed towards a specific country as animosity and affinity are (Asseraf & Shoham, 2016). Therefore, Asseraf and Shoham (2016) argue that affinity should have an impact on consumption of products from a country towards which the customer possesses these attitudes. As opposed to xenophilia – love for strangers and foreigners and disrespect for one’s own country – affinity does not mean that the consumer has a negative stance towards the home country. Instead a person is seen as being able to accommodate attachments for more than one country at the same time, both for the own country and a foreign country. Affinity is also different from internationalism – empathy for people from other countries – since affinity does not include negative attitudes and is strictly directed to a specific country – as opposite of having favourable attitude towards other countries in general (Oberecker et al., 2008).

It is worth clarifying that affinity is not the same as moods, since this construct can also be negative in nature and do not necessarily result in specific behavioural consumer intentions concerning the affinity country (Bernard & Zarrouk-Karoui, 2014; Oberecker & Diamantopoulos, 2011). Chen, Mathur, and Maheswaran (2014) have also studied how pure affective associations influence purchase evaluations by building on country-related affect theory (CRA). The difference between CRA and consumer affinity is that CRA, exactly as attitudes, can both be positive and negative in nature.

3.2 Affinity and brand love

Talking about attachment, a relatively new concept in the academic literature is that of brand love which Batra et al. (2012) defines as a customer’s emotional attachment toward a brand. While brand love is recognised as a dimension of attachment, some researchers have also recognised it as a separate construct and defines it as a deep emotional connection with a brand. A way of extending the discussion on the consumer affinity construct and provide a deeper understanding of its emotionally based dimensions, I find it relevant to incorporate some findings from previous research on brand love.

The reason for why Oberecker and Diamantopoulos (2011) choose to use sympathy and attachment to measure affinity was because these constructs have the possibility to capture both low and high levels of affect. Attachment represents the deeper emotional side of the affinity scale, and sympathy the lighter side of affinity. At the same time, Oberecker and Diamantopoulos (2011) distinguish between emotional and non-emotional feelings and argue that affinity is strictly speaking and naturally a construct made up of emotional feelings. For example, a person can “*feel like doing something*”, without it qualifying as an emotional intention (Oberecker & Diamantopoulos, 2011). Looking at attachment and emotions, affinity shares many similarities with brand love that tries to explain a consumer’s deepening relation with a brand. Batra et al. (2012) defines brand love as a customer’s emotional attachment toward a brand. The concept is more intense than pure liking, and emotional attachment corresponds to a degree of passion for a brand felt by satisfied customers (Carroll & Ahuvia, 2006). Attachment also goes beyond attitudes, satisfaction and involvement (Thomson et al., 2005), and can promote brand love (Kaufmann, Loureiro, & Manarioti, 2016). Just as affinity, brand love is conceptualised as an affective construct, and not a cognitive one. These similarities, together with the statement that a nation can have a brand, supports a discussion between affinity and brand love.

The main elements of brand love identified in the literature are: passion, emotional attachment and self-integration (Batra et al., 2012; Carroll & Ahuvia, 2006). In addition, Batra et al. (2012) recognise long-term relationship, overall attitude valence, attitude certainty and confidence, and anticipated separation distress. Oberecker and Diamantopoulos (2011) deliberately left out passion in their affinity scale, based on results from previous research on feelings towards countries. Neither Thomson et al. (2005) found any extreme levels of emotional attachment between brands and consumers. In their study, the average level of emotional attachment in a strong attachment setting was on average 4.0-4.5 on a 7-point scale. Thus, brand love in an extreme meaning is not useful for affinity. At the same time, brand love seems to be product-category specific. Especially, hedonic products have been shown to be more lovable (Carroll & Ahuvia, 2006).

Aro et al. (2018) recently extended the theoretical framework of brand love by incorporating emotional place bonds and destination branding, to present a

framework of antecedents and consequences of what they call destination brand love. They took the Finnish Lapland as an empirical example and a sample consisting of domestic tourists, but just as Oberecker and Diamantopoulos (2011), they excluded passion in their model and focused on feelings such as joy, yearning and warmth, and the behavioural outcomes of loyalty and WoM. This recent example shows that brand love can also be valuable in terms of the evaluations of regions and countries with respect to the discussion about the value and effects of nations as brands. Extant research also propose that consumers can have an deep emotional attachment to both people, objects, ideas and activities, including brands (Thomson et al., 2005) but the scales to measure the strength of the consumer-brand relationship varies, but Aro et al. (2018) note that there is a dearth of research on how emotional bonds between people and places are formed. In the case of Aro et al. (2018) the feelings towards the target was only evaluated based on the DNA, landscape, nature and history of the place, naturally because they took the approach of evaluating a destination from the perspective of a tourist. After reviewing research on brand love and destination branding, Aro et al. (2018) concluded that place attachment and place bonding share many similarities with brand love, but that brand love is a more complex phenomenon.

One of the main contributions made by Batra et al. (2012) was also the recognition that brand love cannot be directly compared to other forms of interpersonal love, such as romantic, compassionate or parental love, as earlier research most often do. And even though the respondents in the study acknowledged that they genuinely loved a brand, the love was different from the kind of love that exists between two people. Brand love was shown to be a less valued relationship than interpersonal love, it did not contain altruistic concern, and was not reciprocal, hence only one-sided (Batra et al., 2012). Langner et al. (2015) support the difference between love for individual and love for objects, stating that brand relationships should evoke less intensive and less positive emotions than interpersonal relations. However, the authors found that the emotional intensity generated by a loved brand is similar to the emotions evoked by a close friend. Over time, interpersonal love in general is seen to lose its intensity because of feelings of security and familiarity, and become more companionate, as opposed to passionate (Acevedo & Aron, 2009). Or as Aro et al. (2018) notes, speaking about emotional bonds and attachment might be more natural than expressing love towards a brand or object, even though the underlying

emotions and feelings are the same. Worth mentioning is, that in the case of actual brand love, it is seen as a better predictor of consumer loyalty than other models, and can result in several other outcomes such as positive word of mouth, resistance to negative information, enhanced willingness to invest time and energy, and so on (Batra et al., 2012; Fetscherin, Boulanger, Gonçalves Filho, & Quiroga Souki, 2014).

In conclusion, brand love per se is accompanied by more passionate and deeper emotions than those that arise in an affinity setting. But separating brand love from interpersonal love, the construct is valuable in gaining a deeper understanding of the underlying constructs of affinity and the emotional bonds people can develop towards places. In their final measurement scale of consumer affinity, Oberecker and Diamantopoulos (2011) did include love as a dimension of attachment. In my research I still recognise that love is not limited to a passionate feeling towards a place, with reference to the previous discussion, but can also be characterised as a special bond between a consumer and the object.

3.3 Stereotypes

If consumer affinity is built upon knowledge and an understanding of the target country based on previous experiences (Oberecker et al., 2008), stereotypes are oversimplified views of a country and its people, often based on lack of knowledge (Chakkarath, 2010) that do not consider individual differences between people (Bennett, 1998). Both research streams within COO and nation branding recognises stereotypes as a valid and frequent source or antecedent of consumer perceptions of a country's culture and image, in addition to previous experience and knowledge. According to the classical paper by Kotler and Gertner (2002), most country images are based on stereotypes, and Chattalas and Takada (2013) also empirically show that COO effects on product expectations are driven by national stereotypes. In recent years, authors have tried to give more theoretical depth to the COO research and discussion by seeing COO cues as stereotypes (see e.g. Chattalas & Takada, 2013; Halkias, Davvetas, & Diamantopoulos, 2016; Martin, Lee, & Lacey, 2011) and therefore answer to the aforementioned critique that the COO research often suffers from lack of theory.

A stereotype is a cognitive construct and defined as a preconceived generalisation or extreme oversimplification of the characteristics of a social group shared by many, and is applied on every member that belongs to the social group in question (Chakkarath, 2010; Kotler & Gertner, 2002). Hence, individual differences are not considered. In practice, this means that if you believe that Finnish people are shy and introvert, every time you meet someone from Finland you will automatically judge that person as shy and introvert. This would be an example of what Bennett (1998) calls a deductive stereotype that occur when we assume that abstract cultural generalisations apply to every single individual in a specific culture. The other option would be inductive stereotypes when we assume that a generalisation based on a small sample is applicable to every individual in the group. Lastly, stereotypes might even be based on exceptions, not on patterns, or on impressions rather than facts (Kotler & Gertner, 2002) and be created suddenly, because of an unexpected event, or developed over centuries. For the sake of clarity, stereotypes can of course also apply to objects, countries and events, not just people (Chakkarath, 2010; Halkias et al., 2016). A stereotypical belief about a country can therefore also transfer to product perceptions and evaluations (Herz & Diamantopoulos, 2013).

Normally, stereotypes are created with poor knowledge and information about the object that is being judged, resulting in false, misleading and even unfair conclusions (Chakkarath, 2010). The normal audience and the public can even be regarded as having more stereotypical opinions since they do not necessarily keep up to date with the development in other parts of the world, in comparison to journalists, politicians etc. (Hakala et al., 2013). Interestingly, Chen et al. (2014) hypothesised and found that people experiencing positive affect often rely on stereotypes when forming judgements, while people with negative affect are more cautious and concentrated on concrete product attributes. But in general, stereotypes are regarded as mental short-cuts that people use to process information and make decisions, especially in low-involvement situations (Kotler & Gertner, 2002). Kotler and Gertner (2002) talk about a confirmation bias that makes people sloppy with evaluating and taking in new information that do not correspond with or confirms their expectations. People simply prefer to adjust what they see to what they know and disregard information that challenges their knowledge (Kotler & Gertner, 2002).

A stereotype can further be hard to eradicate and become long lasting (Dimitrova et al., 2017), especially if the stereotype is negative. And stereotypes are indeed most often treated as negative and then seen as an opinion people hold about things that are a part of their out-groups. Naturally, a stereotype would become more positive in the opposite situation – if the group is perceived as part of one’s in-group. Martin et al. (2011) looked deeper into how countries with a negative COO perception could overcome and counteract negative stereotypes and how COO stereotypes are automatically activated. They found that stereotypes are activated by the mere exposure to a COO cue and outside the participants’ conscious awareness. However, negative stereotypes were found to be attenuated by the use of positive mental imagery that highlights what the authors call “counterstereotypical associations” (Martin et al., 2011).

Comparing a stereotypical view of poor knowledge, with an affinity based view based on knowledge, I hypothesise that people with weak knowledge of the target country will show lower levels of consumer affinity, but stronger overall stereotypes. This will in turn affect their behaviour and evaluation towards products and brands from the target country.

H5: Consumers with weak knowledge about and familiarity with the target country have stronger evaluations of country stereotypes

3.3.1 Different stereotypes

A popular way to study stereotypes is by using the stereotype content model (SCM) developed by Fiske, Cuddy, Glick, and Xu (2002) who distinguish between two kinds of stereotypes based on perceived competency and perceived warmth. The SCM model is seen as an important advancement in the stereotype research field. The competence dimension of SCM is connected to capability, efficiency, confidence, independence and intelligence of the judged social group, while warmth refers to factors such as friendliness, kindness, sincerity, good-nature and trustworthiness (Fiske, Cuddy, & Glick, 2007; Fiske et al., 2002). Even though a group can be perceived as having a mix of the two dimensions, groups usually only score high on one dimensions, not high or low on both competence and warmth (Fiske et al., 2002). Hence, a group may be considered very friendly but not that capable, while another group can be regarded as very capable and efficient but

lacking warmth. Only groups that are perceived as allies or a part of one's in-group score high on both dimensions (Chattalas et al., 2008; Henri Tajfel, 1981). Cuddy, Fiske, and Glick (2008) also note that a high level of warmth may generate feelings of liking for a specific country, that in turn could generate positive attitudes towards the country's products. Diamantopoulos, Florack, Halkias, and Palcu (2017) on the other hand differentiate between explicit (direct) and implicit (indirect) stereotypes to measure the impact on consumer preferences for brands with different country origins. Traditionally explicit measurements (self-reports) have been used in research on country stereotypes, but implicit stereotypes ("latent" country associations) was found to indeed be able to predict consumer response (Diamantopoulos et al., 2017). The authors point is that if research ignores the presence of indirect stereotypes – that the respondent might not be fully aware of – the result will turn out as biased.

Herz and Diamantopoulos (2013) also highlight the need to address different kinds of stereotypes, but they distinguish between emotional and functional stereotypes and their influence on cognitive and affective brand evaluations. The results showed as hypothesised that the level of influence of stereotypes on consumer evaluation very much depends on what kind of stereotype that is activated by the COO cue. Functional stereotypes have a stronger impact on cognitive evaluations, and emotional stereotypes on affective evaluations (Herz & Diamantopoulos, 2013). Interestingly, the authors also found that there needs to be a match between the stereotype and the advertising format to improve purchase intentions or WoM. For example, a mismatch would be combining Germany – as a functional stereotype – with an emotional advert. Hence, it is better not to evoke the COO cue at all, rather than communicate it in a way that do not resonates with the traditional country stereotype, since a mismatch can result in a decreasing COO effect (Herz & Diamantopoulos, 2013). Chattalas and Takada (2013) also exemplify the importance of category when evaluating stereotypes and their effect on customer expectations by, once again, comparing Germany and Italy which are both very similar in terms of socioeconomic development and educational standard. Despite this, the consumer will probably be more likely to think about Germany when asked to mention a country that excels in high-tech engineering. Italy on the other hand will be the top of people's minds in terms of high-touch fashion, even though

Germany too can flaunt with successful high-end designers as Karl Lagerfeld and Hugo Boss (Chattalas & Takada, 2013).

3.4 The need to consider category

The discussion on stereotypes revealed the value of identifying that different types of stereotypes will affect the consumers in separate ways depending on context and category. I also saw the same tendencies in the discussion on COO, where context or category played a significant part in the results presented by several researchers.

The examples in the previous section talk about functional and emotional stereotypes that are projected on countries and subsequently towards the products originating from the country. Another way of looking at categories is to focus on the consumer needs that create brand meaning. Park, Jaworski, and Macinnis (1986) introduced the brand concept management (BCM) framework to categorise products based on conspicuous, functional and experiential traits. The authors distinguish between functional, symbolic and experiential consumer needs that takes both external and internal factors into consideration. Consumers with functional needs seek to solve or prevent a current or potential, and externally caused problem (Park et al., 1986). Symbolic needs are, on the other hand, linked to a need of enhancing the self, the social position, or image (Park et al., 1986). And finally, experiential needs are internally generated and consumers with these kind of needs seek variety, have a desire for pleasure or cognitive stimulation (Park et al., 1986). Park et al. (1986) use the categories to determine the image of the brand, not as absolute product classes. Even though the different categories are different in terms of origins and objectives, one brand can in theory be positioned as both functional, symbolic and experiential, even though Park et al. (1986) suggest that this kind of complex image will not be easily manageable by the company or easily understood by the consumer.

Functional needs can also be referred to as personal values that are internally motivated as personal satisfaction, and perfectionism including aspects as quality that helps reduce risk (Amatulli, Guido, & Natarajan, 2015). In these cases, consumers seek the functional utility aspect of products (Roux, Tafani, & Vigneron, 2017). The social need is linked to the discussion on in-groups and out-groups since a brand with a symbolic concept (or a person with symbolic needs) aspire to

associate the self with a desired group, role or image (Park et al., 1986). Symbolic needs can also be described as interpersonal values that are mainly socially motivated such as conspicuousness, social value and uniqueness. These interpersonal concepts are highly linked to materialism, also seen as a value, where consumers through conspicuous consumption and material possessions aspires to enhance the self and hence the social status (Kilbourne, Grünhagen, & Foley, 2005).

Another way of classifying product categories is by referring to the utilitarian and hedonic attributes. This classification is, just as functional, symbolic and experiential attributes, generally used in consumer research. Utilitarian dimension of a product comes from the exact functional benefit of the product, while the hedonic dimension derives from the sensation of the user experience (Voss, Spangenberg, & Grohmann, 2003). Chitturi, Raghunathan, and Mahajan (2008) explain in line with previous research (Batra & Ahtola, 1991) utilitarian benefits as the functional instrumental and practical dimensions of a product, and the hedonic benefits as the aesthetical, experiential and enjoyable dimensions. As an example, a chair can be seen as utilitarian because you can rest your legs, but as hedonic if you consider the colour or the actual design of the chair. Looking at the definitions of hedonic and utilitarian, and comparing them to the dimensions of functional, symbolic and experiential, one sees that they represent the same benefits for the consumer. Functional and utilitarian benefits are interchangeable concepts, the same counts for symbolic and experiential which are equivalent to hedonic benefits.

As for consumer behaviour, I hypothesise that consumers that have a strong perception of the target country as having high competence, will also have a more favourable view on brands that satisfy their utilitarian needs. The same would then account for countries perceived as being very warm, which would then possess a more favourable evaluation when it comes to products with a symbolic meaning.

H6: Consumers with a stereotypical view of high competence will evaluate utilitarian products more favourably

H7: Consumers with a stereotypical view of high warmth will evaluate hedonic products more favourably

Nes et al. (2014) mentioned in their recommendation for future research on affinity that it is relevant to integrate category as a variable in order to establish a potential relationship with the affinity effect. When Nes et al. (2014) and Oberecker and Diamantopoulos (2011) tested the affinity effect they included evaluations of products in general in their study. But, a country can be evaluated as experts or highly ranked in one product category but not in another, a so called product-category effect (Cleveland, Papadopoulos, & Laroche, 2011; Cleveland, Rojas-Méndez, Laroche, & Papadopoulos, 2016; Kotler & Gertner, 2002; Pappu, Quester, & Cooksey, 2007; M. Roth & Romeo, 1992). One can assume that products that are conspicuous or symbolic (cars, apparel, jewellery) and have a social meaning for the consumer, will be, as Nes et al. (2014) calls it, “*susceptible to affinity influence*”. This corresponds with the suggestion made by Pappu et al. (2007) that COO may serve as a more important cue for the customer the more conspicuous or visible the product is. For example, the COO of a car is more important than that of a television, because a car is more visible to others and is a product that in a higher extent is a carrier of status (Pappu et al., 2007). Furthermore, Bian and Forsythe (2012) argues that emotional bonds can explain the reason why consumers are willing to pay a premium price for products that on a functional level gives the consumer the same benefits as products with lower prices. M. Roth and Romeo (1992) found that the COO effect is more relevant for performance products (cars, electronics) than for personal products (cosmetics, clothes). I therefore hypothesise that affective brand evaluations will be more favourable for products that represents a symbolic or hedonic need, rather than a functional need.

H8: Consumers with high affinity is more likely to evaluate hedonic products more favourably

4. Methodology

In this section I will go through the methodology used to gather the data necessary to answer my proposed research question and find support for the hypotheses. The methodology part includes descriptions of the research design, pre-tests, questionnaires, and how I finally performed the data analysis.

As for collecting the data used for the analysis, I chose to conduct surveys divided into two pre-tests and one main questionnaire. The form of the surveys were self-administered questionnaires where the overall aim is to estimate characteristics of a population through samples by asking questions concerning experiences, opinions or other aspects (Fowler Jr, 2013). Questionnaires are an efficient way of collecting the number of responses needed in a qualitative research setting, when the study is not heavily focused on exploratory research and the questions are standardised between participants (Saunders, Lewis, & Thornhill, 2009). Another benefit with self-administered questionnaires, according to Dillman (2007), is that the risk of the respondents giving more socially desirable answers in order to please the researcher reduces since the questionnaire is anonymous and without interference of others. At the same time, Saunders et al. (2009) note that questionnaires often are used as the default technique without consideration of other more appropriate methods for collecting data, e.g. when secondary data are available or in-depth interviews would be more useful. Since my research is deductive and descriptive in nature, rather than exploratory, as described by Saunders et al. (2009), a questionnaire is a sound strategy. The objective in line with the research question is to find differences in consumer behaviour between brand categories and consumer groups depending on perceived attitude and affinity towards the target country.

However convenient and efficient a survey design might be, it comes with drawbacks and potential errors that need to be considered already in the initial planning stages of the research. Steps to reduce survey errors has been done in terms of sampling, coverage, measurement, and nonresponse error, as explained by Dillman (2007). All my questionnaires were made with the software Qualtrics and randomly distributed online in different channels and covering people with different backgrounds and demographics; the wording in the questionnaire was tested with a small pilot study to ensure response accuracy and reduce the risk of

misinterpretations and misplaced emphases; all questions was also mandatory to reduce the nonresponse error.

Before continuing to the actual procedure of the data gathering and the content of the questionnaires, I repeat my research objective:

To establish the potential effect that consumer affinity and stereotypes might have in predicting or determining consumer behaviour and preference for Nordic brands among international consumers.

And:

How efficient are consumer affinity and stereotypes in determining consumer behaviour and preference for Nordic brands?

Do these behaviours and attitudes vary between product category?

Does the level of previous knowledge of the Nordics alter this effect?

In order to establish the potential preference for Nordic brands, I decided to use real brands from the Nordic countries, as opposite of creating fictional brands, in my research design. To be able to control for potential effects of pre-existing knowledge about the brands in my final analysis, I added a measurement of the level of familiarity with the brands (Halkias et al., 2016; Steenkamp, Batra, & Alden, 2003).

4.1 Pre-test 1

To identify the brands best suitable for the study, I conducted a pre-test through a survey distributed online in survey circles on Facebook and Reddit. My main objective was to identify brands with a high Nordic flare, as well as brands with a clear position as either functional, symbolic or experiential. 40 brands (appendix 1) from different industries, that in some way market themselves as Nordic e.g. in their marketing activities or brand stories, in line with the research on different COO cues by Aichner (2014), were presented to the respondents. 75 people fully completed the questionnaire.

First, the respondents were asked to indicate which of the brands they were familiar with. Then, they evaluated, on a 7-point scale, to what degree they perceived the chosen brands on the characteristics functional, symbolic and experiential, as well as to what degree they found the brands being Nordic. In other words, the participants were only given the chance to evaluate the brands that they had knowledge of from before. Each question was accompanied by a description of what characterises and defines functional vs symbolic vs experiential brands (appendix 2) and products to make sure each respondent evaluated the brands in the same manner and with the same understanding of the underlying concept of brand and product categories to reduce validity problems.

4.1.1 Pre-test 1 results

Unfortunately, the results did not identify a very clear pattern, and a brand strongly perceived as e.g. being functional, was not necessarily perceived as specifically Nordic or vice versa. For many brands, familiarity was additionally very low.

However, I could see some tendencies, and especially the Swedish furnishing company IKEA, Norwegian airline Norwegian, Norwegian cruise line Hurtigruten, Danish Michelin-star restaurant Noma, Swedish outdoor apparel company Fjällräven, and Swedish car manufacturer Volvo stood out in comparison to the rest. I prioritised high level of Nordicness before category attributes since the main aim of my research objective is to study the COO effect. All six brands had a high level of perceived Nordicness (median >5), but with some inconsistencies regarding brand characteristics. As an example, IKEA was perceived as both highly functional, symbolic and experiential, while Noma scored high on both symbolic and experiential.

Table 3. Pre-study 1. N=75. Mean and Std. deviations for product characteristics.

	Norwegian		IKEA		Hurtigruten		Noma		Fjällräven		Volvo	
	M	SD	M	SD	M	SD	M	SD	M	SD	M	SD
Functional	5.57	1.56	5.77	1.48	4.33	2.89	5.25	1.26	5.17	1.47	5.43	1.43
Symbolic	5.63	1.64	5.89	1.70	6.33	2.08	6.50	2.38	6.65	1.46	6.12	1.55
Experiential	4.20	1.67	4.73	1.67	7.00	0.00	5.75	2.50	5.24	1.68	4.59	1.52
Nordic	6.65	0.75	6.62	1.03	6.67	0.58	5.50	1.73	6.29	1.05	4.33	2.40

4.2 Pre-test 2

To confirm the results from Pre-test 1, I initiated a second pre-test, but with modifications. The six brands I identified in Pre-survey 1 was accompanied by shorter company presentations (appendix 3) to help guide the respondents in the right way, regarding product category and Nordicness. The presentations for each brand was clearly focused to highlight either functional, symbolic or experiential brand characteristics. IKEA and Norwegian were framed as functional, Hurtigruten and Noma was framed as experiential, and Fjällräven and Volvo as symbolic. All presentations further highlighted the Nordic heritage in some way or another. The content of the brand presentations, I collected from the brand's own websites, except for Noma due to lack of website content. Instead, I used review articles from The Guardian, GQ and Bloomberg to describe Noma.

In order to keep the conditions as exact as possible, I provided the respondents with the same definition of functional, symbolic and experiential brands and products as I used in Pre-test 1. A total of 61 responses were collected and I distributed the questionnaire in online survey circles.

4.2.1 Pre-test 2 results

Exactly as in Pre-test 1, the respondents evaluated to what degree they found each brand to be functional, symbolic or experiential, and to what degree they found the brands to be Nordic. This time around, the results turned out to be more distinct. IKEA and Norwegian scored high on functionality, and Hurtigruten and Noma were clearly most experiential, but also scored high on symbolic features. However, Volvo and Fjällräven, which in Pre-survey 1 was clearly perceived as symbolic, now were more functional, despite the brand presentations highlighting symbolic features. The brand presentations for Volvo and Fjällräven I subsequently removed for the main survey since they did not provide consistent results. Since Hurtigruten and Noma were perceived as both symbolic and experiential, without any real differences between the means in Pre-test 1 and 2, I found it to be more appropriate to classify them as having hedonic benefits (see discussion) rather than making a distinction between symbolic and experiential benefits.

Table 4. Pre-study 2. N=61. Mean and Std. deviations for product characteristics.

	Norwegian		IKEA		Hurtigruten		Noma		Fjällräven		Volvo	
	M	SD	M	SD	M	SD	M	SD	M	SD	M	SD
Functional	5.95	1.40	6.54	0.87	3.20	1.77	3.34	1.67	5.36	1.37	5.75	1.16
Symbolic	3.17	1.83	4.07	1.91	4.53	1.44	5.35	1.51	5.08	1.60	4.93	1.69
Experiential	3.88	1.64	4.08	1.81	5.97	1.47	6.09	1.14	3.66	1.82	4.15	1.63
Nordic	5.50	1.63	5.61	1.76	5.29	1.58	4.31	1.85	4.98	1.60	4.21	2.00

4.3 Main study

To meet the objective of my research questions and hypothesis, for my main questionnaire (appendix 4) I measured consumer affinity and stereotypes as independent variables, and feeling towards buying, purchase intention and feeling towards company as behavioural dependent variables. Familiarity with the Nordic region, number of times visiting, level of previous knowledge was measured as extraneous variables measuring attributes of the respondents. The open end question of spontaneous associations with the Nordic region was further added for exploratory reasons. Demographic variables included age, gender, nationality and occupation.

4.3.1 Measurements

I drew all scales and items from other researchers instead of developing my own measurements from scratch which would be both time consuming and might result in faulty scales. Using scales from previous research is an appropriate strategy as long as the scale measures the right thing, has been previously tested and validated, and that it is being used on a similar group of people that it was originally designed for (Saunders et al., 2009; Schrauf & Navarro, 2005).

4.3.2 Affinity

For the affinity measurement, I drew 20 items from the research done by Oberecker and Diamantopoulos (2011). While the authors further refined their pool of items to 7 items, and left out the extremes to better capture the specific construct of affinity, this research includes all original 20 items with reference to the discussion on brand love that gives support for a broader spectra of emotions felt in interpersonal relationships. The respondents evaluated to what degree, on a Likert scale ranging from 1 (Not at all) to 7 (Extremely), they felt the following towards the Nordic region.

Table 5. Affinity items.

Sympathy	Attachment	Items removed from original model
Pleasant feeling Like Feelings of sympathy	Captivated Feeling attached Love Inspired	Enthusiastic Favourable feeling Happy Admiration Passionate Compassionate Excited Connected Loyal Moved Optimistic Proud Sentimental

4.3.3 Stereotypes

For the section about stereotypes, I drew 13 items from the Stereotype Content Model (Fiske et al., 2007; Fiske et al., 2002). In addition, 7 more items with no direct importance for the final analysis were added as previously done by Aaker, Vohs, and Mogilner (2010). The respondents evaluated to what degree, on a Likert scale ranging from 1 (Not at all) to 7 (Extremely), most people in their own country felt the following towards the Nordic region.

Table 6. Stereotype items.

Warmth	Competence	Filler attributes
Warm Friendly Kind Well-intentioned Good-natured Trustworthy Sincere	Competent Efficient Intelligent Capable Confident Skilful	Admirable Respectful Affectionate Inspiring Prestigious Innovative Reputable

4.3.4 Purchase Intention

In terms of purchase intention (PI), the respondent evaluated five different items with bipolar or opposite objectives.

Table 7. Purchase intention scale.

Would you purchase from company X?	Never – Definitely Definitely do not intend to – Definitely intend to Very low purchase intent – Very high purchase intent Definitely not buy it – Definitely buy it Probably not buy it – Probably buy
---	---

4.3.5 Feeling towards brand and buying

For measuring attitude, semantic differential rating scales are commonly used (Saunders et al., 2009). Feeling towards the company/brand (CE) and towards buying the products (FB) was measured using a rating scale and a feelings thermometer ranging from 0 (very negative) to 10 (very positive).

Table 8. Feeling towards brand and buying scales.

Describe your overall feelings towards company X.	Unappealing – Appealing Bad – Good Unpleasant – Pleasant Unfavourable – Favourable Unlikable – Likable
How do you feel about buying products from company X?	0=very negative, 5=neutral, 10=very positive

4.3.6 Familiarity and knowledge

For the second part, the respondents were asked about their familiarity with the Nordic region, level of knowledge, and their main sources of knowledge. An open end question was finally included where the respondents were to write down the first thing that comes to their mind when thinking about the Nordics.

Table 9. Familiarity and knowledge scales.

How familiar are you with the Nordic region?	Extremely familiar Very familiar Moderately familiar Slightly familiar Not familiar at all
How would you evaluate your knowledge of the Nordic region?	Excellent Good Average Poor Terrible
How many times have you visited the Nordic region?	I have never visited 1 time 2 – 4 times 5 times or more I live or have lived in the Nordic region

Which of the following alternatives is your main source of information about the Nordic region?	Newspapers/media Entertainment/music/movies Celebrities/politicians/influencers/bloggers Friends/relatives Travels
When you think about the Nordic region, what comes first to your mind?	

4.3.7 Demographics

The last section of the survey included demographics such as age, gender, nationality and occupation.

Table 10. Demographic items.

Age	Under 18 ... 85 or older
Occupation	Student Employed Unemployed Retired
Nationality	
Gender	Male Female Other

4.4 Procedure

Before distributing the questionnaire, I conducted a small pilot study with two people (Finnish and Peruvian) to help ensure face and content validity as suggested by Saunders et al. (2009), by making sure the questions fulfil the purpose of the study, the instructions are clear, and finally check for possible misinterpretations and spelling errors.

After a final review of the questionnaire, I distributed the questionnaire online on Facebook and Amazon Mechanical Turk to gain a sample of respondents as diverse as possible, both in terms of age, nationality and occupation. In the initial stages of the survey, the respondents were asked to participate in a study concerning brand awareness in the Nordic region and it was made clear that only people that do not hold a citizenship from any of the Nordic countries were welcome to take part. I also confirmed this by adding a mandatory question of nationality in the end of the survey. To be able to compare the results between respondents and draw statistically valid conclusions, the measurement was standardized across all respondents, with some randomization in the order of questions.

4.5 Sample

In total, 158 responses were recorded, but due to unrealistic time of completion, 12 responses were deleted. The main data analysis therefore included 146 responses that were fully completed, resulting in 584 evaluations of the four brands. The sample consisted of 45.2 percent males, and 54.8 percent females. The majority were between 18 and 44 years old (87.7 percent), with an average age of around 37 years. 32.9 percent identified themselves as students, 55.5 percent as employed. As for nationality, the largest groups were Europeans and North Americans. Nationality was missing for 5 respondents (3.4 percent), however, these respondents identified themselves as “white”.

Table 11. Demographics of respondents. N=146.

Item	N=146	Metric (%)
Gender	Male	45,2
	Female	54,8
Age	Under 18	0,7
	18 – 24	23,3
	25 – 34	47,3
	35 – 44	17,1
	45 – 54	3,4
	55 – 64	4,8
	65 – 74	3,4
	Average	37
Occupation	Student	32,9
	Employed	55,5
	Unemployed	8,9
	Retired	2,7
Origin	Europe	39,7
	North America	44,7
	Asia	8,5
	Pacific	2,8
	Africa	0
	South America	4,3

5. Results

5.1 Independent variable

Since the measurement for affinity in this study includes more items than Oberecker et al. (2008) used in their final model, I first performed an exploratory factor analysis, or principal component analysis (PCA) to explore the relationship between all the variables and see if there are reasons to believe that the scale for affinity should be further developed.

A requirement for performing the factor analysis is to check the existence of correlation between the variables. Bartlett's test for sphericity showed a P-value equal to .000 (<.05), while the Kaiser-Meyer-Olin measurement of sampling adequacy, KMO-value, was .944. In the anti-image matrix all values were close to 0. Hence, the analysis is meaningful. After an orthogonal Varimax rotation, two factors showed an eigenvalue above 1, and together explained 65.01% of the variance. The scree plot also confirmed a two-factor solution. Because of the relatively small sample size (N=146), factor loadings of .45 (at the .05 level) was accepted (Janssens, De Pelsmacker, Wijnen, & Van Kenhove, 2008). The results showed that 11 variables with a loading >.601 for factor 1, and 9 variables with a loading >.655 on factor 2. All communalities were also above .5, indicating a one-dimensional structure. Based on factor scores, I calculated two new variables for further analysis. The overall affinity median for all respondents was 4.5 (SD=1.19) on a 7-point scale.

Table 12. Principal component analysis, affinity.

Variable	1	2
Feeling attached	.785	.253
Loyal	.777	.329
Sentimental	.768	.15
Love	.755	.407
Moved	.74	.303
Proud	.725	.301
Passionate	.715	.415
Feeling connected	.713	.217
Compassionate	.661	.382
Feelings of sympathy	.632	.276
Excited	.601	.557
Like	.205	.82
Favourable feeling	.17	.815
Pleasant feeling	.321	.811

Feeling of admiration	.263	.787
Happy	.407	.732
Optimistic	.31	.728
Enthusiastic	.45	.679
Inspired	.419	.675
Captivated	.364	.655

As for stereotypes, I repeated the procedure with an initial factor analysis to explore the relation between the measured items, while confirming the existence of two factors for warmth and competence. With a KMO of .92 and a significant alpha (.000) in the Bartlett's test, two factors with an eigenvalue above the value 1 was identified. All 20 items loaded strongly (.594–.839) on one of the two factors, and corresponded with the warmth and competence dimensions developed by Fiske et al. (2007), except for well-intentioned that I consequently excluded in my new variables. When I changed the factors into new variables, one could see that competence had a median of 6 (M=5.67, SD=1.06) and warmth 5 (M=5.08, SD=1.14).

Table 13. Principal component analysis, stereotypes.

Variable	1	2
Competent	.839	.195
Capable	.829	.213
Reputable	.8	.108
Innovative	.77	.055
Intelligent	.765	.267
Skillful	.74	.281
Respectful	.735	.369
Efficient	.701	.173
Well-intentioned	.63	.419
Trustworthy	.629	.422
Admirable	.628	.52
Prestigious	.605	.259
Confident	.596	.292
Inspiring	.587	.442
Warm	.073	.862
Affectionate	.099	.849
Friendly	.224	.809
Kind	.394	.756
Good-natured	.524	.601
Sincere	.426	.594

5.2 Dependent variable

Three dependent variables were included in the model: purchase intention (PI), brand evaluation (BE) and feeling towards buying (FB). To validate the consistency of the multiple measurements of the variables, I performed a factor analysis. The KMO (.905) and Bartlett's test for sphericity gave a significant alpha of .000 for overall evaluation of Nordic brands. As predicted, two factors had an eigenvalue above 1 with a total variance of 80.2%. The factor loadings for every item ranged between .755 – .894, which are considered very high (Janssens et al., 2008). Thereafter, I calculated the mean of each factor for every product category using the factor scores and stored them as a new variable to be used in the upcoming analysis.

5.3 Manipulation checks

For each brand, the respondents had to indicate to what degree they found the brand in question to be utilitarian, hedonic, and Nordic, based on the given company descriptions. For the product characteristics, I gave the respondents a definition of utilitarian and hedonic features. Just as Chattalas and Takada (2013) made use of utilitarian and hedonic features in their research, the main point provided to the respondent was that *“utilitarian products are mainly motivated by goal-oriented consumption”*, while *“hedonic products are mainly motivated by pleasure-oriented consumption”*. The items were measured on a 7-point scale from not at all (1) to extremely (7) given the question to what degree they found brand X being one of the mentioned characteristics. Manipulation checks for perceived Nordicness proved to be effective since every brand had a median value of ~5 or higher. The manipulation was also confirmed for brand characteristics. The utilitarian framed brands IKEA (M=6.40, SD=.88) and Norwegian (M=5.97, SD=1.20) were depicted as more utilitarian than Hurtigruten (M=5.31, SD=1.48) and Noma (M=5.55, SD=1.54) (table 14).

Table 14. Main study. N=146. Mean and Std. deviations for product characteristics.

	Norwegian		IKEA		Hurtigruten		Noma	
	M	SD	M	SD	M	SD	M	SD
Utilitarian	5.97	1.20	6.40	0.88	3.78	1.79	3.54	1.74
Hedonic	4.3	1.86	4.43	1.82	5.31	1.48	5.55	1.54
Nordic	5.82	1.24	6.19	1.12	5.25	1.53	4.98	1.68

Before looking into the hypothesis and the corresponding results, I will go through some numbers related to the overall consumer evaluation of the Nordic region and brand in terms of attractiveness and purchase intention.

In the first part of the survey, the participants were asked to evaluate on different scales their attitude and behavioural intentions towards Nordic brands and products. Overall the results suggest a very high level of positive attitudes. Let me present a couple of evidence that support this statement.

When the participants were asked to indicate how they felt about the idea of buying products (FB) from the Nordic region, the median was 7 on a 10-point scale (very negative (0), neutral (5), very positive (10)). When asked to describe their overall feelings about Nordic brands measured on five items, the median was consistently 6 on a 7-point scale for all items. For overall purchase intention of Nordic products, the median ranged from 5 to 6 on a 7-point scale for the five measurable items (appendix 5).

As for level of the self-reported general knowledge about and familiarity with the Nordic region, the overall level of knowledge was quite high (appendix 6). 76 percent reported to have a good level of knowledge or higher about the Nordic region. 66.4 percent said to be moderately familiar or more with the region. 59.6 percent had sometime personally visited the region, and finally, and 41.1 percent listed their main source of knowledge to be travels or friends and relatives classified as personal affinity.

5.4 Analysis of Hypotheses

Moving on to the proposed hypothesis, linear regression was used, instead of the frequently used ANOVA in all cases expect for H2. A common approach and one research tradition has been using dichotomization (or median splits) together with an ANOVA to deal with continuous independent variables and to divide the respondent into different groups, often categorised as “high” or “low” on a specific trait. The simplicity of this method and the straightforward approach to interpret the results has led to a situation where many researchers are reluctant to perform other more suitable and appropriate measurements (Fitzsimons, 2008). In the commentary article *Death to Dichotomizing*, Fitzsimons (2008), argue for why

regression is to be preferred before median splits and ANOVA, which is seen as highly problematic. The main point is that dichotomization, or splitting the continuous variable into two categories, will reduce the statistical power that is available to test the hypothesis, as well as lead to misleading results if there is a correlation between the independent variables (Fitzsimons, 2008). In clear text, the problem lies in the assumption that people above the median are assorted into the “high” group, irrespective of if they have a score just above the median or very much above the median, when in reality a person slightly above the median might have more in common with the person slightly under the median, than with the person very well above the median.

In response to the above, Iacobucci, Posavac, Kardes, Schneider, and Popovich (2015) made a case about the appropriateness of dichotomizing the independent continuous variables and using ANOVA under the condition that there is no evidence of multicollinearity and when the researcher explicitly is more interested in group differences, rather than individual differences. Hence, dichotomization will not lead to any misleading results if these requirements, in addition to a large sample size, are filled. The authors therefore gave a green light to the use of median splits for those researchers who feel more comfortable using ANOVA than regression.

Rucker, McShane, and Preacher (2015) was however not convinced with the arguments put forward by Iacobucci et al. (2015), stating again that the reason why researchers tend to prefer ANOVA and median splits is just a question of unfamiliarity with analysing regression and that there are basically no argument for why ANOVA and dichotomization would be superior to regression. The authors further elaborated and provided evidence for why regression should be the standard procedure in research that involves continuous variables. They conclude that regression will always be more informative and provide results with more statistical power, keep individual variation between respondents, while reducing the risk of making Type I and II errors (Rucker et al., 2015).

With regard to the above, I chose to continue with the analysis using regression not to compromise the statistical power of the data, and to keep individual differences

between respondents intact. I will now move forward with the data analysis and test the hypothesis presented in the theoretical discussion.

5.4.1 Affinity, stereotypes and knowledge

H1: Consumer affinity has a positive effect on consumer brand evaluation and purchase intention

To test H1, I ran a linear regression analysis on the impact of affinity on consumer purchase intention (PI), brand evaluation (BE), and overall feeling towards buying (FB) Nordic brands. Affinity including all 20 dimensions ($\beta=.425$, $p=.000$) were found to positively affect PI, with an overall model fit of $R^2=.211$. For BE including, affinity including all 20 dimensions, the effect was also significant ($\beta=.362$, $p=.000$), $R^2=.146$, as well as FB ($\beta=.639$, $p=.000$), $R^2=.156$. Reducing the affinity measurement to the 7 dimensions of sympathy and attachment used by Oberecker and Diamantopoulos (2011) the results show a significant effect on PI ($\beta=.384$, $p=.000$), $R^2=.177$, and on BE ($\beta=.363$, $p=.000$), $R^2=.152$.

When controlling for previous knowledge, consumer affinity still has a significant and positive effect on behaviour. For PI the effect was reduced but still significant ($\beta=.390$, $p=.000$), $R^2=.229$, and for BE the effect ($\beta=.342$, $p=.000$), $R^2=.147$ remained relatively the same as before. The effect of the control variable was not significant.

Hypothesis H1 is supported.

When comparing the results, however, it is clear that the effect size of affinity on consumer behaviour will increase with the number of affinity dimensions for purchase intention, while the opposite holds for brand evaluation. Hence, more scale items will not necessarily improve the size of the model fit, but this seems to vary with the dependent variable.

Table 15. Regression analysis. Dependent variable: Consumer affinity (20 dimensions). Unstandardized beta coefficients, standard error in brackets.

Purchase intention	.425*** (.07)			.390*** (.069)	
Brand evaluation		.362*** (.07)			.342*** (-.074)
Feeling towards buying			.639*** (.12)		
Previous knowledge				.173 (.084)	.095 (.089)
Intercept	3.511** *	3.971** *	4.423** *	3.124** *	3.757** *
	(.32)	(.33)	(.55)	(.364)	(.389)
N	146	146	146	146	146
R ² (adjusted)	.211	.146	.165	.229	.147

***=p<.001 **=p<.01

*=p<.05

H2: Personal (normative) knowledge of the target country is a stronger (weaker) determinant of consumer affinity

The majority of the respondents reported that their main source of knowledge of the Nordic region came from second sources such as media or celebrities (N=86), compared to those who had gained knowledge from idiosyncratic, or personal, sources such as vacations or family (N=60). There was no correlation between source of affinity (personal/normative) and level of affinity, considering both affinity in general, sympathy and attachment. I also compared the affinity means for normative and personal affinity. Even though the group means for personal (M=4.65, SD=1.14) and normative (M=4.46, SD=1.23) differed in a first analysis, an independent samples t-test showed no significant difference between the means (t=.925, p>.05).

I reject hypothesis H2.

Table 16. Correlation matrix.

	1	2	3	4	5	6	7	8	9	10
1	1									
2	,652**	1								
3	,576**	,490**	1							
4	,597**	,470**	,966**	1						
5	,663**	,505**	,882**	,922**	1					
6	,502**	,406**	,939**	,966**	,791**	1				
7	0,044	0,146	-,203*	-,228**	-0,15	-,260**	1			
8	0,013	,171*	-,260**	-,272**	-,208*	-,291**	,739**	1		
9	0,096	,282**	-0,126	-0,162	-0,11	-,183*	,608**	,663**	1	
10	0,002	,228**	-0,077	-0,141	-0,136	-0,133	,348**	,350**	,483**	1
Mean	5.51	4.96	4.54	4.69	5	4.45	1.83	2.03	3.37	1.59
SD	1.06	1.14	1.19	1.21	1.19	1.34	.98	1.07	1.65	.49
Skewness	-1.08	-.92	-.41	-.5	-.77	-.34	-.32	-.06	-.43	-.37
Kurtosis	1.73	1.38	.24	.19	.89	-.26	-1.33	-1.43	-1.46	-1.89

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Off-diagonal entries represent the average sample-size-weighted correlation (*r*) values. Entries on the diagonal reflect sample-size-weighted mean reliabilities (Cronbach's α).

1. Stereotype Competence
2. Stereotype Warmth
3. Affinity all items x20
4. Affinity reduced x7
5. Affinity Sympathy
6. Affinity Attachment
7. How familiar are you with the Nordic region? (1=high, 5=low)
8. How would you evaluate your knowledge of the Nordic region? (1=high, 5=low)
9. Recoded variable for number of time visited the Nordic (1=Live, 5=never)
10. Personal/Normative affinity (1=personal, 2=normative)

H3: Consumers with strong (weak) knowledge about and familiarity with the target country will have higher (lower) levels of consumer affinity.

There is a correlation between level of affinity and familiarity ($p=.001$) and knowledge ($p=.002$) of the Nordic region. The negative correlation in the table is explained by the reversely coded variables, meaning that the lower the familiarity

and knowledge, the lower the affinity. Regression analysis also showed significant positive relationship between familiarity and affinity ($\beta=.295, p=.001$) with a model fit of $R^2=.064$, and for knowledge ($\beta=.305, p=.002$), $R^2=.056$. Hence, the level of consumer affinity will increase with level of familiarity and level of knowledge.

Hypothesis H3 is supported.

Table 17. Regression analysis. IV Familiarity and knowledge. DV Consumer affinity. Unstandardized beta coefficients, standard error in brackets.

Familiarity	.295*** (.09)	
Knowledge		.305** (.098)
Intercept	3.662** * (.28)	3.573** (.29)
N	146	146
R ² (adjusted)	.064	.056

***= $p<.001$ **= $p<.01$ *= $p<.05$

H4: The level of affinity is not dependent on number of touchpoints with the target country.

The correlation matrix showed no significant results for number of times visited the Nordic region and level of affinity. This would imply that you do not necessarily need to have visited the Nordic region to develop affinity, and people that have visited the Nordic countries more frequently do not necessarily report higher levels of affinity in general. An independent samples t-test further showed no significant differences ($p>.05$) in group mean between people who had visited the Nordic region just once ($M=4.73, SD=1.26$), and those who had visited the region 2-5 times ($M=4.94, SD=1.03$), or had lived there ($M=4.58, SD=1.16$). The only significant difference in group means ($t=-2.45, p=.015$) was found between those who had never visited the Nordic region ($M=4.25, SD=1.21$) and those who had ($M=4.73, SD=1.14$).

A regression analysis neither found a significant effect on number of visits and affinity ($\beta=.091, p=.13$), $R^2=.009$. The final results suggest that actual visits do

lead to higher affinity, but that the level of affinity is not dependent on number of visits to the target country.

Hypothesis H4 is supported.

Table 18. Regression analysis. IV Number of times visiting the Nordic region. DV Consumer affinity. Unstandardized beta coefficients, standard error in brackets.

Number of times visited	.091 (.06)
Intercept	4.3 (.19)
N	146
R ² (adjusted)	.009

***= $p < .001$ **= $p < .01$ *= $p < .05$

H5: Consumers with weak knowledge about and familiarity with the target country have stronger evaluations of country stereotypes

The correlation matrix showed no correlation between competence stereotypes and knowledge, familiarity, or number of visits to the Nordic region. There is a correlation for warmth stereotypes, knowledge and number of visits. Yet, the relationships were not statistically significant in a regression analysis for neither warmth and familiarity ($\beta = -.154$, $p = \text{ns}$), $R^2 = .014$, and knowledge ($\beta = -.155$, $p = \text{ns}$), $R^2 = .011$.

I reject hypothesis H5.

5.4.2 Category

Moving on to the hypothesis concerning category, I first analyse the data to see if there is an overall difference between consumer preference for the Nordic region and product category. Since the respondent groups are related, not independent, I used a within-subjects, one-way ANOVA to compare the means for purchase intention and brand evaluation between product category and see if the variation between the means is significant.

First I treated each brand as a separate entity and the results showed a statistically significant difference between product category for purchase intention, Wilks' Lambda = .482, $F(3,143) = 51.158$, $p = .000$, and for company evaluation, Wilks' Lambda = .824, $F(3,143) = 10.16$, $p = .000$. In order to avoid individual brand differences, I ran the analysis again, but this time combining the brands two and two (utilitarian and hedonic) to make a clearer distinction between the two product categories. The results for purchase intention Wilks' Lambda = .561, $F(1,145) = 113.435$, $p = .000$, and for company evaluation Wilks' Lambda = .932, $F(1,145) = 10.658$, $p = .001$

Table with all PI, BE and FB. Highest purchase intention the utilitarian brands IKEA ($M=6.1$, $SD=1.16$) and Norwegian ($M=5.36$, $SD=1.28$) have.

A follow up pairwise comparison with a Bonferroni post hoc test, revealed that the difference between brand means for purchase intention are significant ($p = .000$) for both product categories. The results thereby support the overall assumption made in the theoretical discussion that purchase intention will be different depending on product category. However, while there was not a significant difference between the hedonic brands Hurtigruten and Noma ($p = .208$), there was a difference between the two utilitarian brands Norwegian and IKEA ($p = .000$).

For company evaluation, the same pairwise comparison with a Bonferroni post hoc test, revealed a significant difference between IKEA and Norwegian ($p = .001$), Hurtigruten ($p = .003$), and Noma ($p = .000$). But, simultaneously, there was neither a difference between means for Norwegian, Hurtigruten ($p = ns$) and Noma ($p = ns$), nor between Hurtigruten and Noma ($p = ns$).

In conclusion, the assumption that there are differences in purchase intention and brand evaluation between product category holds. But when measuring the differences between brands, rather than the overall mean for the category, not all means are significantly different. Only when I compare the overall categories of utilitarian and hedonic brands, the means are significantly different both for purchase intention and brand evaluation.

Now when I know that there is a category effect, I will continue analysing the data for hypothesis H6–H8 concerning category.

H6: Consumers with higher stereotypical view of competence will evaluate utilitarian brands more favourably

First of all, the Nordic region was perceived to be more competent ($M=5.51$) than warm ($M=4.96$); ($t=7.21$, $p=.000$). There is also a significant correlation between perceived competence and warmth ($p=.000$).

As for the hypothesis, the independent variable of competence was tested on the dependent variable of brand evaluation (BE) and feeling towards buying (FB) for each category; utilitarian and hedonic. The same procedure was repeated for H7 and H8 with the exception of the independent variable that was changed. For the sake of curiosity, the effect on purchase intention (PI) was also explored.

A regression analysis with competence as the independent variable resulted in significant results, and people reporting high competence evaluation had a positive effect on BE ($\beta=.258$, $p=.001$), $R^2=.084$ for utilitarian brands. For hedonic products, the results also here showed a significant effect on BE ($\beta=.307$, $p=.000$), $R^2=.089$. Perceived competence consequently has a significant and positive effect on both utilitarian and hedonic product evaluation, but the effect is stronger for hedonic brands. For utilitarian brands, FB ($\beta=.418$, $p=.001$), $R^2=.168$, the effect was significant but smaller than FB for hedonic brands ($\beta=.526$, $p=.000$), $R^2=.081$. As for PI, the effect was not significant for utilitarian brands ($\beta=.123$, $p=ns$), while significant and positive for hedonic brands ($\beta=.325$, $p=.001$), $R^2=.088$.

All effects are controlled for pre-existing brand familiarity, but the effect was only significant for utilitarian FB ($\beta=-.612$, $p=.000$), and hedonic PI ($\beta=-.297$, $p=.015$), (the beta is negative because of reversely coded variables, where 1 corresponds with excellent knowledge about the brand, and 5 is equal to no knowledge at all).

I therefore reject hypothesis H6 since the effect was higher for hedonic brands in all cases.

Table 19. Regression analysis. IV Competence. DV Purchase intention (PI), Brand evaluation (BE), Feelings towards buying (FB). Unstandardized b-coefficients, standard error in brackets.

	BE – Utilitarian	BE – Hedonic	FB – Utilitarian	FB – Hedonic	PI – Utilitarian	PI – Hedonic
Competence	.258*** (.072)	.307*** (.076)	.418*** (.120)	.526*** (.138)	.123 (.072)	.325*** (.098)
Intercept	4.712*** (.462)	3.937*** (.571)	6.840*** (.764)	4.119*** (1.032)	6.384** *	4.031*** (.637)
N	146	146	146	146	146	146
R ² (adjusted)	.084	.089	.168	.081	.215	.088

***= $p < .001$ **= $p < .01$ *= $p < .05$

H7: Consumers with higher stereotypical view of warmth will evaluate hedonic brands more favourably

I repeated the above procedure but now with stereotypical warmth as the independent variable. For BE, perceived warmth had a slightly higher effect on utilitarian brands ($\beta = .214$, $p = .002$), $R^2 = .066$, than on hedonic ($\beta = .158$, $p = .033$), $R^2 = .018$. For FB, warmth had a more positive effect on hedonic brands ($\beta = .368$, $p = .006$), $R^2 = .041$, than for utilitarian ($\beta = .345$, $p = .003$), $R^2 = .152$. And lastly, concerning PI, hedonic brands ($\beta = .257$, $p = .008$), $R^2 = .069$ the effect of warmth was higher than for utilitarian ($\beta = .049$, $p = \text{ns}$), $R^2 = .202$. As seen, the effect for purchase intention for utilitarian brands was not significant.

All effects are controlled for pre-existing brand familiarity, but the effect was only significant for utilitarian FB ($\beta = -.678$, $p = .000$), and hedonic PI ($\beta = -.531$, $p = .000$), (the beta is negative because of reversely coded variables, where 1 corresponds with excellent knowledge about the brand, and 5 is equal to no knowledge at all).

Therefore, I can only partly hypothesis H7, since the effect of perceived warmth was only higher for hedonic brands in terms of PI and FB. Worth mentioning is finally that compared to the effects of competence on behaviour and evaluation, the effects of warmth are generally smaller on all dependent variables.

Table 20. Regression analysis. IV Warmth. DV Purchase intention (PI), Brand evaluation (BE), Feelings towards buying (FB). Unstandardized b-coefficients, standard error in brackets.

	BE – Utilitarian	BE – Hedonic	PI – Utilitarian	PI – Hedonic	FB – Utilitarian	FB – Hedonic
Warmth	.214** (.069)	.158* (.074)	.049 (.068)	.257** (.092)	.345** (.114)	.368** (.131)
Intercept	5.176*** (.386)	4.763*** (.556)	6.841*** (.570)	4.469*** (.696)	7.602*** (.638)	5.063*** (.988)
N	146	146	146	146	146	146
R ² (adjusted)	.066	.018	.202	.069	.152	.041

***= $p < .001$ **= $p < .01$ *= $p < .05$

H8: Consumers with high affinity will evaluate hedonic brands more favourably than utilitarian brands

I ran a regression analysis to determine if the level of affinity has a stronger effect on purchase intent, feeling towards company, and overall feeling towards buying for hedonic brands than for utilitarian brands.

The variable of affinity positively and significantly ($p < .05$) predicted PI, BE and FB for both brand categories. PI for utilitarian brands ($\beta = .115$, $p = ns$), $R^2 = .216$ was lower than the PI for hedonic brands ($\beta = .282$, $p = .003$), $R^2 = .079$. The BE for utilitarian brands ($\beta = .192$, $p = .005$), $R^2 = .056$, was larger than for hedonic brands ($\beta = .183$, $p = .014$), $R^2 = .028$. The FB for utilitarian brands ($\beta = .333$, $p = .003$), $R^2 = .151$, was also larger than for hedonic brands ($\beta = .306$, $p = .022$), $R^2 = .025$.

All effects are controlled for pre-existing brand familiarity, but the effect was only significant for utilitarian PI ($\beta = -.489$, $p = .000$), and utilitarian FB ($\beta = -.518$, $p = .001$), (the beta is negative because of reversely coded variables, where 1 corresponds with excellent knowledge about the brand, and 5 is equal to no knowledge at all).

Table 21. Regression analysis. IV Affinity. DV Purchase intention (PI), Feeling towards brand (BE), Feelings towards buying (FB). Unstandardized b-coefficients, standard error in brackets.

	PI – Utilitarian	PI – Hedonic	BE – Utilitarian	BE – Hedonic	FB – Utilitarian	FB – Hedonic
Affinity (20 items)	.115 (.065)	.282** (.092)	.192** (.067)	.183* (.074)	.333** (.111)	.306* (.133)
Intercept	6.456*** (.413)	3.919*** (.791)	5.125*** (.425)	4.365*** (.632)	7.391*** (.700)	4.893*** (1.139)
N	146	146	146	146	146	146
R ² (adjusted)	.216	.079	.056	.028	.151	.025

***=p<.001 **=p<.01 *=p<.05

Conclusively, I see that consumers with higher affinity have higher purchase intent for hedonic brands than consumers with lower affinity. For company evaluation and feeling towards buying, consumer with higher affinity showed slightly higher levels of BE and FB for utilitarian products, but the difference compared to hedonic brands is relatively small.

I therefore reject hypothesis H8.

In total, hypothesis H1, H2, H4 were accepted, H6 and H8 could neither be accepted nor totally rejected due to shifting results, and H3, H5 and H7 were finally rejected.

6. Discussion

The aim of this thesis has been to further explore the effectiveness and implications of the fairly new construct of consumer affinity, and its potential ability to determine or predict consumer behaviour and preference for Nordic brands and products. Additionally, I wanted to compare the consumer affinity effect with that of stereotypes. Because of inconclusive results in earlier research concerning both consumer affinity and COO, I considered product category as a variable that might alter the effect of affinity and stereotypes on consumer behaviour. The level of pre-existing knowledge of the Nordic region was finally considered as a potential determining factor for the level of consumer affinity and stereotypes. A total of 146 respondents from different parts of the world were asked to evaluate four Nordic brands and their attractiveness in order to answer my research questions and find support for my hypotheses. Consumer affinity and stereotypes were measured on a number of dimensions previously used and validated in other research settings. I will first go through the results and discuss them in the light of my theory. Thereafter, I will present managerial recommendations and the main contribution of my research.

6.1 Theoretical implications

My data analysis first of all demonstrates that the level of affinity toward the Nordic region is high, and that consumer affinity does have an effect on both purchase intention and brand evaluation (β ranging from .362 – .639) among international consumers. This implies that the emotional aspect of the COO effect is present and valid. The results confirm the results by Oberecker and Diamantopoulos (2011) who found that consumer affinity has a positive effect on behaviour. The effect was at the same time somewhat stronger for purchase intention than for brand evaluation, which is the opposite of the results of Wongtada et al. (2012) who found a stronger effect for product judgement than for purchasing intentions. In the overall critique against COO one of the arguments against the use of country cues as an underlying dimension has been that it lacks relative importance for the consumers regarding actual buying intentions, and that a potential effect is only present for product or brand judgements (Josiassen & Harzing, 2008; Samiee et al., 2005; J. C. Usunier, 2006). Since my results pinpoint the opposite, it shows that the presence of a foreign country will be relevant on several levels in the consumer decision making process, including evaluations and intentions. An affinity effect that

highlights the influence of emotional attachment, further supports the theoretical discussion on COO as a non-rational and automatic process that the consumer does not have control over or is aware of (Herz & Diamantopoulos, 2013), as opposed to the idea that the COO effect rely exclusively on a cognitive construct (Verlegh & Steenkamp, 1999) that the consumer more or less can control. Hence, consumers do seem to base their decisions regarding consumption on emotions to a significant degree. My research does not directly consider the cognitive aspect of COO, but with reference to earlier research that treats COO as a cognitive construct (Verlegh & Steenkamp, 1999), it seems likely that both emotions and cognition are present in the decision making process, and that they even coexist.

The creation of consumer affinity has been established as originating either from idiosyncratic personal and direct experiences, including family, friends and vacations, or from normative and indirect experiences, e.g. media, bloggers, celebrities and politicians. The general idea in the literature seems to be that consumer affinity would be predominantly evoked by personal experiences (Oberecker et al., 2008) and that the consumer would find direct sources to be more influential and more reliable (Phau & Suntornnond, 2006) than indirect sources. My results however did not present any statistical difference in level of affinity between consumers reporting to have personal experiences with the Nordic region and consumers having gained normative experiences from second or third sources. Thus, there are no evidence that one type of affinity would be more influential than the other, and a blogpost could evoke the same kind of attachment as a recommendation from a family member. Here, I think globalisation and the increased mass mediated market place, briefly discussed in the introduction of my thesis, may play one part in the equation. Today we naturally make use of several different sources because there simply exist a lot of sources, and with that, I believe, we also have become more critically minded regarding information. But this critical thinking also means that we to a higher degree feel comfortable in putting our trust in sources or people that are not necessarily part of our inner circle of family and friends, because we have the capability and knowledge to successfully analyse the trustworthiness and reliability of e.g. a third party. Therefore, there might not be a difference between the influence of normative and personal sources since we might feel equally secure and comfortable with both. Yet Dodd et al. (2005) recognise that the influence of the source will vary from one situation to another. I

consequently find reason to believe that the importance of the affinity source might also be dependent on how the consumer comprehend the situation, and at which stage of the purchasing funnel the consumer sees itself. My research did not explicitly consider different stages of the consumer journey so there is no way of controlling for the effect, but as the theory suggests, the closer the consumer is to actual purchase and spending money on the product, the more important personal sources will be (Dodd et al., 2005). With this logic, impersonal sources would still be valuable at least in the early stages of the consumer journey. Dodd et al. (2005) further mentioned convenience as a variable in the equation, and that consumer will simply find the most convenient source also as the most influential source, regardless of the origin of the source. From a managerial point of view this would quite self-evidently entail that information about the product origin and features should be made available in a way that can be easily retrieved by the consumer to substitute for the lack of available personal sources.

As hypothesised, I found support for that actual visits do lead to higher affinity, but that the level of affinity is not dependent on number of visits to the target country. The number of touchpoints simply did not strengthen the affinity effect. Precisely as Aro et al. (2018) stated that it is possible to fall in love with a destination the first time you visit it, my study shows that one visit might be enough to develop deeper attachment and sympathy for the region. On the other hand, familiarity correlate positively with affinity, and stronger perceived knowledge will therefore result in higher level of affinity. This is confirmed by attachment theory where emotional attachment develops over time where memory plays a significant part of the relation (Thomson et al., 2005). This suggest that knowledge is a prerequisite for emotions, and that the more the consumer knows about a country, the more emotionally attached the consumer will be, in this case positively emotionally attached. In conclusion, one could say that yes, you can develop affinity without any strong knowledge about the target country, but deeper affinity is reserved for those who are more familiar and have gained more knowledge about the target country over time.

As for the relevance of category, even though I found no support for hypothesis H8 that affinity would go hand I hand with favourable evaluations of hedonic products, the differences between the positive and significant affinity effect on utilitarian vs

hedonic brands was relatively small – the affinity effect was slightly higher for brand evaluations for utilitarian brands. Therefore, the idea that brands that contain a symbolic meaning would be more susceptible to affinity influence (Nes et al., 2014) cannot be supported in this study. On the contrary, the results suggest that when a consumer has a deeper emotional bond to the affinity country, there will be no difference in judgement or brand evaluation between categories. Instead all brands, irrespective of category or meaning for the consumer, will be evaluated more favourably if the consumer have affinity for the target country, as evidenced in H1. An underlying reason for the lack of a category effect could also be that consumers having affinity towards a country are internally motivated in their buying behaviour concerning products from the affinity country, instead of externally or socially motivated that traditionally characterises people with hedonic needs. Hence, if a consumer is more internally motivated, the relationship with the affinity country and the affinity culture is more important than status or social visibility. This in turn would explain why there is no direct difference between categories, because all products are symbolic for the affinity country, irrespective of category, and the consumption of all products are a way of maintaining the bond with the affinity country.

When I considered category as having influence over the relationship between stereotypes and consumer behaviour, I found no clear pattern that would have supported my hypothesis that perceived warmth (competence) would have a more positive effect on the evaluation of hedonic (utilitarian) brands. The competence and warmth instead had a significant and positive effect on all dependent variables (consumer behaviour), but for the same independent variable, utilitarian brands could be both the most and the least favoured depending on what was measured. As an example, I found no support or just partly support for hypothesis H6 and H7 since perceived competence – contradictory to my theory and results from other researchers (see e.g. Chattalas & Takada, 2013) – had a higher effect on hedonic brands, instead of utilitarian brands. Similar results I found for perceived warmth where the effect was higher for utilitarian brands in some cases, but not all.

A reason for why the analysis of category resulted in no clear pattern, with effects leaning towards both utilitarian and hedonic brands depending on the dependent variable, might be the fact that there was a correlation between the perceived

competence and perceived warmth of the Nordic region. Perceived competence was significantly higher than warmth but a correlation was still present. This opposes the general idea that groups most often are perceived as being either competent or warm, not both (Fiske et al., 2002). If a group of people score high on both dimensions they have become part of a person's in-group (Chattalas & Takada, 2013) which has been discussed as the foundation of consumer affinity where the consumer develops a sense of being a part of the foreign culture, irrespective of similarities or dissimilarities between one's own culture and the culture of the foreign country (Oberecker et al., 2008). One can even argue that positive stereotypes, as mentioned by Cuddy et al. (2008) mention, can act as a springboard for deeper emotional attachment towards a foreign country, e.g. affinity. Then the stereotype effect on behaviour would not be affected by categories since people with a warm and emotionally based understanding of a country seem to evaluate all products, irrespective of category, more favourably, as evidenced and discussed with regards to hypothesis H8. If a consumer has a positive but stereotypical idea of what the Nordic region represents, those images might very well also stay with that person even though the person gain more knowledge about the region and develops affinity, since stereotypes from the beginning are believed to be hard to erase (Dimitrova et al., 2017). One can of course argue what level of perceived stereotypes can be considered high or low and if people have a high level of stereotypical understanding of the region. In this case, competence had a mean of 5.51, and warmth a mean of 4.96 on a scale from 1 to 7. The category effect is also dependent on what kind of stereotype that is activated (Herz & Diamantopoulos, 2013), but if both stereotypes were activated for the consumers, this would also explain why the results was not consistent with the ideas presented in theory where perceived warmth (competence) would exclusively favour hedonic (utilitarian) products. A clearer pattern might emerge for countries that have more distinct stereotypes and are perceived as either competent or warm. Also, the choice of using real brands could have affected the lack of clear results if the participants did not interpret the brand positioning as extreme as intended. On the other hand, manipulation checks did confirm that the chosen brands had the intended level of both brand characteristics (utilitarian/hedonic) and Nordicness, to give the right data for further analysis.

Still, the perceived dimensions of competence and warmth stereotypes seem to coexist in the minds of international consumers and in the societies where they come from – at least in the case of the Nordic region. But, perhaps it is also an old-fashioned presumption that a country is either one thing or another, warm or competent, and not more multifaceted. As concluded earlier, the consumer of today seems to be quite well-informed, and perhaps therefore the stereotypical assumptions that existed ten or twenty years ago do no longer hold on the global market. It might be that the stereotypes actually have vanished and been replaced with other stereotypes, or that the stereotypes are more diversified than before. Theoretical discussion should perhaps also consider the possibility that consumers today are so aware of stereotypes and their level of accuracy, and have so much more knowledge about the world in general, that they no longer are influenced by single stereotypes. Or in other words, the more we get used to a global consumption culture with open borders and free trade, the lesser the impact of stereotypes on our decision making – despite the potential existence of stereotypes. I also think that because of the well-informed customer of today, the level of stereotypical associations will be dependent on the country and e.g. its level of development and overall visibility. It might be quite likely that people have more and stronger stereotypical associations of Paraguay, than they have for Germany.

On the other hand, why should we expect a difference between categories at all? According to theory, consumer behaviour and evaluation should vary between product category because different product characteristics will satisfy different consumer needs. Therefore, consumers with different needs will evaluate products that are positioned in different ways more or less favourably. But should we not also expect that a consumer that clearly seeks a social and emotional benefits (hedonic need) also values utilitarian features such as quality, efficiency and capacity equally high? Let me take the example of Norwegian that was one of my example brands in my research. Norwegian was clearly positioned as being utilitarian, and the expectation was that people considering the Nordic region as being first and foremost competent should evaluate utilitarian brands, such as Norwegian, more favourably than for example the hedonically positioned Noma. Should we not also expect the possibility that a customer of Norwegian will also look at the level of warmth dimensions, such as trustworthiness and friendliness. Or, the other way around, a consumer of Hurtigruten (positioned as hedonic) would

also value the level of competency such as quality, efficiency and capacity, in combination to the dimensions of warmth. All in all, the theoretical discussion on stereotypes should take a broader perspective because of the increased globalised consumer and purchase behaviours.

As part of the discussion why there was a lack of difference between categories and consumer behaviour in my empirical study and the contradictions between my theory and actual results, I finally want to point out the possibility of biased results in terms of the measurements. I measured the direct and explicit stereotypes in line with the stereotype content model through a self-administered questionnaire, while Diamantopoulos et al. (2017) argue that research should take into account the influence of the implicit and indirect stereotypes to avoid biased results. The theoretical argument is that respondents are reluctant to admit their own stereotypical beliefs in self-administered questionnaires, or that they might be unaware of their own stereotypes, which in turn will result in faulty answers when the respondents are not able to reveal the “true country stereotypes” (Diamantopoulos et al., 2017). Naturally this would imply that the respondents could have been influenced by other implicit stereotypical associations that they did not report in the questionnaire.

In the beginning of this thesis I asked whether or not the Nordic region really is as influential as some media reports suggest, if the region is present in the minds of international consumers, and if it is of any value to link the product offering to the brand origin. Based on consumer affinity, the simple answer would be yes – consumer affinity towards the region and knowledge is relatively high, affinity do have an effect on consumer behaviour and evaluation, emotional attachment can be based on different sources of knowledge, and even though stereotypical judgements exist (both competence and warmth) they can also influence behaviour in a positive way. The fact that the Nordic region is perceived as being both warm and competent finally entails that the reputation of the region is overall positive on several dimensions.

6.2 Managerial Implications

Despite the lack of support for some of my hypothesis, the theoretical discussion and data analysis still provide some useful insights and suggestions for managerial

implications. First and foremost, for managers, it is of value to be aware of the already existing and relatively high level of affinity towards and knowledge of the Nordic region. Therefore, managers should not feel the pressure to give a general education to the international customer base of what the Nordic region is and what it stands for. Instead, it could be of more value to try to give a more nuanced image of the region, and highlight things, skills and phenomena that are not generally known outside of the inner circle of Nordic inhabitants – “*kalsarikännit*” and “*hygge*” are examples of recent success stories that has helped raise the image of the region even further mainly because they contain a trait of a hidden but well-known secret. Halkias et al. (2016) even showed that global brands can take great advantage of leveraging the localness of the brand in their (global) marketing activities. The main reason for why education is still of great value is because my research shows that the level of affinity will increase with knowledge. Therefore, communication with the aim of building deeper knowledge and sense of familiarity with the region, instead of repeating things people already know, is essential. Focusing on positive emotions to develop affinity is further an effective way in overcoming negative associations. Having high affinity and feeling a part of the in-group also means that the consumer (should) share the same values and norms as the Nordic region. Managers should therefore use these commonly shared norms and values that are typical for the region in their communication practices. A recent successful example of this practice was when the Finnish daily newspaper Helsingin Sanomat (2018) put up ads in central Helsinki highlighting freedom of speech, independent media and democracy during the Helsinki summit between US president Donald Trump and Russian president Vladimir Putin in July 2018. Managers further need to consider the relationship as a long term commitment since deeper affinity is created through memory and over time.

Companies can also take advantage of the fact that normative sources can provide equally strong consumer affinity as actual visits or other personal and direct encounters. Influencers, bloggers or other third sources will still have an equally large impact than personal sources. But the communication should be made as convenient as possible so that the consumer can actually use it. If the consumer has to look for your communication channels, they will quite self-evidently not work.

In addition, managers need to know that consumers are not always aware of the COO effect and necessarily not even able to recognise the influence that COO, as an automatic process, has on their purchase decisions. Therefore, a simple and traditional “Made in” might work just as well as more complicated strategies. On the other hand, to create more buzz and excitement around the product, the COO cue should maybe be leveraged in different and more creative ways too.

Even though I did not find any direct support that the consumer evaluation of a brand will change depending on the product benefits, utilitarian or hedonic, the importance of using different types of communication for different products or consumer should not be neglected. Especially since I found an overall difference in consumer behaviour between brand categories. It might just as well be, as my theoretical discussion suggests, that consumers seeking hedonic (utilitarian) benefits will evaluate hedonically (utility) positioned brands more favourably. Yet, people with affinity seemed to evaluate both utilitarian and hedonic brands more or less the same way. That means, if managers seek to address people with high levels of affinity, the way you position the brand or product, might not make any difference. My theory and my own results, would also suggest that managers addressing older (as in already existing or familiar) consumers, can use the positioning strategy of their choice, since higher knowledge might lead to affinity. But for new customers, with potentially lower knowledge about the Nordic region, managers should perhaps not confuse the customers by mixing perceived competence stereotypes with hedonic marketing activities. In case of uncertainty, managers must be aware of the potential negative affect of mismatching – combining a functional stereotype with an emotional advert. But I acknowledge that further research should address this issue more thoroughly.

Finally, since the Nordic region was perceived as both warm and competent, managers should not see stereotypes as necessarily something that is only negative. Positive stereotypes, especially those related to perceived competence (which had the highest relative effect on behaviour) could be highlighted in the communication strategy e.g. in terms of quality and efficiency of the brand, but as stated above, stereotypes and clichés might not be that effective at all because of generally high level of pre-knowledge. Instead, unique knowledge or commonly shared values might be more powerful.

6.3 Research contribution

This thesis contributes to the literature in at least four ways. First of all, because of the vast research on COO, nation branding and its effect, the thesis contributes with a literature review on where the research stands today.

Secondly, the study adds to the scant literature on the still relatively unexplored construct of consumer affinity. Consumer affinity was further discussed by including theories of brand love to give some more in-depth insights on the value and presence of deeper emotions outside strictly personal relationships. The two constructs of consumer affinity and brand love are related and have similar touchpoints, mainly in terms of the attachment factor, but these have not previously been discussed in the same context.

Thirdly, the study incorporates the variable of product category which have not been accounted for in previous research on consumer affinity. Still the moderating effect of product category on overall COO evaluations has previously been observed as an important factor in consumer outcome. Therefore, it was of interest to see if this also holds for emotionally based consumer behaviour.

Lastly, by including the Nordic region as the target, the study answers in one way to the lack of relevancy in COO research. The Nordic as the COO target is especially interesting in the sense that the countries in the region often are among the highest ranked countries in the world in terms of social welfare, education, income levels, happiness, life expectancy etc. Yet, looking at earlier research on COO effects on consumer behaviour, countries like France, Italy, Japan, Germany and the US, with old reputations and international visibility, are the ones most frequently covered in research (J. C. Usunier, 2006) and the countries on top of peoples' minds considering favourable country origins (e.g. in Nes et al., 2014; Oberecker & Diamantopoulos, 2011). For example, in a yearly nation branding survey developed by Anholt (2005) and GfK (The Anholt-GfK Nations Brands Index) Sweden (as the best of the Nordic countries) placed itself as number 10 out of 50 countries in 2017, overhauled by Germany, France, UK, Canada, Japan, US, Italy, Switzerland and Australia (GfK, 2017). Finally, In terms of branding and countries, O'Shaughnessy and O'Shaughnessy (2000) mentions that regions can

have an equally important role in branding as a single nation has. The authors take Latin America as an example and argues that the idea of region as a whole may be even more influential than any of its individual parts.

7. Limitations and future recommendations

7.1 Reliability and validity

In the subject of the accuracy of my research, reliability – the extent to which the measurement scales give consistent results of repeated (Malhotra, 2010) – has been ensured in the first hand by using scales and measurement techniques, throughout the study, already developed, tested, and reviewed by other researchers in corresponding research designs. The research thus fulfils the requirement of replicability and could be applicable in other studies with other target countries. In some cases, e.g. the affinity measurement scale, I chose to use all 20 measurement items that the authors originally abolished in favour of the final 7 items reflecting sympathy and attachment. However, in hypothesis H1 both scales were tested on the dependent variables and resulted in pretty much the same effect. Therefore, the use of the extended scale should not have affected the final data analysis in the rest of the data analysis. Since I chose to gather my data through self-administered and anonymous questionnaires, the risk of the respondents giving biased answers that do not reflect the reality was additionally limited (Dillman, 2007). The data gathering procedure was kept constant and randomised throughout the research to avoid response bias, and the questionnaires were pre-checked by second sources to verify that the instructions were clear enough to guarantee content validity. Regarding my sample, it was fairly good with a total of 146 respondents that differed in both age, profession and nationality. Therefore, also overall generalisability on other populations is possible.

As for validity – to what extent I measure what I set out to measure (Malhotra, 2010) – the aim of my research was to confirm the existence of an affinity effect on behaviour in a setting that has not been extensively researched before, and study the influence of previous knowledge and number of touchpoint with the target country on the level of affinity. To lessen validity problems, my questionnaire was pre-checked in a pilot study and the questions were when possible randomized. Manipulation checks was also added, as well as consistent definitions of central constructs to make sure every respondent answered the questionnaire on the same premises. Stereotypes was finally added to the research design to incorporate a low-knowledge based dimension and its potential effect on consumer behaviour. The measurement of stereotypes might have provided defective data because there was a positive correlation between warmth and competence, even though researchers

(Fiske et al., 2002) state that a country normally score high or low on just one of the two, not both. As noted in the discussion, the correlation between the stereotype dimensions might have been one reason for why I found no support for my hypothesis even though they were based on my previous research and theoretical findings. Other additional variables to measure the level of stereotypes, or manipulation checks for stereotypes could have been added to assure a more accurate observation, including explicit and implicit stereotypes.

7.2 Future research

Since the specific construct of consumer affinity has been studied so far in a very limited amount of research settings, there are several directions and relations to further explore. But in the light of my own research, where the results in no way are fully conclusive, I want to highlight the following things to build upon in future studies.

First of all, I did not consider where in the purchase funnel the consumer was, but as implied in my discussion, the consumer journey might have an effect on the relationship between both affinity and consumer behaviour, as well as the level of influence of different affinity sources; personal or normative. Future research should take this into consideration in a different research setting.

Secondly, to find better evidence that product category will moderate the effect of affinity on consumer behaviour evidenced in research regarding COO, future research could consider using either fictional brands – as opposed to real brands where previous knowledge needs to be accounted for – or be more extreme in terms of brand characteristics so that there is no doubt whether or not the brand is more utilitarian or hedonic. The use of images, ads or other visual elements might add more value to the research design than plain text as was the case in my study. In terms of perceived brand characteristics, they will most likely differ between consumers with different cultural and socioeconomic backgrounds. This could as well be considered as a moderating variable in the relationship between affinity and consumer behaviour.

The third aspect I find worth mentioning, is that research on affinity might benefit from studying countries with different levels of affinity and compare them

simultaneously, as opposed to my study that only considered one specific region. Then, one could also look into the possibility of developing affinity towards countries that necessarily do not have a large presence in media or the global market place etc. and study if the for example the influence of affinity sources will differ between countries that more visible than those who are not. Here I also treated five different countries as one region because of the many similarities between the countries. However, this approach disregards the possibility that the participants might have very different perceptions about each and every country that was now squeezed together under one umbrella.

Finally, as for the measurement of stereotypes, implicit stereotypes in addition to explicit ones, should be taken into consideration in future research to avoid biased results. A comparison between the two different measurement techniques could also be valuable.

8. References

- Aaker, J., Vohs, K. D., & Mogilner, C. (2010). Nonprofits are seen as warm and for-profits as competent: Firm stereotypes matter. *Journal of Consumer Research*, *37*(2), 224-237.
- Acevedo, B. P., & Aron, A. (2009). Does a long-term relationship kill romantic love? *Review of General Psychology*, *13*(1), 59.
- Ahmed, S. A., & D'Astous, A. (2008). Antecedents, moderators and dimensions of country-of-origin evaluations. *International Marketing Review*, *25*(1), 75-106. doi:10.1108/02651330810851890
- Aichner, T. (2014). Country-of-origin marketing: A list of typical strategies with examples. *Journal of brand management*, *21*(1), 81-93.
- Amatulli, C., Guido, G., & Natarajan, R. (2015). Luxury purchasing among older consumers: exploring inferences about cognitive Age, status, and style motivations. *Journal of Business Research*, *68*(9), 1945-1952. doi:10.1016/j.jbusres.2015.01.004
- Andersen, T. M., Holmström, B., Honkapohja, S., Korkman, S., Söderström, H. T., & Vartiainen, J. (2007). *The Nordic Model. Embracing globalization and sharing risks*. Helsinki: Etna.
- Andersson, J., & Hilson, M. (2009). Images of Sweden and the Nordic Countries. *Scandinavian Journal of History*, *34*(3), 219-228. doi:10.1080/03468750903134681
- Anholt, S. (2005). Anholt nation brands index: how does the world see America? *Journal of Advertising Research*, *45*(3), 296-304.
- Anholt, S. (2007). What is Competitive Identity? *Competitive Identity* (pp. 1-23): Springer.
- Anholt, S. (2008). Place branding: Is it marketing, or isn't it? *Place Branding and Public Diplomacy*, *4*(1), 1-6. doi:10.1057/palgrave.pb.6000088
- Anholt, S. (2010). *Places : identity, image and reputation*. New York: Palgrave Macmillan.
- Aro, K., Suomi, K., & Saraniemi, S. (2018). Antecedents and consequences of destination brand love—A case study from Finnish Lapland. *Tourism Management*, *67*, 71-81.
- Asseraf, Y., & Shoham, A. (2016). Destination branding: The role of consumer affinity. *Journal of Destination Marketing & Management*. doi:10.1016/j.jdmm.2016.06.004
- Balabanis, G., & Diamantopoulos, A. (2016). Consumer xenocentrism as determinant of foreign product preference: A system justification perspective. *Journal of International Marketing*, *24*(3), 58-77.
- Bartsch, F., Riefler, P., & Diamantopoulos, A. (2016). A taxonomy and review of positive consumer dispositions toward foreign countries and globalization. *Journal of International Marketing*, *24*(1), 82-110.
- Batra, R., & Ahtola, O. T. (1991). Measuring the hedonic and utilitarian sources of consumer attitudes. *Marketing letters*, *2*(2), 159-170.
- Batra, R., Ahuvia, A., & Bagozzi, R. P. (2012). Brand love. *Journal of marketing*, *76*(2), 1-16.
- Baumeister, R. F., Clark, C. J., Kim, J., & Lau, S. (2017). Consumers (and Consumer Researchers) Need Conscious Thinking in Addition to Unconscious Processes: A Call for Integrative Models, A Commentary on Williams and Pehlman. *Journal of Consumer Research*, *44*(2), 252-257.

- Bennett, M. J. (1998). Intercultural communication: A current perspective. *Basic concepts of intercultural communication: Selected readings*, 1-34.
- Bernard, Y., & Zarrouk-Karoui, S. (2014). Reinforcing Willingness to Buy and to Pay Due to Consumer Affinity towards a Foreign Country. *International Management Review*, 10(2), 57-67,73.
- Bian, Q., & Forsythe, S. (2012). Purchase intention for luxury brands: A cross cultural comparison. *Journal of Business Research*, 65(10), 1443-1451. doi:10.1016/j.jbusres.2011.10.010
- Bilkey, W. J., & Nes, E. (1982). Country-of-origin effects on product evaluations. *Journal of International Business Studies*, 13(1), 89-100.
- Bowlby, J. (1979). On knowing what you are not supposed to know and feeling what you are not supposed to feel. *The Canadian Journal of Psychiatry*, 24(5), 403-408.
- Brijs, K., Bloemer, J., & Kasper, H. (2011). Country-image discourse model: Unraveling meaning, structure, and function of country images. *Journal of Business Research*, 64(12), 1259-1269. doi:10.1016/j.jbusres.2011.01.017
- Carroll, B. A., & Ahuvia, A. C. (2006). Some antecedents and outcomes of brand love. *Marketing letters*, 17(2), 79-89.
- Chakkarath, P. (2010). Stereotypes in social psychology: The “West-East “differentiation as a reflection of western traditions of thought. *Psychological Studies*, 55(1), 18-25.
- Chassany, A.-S. (2017). Emmanuel Macron proposes Nordic economic model for France. *Financial Times*. Retrieved from <https://www.ft.com/content/3691a448-fa1d-11e6-9516-2d969e0d3b65>
- Chattalas, M., Kramer, T., & Takada, H. (2008). The impact of national stereotypes on the country of origin effect: A conceptual framework. *International Marketing Review*, 25(1), 54-74.
- Chattalas, M., & Takada, H. (2013). Warm versus competent countries: national stereotyping effects on expectations of hedonic versus utilitarian product properties. *Place Branding and Public Diplomacy*, 9(2), 88-97.
- Chen, C., Mathur, P., & Maheswaran, D. (2014). The Effects of Country-Related Affect on Product Evaluations. *Journal of Consumer Research*, 41(4), 1033. doi:10.1086/678194
- Chitturi, R., Raghunathan, R., & Mahajan, V. (2008). Delight by Design: The Role of Hedonic versus Utilitarian Benefits. *Journal of marketing*, 72(3), 48-63. doi:10.1509/jmkg.72.3.48
- Cleveland, M., & Laroche, M. (2007). Acculturaton to the global consumer culture: Scale development and research paradigm. *Journal of Business Research*, 60(3), 249-259.
- Cleveland, M., Laroche, M., & Papadopoulos, N. (2009). Cosmopolitanism, consumer ethnocentrism, and materialism: An eight-country study of antecedents and outcomes. *Journal of International Marketing*, 17(1), 116-146.
- Cleveland, M., Papadopoulos, N., & Laroche, M. (2011). Identity, demographics, and consumer behaviors: International market segmentation across product categories. *International Marketing Review*, 28(3), 244-266.
- Cleveland, M., Rojas-Méndez, J. I., Laroche, M., & Papadopoulos, N. (2016). Identity, culture, dispositions and behavior: A cross-national examination

- of globalization and culture change. *Journal of Business Research*, 69(3), 1090-1102.
- Cuddy, A. J., Fiske, S. T., & Glick, P. (2008). Warmth and competence as universal dimensions of social perception: The stereotype content model and the BIAS map. *Advances in experimental social psychology*, 40, 61-149.
- Diamantopoulos, A., Florack, A., Halkias, G., & Palcu, J. (2017). Explicit versus implicit country stereotypes as predictors of product preferences: Insights from the stereotype content model. *Journal of International Business Studies*, 48(8), 1023-1036.
- Dillman, D. A. (2007). *Mail and internet surveys : the tailored design method*
- Dimitrova, B. V., Korschun, D., & Yotov, Y. V. (2017). When and how country reputation stimulates export volume. *International Marketing Review*, 34(3), 377-402.
- Dodd, T. H., Laverie, D. A., Wilcox, J. F., & Duhan, D. F. (2005). Differential Effects of Experience, Subjective Knowledge, and Objective Knowledge on Sources of Information used in Consumer Wine Purchasing. *Journal of Hospitality & Tourism Research*, 29(1), 3-19.
doi:10.1177/1096348004267518
- Draganska, M., Hartmann, W., & Stanglein, G. (2014). Internet Versus Television Advertising: A Brand-Building Comparison. *JMR, Journal of Marketing Research*, 51(5), 578. doi:10.1509/jmr.13.0124
- Economist. (2013). The secret of their success. *The Economist*. Retrieved from <https://www.economist.com/special-report/2013/02/02/the-secret-of-their-success>
- Fan, Y. (2006). Branding the nation: What is being branded? *Journal of Vacation Marketing*, 12(1), 5-14.
- Fan, Y. (2010). Branding the nation: Towards a better understanding. *Place Branding and Public Diplomacy*, 6(2), 97-103.
- Fetscherin, M., Boulanger, M., Gonçalves Filho, C., & Quiroga Souki, G. (2014). The effect of product category on consumer brand relationships. *Journal of Product & Brand Management*, 23(2), 78-89.
- Fischer, P., & Zeugner-Roth, K. (2017). Disentangling country-of-origin effects: the interplay of product ethnicity, national identity, and consumer ethnocentrism. *A Journal of Research in Marketing*, 28(2), 189-204.
doi:10.1007/s11002-016-9400-7
- Fiske, S. T., Cuddy, A. J., & Glick, P. (2007). Universal dimensions of social cognition: Warmth and competence. *Trends in cognitive sciences*, 11(2), 77-83.
- Fiske, S. T., Cuddy, A. J., Glick, P., & Xu, J. (2002). A model of (often mixed) stereotype content: competence and warmth respectively follow from perceived status and competition. *Journal of personality and social psychology*, 82(6), 878.
- Fitzsimons, G. J. (2008). *Death to dichotomizing: The University of Chicago Press*.
- Fournier, S. (1998). Consumers and their brands: Developing relationship theory in consumer research. *Journal of Consumer Research*, 24(4), 343-373.
- Fowler Jr, F. J. (2013). *Survey research methods*: Sage publications.
- GfK. (2017). Germany reclaims top "nation brand" ranking, with USA dropping to sixth place. Retrieved from <http://www.gfk.com/insights/press->

[release/germany-reclaims-top-nation-brand-ranking-with-usa-dropping-to-sixth-place/](#)

- Gray, A. (2017). Why Sweden beats other countries at just about everything. Retrieved from <https://www.weforum.org/agenda/2017/01/why-sweden-beats-most-other-countries-at-just-about-everything/>
- Hakala, U., Lemmetyinen, A., & Kantola, S.-P. (2013). Country image as a nation-branding tool. *Marketing Intelligence & Planning*, 31(5), 538-556. doi:10.1108/MIP-04-2013-0060
- Hakala, U., Lätti, S., & Sandberg, B. (2011). Operationalising brand heritage and cultural heritage. *Journal of Product & Brand Management*, 20(6), 447-456.
- Halkias, G., Davvetas, V., & Diamantopoulos, A. (2016). The interplay between country stereotypes and perceived brand globalness/localness as drivers of brand preference. *Journal of Business Research*, 69(9), 3621-3628.
- Harvard, J., & Stadius, P. (2013). *Communicating the North : media structures and images in the making of the Nordic Region* The Nordic experience ;, Vol. 3.
- Helsingin_Sanomat (Producer). (2018). The Land of Free Press. Retrieved from https://www.hs.fi/media/FreePress/Freepress_2018.html
- Herz, M. F. (2013). The country-of-origin concept reassessed—The long path from the ‘made-in’ label *Impulse für die Markenpraxis und Markenforschung* (pp. 141-161): Springer.
- Herz, M. F., & Diamantopoulos, A. (2013). Activation of country stereotypes: automaticity, consonance, and impact. *Journal of the Academy of Marketing Science*, 41(4), 400-417.
- Hudson, S., Cárdenas, D., Meng, F., & Thal, K. (2017). Building a place brand from the bottom up. *Journal of Vacation Marketing*, 23(4), 365-377. doi:10.1177/1356766716649228
- Iacobucci, D., Posavac, S. S., Kardes, F. R., Schneider, M. J., & Popovich, D. L. (2015). Toward a more nuanced understanding of the statistical properties of a median split. *Journal of Consumer Psychology*, 25(4), 652-665.
- International, T. (2017). Corruption Perceptions Index 2017. Retrieved from https://www.transparency.org/news/feature/corruption_perceptions_index_2017
- Jaffe, E. D., & Nebenzahl, I. D. (2006). *National image & competitive advantage: the theory and practice of place branding* (2nd ed. ed.): Denmark: Copenhagen Business School.
- Janssens, W., De Pelsmacker, P., Wijnen, K., & Van Kenhove, P. (2008). *Marketing research with SPSS*: Pearson Education.
- Josiassen, A., & Harzing, A. W. (2008). Comment: Descending from the ivory tower: reflections on the relevance and future of country-of-origin research. *European Management Review*, 5(4), 264-270. doi:10.1057/emr.2008.19
- Kaneva, N. (2011). Nation branding: Toward an agenda for critical research. *International journal of communication*, 5, 25.
- Kaufmann, H. R., Loureiro, S. M. C., & Manarioti, A. (2016). Exploring behavioural branding, brand love and brand co-creation. *Journal of Product & Brand Management*, 25(6), 516-526.

- Kilbourne, W., Grünhagen, M., & Foley, J. (2005). A cross-cultural examination of the relationship between materialism and individual values. *Journal of Economic Psychology*, 26(5), 624-641. doi:10.1016/j.joep.2004.12.009
- Klein, J. G., Ettenson, R., & Morris, M. D. (1998). The Animosity Model of Foreign Product Purchase: An Empirical Test in the People's Republic of China. *Journal of marketing*, 62(1), 89-100. doi:10.2307/1251805
- Korte, G. (2016, 13.5.2016). Obama greets Nordic leaders, saying they 'punch above their weight'. *USA Today*. Retrieved from <https://www.usatoday.com/story/news/politics/2016/05/13/obama-nordic-leaders-summit-punch-above-their-weight/84330852/>
- Koschate-Fischer, N., Diamantopoulos, A., & Oldenkotte, K. (2012). Are consumers really willing to pay more for a favorable country image? A study of country-of-origin effects on willingness to pay. *Journal of International Marketing*, 20(1), 19-41.
- Kotler, P., & Gertner, D. (2002). Country as brand, product, and beyond: A place marketing and brand management perspective. *Journal of brand management*, 9(4), 249-261.
- Langner, T., Schmidt, J., & Fischer, A. (2015). Is it really love? A comparative investigation of the emotional nature of brand and interpersonal love. *Psychology & Marketing*, 32(6), 624-634.
- Leonard, M., & Small, A. (2003). *Norwegian Public Diplomacy*. Regjeringen.no Retrieved from <https://www.regjeringen.no/globalassets/upload/ud/vedlegg/public.pdf>.
- Liu, S. S., Johnson, K. F., & Johnson, K. F. (2005). The automatic country-of-origin effects on brand judgments. *Journal of Advertising*, 34(1), 87-97.
- Magnusson, P., Westjohn, S. A., & Zdravkovic, S. (2011). "What? I thought Samsung was Japanese": accurate or not, perceived country of origin matters. *International Marketing Review*, 28(5), 454-472. doi:10.1108/02651331111167589
- Maheswaran, D. (1994). Country of origin as a stereotype: Effects of consumer expertise and attribute strength on product evaluations. *Journal of Consumer Research*, 21(2), 354-365.
- Malhotra, N. K. (2010). *Marketing research : an applied orientation* (6th ed. ed.). Boston: Pearson.
- Martin, B. A., Lee, M. S. W., & Lacey, C. (2011). Countering negative country of origin effects using imagery processing. *Journal of Consumer Behaviour*, 10(2), 80-92.
- McDonough, M. (2018, 31.5.2018). Americans are obsessed with hygge. Is one of these international lifestyle trends next? *The Washington Post*. Retrieved from https://www.washingtonpost.com/lifestyle/home/what-will-be-the-next-hygge-five-international-lifestyle-trends-that-may-be-the-next-big-fad/2018/05/29/8227a612-6076-11e8-b2b8-08a538d9dbd6_story.html?noredirect=on&utm_term=.417a0ef49186
- McLaughlin, A. (2016). Design team chosen to create brand for Nordic region. *Design Week*. Retrieved from <https://www.designweek.co.uk/issues/12-18-december-2016/design-team-chosen-create-brand-nordic-region/>
- Medway, D., Swanson, K., Delpy Neirotti, L., Pasquinelli, C., & Zenker, S. (2015). Place branding: Are we wasting our time? Report of an AMA special session. *Journal of place management and development*, 8(1), 63-68.

- Nes, E. B., Yelkur, R., & Silkoset, R. (2014). Consumer affinity for foreign countries: Construct development, buying behavior consequences and animosity contrasts. *International Business Review*, 23(4), 774-784. doi:10.1016/j.ibusrev.2013.11.009
- Norden. (2015). *Strategy for International Branding of the Nordic Region 2015–2018*. Retrieved from <http://www.norden.org/en/om-samarbejdet-1/funding-schemes-and-scholarships/current-invitations-to-tender/branding-of-the-nordics/the-nordic-perspective-strategy-for-international-branding-of-the-nordic-region>
- Norden.org. (2018). Fakta om Norden. Retrieved from <http://www.norden.org/sv/fakta-om-norden>
- O'Shaughnessy, J., & O'Shaughnessy, N. J. (2000). Treating the Nation as a Brand: Some Neglected Issues (Vol. 20, pp. 56-64).
- Oberecker, E. M., & Diamantopoulos, A. (2011). Consumers' Emotional Bonds with Foreign Countries: Does Consumer Affinity Affect Behavioral Intentions? *Journal of International Marketing*, 19(2), 45-72. doi:10.1509/jimk.19.2.45
- Oberecker, E. M., Riefler, P., & Diamantopoulos, A. (2008). The Consumer Affinity Construct: Conceptualization, Qualitative Investigation, and Research Agenda. *Journal of International Marketing*, 16(3), 23-56. doi:10.1509/jimk.16.3.23
- Olson, J. C., & Jacoby, J. (1972). Cue utilization in the quality perception process. *ACR Special Volumes*.
- Papadopoulos, N., El Banna, A., & Murphy, S. A. (2017). Old Country Passions: An International Examination of Country Image, Animosity, and Affinity Among Ethnic Consumers. *Journal of International Marketing*, 25(3), 61-82.
- Papadopoulos, N., Hamzaoui-Essoussi, L., & El Banna, A. (2016). Nation branding for foreign direct investment: an Integrative review and directions for research and strategy. *Journal of Product & Brand Management*, 25(7), 615-628.
- Pappu, R., Quester, P. G., & Cooksey, R. W. (2007). Country image and consumer-based brand equity: relationships and implications for international marketing. *Journal of International Business Studies*, 38(5), 726-745.
- Park, C., Jaworski, B., & Macinnis, D. (1986). Strategic Brand Concept-Image Management. *Journal of marketing*, 50(4), 135-145.
- Perlmutter, H. V. (1954). Some characteristics of the xenophilic personality. *The journal of psychology*, 38(2), 291-300.
- Pharr, J. M. (2005). Synthesizing country-of-origin research from the last decade: is the concept still salient in an era of global brands? *Journal of Marketing Theory and Practice*, 13(4), 34-45.
- Phau, I., & Suntornnond, V. (2006). Dimensions of consumer knowledge and its impacts on country of origin effects among Australian consumers: a case of fast-consuming product. *Journal of Consumer Marketing*, 23(1), 34-42.
- Rantanen, M. (2018). *Pantsdrunk: Kalsarikanni: The Finnish Path to Relaxation*: HarperCollins.
- Roth, K. P., & Diamantopoulos, A. (2009). Advancing the country image construct. *Journal of Business Research*, 62(7), 726-740. doi:<https://doi.org/10.1016/j.jbusres.2008.05.014>

- Roth, M., & Romeo, J. (1992). Matching Product Category and Country Image Perceptions: A Framework for Managing Country-of-Origin Effects. *Journal of International Business Studies*, 23(3), 477.
- Roux, E., Tafani, E., & Vigneron, F. (2017). Values associated with luxury brand consumption and the role of gender. *Journal of Business Research*, 71, 102-113. doi:10.1016/j.jbusres.2016.10.012
- Rucker, D. D., McShane, B. B., & Preacher, K. J. (2015). A researcher's guide to regression, discretization, and median splits of continuous variables. *Journal of Consumer Psychology*, 25(4), 666-678.
- Sachs, J. D., Layard, R., & Helliwell, J. F. (2018). *World Happiness Report 2018*. Retrieved from
- Samiee, S. (1994). Customer evaluation of products in a global market. *Journal of International Business Studies*, 25(3), 579-604.
- Samiee, S. (2010). Advancing the country image construct—a commentary essay. *Journal of Business Research*, 63(4), 442-445.
- Samiee, S., Shimp, T. A., & Sharma, S. (2005). Brand origin recognition accuracy: its antecedents and consumers' cognitive limitations. *Journal of International Business Studies*, 36(4), 379-397.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). Research methods for business students 5th ed. *England: Pearson Education Limited*.
- Schooler, R. D. (1965). Product bias in the Central American common market. *Journal of marketing research*, 394-397.
- Schrauf, R. W., & Navarro, E. (2005). Using Existing Tests and Scales in the Field. *Field Methods*, 17(4), 373-393. doi:10.1177/1525822x05279924
- Shimp, T. A., & Sharma, S. (1987). Consumer Ethnocentrism: Construction and Validation of the CETSCALE. *Journal of marketing research*, 24(3), 280-289. doi:10.2307/3151638
- Steenkamp, J.-B. E., Batra, R., & Alden, D. L. (2003). How perceived brand globalness creates brand value. *Journal of International Business Studies*, 34(1), 53-65.
- Stock, F. (2009). Identity, image and brand: A conceptual framework. *Place Branding and Public Diplomacy*, 5(2), 118-125.
- Sweden, M. o. F. A. (2005). *Images of Sweden Abroad – A Study of the Changes, the Present Situation and Assessment Methods*. Retrieved from Stockholm:
<https://www.regeringen.se/contentassets/36ac21ea67094813b336115917e1bec5/images-of-sweden-abroad>
- Tajfel, H. (1981). *Human groups and social categories: Studies in social psychology*: CUP Archive.
- Tajfel, H. (1982). Social Psychology of Intergroup Relations. *Annu. Rev. Psychol.*, 33(1), 1-39. doi:10.1146/annurev.ps.33.020182.000245
- Thomson, M., MacInnis, D. J., & Whan Park, C. (2005). The ties that bind: Measuring the strength of consumers' emotional attachments to brands. *Journal of Consumer Psychology*, 15(1), 77-91.
- Usunier, J.-C., & Cestre, G. (2007). Product Ethnicity: Revisiting the Match between Products and Countries. *Journal of International Marketing*, 15(3), 32-72. doi:10.1509/jimk.15.3.32

- Usunier, J. C. (2006). Relevance in business research: the case of country-of-origin research in marketing. *European Management Review*, 3(1), 60-73. doi:10.1057/palgrave.emr.1500049
- Veale, R., & Quester, P. (2009). Tasting quality: the roles of intrinsic and extrinsic cues. *Asia Pacific Journal of Marketing and Logistics*, 21(1), 195-207. doi:10.1108/13555850910926326
- Verlegh, P. W. J., & Steenkamp, J.-B. E. M. (1999). A review and meta-analysis of country-of-origin research. *Journal of Economic Psychology*, 20(5), 521-546. doi:10.1016/S0167-4870(99)00023-9
- Vida, I., & Reardon, J. (2008). Domestic consumption: rational, affective or normative choice? *Journal of Consumer Marketing*, 25(1), 34-44.
- Voss, K. E., Spangenberg, E. R., & Grohmann, B. (2003). Measuring the hedonic and utilitarian dimensions of consumer attitude. *Journal of marketing research*, 40(3), 310-320.
- Wiking, M. (2016). *The Little Book of Hygge: The Danish Way to Live Well*: Penguin UK.
- Wongtada, N., Rice, G., & Bandyopadhyay, S. K. (2012). Developing and Validating AFFINITY: A New Scale to Measure Consumer Affinity toward Foreign Countries. *Journal of International Consumer Marketing*, 24(3), 147-167. doi:10.1080/08961530.2012.682037
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: a means-end model and synthesis of evidence. *The Journal of marketing*, 2-22.

9. Appendix

Appendix 1. Brands used in Pre-survey 1

Apparel	Design/home	Telecom/ industry/ bank	Entertainm ent	Food/spirits/ cosmetics	Travel
Marimekko Acne Peak Performance Helly Hansen H&M Fjällräven Kygo Life	Iittala Artek Arabia Muuto Fritz Hansen Georg Jensen Efva Attling HAY Svenskt Tenn Royal Copenhagen Lapponia IKEA Hästens	Ericsson Nokia Nordea Telenor Electrolux	Moomin Characters The Bridge/Bron	Absolut Vodka Finlandia Fazer Noma Maaemo Tuborg Mikkeller Lumene Läkerol	Volvo SAS Finnair Hurtigruten Norwegian

Appendix 2. Definitions of functional, symbolic and experiential

Functional brands and products are externally generated and those that solve consumption-related problems (e.g. solve a current problem, prevent a potential problem or resolve a conflict). They can e.g. be useful, practical, functional, efficient, necessary, helpful and good quality. Typical products could be an electric drill, a pair of socks or a bicycle.

Symbolic products are those that fulfil internally generated needs for self-enhancement, group membership, or ego-identification. E.g. they are prestigious, unique, have high status and help me or others to express ourselves. Typical products could be a handbag, expensive whiskey or a car.

Experiential brands and products provide sensory pleasure, variety and/or cognitive stimulation. They are e.g. enjoyable, fun, exciting, look/taste/feel good and provide pleasure. Typical products or services could for example be skydiving, chocolate or a comfortable sofa.

Appendix 3. Company descriptions

Norwegian

The airline company **Norwegian** is one of the largest low-cost carriers in the world with 33 million passengers annually. Their goal is to offer affordable fares for all, in addition to their main priorities of simplicity and safety. Norwegian was one of the pioneers in online booking, teaching the Norwegians to buy their flight tickets online without middle hands. The airline now focuses heavily on establishing their base in Europe, US and Asia, and investing in new aircrafts. Today their fleet is one of the world's youngest with an average age of 3,6 years.

IKEA

The furnishing company **IKEA** works with the idea of providing a range of affordable home furnishing products, by combining function, simplicity and economic value. Their main goal is to make everyday life better, easier and more convenient for the many people. Their assembling flat-pack products is a main reason why IKEA has been able to cut their prices. Founded by Ingvar Kamprad in 1951, IKEA still nurtures its Swedish heritage by consistently naming their products with Swedish words.

Noma

The Michelin-star and Copenhagen based restaurant **Noma** has been awarded the best restaurant in the world four times. It is known for its reinvention and interpretation of the New Nordic Cuisine. The creative vision of Noma and its head chef René Redzepi is to make use of local delicacies normally not used in cooking, such as ants, plankton and fish eyes. At Noma you will always be served a 16 course menu based on the weather reports and seasons. Recently renovated, Noma welcomes its guests into an untraditional dining space including glass ceilings, greenhouses, rooftop gardens and vegetable plots to please all senses.

Hurtigruten

The traditional cruise line **Hurtigruten** operates premium exploration voyages both within Norway, Greenland, Iceland and Svalbard. These highly unique destinations let the passengers explore untouched nature, breath-taking scenery, starlit skies and the wilderness of the sea. Hurtigruten is sometimes referred to as the Norwegian Coastal Express and the trip along the whole Norwegian coast has been described as "the world's most beautiful sea voyage". The coastal journey is operated by 11 ships and the journey back and forth takes 12 days, calling 34 ports. Please describe your overall feelings about Norwegian.

Appendix 4. Affinity and stereotype items

Affinity items:

captivated
 compassionate
 enthusiastic
 excited
 favorable
 feeling of admiration
 feeling attached
 feeling connected
 feeling of sympathy
 happy
 inspired
 like
 love
 loyal
 moved
 optimistic
 passionate
 pleasant feeling
 proud
 sentimental

Stereotype items:

Warmth	Competence	Other attributes
Warm Friendly Kind Well-intentioned Good-natured Trustworthy Sincere	Competent Efficient Intelligent Capable Confident Skilful	Resentment Disgusting Contempt Angry Hateful Admirable Pride (in them) Respectful Fondness Inspired (by them)

Appendix 5: Overall evaluation of Nordic brands

	N	Mean	Std. Deviation
How do you feel about buying products from the Nordic region?	146	7,32	1,84
Purchase Intention Nordic Products	146	5,44	1,09
Feelings towards Nordic Products	146	5,61	1,10

Appendix 6: Overall familiarity with and knowledge of the Nordic region

How familiar are you with the Nordic region?

	Frequency	Percent
Extremely familiar	12	8,2
Very familiar	32	21,9
Moderately familiar	53	36,3
Slightly familiar	37	25,3
Not familiar at all	12	8,2
Total	146	100

How would you evaluate your knowledge of the Nordic region?

	Frequency	Percent
Excellent	8	5,5
Good	52	35,6
Average	51	34,9
Poor	27	18,5
Terrible	8	5,5
Total	146	100

How many times have you visited the Nordic region?

	Frequency	Percent
I have never visited	59	40,4
1 time	19	13
2-4 times	24	16,4
5 times or more	5	3,4
I live or have lived in the Nordic region	39	26,7
Total	146	100

Which of the following alternatives is your main source of information or knowledge about the Nordic region?

	Frequency	Percent
Newspapers/media	60	41,1
Entertainment/music/movies	21	14,4
Celebrities/politicians/influencers/bloggers	5	3,4
Friends/relatives	29	19,9
Travels	31	21,2
Total	146	100

Preliminary Thesis

- The Value of the Nordic Region through Consumer Affinity and the Effect of Product Category and Consumer Values on Purchase Intentions –

Sara Ekstrand

15.1.2018

MSc in Strategic Marketing Management

BI Norwegian Business School
Oslo

Introduction	2
<i>Research Objectives</i>	4
<i>General Clarifications</i>	5
Theoretical Discussion	5
<i>Consumer Affinity</i>	5
<i>Consumer Values and Motivation</i>	8
<i>Interpersonal Values</i>	8
<i>Personal Values</i>	9
Relevance of Values	9
<i>Product Category</i>	10
Hypothesis	11
The Future of the Project	14
References	15

Introduction

“The Nordic region is appealing. For some time, characteristically Nordic cuisine, design, films, music and literature have been bringing the Nordic region international recognition. The successes, which come from all the Nordic countries, often share a distinctly Nordic element – a Nordic trademark.”

The words are written by the secretary general of the Nordic Council of Ministers, Dagfinn Høybråten, and Eygló Harðardóttir, Icelandic minister for Nordic co-operation, as a part of the strategy set out by the Nordic Councils of Ministers for the years 2015-2018 (Norden, 2015). The aim is to renew the Nordic brand and promote the shared values of the Nordic countries in order to put the region’s ideas and solutions on the world map (McLaughlin, 2016; Norden, 2015).

The Nordic is having a momentum it says. Bron, Skam, Avicii, Kygo, Noma, Mumin, hygge ... are just some Nordic phenomenon that has reached people all over the world in recent years. Nordic Noir with crime authors as Jo Nesbø, Stieg Larson, Lars Kepler and Camilla Läckberg have given an image of the Nordic as a region with daily cold blooded murders. Designer and fashion brands refer to their Nordic heritage by including values as down-to-earth, honesty, simplicity and functionality in their brand promises. In 2016, the Swedish actress Alicia Vikander won an Academy Award for best supporting actress and became the first Nordic citizen since the days of Ingrid Bergman to win in the actor categories – giving her worldwide coverage in the media. And last but not least, the Nordic model, in terms of economy, political system, social security and welfare, has further been praised by world leaders such as French president Emmanuel Macron (Chassany, 2017) and president Barack Obama (Korte, 2016).

One of the reasons why the Nordic has reached further than the North Sea is naturally spelled globalisation. The general agreement in the literature is that companies and industries are globalising (Cleveland, Laroche, & Papadopoulos, 2009), making globalisation a trend that directly or indirectly affects the consumers. However, there is no consensus whether or not the customers have become equally global minded in their attitudes and behaviours (Cleveland et al., 2009). Especially in times of economic recession and downturns consumers might be encouraged to

buy local instead of choosing imported and global products (Bernard & Zarrouk-Karoui, 2014).

The fundamental question here is whether or not the Nordic brand is as valuable a selling tool and internationally as cool, relevant and influential as we might think? And is it of any value to link the product offering to the brand origin?

One way of overcoming the noise and challenges in a global market is to highlight the own heritage and elements from the past to convey stability, trust, confidence and familiarity (Hakala, Lätti, & Sandberg, 2011). Consumers have moreover been shown to be sensitive to country-of-origin (COO) cues. This means that positive country image or associations towards foreign countries in a globalized market will have a favourable impact on consumer evaluation and attitude for a product (K. P. Roth & Diamantopoulos, 2009). The COO effect on consumer behaviour has for long been one of the most persistent questions among marketing scholars (Koschate-Fischer, Diamantopoulos, & Oldenkotte, 2012; K. P. Roth & Diamantopoulos, 2009; Samiee, 2010). Since Dichter (1962) (as cited in Verlegh & Steenkamp, 1999) introduced the idea that COO may have a “*tremendous influence on the acceptance and success of products*”, hundreds of research papers have touched upon the influence of COO (J. C. Usunier, 2006). Still, the concept is not fully, even poorly, understood and there is no general agreement among scholars about the effect of COO on consumer behaviour (J. C. Usunier, 2006; Verlegh & Steenkamp, 1999). The field has also faced harsh criticism because of lack of relevance, theoretical models and ecological validity (Samiee, 2010; J. C. Usunier, 2006).

The evaluation of the Nordic as a COO target is at the same time interesting in the sense that the countries in the region often are among the highest ranked countries in the world in terms of social welfare, education, income levels, happiness etc. Yet, looking at earlier research on COO effects on consumer behaviour, countries like France, Italy, Japan, Germany and the US, with reputation and international visibility, are the ones most frequently covered in research (J. C. Usunier, 2006) and the ones that are on top of peoples' minds considering favourable country origins (e.g. in Nes, Yelkur, & Silkoset, 2014; Oberecker & Diamantopoulos, 2011).

In COO, the cognitive and nominative aspects have received the most attention (Fischer & Zeugner-Roth, 2017; K. P. Roth & Diamantopoulos, 2009), but there are calls for more research on the affective aspects of COO (Verlegh & Steenkamp, 1999). This research will therefore build upon the affinity theory (see Oberecker & Diamantopoulos, 2011; Oberecker, Riefler, & Diamantopoulos, 2008) taking the perspective of international consumers in a Nordic context.

Research Objectives

Research published in recent years have tried to replicate and develop the work by Oberecker et al. (2008), but applying the affinity theory with the Nordic region as the specific affinity target will further add to the research field in several ways.

Previously, researchers have either not specified the target country, hence have let the respondents choose their own country of preference (Bernard & Zarrouk-Karoui, 2014; Oberecker & Diamantopoulos, 2011), or have measured the level of affinity towards specific countries with already established high levels of affinity, like France and the US (Nes et al., 2014). In other words, the research has been performed in a high affinity setting. But, when a specific country is the target of consumer affinity and when the initial affinity level is yet to be explored (high/low), it can be argued that the results from previous research may not be valid any longer. To the best of my knowledge, the Nordic countries are very seldom the object of research within COO in general. Lastly, the groups of respondents have previously often been homogeneous in terms of nationality (French, Swiss, Thai, Americans, Israeli).

The study will moreover extend the conceptual affinity model by adding and testing the moderating effect of product category and consumer values on product judgement and purchasing intentions.

The goal of the research is to (1) ensure that consumer affinity indeed has a positive impact on consumer behaviour, to (2) explore the potential relationship between affinity and product category and consumer values, and lastly, to (3) identify the most prominent determinants of consumer affinity towards the Nordic region among international consumers. On the basis of this, the results will also have practical and managerial implications.

General Clarifications

Before discussing the theory and conceptual framework some remarks are in place. First, the definition of the Nordic region in this paper includes Finland, Sweden, Denmark, Norway, Faroe Islands and Island. Scandinavia is a frequently used term when addressing the Nordic region, but since Scandinavia only includes Sweden, Norway and Denmark, the Nordic is in a geographical sense more accurate. Even though the Scandinavian countries might have a more visible role internationally, it would be faulty to leave the other countries out, especially Finland, since they all share more or less the same strengths in terms of social systems, politics, values, nature and even to some degree culture and language.

Secondly, for this thesis the COO of the Nordic region represents the home of the brand and design of the products, which may or may not be the same as the country or region where the products are being manufactured or assembled. The reason is that research has found that the significance of the country of the brand (COB) is higher for the customers than the COO in terms of manufacturing (J. C. Usunier, 2006). The COB is also what multinational companies tries to highlight in the first hand while diminishing the visibility of the COO, mainly because of outsourcing practices to emerging countries with low labour costs and negative country associations (J. C. Usunier, 2006).

Finally, it is worth mentioning that COO is a very diverse research field that touches upon relevant ideas regarding negative consumer attitudes such as ethnocentrism and animosity. These concepts will be mentioned but not discussed in detail in the following section. Instead the focus will be on the positive side of COO and consumer affinity.

Theoretical Discussion

Consumer Affinity

As aforementioned, consumers' evaluations of foreign brands and products can also be affective in nature and carry an emotional and symbolic meaning, e.g. status, authenticity, exoticness, identity, pride and personal memories (Fischer & Zeugner-Roth, 2017; Verlegh & Steenkamp, 1999).

While the marketing literature has given much attention to how unfavourable consumer attitudes towards foreign countries (e.g. ethnocentrism and animosity) affect consumer behaviour, positive attitudes has been more neglected (Oberecker et al., 2008). To fill this gap in the research field in international marketing, Oberecker et al. (2008) developed and tested (Oberecker & Diamantopoulos, 2011) the concept of consumer affinity, first proposed but not further explored nor tested by Jaffe and Nebenzahl (2006). From a managerial point of view, Oberecker and Diamantopoulos (2011) argue that it should be of equal importance to know why consumers buy global products as it is to know why consumers avoid buying globally. Or in other words, the affinity construct might help managers to overcome negative attitudes towards a specific country and help them reposition the country image or brand by focusing on the consumers' positive feelings as opposite to the negative emotions (Asseraf & Shoham, 2016).

In a research paper Oberecker et al. (2008) defined the construct of consumer affinity as *"a feeling of liking, sympathy, and even attachment toward a specific foreign country ..."* by drawing on Social identity theory (Tajfel, 1982) that includes the ideas of in-groups (sense of belonging) and out-groups (not belonging). Nes et al. (2014) clarifies the concept by explaining that a person can develop affinity towards a foreign country for example because one identifies oneself with the country and thus consider the country to be an in-group or because the relation and identification with the country in question can contribute to strengthening the person's social identity.

This kind of consumer affinity can be evolved both through direct experiences – normative affinity – with the affinity country in question and through indirect experiences – individual affinity (Oberecker et al., 2008; Verlegh & Steenkamp, 1999; Wongtada, Rice, & Bandyopadhyay, 2012). Wongtada et al. (2012) further suggest that consumers can develop affinity if the country in question is associated with positive stereotypes. It is worth clarifying that affinity is not the same as moods or affective attitudes since these constructs can also be negative (Bernard & Zarrouk-Karoui, 2014).

Oberecker et al. (2008) identified the sources for affinity as four macro drivers: lifestyle, culture, scenery, politics and economics, and three micro drivers: stay

abroad, travel, contact (Oberecker et al., 2008). The macro drivers explain what dimensions of the affinity target the consumers like, while the micro drivers explain how the consumers come to such a conclusion.

In a later study, Oberecker and Diamantopoulos (2011) empirically tested and explored the model using the affinity dimensions of sympathy (low positive affect) and attachment (high positive affect). They found that consumer affinity even had a stronger effect on consumer behavioural intentions, such as perceived risk, visits and investments, than cognitive consumer evaluations. Affinity also outweighed the negative effect of consumer ethnocentrism (Oberecker & Diamantopoulos, 2011). Likewise, Nes et al. (2014) found evidence that consumer affinity affects micro country image, buying intentions and product ownership.

Except for only a moderate effect on the dependent variable of willingness to buy, Bernard and Zarrouk-Karoui (2014) found a positive and significant relationship between affinity and willingness to pay among French customers that chose their own affinity target country. The affinity effect was, however, found to be of less importance than the effect of the cognitive country-image variable. Bernard and Zarrouk-Karoui (2014) therefore acknowledge that leveraging the country image is the most efficient way for international companies to increase sales globally. Affinity is also shown to have a positive and strong impact on product judgement but only a moderate effect on willingness to buy in a study by Wongtada et al. (2012) among Thai consumers' affinity towards the US. Thus, the results of the affinity effect is not consistent.

While Oberecker and Diamantopoulos (2011) used a scale based on sympathy and attachment other scholars have developed their own scales to measure affinity. Nes et al. (2014) found that the construct of affinity is determined by the four dimensions of culture/landscape, music/entertainment, people and politics. The main dimensions according to Bernard and Zarrouk-Karoui (2014) is personal experience with the country, natural landscapes and finally culture including history and values. Wongtada et al. (2012) developed a scale most notably by including items concerning business and education in order to show that consumer affinity is not only influenced by scenery, people and lifestyle as Oberecker et al. (2008) suggest.

Consumer Values and Motivation

Oberecker et al. (2008) mentions, with reference to Kanter and Corn (1994), that a consumer's positive feelings can change or alter under specific circumstances e.g. in association with specific events or a shift in values. One industry where both consumer and corporate values are essential is that of luxury. In the research field of luxury and consumer reasons for buying luxury products, factors as self-consciousness, conspicuousness, status and uniqueness have been commonly used to explain underlying consumer values and motivations (Roux, Tafani, & Vigneron, 2017).

In terms of COO in luxury, studies have shown that there is a relative importance of COO for consumers that consume luxury goods. COO, together with country-of-design (COD), brand and guarantee, is also argued to be the elements of choice that best explains the difference between luxury and non-luxury (Sharma, 2011). Buying imported products in the luxury category is also a sign of higher material success which helps consumers in their pursuit for a positive social impression (Sharma, 2011).

There are two reasons why consumers engage in luxury consumption: for their own pleasure or for conveying status (Kapferer & Bastien, 2009). Amatulli, Guido, and Natarajan (2015) make a distinction between interpersonal values and personal values.

Interpersonal Values

The interpersonal values are socially motivated such as conspicuousness, social value and uniqueness. The value of conspicuousness is also referred to as the Veblen effect where the consumer buys luxury to signal status (Veblen, 1899). A common rule is that when the price goes up, the customer request follows. As for the need of social value one can talk about the Bandwagon effect where consumers purchase the same goods as a way of assimilating with the mainstream or a group of people one admires (Roux et al., 2017). Hence, it is a way of flock behaviour. Lastly, the Snob effect can be regarded to cover the same idea as uniqueness, because the consumer buys goods as a way of differentiate oneself from others (Leibenstein, 1950) – a snob begins to resent a product if it is used by too many.

These interpersonal concepts are highly linked to materialism, also seen as a value, where consumers through conspicuous consumption and material possessions aspires to enhance the self and hence the social status (Kilbourne, Grünhagen, & Foley, 2005).

Personal Values

On the other side of the spectrum, personal values are internally motivated such as hedonistic values (related to emotions) as personal satisfaction, and perfectionism including aspects as quality that helps reduce risk (Amatulli et al., 2015). In these cases, consumers seek the functional utility aspect of products (Roux et al., 2017).

In addition to measuring the impact of materialism in consumer behaviour, Sharma (2011) also included value consciousness – a generally overlooked variable in COO research – as a moderating variable to attract people that are seeking value for money instead of status. Sharma (2011) argues that consumers in emerging markets are more likely to be more value conscious than consumers from developed countries because of education, welfare and income levels. But the research findings on value consciousness and COO is not completely clear and both favourable and unfavourable attitudes towards foreign products among value conscious consumers exist (Sharma, 2011).

Additionally, other definitions and labels of the different consumer values are to be found. After comparing three different scales (Dubois, Czellar, & Laurent, 2005; Roux et al., 2017; Vigneron & Lester, 1999). De Barnier (2012) came to the conclusion that elitism, refinement and exclusivity (interpersonal values) are better in explaining consumer intentions, in comparison with quality, renown, power and hedonism (Roux et al., 2017).

Relevance of Values

By measuring the effect of consumer values in accordance with concepts from luxury, one can evaluate whether or not the affinity target is also evaluated as a high-ranking country also in price premium categories and for luxury consumers that want to show off or buy because of high quality. This is relevant in this case since none of the Nordic countries have a history or heritage in luxury, like Italy and France, despite high living standards etc.

The results of Bernard and Zarrouk-Karoui (2014) support this since they found evidence that affinity has a significant effect on willingness to pay. Meaning that consumers with feelings of affinity toward a particular country also might be willing, to not only buy but, to pay a price premium or more for foreign products.

Dividing consumers based on social and personal influences is also a way of describing consumers in a more multifaceted and complex way, instead of just focusing on pure demographics such as social class (Gil, Kwon, Good, & Johnson, 2012). As an example, a demographic segmentation such as age is not necessarily a good idea because consumers might feel older or younger (cognitive age) than their actual, chronological age. Amatulli et al. (2015) took consumers' cognitive age into consideration in their research on luxury consumption among elderly people.

Product Category

When Nes et al. (2014) and Oberecker and Diamantopoulos (2011) tested the affinity effect they included evaluations of products in general in their study. But, since one country can be evaluated as experts in one product category but not in another (M. Roth & Romeo, 1992) it is relevant to integrate category as a variable in order to establish a potential relationship with the affinity effect (Nes et al., 2014). Two possible ways of categorising products would be based on conspicuous vs functional products, or products divided into categories based on their match with the target country.

In the first option, based on the discussion on consumer values in luxury that is linked to affection and emotions, one can assume that products that are conspicuous or symbolic (cars, apparel, jewellery) and have a social meaning for the consumer, will be, as Nes et al. (2014) calls it, "*susceptible to affinity influence*".

This further corresponds with the suggestion made by Pappu, Quester, and Cooksey (2007) that COO may serve as a more important cue for the customer the more conspicuous or visible the product is. For example, the COO of a car is more important than that of a television, because a car is more visible to others and is a product that in a higher extent is a carrier of status (Pappu et al., 2007). Furthermore, Bian and Forsythe (2012) argues that emotional bonds can explain the reason why

consumers are willing to pay a premium price for products that on a functional level gives the consumer the same benefits as product with lower prices. Other product categories which might be relevant are e.g. experiential (travel, music, film, literature) and functional products that can differ in level of involvement and emotional attachment.

This kind of categorisation might however be too closely related to the discussion on how interpersonal and personal values modify consumer behaviour and consumption goals. It might even be that the two variables are part of the same construct.

The second option is to take the approach of product ethnicity, where consumers associate a product category with an origin to such a degree that it can eventually create a stereotype (M. Roth & Romeo, 1992; J.-C. Usunier & Cestre, 2007). Because of a certain location, climate, resources and manufacturing knowledge, countries are connected to specific product categories (J.-C. Usunier & Cestre, 2007). Product ethnicity (the degree of product-country match), a form of typicality, has been found to have a positive effect on consumer behaviour and willingness to buy (e.g. J.-C. Usunier & Cestre, 2007). In contrast, atypical origin products are those that the consumer is not familiar with or have limited experience of (Spielmann, 2015). According to some, consumers rely more on quality aspects than country cues if a product is seen as atypical for a country (Spielmann, 2015). Product ethnicity in practice would mean that the Nordic region would be favourable for travel experiences if the consumer finds a match with the landscape, mountains, fjords, lakes, northern lights etc. and the travel product category.

Hypothesis

With respect to the literature review and previous research, three main hypotheses are developed in order to meet the research objectives of valuating the effect of consumer affinity towards the Nordic region, in addition to measuring the potential moderating effect of product category and consumer values.

First, it is meaningful to establish and reassure that there actually exists a positive relation between affinity and consumer behaviour and that this is a fact also in a Nordic context.

The research on affinity and its impact on different dependent variables concerning consumer behaviour is to some degree inconsistent and several dependent variables have been measured. In the field of COO, the most common dependent variables have been reduced risk, value, impact on the actual willingness to buy or likelihood of purchase (K. P. Roth & Diamantopoulos, 2009). More recently, also a potentially positive effect of COO on willingness to pay, has attracted some attention (Koschate-Fischer et al., 2012). At the same time, evidence from other research papers indicate that quality is a more relevant variable when measuring the COO effect because the COO tends to have a weaker effect on actual purchase intentions. Verlegh and Steenkamp (1999) support this since they found that COO has the largest impact on perceived quality, in comparison with products attitude or purchase intentions. Hence, the longer into the customer journey the customer is, the less important is the COO factor or the weaker the COO effect is likely to be (Koschate-Fischer et al., 2012).

Because of the lack of general agreement on the effect of affinity and COO, it is of some value to measure both product judgment, including quality, and purchase intention. The first hypothesis is therefore:

H1: Consumer affinity has a direct positive effect on product judgment and purchase intention.

By segmenting the consumers based on their values towards consumption, one can hypothesise that consumer values will alter the relation between affinity and behaviour.

H2: Consumer inter- and personal values moderates the relationship that consumer affinity has with product judgment and purchase intention.

One can, in addition, presume that interpersonal values as status, uniqueness and social perception – meaning consumers who buy products with the explicit goal of being seen in association with people or groups that they look up to and wants to align with, or consumers who wish to differ themselves from the mainstream mass – will be more favourable of buying products from a country that they also feel

affinity for. Hence, the affinity effect on purchase intentions will be reinforced if the consumer have interpersonal values towards consumption.

H2a: Interpersonal values have a positive impact on the affinity effect on product judgment and purchase intention.

In contrast, value consciousness and personal values that satisfy the consumers' personal needs might presumably weaken the relation between affinity and purchase intentions. If a consumer looks for functional utility and value for money one can assume that the consumer will prefer local consumption, despite feelings of affinity.

H2b: Personal values and value consciousness have a negative impact on the affinity effect on product judgment and purchase intention.

Based on the discussion on product category it is of interest to include this as a moderating variable since a region or country can be evaluated differently based on perceived level of expertise and stereotypical associations from one category to another.

H3: Product category moderates the relationship that consumer affinity has with product judgment and purchase intention.

More specifically, categories that the consumers find typical for the affinity target will strengthen the relationship between affinity and behaviour.

H3a: Product categories with high levels of product ethnicity will have a positive impact on the affinity effect on product judgment and purchase intention.

When product ethnicity is lower and the product category is perceived as atypical for the affinity target, one might assume that the relation between affinity and behaviour will weaken.

H3b: Product categories with low levels of product ethnicity have a negative impact on the affinity effect on product judgment and purchase intention.

A third moderating variable which is not discussed in the theory but might be of relevance is that of national identity and domestic country bias. Fischer and Zeugner-Roth (2017) explains the concept as a person's emotional identification with the home country and the perceived feelings of attachment to one's own group, the in-group. In short, if the home country has a higher level of product ethnicity than foreign countries, the person have a positive self-image and the bond to the in-group is less obvious. On the other hand, if the foreign country has a higher product ethnicity, the person will try to enhance the image of the in-group (the in-group is under threatened), since the attachment to the in-group will become more evident (Fischer & Zeugner-Roth, 2017). By incorporating national identity, the study would touch upon the concept and influence of ethnocentrism (Fischer & Zeugner-Roth, 2017), that has been shown to have a strong effect on consumer behaviour and attitudes towards foreign products.

The Future of the Project

The next step in the project concerns additional development of the literature review and theoretical discussion to support the hypotheses. Especially more profound theory on product ethnicity and product category is needed. Then the methodology will be constructed in order to best fit the research objectives. Both surveys and experiments among international consumers would be possible. The challenge is of course to recruit a sufficient sample since the respondents cannot be originating from one of the Nordic countries. Concerns with nationalities, age, gender and target groups must also be addressed. Further, the scale to measure the level of affinity need to be constructed. The research done on consumer affinity effects have used different versions of the scale with different dimensions. The challenge is to construct a scale that is both relevant and measures the right things, while still being comprehensive and usable. The exact and specific product categories and consumer values groups will also need to be defined with the help of theory.

References

- Amatulli, C., Guido, G., & Natarajan, R. (2015). Luxury purchasing among older consumers: exploring inferences about cognitive Age, status, and style motivations. *Journal of Business Research*, *68*(9), 1945-1952. doi:10.1016/j.jbusres.2015.01.004
- Asseraf, Y., & Shoham, A. (2016). Destination branding: The role of consumer affinity. *Journal of Destination Marketing & Management*. doi:10.1016/j.jdmm.2016.06.004
- Bernard, Y., & Zarrouk-Karoui, S. (2014). Reinforcing Willingness to Buy and to Pay Due to Consumer Affinity towards a Foreign Country. *International Management Review*, *10*(2), 57-67,73.
- Bian, Q., & Forsythe, S. (2012). Purchase intention for luxury brands: A cross cultural comparison. *Journal of Business Research*, *65*(10), 1443-1451. doi:10.1016/j.jbusres.2011.10.010
- Chassany, A.-S. (2017). Emmanuel Macron proposes Nordic economic model for France. *Financial Times*. Retrieved from <https://www.ft.com/content/3691a448-fa1d-11e6-9516-2d969e0d3b65>
- Cleveland, M., Laroche, M., & Papadopoulos, N. (2009). Cosmopolitanism, consumer ethnocentrism, and materialism: An eight-country study of antecedents and outcomes. *Journal of International Marketing*, *17*(1), 116-146.
- De Barnier, V. (2012). Do consumers perceive three levels of luxury A comparison of accessible, intermediate and inaccessible luxury brands. *The Journal of Brand Management*, *19*(7), 623-636. doi:10.1057/bm.2012.11
- Dubois, B., Czellar, S., & Laurent, G. (2005). Consumer Segments Based on Attitudes Toward Luxury: Empirical Evidence from Twenty Countries. *A Journal of Research in Marketing*, *16*(2), 115-128. doi:10.1007/s11002-005-2172-0
- Fischer, P., & Zeugner-Roth, K. (2017). Disentangling country-of-origin effects: the interplay of product ethnicity, national identity, and consumer ethnocentrism. *A Journal of Research in Marketing*, *28*(2), 189-204. doi:10.1007/s11002-016-9400-7
- Gil, L. A., Kwon, K.-N., Good, L. K., & Johnson, L. W. (2012). Impact of self on attitudes toward luxury brands among teens. *Journal of Business Research*, *65*(10), 1425-1433. doi:10.1016/j.jbusres.2011.10.008
- Hakala, U., Lähti, S., & Sandberg, B. (2011). Operationalising brand heritage and cultural heritage. *Journal of Product & Brand Management*, *20*(6), 447-456.
- Jaffe, E. D., & Nebenzahl, I. D. (2006). *National image & competitive advantage: the theory and practice of place branding* (2nd ed. ed.): Denmark: Copenhagen Business School.
- Kanter, R., & Corn, R. (1994). Do cultural differences make a business difference? Contextual factors affecting cross-cultural relationship success. *The Journal of Management Development*, *13*(2), 5. doi:10.1108/02621719410050219
- Kapferer, J.-N., & Bastien, V. (2009). The specificity of luxury management: Turning marketing upside down. *Journal of Brand Management*, *16*(5-6), 311-322. doi:10.1057/bm.2008.51

- Kilbourne, W., Grünhagen, M., & Foley, J. (2005). A cross-cultural examination of the relationship between materialism and individual values. *Journal of Economic Psychology*, 26(5), 624-641. doi:10.1016/j.joep.2004.12.009
- Korte, G. (2016, 13.5.2016). Obama greets Nordic leaders, saying they 'punch above their weight'. *USA Today*. Retrieved from <https://www.usatoday.com/story/news/politics/2016/05/13/obama-nordic-leaders-summit-punch-above-their-weight/84330852/>
- Koschate-Fischer, N., Diamantopoulos, A., & Oldenkotte, K. (2012). Are consumers really willing to pay more for a favorable country image? A study of country-of-origin effects on willingness to pay. *Journal of International Marketing*, 20(1), 19-41.
- Leibenstein, H. (1950). Bandwagon, Snob, and Veblen Effects in the Theory of Consumers' Demand. *The Quarterly Journal of Economics*, 64(2), 183-207. doi:10.2307/1882692
- McLaughlin, A. (2016). Design team chosen to create brand for Nordic region. *Design Week*. Retrieved from <https://www.designweek.co.uk/issues/12-18-december-2016/design-team-chosen-create-brand-nordic-region/>
- Nes, E. B., Yelkur, R., & Silkoset, R. (2014). Consumer affinity for foreign countries: Construct development, buying behavior consequences and animosity contrasts. *International Business Review*, 23(4), 774-784. doi:10.1016/j.ibusrev.2013.11.009
- Norden. (2015). *Strategy for International Branding of the Nordic Region 2015–2018*. Retrieved from <http://www.norden.org/en/om-samarbejdet-1/funding-schemes-and-scholarships/current-invitations-to-tender/branding-of-the-nordics/the-nordic-perspective-strategy-for-international-branding-of-the-nordic-region>
- Oberecker, E. M., & Diamantopoulos, A. (2011). Consumers' Emotional Bonds with Foreign Countries: Does Consumer Affinity Affect Behavioral Intentions? *Journal of International Marketing*, 19(2), 45-72. doi:10.1509/jimk.19.2.45
- Oberecker, E. M., Riefler, P., & Diamantopoulos, A. (2008). The Consumer Affinity Construct: Conceptualization, Qualitative Investigation, and Research Agenda. *Journal of International Marketing*, 16(3), 23-56. doi:10.1509/jimk.16.3.23
- Pappu, R., Quester, P. G., & Cooksey, R. W. (2007). Country image and consumer-based brand equity: relationships and implications for international marketing. *Journal of International Business Studies*, 38(5), 726-745.
- Roth, K. P., & Diamantopoulos, A. (2009). Advancing the country image construct. *Journal of Business Research*, 62(7), 726-740. doi:<https://doi.org/10.1016/j.jbusres.2008.05.014>
- Roth, M., & Romeo, J. (1992). Matching Product Category and Country Image Perceptions: A Framework for Managing Country-of-Origin Effects. *Journal of International Business Studies*, 23(3), 477.
- Roux, E., Tafani, E., & Vigneron, F. (2017). Values associated with luxury brand consumption and the role of gender. *Journal of Business Research*, 71, 102-113. doi:10.1016/j.jbusres.2016.10.012
- Samiee, S. (2010). Advancing the country image construct—a commentary essay. *Journal of Business Research*, 63(4), 442-445.
- Sharma, P. (2011). Country of origin effects in developed and emerging markets: Exploring the contrasting roles of materialism and value consciousness.

- Journal of International Business Studies*, 42(2), 285-306.
doi:10.1057/jibs.2010.16
- Spielmann, N. (2015). Anything but typical: how consumers evaluate origin products based on their cues. *International Journal of Wine Business Research*, 27(1), 23-39. doi:10.1108/IJWBR-07-2014-0031
- Tajfel, H. (1982). Social Psychology of Intergroup Relations. *Annu. Rev. Psychol.*, 33(1), 1-39. doi:10.1146/annurev.ps.33.020182.000245
- Usunier, J.-C., & Cestre, G. (2007). Product Ethnicity: Revisiting the Match between Products and Countries. *Journal of International Marketing*, 15(3), 32-72. doi:10.1509/jimk.15.3.32
- Usunier, J. C. (2006). Relevance in business research: the case of country-of-origin research in marketing. *European Management Review*, 3(1), 60-73. doi:10.1057/palgrave.emr.1500049
- Verlegh, P. W. J., & Steenkamp, J.-B. E. M. (1999). A review and meta-analysis of country-of-origin research. *Journal of Economic Psychology*, 20(5), 521-546. doi:10.1016/S0167-4870(99)00023-9
- Vigneron, F., & Lester, W. J. (1999). A Review and a Conceptual Framework of Prestige-Seeking Consumer Behavior. *Academy of Marketing Science Review*, 1999, 1.
- Wongtada, N., Rice, G., & Bandyopadhyay, S. K. (2012). Developing and Validating AFFINITY: A New Scale to Measure Consumer Affinity toward Foreign Countries. *Journal of International Consumer Marketing*, 24(3), 147-167. doi:10.1080/08961530.2012.682037

