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When Does It Pay Off to Link a Brand Name to a Country?

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Abstract:

Some brands are associated with a country while others are not. From a managerial viewpoint, the main decision that must be made concerns when to make such an origin reference, and when to refrain from doing so. In this study, we propose that using country of origin in brand strategy enhances selected brand equity indicators whenever congruence exists between core brand image characteristics and country image. We suggest that general country image and brand image constructs often are insufficient to uncover the potential leveraging effects when applied on the individual brand level. We illustrate our arguments in an apparel brand case. The insights from the case indicate that brand equity is enhanced under the stated country-brand image congruence condition even when the country has no special reputation in the product category. Marketers should investigate whether brand image and country image have attributes that directly or indirectly are expressions of the same underlying characteristics. The general personality constructs (brand personality, country personality) and country image constructs (macro country image, micro country image) do not give sufficient insight into the full potential of leveraging brand equity by country of origin associations. Rather, the marketer must choose the constructs, user characteristics and country characteristics that seem most promising for exploring the case at hand. To our knowledge, the paper is the first that addresses this issue on the individual brand image level; the most important setting for the business manager who seeks ways of leveraging brand equity. The paper gives new insight into the roles of country of origin in brand strategy.

Keywords:

Brand image, country image, congruence theory, brand equity, brand user characteristics, brand promise, country of origin, buying intentions

Article Classification:

Case study

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Introduction

The role of the brand and the importance of managing *brand equity* have been acknowledged for some time. Particularly since the seminal book by Aaker (1991) this topic has attracted a lot of interest (Keller 2001). Brand equity may be measured and analyzed from financial perspectives, but ultimately rests upon aspects of consumer behavior. As pointed out by Keller (1993), consumer-based brand equity is defined in terms of marketing effects uniquely attributable to the brand. This means that we need to focus on effects on consumers that would not occur if the brand were different or did not exist. A brand's country of origin may be one factor that influences the effects of the brand on consumers. For example, "L'Oreal Paris" ties in to the French image of fashion and elegance, "Twinings of London" ties in to British tea culture, Nike uses "designed in the USA," and Volkswagen uses the expression "Das Auto" in its international advertising. IKEA uses the colors of the Swedish flag in their logo, and they use typical Swedish names on their product series worldwide. These companies and others must believe that tying brand image to country image is likely to increase their brand equity. However, we have very limited knowledge of the conditions under which country of origin enhances brand equity, when it has little or no influence, or when it perhaps even has a negative influence. The purpose of this paper is to contribute to our knowledge of the potential ways to leverage brand equity by country of origin associations. This knowledge is important for a business executive faced with deciding whether to include country of origin as part of the brand strategy. Our basic proposition is that introducing country image as part of

the brand image may enhance brand equity provided congruence exists between country and brand associations. We argue that the traditional general constructs of both country image and of brand image are insufficient to explore the full potential of leveraging brand equity by employing country of origin in brand strategy. Rather, the manager should study the unique brand image characteristics, and explore whether linkages to corresponding unique country images will enhance scores on brand equity indicators. We show how country of origin in brand strategy may enhance brand associations and buying intentions in a quasi experiment. Country of origin information is introduced for a foreign brand when such information had not been previously stated. Our paper applies insights from congruence theory, brand theory, and of country of origin theory in a new setting: the individual brand image level. This is the most important setting for the business manager who seeks ways of leveraging brand equity. Therefore, our study also is a response to calls to make research more managerially relevant (Taylor, 2011; Josiassen and Harzing, 2008).

In the next section, we discuss consumer brand equity in general and country of origin image related to brand equity in particular. The focus is on the importance of congruence between aspects of brand image and country image. We develop three hypotheses and go on to explain the methodology in a case of an apparel brand. Finally, we report the findings and suggest implications for researchers and practitioners.

Literature Review and Development of Hypotheses

Consumer-Based Brand Equity

As stated by Keller (1993), “customer-based brand equity is defined as the differential effect of brand knowledge on consumer response to the marketing of the brand” (p. 8). The differential effect can be determined by comparing the response of consumers to the

marketing of a brand with – and without – the brand name. Brand knowledge relates to brand awareness and brand image, and can be conceptualized by characteristics and relationships between various brand associations. Consumer response may be measured as attitudinal change, change in behavioral intentions, or as change in actual behavior. Brand equity is a multidimensional construct consisting of three dimensions (Yoo, Donthu, and Lee 2000; Yoo and Donthu 2001) or of four dimensions (Cobb-Walgren, Ruble, and Donthu 1995; Pappu, Quester, and Cooksey 2007). The four dimensions are brand awareness, brand associations, perceived quality, and brand loyalty. The difference between the two constructs is that the three-dimensional construct combines brand awareness and brand associations into one dimension. Building customer-based brand equity requires the formation of strong, positive, and unique brand associations. Direct experience with the product or service is likely to create strong associations in memory, but information about the product or service may also be conveyed by the company or by other sources. This may create belief associations without any personal direct experience with the product. In addition, inferred associations may occur in consumers' minds when the brand association is connected with other types of information in memory.

Secondary associations for the brand may arise based upon attributes primarily associated with, for instance, a) the company making the product or service, b) the distribution channels where the product is available, c) the country of origin of the product, d) endorsements, e) spokespersons, and d) other brands. Understanding this leveraging effect requires understanding consumer brand knowledge and how it changes with new information. Adopting a holistic perspective that synthesizes the multidimensionality of brand knowledge is according to Keller (2003) critical to advance brand theory and practice. Keller (2003) emphasizes how all kinds of different information may be linked to the brand, e.g. awareness, attributes, benefits, images, thoughts, feelings, attitudes and experiences. They may all be

considered dimensions of brand knowledge. It's beyond the scope of this article to extend a holistic perspective, but the multidimensionality of brand knowledge combined with the multitude of possible secondary associations reveal the numerous potential paths for managers to leverage brand equity. The international manager must find her own path that best serves the brand.

Country of Origin and Brand Equity

The influence of country of origin on buyer evaluations and purchase intentions has been questioned because consumers tend to be unaware of the origin of even well-known brands (Samiee, Shimp, and Sharma 2005). Still, associations between particular product categories and country images exist as demonstrated by Usunier and Cestre (2007). Developments in international business over the last decades may have rendered the original country of origin concept less relevant as argued by Usunier (2006). While recent research indicates that country of brand has become more important for consumers than country of manufacturing, Josiassen and Harzing (2008) insist that research should focus on how the images of brand and origin can be managed optimally together.

The early studies of country of origin effects on branded products took an approach similar to the one used for unbranded products in focusing on the influence of country of origin on product beliefs. Han and Terpstra (1988) found that country of origin was more important than brand name for bi-national products. Han (1989) tested two television set brands and two automobile brands and suggested that country of origin may be processed as a halo construct or a summary construct. Nebenzahl and Jaffe (1993) found that willingness to pay the price for specific well-known brands depends on country of manufacture. Several other studies also found product beliefs of brands are influenced by perceived country of

origin, for example, Erickson, Johansson, and Chao (1984), Han and Terpstra (1988), Wall, Liefeld, and Heslop (1991), and Nes and Bilkey (1993). Chao, Wuhrer, and Werani (2005) found that a foreign celebrity and a foreign brand name diminished perceived quality and buying intentions in an Austrian sample, and they attributed this effect to ethnocentrism. Their findings indicate that country of origin in the international brand strategy sometimes may be a liability if no particular value from the country association exists.

Since country of origin may influence perceived brand quality and brand associations, it may also influence brand equity. Yasin, Noor, and Mohamad (2007) identified country of origin as one of the sources of brand equity, whereas Pappu, Quester, and Cooksey (2007) found that both *macro* and *micro* country images were significantly associated with consumer-based brand equity. Pappu, Quester, and Cooksey used the definition of *macro* country image originally put forward by Martin and Eroglu (1993, p. 193), who defined it as “the total of all descriptive, inferential and informational beliefs one has about a particular country.” These authors also suggested that the construct had three underlying dimensions: economic, political, and technological. As for *micro* country image, Pappu, Quester, and Cooksey (2007) adopted the definition originally proposed by Nagashima (1970). He started from the product level and defined country image as “the total of beliefs one has about the products of a given country” (p. 68). In this context, some researchers (e.g., Han and Terpstra 1988) explore the country image for particular product groups, while others focus on the general image of all products associated with the country.

The strength of the association between country image and buying behavior depends on whether the country image matches important product attributes. This was dubbed by Roth and Romeo (1992) as “product–country matches” and by Usunier and Cestre (2007) as “product ethnicity.” These two studies are concerned with matches between country image

and product category characteristics. Willingness to buy related to product–country match (Roth and Romeo 1992) and product ethnicity (Usunier and Cestre (2007) was explored, and the results showed a greater willingness to buy products for which there are such matches. The effect of country of origin information on product evaluations varies between product categories. A country may have an excellent reputation as the origin of one category of products and a poor reputation in other categories of products. For example, France has an excellent reputation as the origin of fashion products, but not necessarily as the origin of reliable machinery. Germany may have the opposite image. Thus, the country attributes may match attractive product characteristics in one product category, but have no value, or even a negative value, in other categories

We argue that the general macro and micro country image constructs which are applied in most previous studies are insufficient to explain the impact of country-level image on individual brands. The reason is that the images of individual brands may be richer and much more complicated than the relevant country image at the product group level. Branding requires formation of unique brand associations. The brand associations that tie in to general macro and micro country image may not be unique. In fact, if a country has earned an image for excellence in a product group, it is probably because of the combined efforts of several companies rather than because of the effort of only one company or one brand. Japan may have an image for making reliable cars, but this does not imply that all Japanese car manufacturers would benefit from including “Japan” in their brand strategy.

Images of countries are often even more complex than are images of brands. They include the general macro image (economic, political, and technological aspects) as well as micro image of the country as a source of products. In addition, the country image also encompasses everything else the country may be known for, such as nature, climate, politics,

music, arts, architecture, and the role of religion, and people, their mentality, and their way of living. Large networks of associations are activated when a country is included in the brand image, and the activation has the potential of increasing the number of touch points between the consumer and the brand. Marketers must be ready to look beyond the general brand- and country image constructs to uncover the full potential of brand-country touchpoints. When these touch points are important elements of the brand image, a strong, positive, and complimentary country image may enhance the brand image.

We develop hypotheses, and test them on an apparel brand with low country origin awareness to elucidate the potential influence of unique brand-country congruence on brand equity indicators. We study three indicators that tie in to brand equity dimensions: brand promise, brand-user image, and buying intentions.

Personality and Brand-User Image

Personality is “the combination of characteristics or qualities that form an individual's distinctive character” (Oxford Dictionnaire of English). Personality has been applied as research construct in at least two consumer behavior related contexts; brand personality and consumer personality. Consumer personality was embraced with keen interest in the 1950's and 1960's by marketing researchers. The early findings were, however, never very promising with consumer personality explaining no more than 10% of buying behavior (Kassarjian 1971). Consumer personality has largely been abandoned in consumer behavior research since the end of the 1970's, but has recently received more attention in marketing (Bosnjak, Bratko, Galesic, and Tuten 2007). The weak results in the early works can be attributed to (1) the studies applied instruments developed primarily in clinical contexts to consumer behavior,

(2) questionable psychometric properties of the instruments used, (3) researchers expected that highly generalized traits could predict specific behavior (Bosnjak et al. 2007).

Brands are also considered as having human like characteristics that form the brands' distinctive character, and this is expressed in the brand personality construct. Brand personality is a symbolic attribute, and it has long been suggested that such brand attributes are important in explaining consumer behavior (Aaker 1997; Austin, Siguaw, and Mattila 2003; Sirgy 1982). The argument is that brands are associated with traits that reflect the stereotypic image of the typical user of the brand (brand-user image). The brand-user image has symbolic and self-expressive implications for the consumer. Consumers evaluate a brand by matching the brand-user image with their self-concept, and this matching process is referred to as self-congruity (Sirgy 1982; Kressmann et al. 2006) Self-congruity theory holds that the brand-user image associations should be in congruity with the consumer's self concept in order to influence consumer behavior (Sirgy 1982; Kressmann et al. (2006). The ability to express (ideal) self-image is often associated with positive affects, such as pleasure or pride, whereas inability is associated with negative affect (Swann, De La Ronde, and Hixon 1994). By using a specific brand, consumers may express their own self, ideal self, or specific dimensions of the self. Examples of various forms of brand user image and self-image congruence are discussed in Kressmann et al. (2006): (1) Self-image congruity: when a consumer's self-image matches brand-user image, (2) Actual self-congruity: brand user image is matching with the consumer's actual self-image, (3) Ideal self-congruity: brand user image is matching the consumer's ideal self-image, (4) Social self-congruity: brand user image is matching the consumer's social self-image and (5) Ideal social self-congruity: brand user image is matching the consumer's ideal social self-image.

A central argument in our article is that country image will influence brand attitudes on characteristics that are shared by the brand and the country of origin. This implies that dimensions of the country and brand images must tap into some similar beliefs and feelings. The most frequently applied scale for measuring brand personality was developed by Aaker (1997). Subsequent research, however, has found that her five-dimensional structure often is non-replicable across cultures. For example, Aaker, Benet-Martinez and Garolera (2001) found that only three factors applied in Spain, and in Japan, four of the five factors were relevant. This shortcoming has led researchers to construct new brand personality scales (Milas and Mlacic 2007). Following the same reasoning as brand personality, d'Astous and Boujbel (2006) developed a scale to measure personality dimensions in country image. They identified six country personality dimensions, which were labeled as follows: *agreeableness*, *wickedness*, *snobbism*, *assiduousness*, *conformity*, and *unobtrusiveness*. The scale, however, must be valid on both the individual brand level and on the individual country level, but neither the Aaker (1997) scale nor the d'Astous and Boujbel (2006) scale satisfied this requirement. Also, trying to explain specific actions with the aid of highly generalized traits is a classical problem of asymmetry, which attenuate the interrelations between variables. The scales for measuring macro and micro images of a country are very broad, and capture attitudes toward the country itself (macro image), or attitudes toward the country as an origin for products in general or for product categories (micro image). We argue that these constructs (brand personality, country brand personality, country macro image, country micro image) are too general to explain the full potential of attitude and behavioral changes at the individual country-brand level. Rather, the marketing manager should explore whether desired brand-user characteristics are shared with country of origin characteristics. Thus, the characteristics are unique for each brand-country combination. Not all characteristics are positive and the impact of country image on brand user image may be positive or it may be

negative. It's the task of the marketing manager to identify the characteristics that to the greatest extent have a positive contribution, and whether and how country of origin characteristics may enhance brand equity. In our case we have selected positive brand-user image characteristics, and brand-user image therefore influences buying intentions positively. Brand-user image is also a common denominator that may be used to market a brand internationally across cultures. The brand-user image is part of the brand association category in brand equity, and may influence brand equity. We hypothesize;

H1: Provided congruence between country image and positive brand-user image characteristics, brand-user image scores will be higher when country of origin is available than when it is unavailable.

Congruence here means country image is compatible with brand image on selected characteristics.

Brand Promise

Brand promise is a concept that is often found useful by marketing executives, but it is rarely applied in academic research. Brand promise is highly related to *brand mantra*, which is a short articulation of the "heart and soul" of the brand (Keller 2009). It refers to company statements related to the performance and benefits of the brand. The brand promise is a commitment by the organization, since making a promise to the customer is something that must be followed up (Campbell 2002). Belief in brand promise is an indicator in the brand associations category of brand equity. Given congruence between the brand promise and similar attributes of country image, we expect higher belief in the brand promise when country of origin information is available than when it is unavailable. Associations related to

the country of origin will likely serve to reinforce the beliefs regarding the brand promise in such cases.

H2: Provided congruence between country image and brand promise exists, belief in brand promise will be higher when country of origin is available than when it is unavailable.

Buying Intentions

Using the same line of reasoning, we expect that buying intentions are higher when country of origin information is available under conditions of congruence between country image and brand promise as well as country image and brand-user image characteristics. The brand loyalty dimension of brand equity is demonstrated as “the intention to buy the brand as a primary choice” (Yoo and Donthu 2001, p. 3). In line with this, we consider buying intentions in our study as indicator of the brand loyalty dimension of brand equity.

H3: Provided congruence between country of origin image and brand promise, and congruence between country image and positive brand-user image characteristics, buying intentions will be higher when country of origin information is available than when it is unavailable.

Case: Helly Hansen performance apparel

We tested our hypotheses in a case where the country of origin does not have a very strong product category reputation to better isolate the brand-level effects on brand equity. The case company is the apparel maker Helly Hansen, based in Norway. Norway never had an

advanced manufacturing industry for apparel, and there is no reason why it should have a very good micro image in the product category. The country has a challenging natural sea environment, and Helly Hansen started as a producer of high performance clothes for sailors. Today, Helly Hansen is primarily known for their high-quality performance apparel for survival, work, and sport. Most of their products are designed in Norway, produced outside Norway, and marketed internationally. Some versions of the clothing are specially designed for skiing and snowboarding. Helly Hansen is the most recognized international brand for clothing with an origin in Norway, but the country of origin has not been part of the international branding strategy for several years. No reference to Norway is made on the product labels, on their website, or in their advertisements. Helly Hansen products are now available in 16 countries. Helly Hansen has a strong position in Scandinavia, while in Europe their market share is only about one percent. Distribution channels are general sports retailers, specialty retailers, and separate Helly Hansen stores with the slogan “We work hard, so you can play harder.”

Two surveys concerning Helly Hansen were carried out among students at a German university. In the first survey, no country origin information was given. Respondents were shown pictures of three typical Helly Hansen products, the Helly Hansen logo, and the following text: “Helly Hansen was established in 1877. Today Helly Hansen is used as street fashion and known for high performance clothing for survival, work, and sport.” At the end, the respondents were asked whether they knew the brand was Norwegian. Eighty-eight percent of respondents did not know the brand was Norwegian. In the second survey, the respondents were shown the same product pictures and logo, but the country of origin was introduced by the following text “Helly Hansen was established in Norway in 1877. Today Helly Hansen of Norway is used as street fashion and known for high performance clothing

for survival, work, and sport.” Information regarding the image of Norway and Norwegian products was collected in the second survey. Brand-user characteristics, belief in brand promise, and buying intentions were collected in both surveys. Aided brand recall collected in both surveys was 91 percent.

According to our hypotheses, country image will influence brand associations under conditions of congruence between brand and country image. This implies that dimensions of the country and brand images must tap into similar beliefs and feelings. Existing brand attitude scales are developed to measure image at the brand level, and they do not link well to relevant country image attributes. Similarly, the scales for measuring macro and micro images of a country are very broad, and capture attitudes toward the country itself (macro image), or attitudes toward the country as an origin for products in general or for product categories (micro image). Thus, we developed and applied a scale that was unique for our case. Respondents were asked to state to what extent they agreed to the following statements concerning Norway’s micro image: Products of Norwegian origin are: 1) of high quality, 2) innovative, 3) sophisticatedly designed, 4) exclusive, 5) trendy. The variables were measured on a 7-point scale from strongly agree (1) to strongly disagree (7). Simultaneously, brand-user characteristics were mapped by similar statements that reflect the same attributes on a personal level, and was measured in the same way.

The *brand promise* is published on www.hellyhansen.com. Helly Hansen’s brand promise states: “Helly Hansen is tested by explorers who play in the harshest environments on the planet to learn what is needed to create the best gear possible.” The respondents were asked to evaluate to what extent they believed in this statement on a scale from 1 (very much) to 7 (not at all). Next, we needed to measure aspects of the country image that might have an impact on attitudes toward the brand promise. The Helly Hansen brand promise relates to

nature and climate, which have not been part of the general country macro image scales in previous research. The respondents to survey 2, which included country of origin information, were asked, “If you imagine Norway, to what extent do you agree with the following?” Agreement was expressed on a scale from 1 (strongly agree) to 7 (strongly disagree). The attributes were: 1) Rough nature/extreme weather, 2) Mountainous highlands, 3) Cold and snowy, 4) Rainy and windy, 5) Coastal land. The attributes are adapted from Ronningen (2001) and Norway’s tourist promotion website (www.visitNorway.com). These five attributes reflect the harsh environment stated in the brand promise. The items are reported in Table 1, translated from the original German version used for data collection.

Insert Table 1 approximately here.

The sample is a convenience sample of students at a university in Germany. The group is relevant as a target group for the brand. We assigned the respondents randomly to the two experimental treatments. The number of respondents in the survey without country of origin information was 124, consisting of 72 males and 52 females. Concerning the survey with country of origin information, the sample was 119 respondents (68 males and 51 females). The total sample was 243, of which 140 were males and 103 females.

Data Analysis

H1 requires congruence between country image and perceived brand-user characteristics. Congruence means country image is compatible with brand image on selected characteristics.

In our case the brand-user characteristics and country characteristics match item by item. Furthermore, attitude congruence with a causation effect from one attitude object to another requires that the scores between the attitude objects correlate. We show the correlations between brand –user characteristics and corresponding country image characteristics in Table 2.

Insert Table 2 approximately here.

Two correlations are significant at .01, two correlations show a weak correlation at .1, and one is not significant. None of the correlations are negative. This indicates congruence between country image and brand-user characteristics on certain characteristics, but not on all characteristics. Index scales for brand-user characteristics and country image show a correlation of .314 and .01 significance. We conclude that congruence between selected characteristics of country micro image and brand-user characteristics is established in this case.

H2 requires congruence between brand promise and selected characteristics of Norway's image. To establish congruence we first selected characteristics of Norway's image that are compatible with Helly hansen's brand promise. Then we calculated the correlation between belief in brand promise and the five country image attributes tapping nature and climate. The correlations are given in Table 3.

Insert Table 3 approximately here.

As shown in Table 3, four of the correlations are significant, while one is only significant at the 0.1 level. Calculating an index score for nature and climate as measured by the five attributes listed, the correlation between the index score and belief in brand promise is .366, which is significant at .01. We conclude that we have support for congruence between brand promise and selected characteristics of country macro image.

We tested hypotheses 1, 2, and 3 by comparing the mean scores of brand-user characteristics, belief in brand promise, and buying intentions in the two experimental situations: with and without country of origin information. The ANOVA results are given in Table 4. Levene's test for equality of means is not significant for any of the variables.

Insert Table 4 approximately here.

The mean values of the three brand equity indicators differ significantly between the two experimental situations. Mean values are significantly lower when country of origin was stated, reflecting the scale utilized. Hence, H1, H2 and H3 are supported by the data. The results indicate that brand buying intentions are higher, belief in brand promise is higher, and brand-user characteristics stronger when country of origin was communicated.

To better understand the degree to which the effect of country of origin on buying intentions is due to changes in the unique brand associations, we tested a model with brand origin availability as dummy variable together with brand-user characteristics and brand promise. Table 5 shows the results. Brand origin availability is not significant, and this

finding indicates that all of country of origin's effect on buying intentions is captured by changes in belief in brand promise and brand-user characteristics.

Insert Table 5 approximately here.

We explain the increase in buying intentions by increases in brand promise and in brand-user characteristics scores, and these are associations that are unique to the brand. To further understand the role of general country micro image in this case, we include Norway's micro image in a regression model in Table 6.

Insert Table 6 approximately here.

Brand promise and brand-user characteristics have significant impact on buying intentions, whereas Norway's micro image is not significant. This finding supports our contention that the Helly Hansen case depicts a situation whereby the country of origin's general micro image gives little insight into the potential role of country of origin in brand strategy.

Discussion

The central theme in our article is that brand managers must go beyond the general brand – and country level constructs (brand personality, country personality, country macro image,

country micro image) to explore the full potential of leveraging country image on brand image. Our study extends present theory by examining the effects of image congruity to country-brand matches. We illustrate this in a case of an apparel brand. In this case we explored the influence of country image on selected brand equity indicators when country of origin was communicated, and compared the results to the same brand equity indicators when country of origin was not communicated. We hypothesized that country image enhances positive brand-user characteristics and belief in brand promise when country image is congruent with brand image.

Belief in brand promise and positive brand-user characteristics in our apparel case are indicators of the brand associations dimension of brand equity. The brand loyalty dimension of brand equity is demonstrated in our case as the intention to buy the brand. It is well documented in several early studies that country of origin may impact perceived quality of individual brands, and we did not find it necessary to confirm this relationship in our case. (Han and Terpstra 1988; Han 1989; Nebenzahl and Jaffe 1993; Erickson, Johansson, and Chao 1984; Wall, Liefeld, and Heslop 1991; Nes and Bilkey 1993; Chao, Wuhner, and Werani 2005). We conclude that communicating country of origin as part of the brand strategy enhances consumer-based brand equity indicators under the stated congruence conditions.

The original conceptualization of the macro country image by Martin and Eroglu (1993) maintained that it has three underlying dimensions, namely economic, political, and technological. This is a rather narrow interpretation of country image, drawing particular attention to the importance of the degree of economic and technological development. In our case, the congruence demonstrated is between a unique brand image and aspects of country image (nature and climatic conditions) not previously considered in such research. Norway

has no tradition or reputation as an apparel producer. Still, we have demonstrated that a particular brand associated with products suited for the nature and climate in the country may benefit from reference to country of origin. Norway's harsh climate and nature, and perhaps their famous polar explorers Fridtjof Nansen and Roald Amundsen, activate a larger associative network and increase the number of touch points between consumers and the brand.

Consumers have experienced that branded products may be produced in any country without noticeable quality differences, and consumers tend to be unaware of the national origin of even well-known brands (Samiee, Shimp, and Sharma 2005). The marketer may prefer this situation if negative effects from ethnocentrism (Shimp and Sharma 1987) and animosity toward the country of origin prevail (Klein, Ettenson, and Morris 1998; Lwin, Stanaland, Andrea, and Williams 2010). Still, many famous brands are associated with a particular country of origin, and this association may be an important part of the brand strategy. In these as well as other cases, the international marketing executive must decide whether to include country of origin in the brand strategy or to refrain from doing so. Association with a highly developed country cannot alone make a country-based brand strategy viable. This is supported by the findings in Nes and Bilkey(1993). They found no difference in perceived risk and perceived quality between eight well known brands without country of origin information and the same brands randomly assigned as "made in" eight industrialized countries. This depicts a situation wherein the source country, albeit a rich industrialized country, has no specific country image congruence with the image of the randomly assigned brand. Companies have little or nothing to gain by including country of origin in their brand strategy in such circumstances, and when conditions of ethnocentrism and country-specific animosity prevail, such inclusion may have negative influence. Instead,

we both argue and demonstrate in our case company that congruence between brand image and country image characteristics are necessary to improve brand equity.

Marketers should investigate whether brand image and country image have attributes that directly or indirectly are expressions of the same underlying characteristics. The general personality constructs (brand personality, country personality) and country image constructs (macro country image, micro country image) do not give necessary insight into the full potential of leveraging brand equity by source country associations. Rather, the marketer must choose the constructs that seems most promising for exploring the case at hand. In our case we found brand-user characteristics and belief in brand promise useful. Other cases may benefit from other constructs. The full specter of country image attributes have a potential role, for example folklore and stories, nature, culture, climate, history, politics, music, arts, architecture, the role of religion, and people, their mentality, and their way of living. For brand practitioners, the important individual brand image attributes constitute the starting point.

Possible inferences from these findings are limited by the case, the convenience sample, and the quasi-experimental design. More studies across countries and brands are necessary to verify the our arguments. Future research should include cases where brand and country images have low congruence, as well as cases with incongruity between brand and country images. In the latter case, a negative relationship between country of origin information and brand equity may be found. We also need more knowledge of whether and how country animosity (strong disliking) and country affinity (strong liking) impacts country image on dimensions that may influence brand image associations. These are important issues for researchers and for international brand management. We hope our article will contribute in stimulating further inquiries into the area.

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Table 1: Items All scales are 1–7.

Brand-user characteristics coefficient alpha = .84 Variance explained = 58%	
<i>Someone who buys Helly Hansen of Norway...</i>	<i>Factor loading</i>
Buys innovative products	.705
Values sophisticated design	.828
Buys exclusive clothing	.773
Values a fashionable image	.713
Demands high quality	.791
Brand promise	
<i>To what extent do you believe the following statement?</i>	
<i>'Helly Hansen is tested by explorers who play in the harshest environments on the planet to learn what is needed to create the best gear possible'.</i>	
Buying intentions coefficient alpha = .93 Variance explained = 88%	
<i>In the future, is it possible that you would...</i>	<i>Factor loading</i>
Wear Helly Hansen winter clothing	.931
Desire a Helly Hansen product	.937
Buy a Helly Hansen product	.946
Country Image Nature and Climate coefficient alpha = .72 Variance explained = 48%	
<i>If you imagine Norway, to what extent do you agree upon the following?</i>	
	<i>Factor loading</i>
Rough nature/extreme weather	.765
Coastal land	.543
Mountainous highlands	.686
Cold snowy	.693
Rainy and windy	.747
Norway micro image coefficient alpha = .90 Variance explained is = 71%	
<i>Products with Norwegian origin are:</i>	<i>Factor loading</i>
Of high quality	.812
Innovative	.878
Sophisticatedly designed	.892
Exclusive	.828

Table 2: Correlations between country micro image and brand-user characteristics

<u>Country micro image</u>	<u>Brand-user characteristics</u>				
	<i>Someone that buys Helly Hansen of Norway...</i>				
<u>Products with Norwegian origin are</u>	<u>Buys innovative products</u>	<u>Values sophisticated design</u>	<u>Buys exclusive products</u>	<u>Values fashionable image</u>	<u>Demand high quality</u>
<u>Innovative</u>	<u>.256***</u>				
<u>Sophisticatedly designed</u>		<u>.261***</u>			
<u>Exclusive</u>			<u>.175*</u>		
<u>Trendy</u>				<u>.116</u>	
<u>High quality</u>					<u>.160*</u>

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

** Correlation is significant at the 0.05 level

* Correlation is significant at the 0.1 level

Table 3: Correlations between belief in brand promise and country image of nature and climate

<u>Country image</u>	<u>Rough nature</u>	<u>Coastal land</u>	<u>Mountains</u>	<u>Cold and snow</u>	<u>Rainy/windy</u>
<u>Brand promise</u>	<u>.259***</u>	<u>.383***</u>	<u>.283***</u>	<u>.185**</u>	<u>.166*</u>

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

** Correlation is significant at the 0.05 level

* Correlation is significant at the 0.1 level

Table 4: Differences in means between experimental groups with national origin and without national origin

ANOVA

		<u>Sum of Squares</u>	<u>df</u>	<u>Mean Square</u>	<u>F</u>	<u>Sig.</u>
<u>Buying Intentions</u>	<u>Between Groups</u>	<u>24,246</u>	<u>1</u>	<u>24,246</u>	<u>9,600</u>	<u>.002</u>
	<u>Within Groups</u>	<u>601,087</u>	<u>238</u>	<u>2,526</u>		
	<u>Total</u>	<u>625,333</u>	<u>239</u>			
<u>Brand Promise</u>	<u>Between Groups</u>	<u>26,951</u>	<u>1</u>	<u>26,951</u>	<u>10,763</u>	<u>.001</u>
	<u>Within Groups</u>	<u>595,982</u>	<u>238</u>	<u>2,504</u>		
	<u>Total</u>	<u>622,933</u>	<u>239</u>			
<u>Brand-User Char.</u>	<u>Between Groups</u>	<u>11,467</u>	<u>1</u>	<u>11,467</u>	<u>9,301</u>	<u>.003</u>
	<u>Within Groups</u>	<u>293,452</u>	<u>238</u>	<u>1,233</u>		
	<u>Total</u>	<u>304,920</u>	<u>239</u>			

Table 5: The impact of brand promise, brand-user characteristics and origin presence on buying intentions – total sample

<u>Independent variable</u>	<u>Standardized Beta</u>	<u>T</u>	<u>Sig.</u>
<u>Brand promise</u>	<u>.253</u>	<u>4.100</u>	<u>.000</u>
<u>Brand-user characteri.</u>	<u>.381</u>	<u>6.199</u>	<u>.000</u>
<u>Origin presence</u>	<u>.070</u>	<u>1.281</u>	<u>.202</u>

Dependent Variable: Buying intentions.

R² = .325 F 37.845 Sig. .000 All tolerance values are above .7, and all VIF values are below 1.4.

Table 6: The impact of country micro image, brand promise and brand-user characteristics on buying intentions – origin present sample only

<u>Independent variable</u>	<u>Standardized Beta</u>	<u>T</u>	<u>Sig.</u>
<u>Brand promise</u>	<u>.311</u>	<u>3.248</u>	<u>.002</u>
<u>Brand-user characteri.</u>	<u>.281</u>	<u>2.940</u>	<u>.004</u>
<u>Country micro image</u>	<u>.017</u>	<u>.194</u>	<u>.846</u>

Dependent Variable: buying intentions Origin present sample only

R² = .272 F 14.064 Sig. .000 All tolerance values are above .7, and all VIF values are below 1.5.

