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Brand Origin Or Product Origin? the Effects of Country of Origin Fit on Brand Evaluation

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The present country of origin research hypothesizes that country of origin will affect consumer's evaluation based on either brand origin or product origin (country of manufacture). In the current research, we argue that country of origin evaluations consist of three components: brand origin, product origin, and fit between brand origin and product origin. Specifically, we examine the effects of country of origin fit through information processing fluency, which helps understand previously unexplained findings in the literature. As such, this study extends the country of origin research by introducing information processing fluency enhanced by fit between brand origin and product origin.

[to cite]:

Sangwon Lee, Zachary Johnson, and Xin He (2009) ,"Brand Origin Or Product Origin? the Effects of Country of Origin Fit on Brand Evaluation", in NA - Advances in Consumer Research Volume 36, eds. Ann L. McGill and Sharon Shavitt, Duluth, MN : Association for Consumer Research, Pages: 1013-1014.

[url]:

<http://www.acrwebsite.org/volumes/14273/volumes/v36/NA-36>

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In previous research streams on the topic, the term country of origin has been defined as either brand origin or product origin (country of manufacture); brand origin referring to the home country of the brand, and product origin referring to where the product was actually made. Regardless of the definition used for country of origin in a particular paper, the research outcome has consistently shown that consumers make inferences about product quality based on either definition of country of origin. Alternatively, this research argues that country of origin evaluations are comprised of three components: 1) brand origin 2) product origin, and 3) fit between brand origin and product origin.

The term "country of origin fit" refers to whether or not the brand origin is the same as the product origin; if the brand origin and product origin are the same country, this congruence leads to a fit. No fit refers to the situation when the brand origin is one country and the product origin is another country. To this concept of country of origin fit, previous research has been silent.

The current research offers a theory-based empirical examination of country of origin fit. The purpose of the present study is to examine whether processing fluency enhanced by fit will affect brand evaluation. The product origin is often different from brand origin due to several management reasons, but the exact influence on brand evaluation was not clear. This research suggests that the effects of fit between brand origin and product origin can be explained by processing fluency.

The findings of this research extend the country of origin research streams. First, this research extends the previous research by expanding the country of origin evaluation to three components: 1) brand origin 2) product origin, and 3) fit. Second, several studies examined country of origin effects on product quality evaluations from the management perspective (Paterson and Jolibert 1995; Maheswaran 1994). However, little theory-based research has examined consumer perceptions that influence country of origin evaluations (Gurhan-Canli and Maheswaran 2000). This research extends the extant research by introducing information fluency theory from the consumer's perspective. Third, the findings of this research extend processing fluency research. Theoretically, previous researches have examined processing fluency within the single category of product or word. This research extends the literature by adding another stimulus for processing fluency such as fit between two different levels of brand and product. Fourth, this research extends the previous country of origin research by introducing fit which will strengthen the country of origin effects on brand evaluation.

To examine how fit influences brand evaluation, two streams of research will be discussed. First, stereotype literature is examined to show the relationship between fit and information processing fluency. Second, processing fluency literature is reviewed to show the relationship between information processing fluency and brand evaluation (Lee and Aaker 2004). Stereotype literature suggests that if the information is more consistent with stereotypes, people can more easily process information because consistent information is expected and is therefore conceptually more fluent (Bodenhausen and Lichtenstein 1987; Lee and Aaker 2004; Macrae et al. 1994; Sherman et al. 1998). In our context, if the brand origin is the same as the product origin, people can more readily process information because product information is consistent with consumer stereotypes (brand information) and will be more fluent. Processing fluency literature has shown that processing fluency can lead to enhanced affective judgments (Lee and Aaker 2004). According to this view, when people are presented with a brand that is easy to process, the positive experience of fluent processing leads to more positive evaluation of the brand. Similarly, in the context of this research, the processing fluency enhanced by the country of origin fit may lead to more positive attitude toward the brand.

Hypothesis 1 suggests that the fit of the country of the brand origin and the product origin will lead to more positive attitude toward the brand than no fit. To test this hypothesis, 170 undergraduate business students from a major southeastern university participated in

the between subject experiment that is designed to test whether the country of origin fit will affect brand evaluations. To control the quality inferences from the brand name and country, mock brand and country names were created for the stimuli (e.g. GLOBAL brand and Country J, K). The stimuli also specified that both countries are known for producing the same quality product. Study 1 supports the notion that the fit of the country of brand origin and product origin has an impact on attitude toward the brand. There was a statistically significant difference at the $p < .05$ level in attitude toward the brand scores for two different fit conditions ($F(1, 168) = 4.50, p < .05$). Thus, the fit leads to more positive attitude toward the brand than no fit.

Based on the result of study 1, study 2 will be designed to further explore the moderating effect of the quality of brand origin on the relationship between fit and attitude toward the brand. Previous research shows that country of origin is likely to affect interpretation of information about specific product attributes especially when country of origin is conveyed before the attribute descriptions (Hong and Wyer 1990). In the context of this research, we propose that processing fluency enhanced by the country of origin fit will strengthen the country of origin effects on brand evaluation. Thus, depending on initial quality of brand origin, the attitude toward the brand will be either more positive or more negative.

For the second study, 2 brand origin (high quality, low quality) x 2 country of origin (fit, no fit) between subjects experiment will be designed to create one of four possible experimental conditions: (1) High-quality brand origin with the same product origin, (2) High-quality brand origin with the different product origin that produces equally high-quality products, (3) Low-quality brand origin with the same product origin and (4) Low-quality brand origin with the different product origin that produces equally low-quality products.

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