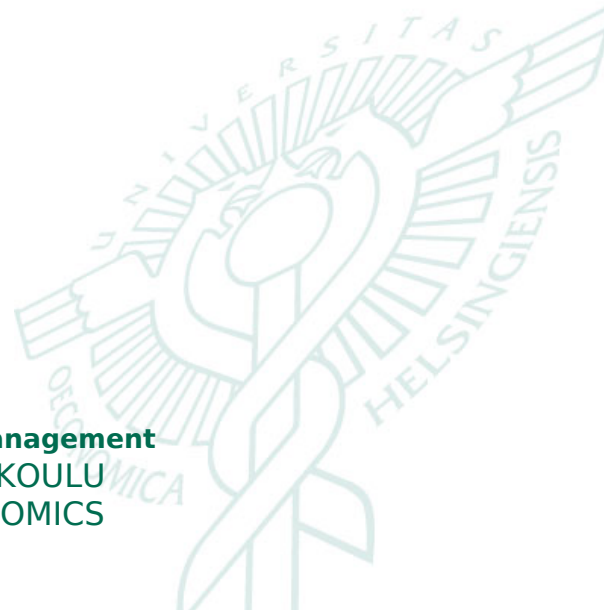


DOES COUNTRY MATTER? The Country of Origin Effect on Sports Apparel Users' Brand Perceptions

Marketing
Master's thesis
Liisa Rätty
2009

Department of Marketing and Management
HELSINGIN KAUPPAKORKEAKOULU
HELSINKI SCHOOL OF ECONOMICS



DOES COUNTRY MATTER?

The Country of Origin Effect on Sports Apparel Users' Brand Perceptions

Objectives

The purpose of this master's thesis is to study the factors that affect consumers' perceptions of a brand and determine if country of origin is one of these factors. Country of origin is divided into country of manufacture, country of design and brand origin to simulate the complexity of the country of origin concept in today's highly globalized economy. All three elements of country of origin are thought to affect brand image directly and indirectly through intrinsic and extrinsic product cues. Consumer values are also thought to influence the way in which country of origin information impacts brand image.

Methods

Data was collected using a web-based questionnaire that was sent out to 1326 licensed competitive swimmers whose contact information was acquired from the Finnish Swimming Federation's database. The questionnaire contained 44 statements measuring the respondent's attitudes toward goods, clothes and swimwear produced or designed in Asia or Western countries as well as the overall importance of country of origin information in decision making. 343 usable questionnaires were returned. The data was analyzed using the t-test and ANOVA to determine if males and females or the different age groups differed in their attitudes. Factor analysis was conducted to uncover the factors which effect consumer perceptions of a product.

Results

The study uncovered three strong factors – durability, creativity of design and patriotism – that affect consumers' perceptions of a product and its brand image. These three factors are linked to country of manufacture, country of design and consumer values. Males seemed showed less concern for country of origin than females and interestingly the youngest age group showed the most negative attitudes towards products made in Asia. Overall attitudes towards goods made in Asia were less positive than for goods made in Western countries, but the difference in attitude was not significant. However, attitudes towards goods designed in Asia were more negative. Thus moving production to low labor cost countries should not affect brand image negatively, but design should not be outsourced to Asia.

Key Words

Brand, brand image, product cues, country of origin, brand origin, specialty retail, swimwear

ONKO ALKUPERÄLLÄ MERKITYSTÄ?

Alkuperämaatietojen vaikutus urheiluvälinekuluttajien brändimielikuviin

Tavoitteet

Tutkimus tarkastelee kuluttajien brändimielikuviin vaikuttavia tekijöitä keskittyen erityisesti tuotteen alkuperämaan vaikutukseen. Käsitettä alkuperämaa tarkennetaan jakamalla se tuotantomaahan, suunnittelumaahan ja brändin kotimaahan. Jako kuvastaa globaalin markkinatalouden monimutkaisuutta, jossa tuotteen alkuperä ei ole yksiselitteinen. Alkuperämaan ajatellaan vaikuttavan kuluttajien mielikuviin sekä suoranaisesti että muiden tuoteominaisuuksien kautta. Kuluttajan arvot vaikuttavat osaltaan siihen, miten tuotteen alkuperämaahan liittyvää tietoa käytetään päätöksenteossa.

Menetelmät

Tutkielman empiirinen osa tutkii kuluttajien mielikuvia Aasiassa ja länsimaissa valmistetuista tai suunniteluista tuotteista sekä alkuperämaatietojen tärkeyttä tuotearviointissa. Tutkimuksessa käytetty aineisto kerättiin Suomen uimaliiton lisenssiuimareille suunnatulla sähköisellä kyselyllä. Kysely lähetettiin 1326 lisenssiuimarille, joista 343 palautti kyselyn. Aineiston analyysissä käytettiin t-testiä ja ANOVA-testiä kartoittamaan miesten ja naisten sekä eri ikäryhmien väliset erot. Faktorianalyysin avulla etsittiin tekijöitä, jotka vaikuttavat kuluttajan mielikuviin.

Tulokset

Faktorianalyysillä löydettiin kolme tekijää, jotka vaikuttavat kuluttajan mielikuvaan tuotteesta tai brändistä: kestävyys, suunnittelun luovuus sekä isänmaallisuus. Nämä kolme tekijää voidaan rinnastaa tuotteen tuotantomaahan, suunnittelumaahan ja kuluttajan arvoihin. Miesten suhtautuminen tuotteen alkuperämaahan oli neutraalimpi kuin naisten. Ikäryhmistä nuorin osoitti suurinta mieltymystä länsimaisia tuotteita kohtaan. Kaiken kaikkiaan kuluttajat suosivat länsimaisia tuotteita, mutta mielikuvat Aasiassa valmistetuista tuotteista eivät olleet kovin negatiivisia. Kuluttajat eivät kuitenkaan suhtautuneet yhtä neutraalisti Aasiassa suunniteltuihin tuotteisiin vaan suosivat selvästi länsimaissa suunniteltuja tuotteita. Tästä voimme päätellä, että tuotannon siirtämisellä Aasiaan ei ole negatiivisia vaikutuksia kuluttajien mielikuvaan tuotteesta tai brändistä, mutta suunnittelua ei kannata ulkoistaa Aasiaan.

Avainsanat

Brändi, brändimielikuvat, tuotteen ominaisuudet, alkuperämaa, brändin alkuperämaa, erikoiskauppa, uima-asut

Table of Contents

1. Introduction	3
1.1. Research Problem and Objectives.....	4
1.2. Delimitations	6
1.3. Key Concepts	7
2. Literature Review.....	8
2.1. Definition of Brand	8
2.1.1. Strategic Implications of Branding	10
2.1.1.1. Company Benefits	10
2.1.1.2. Customer Benefits	15
2.2. Brand Image	18
2.2.1. Definition of Brand Image	18
2.2.2. Comparing Brand Image and Brand Identity.....	20
2.2.3. Components of Brand Image.....	23
2.3. Country of Origin Defined	28
2.4. Country of Origin and Product Evaluation	32
2.4.1. Country of origin and other product cues.....	32
2.4.2. Country Image	35
2.4.3. Cognitive Processing of COO Information	37
2.5. Conceptual Framework	41
3. Research Methods	43
3.1. Swimgear Oy and the TYR Brand	43
3.2. Competitive Swimming in Finland.....	45
3.3. Collecting the Data	46
3.4. Research Data.....	47
3.5. Statistical Analysis Methods.....	48
3.5.1. T-Test and Analysis of Variance.....	48
3.5.2. Factor Analysis.....	50
3.6. Validity and Reliability	53
4. Results and Analysis.....	55
4.1. T-test.....	55
4.2. Analysis of Variance.....	57
4.3. Factor Analysis.....	63
5. Discussion and Conclusions	66
5.1. Managerial Implications	69
5.2. Limitations and Public Research.....	71
References	73
Appendix A: Thesis Questionnaire in Finnish.....	81
Appendix B: Thesis Questionnaire in English.....	85
Appendix C: T-Test Male / Female.....	88
Appendix D: Factor Analysis.....	90

List of Tables and Figures

Figure 1: The Levers of Brand profitability.....	11
Figure 2: Identity and Image.....	21
Figure 3: The Three Components of Brand Image.....	24
Figure 4: The Value of Brand Associations.....	25
Figure 5: Brand Associations.....	27
Figure 6: A model of the Antecedents and Consequences of Brand Origin.....	30
Figure 7: Country and Product Category Dimension Matches and Mismatches....	36
Figure 8: Framework of Factors Affecting Brand Image.....	42
Figure 9: Revised Framework of Factors Effecting Brand Image.....	66
Table 1: T-test between male and female.....	56
Table 2: Importance of COO information by age.....	58
Table 3: Attitudes towards products designed or produced in Asia.....	60
Table 4: Attitudes towards clothes designed or produced in Asia.....	61
Table 5: Attitudes towards swimwear designed or produced in Asia.....	62
Table 6: Attitudes towards TYR branded swimwear.....	65
Table 7: Variables used in factor analysis.....	64
Table 8: Factors representing dimensions of Country of origin.....	66

1. Introduction

In today's highly internationalized economy, only a very small fraction of the things that we buy are made in our home country. Also, modern manufacturing processes often involve many different countries making it difficult for us as consumers to even distinguish the true origin of the products that we buy. The topic of country of origin effects has been studied extensively with over 750 major publications by over 780 authors in the past 40 years (Papadopoulos and Heslop, 2002). From these studies it has become widely accepted that a product's country of origin can influence consumers' perceptions of the product. However, as the world economy becomes ever more tightly intertwined and buying foreign products becomes the norm, are the effects of country of origin on consumer perceptions diminishing?

In the past decade significant structural changes have occurred in international markets, which have increased the amount of foreign products available to consumers (Pharr, 2005; Van Pham, 2006; Chao 2001). These changes include the advent and rapid growth of the World Trade Organization, improvements in infrastructure and the emergence of trade blocs such as the European Union (EU), which allow for the free movement of goods and services between the member countries. Another significant change is the increased popularity of shopping online, since it allows consumers to search for the best products and prices on a global scale irrespective of country boundaries.

One example of internationalization is the apparel industry, which has been moving from North American and Europe to low cost labor countries in Asia. According to Carlo Bonza (2008), the president of swimwear manufacturing company Luigi Bonza Srl, Northern Italy used to be the home to hundreds of swimwear manufacturers, but now the number has decreased to about 10. The reason for this is that price rather than quality has become the main issue in business, thus making it more attractive for companies to move production to low labor cost countries.

The question is, how does this change affect the perceptions that consumers have of the brand? Do consumers view products from low labor cost countries as inferior or are they indifferent to the place of production? From the vast collection of studies on the subject of country of origin effect, we can find support for both hypotheses. For instance,

according to Nebenzahl et al (1997) it is important for retailers to be aware of country of origin effects, because as globalization of marketing efforts continues the relationship between country-product image and purchasing behavior becomes more important. Conversely, Thakor and Lavack (2003) found in their studies that the location of company headquarters or the home of the brand is much more significant than what is written on the made-in label.

This master's thesis will explore the effects of country of origin cues alongside other product cues to determine how these cues interact together to form the image of the brand. The subjects of brand image and country of origin have been studied in several masters' theses previously, but they have focused on brand identity (Frisk, 2008; Alahuhta, 2005), corporate image (Ruuskanen, 2008; Kuusela, 2003) or the image of Finland as a country (Siberg, 2006; Weiste, 2006). Thus the concept of country of origin effects on brand image has yet to be studied.

Swimgear Oy, which imports TYR branded swimwear, equipment and apparel into Finland, Denmark and the Baltic countries, will be used as a case company to explore the effects of country of origin cues. Like many of its competitors TYR is moving production of its swimwear to low cost countries in order to minimize production costs. The effect of this change on brand image will be studied using Swimgear Oy and the Finnish competitive swimmer market.

1.1. Research Problem and Objectives

The research problem is centered around the effect that country of origin (or COO) cues have on consumers' perceptions of brand image. The research question and sub questions are presented below.

Research Question: How do country of origin cues affect sports apparel users' perceptions of brand image?

Sub question 1: What is brand image?

Sub question 2: Which factors affect sports apparel users' perception of a brand?

Sub question 3: In what way does country of origin interact with other product cues in sports apparel users' perception of a brand?

In order to determine the effects of country of origin on brand image, brand image must be defined and the use of the term in this study must be clarified. The factors effecting brand image must also be determined, since brand image is made up of all the cues that the consumer takes into consideration when evaluating a product or a brand. These other product cues can be higher-level intrinsic that are part of the physical product or lower-level extrinsic in that changes made to these cues will not directly affect the physical product (Aqueveque, 2006).

Finally, the third sub question deals with the interaction of country of origin cues and other product cues. It is important to include other cues in the study because confining research to just country of origin effects may overplay its role in consumer decision making (Okechuku, 1994). Thus presenting country of origin information simultaneously with other extrinsic and also intrinsic cues allows us to simulate a more realistic setting for the respondents.

The purpose of this master's thesis is to gather information about the factors that affect consumers' perceptions of a brand and more precisely to determine if country of origin is one of these factors. The objective is to find out, which factors are most important to consumers' perceptions of brand image. The study will be conducted from the point of view of the consumer.

The results of this study will aid the company in focusing its marketing efforts on the factors that are found to have the most relevance to the customers. Likewise, the results will also allow the company to downplay factors that are detrimental to the image of the brand. Although the research focuses on the competitive swimwear brand TYR and the competitive swimmer market in Finland, the results will be useful for other sports equipment and apparel businesses as well as other specialized retail businesses.

From a researcher's point of view this master's thesis will add to the vast amount of studies about country of origin effects and brand image. It will shed some light on these topics in the context of specialty retailing that focuses its business on a niche market. This perspective will bring new insight to the realm of country of origin research, since the majority of research is focused on mass marketed goods.

1.2. Delimitations

The study will be limited to consumers in Finland that are part of the competitive swimmer market. Although Swimgear Oy has operations in other countries, they have been active in Finland for the longest time, thus the market is familiar with TYR branded products. In other markets where operations have begun less than a year ago there is likely to be very limited familiarity thus a majority of the consumers have no perception of the TYR brand. The research is also limited to competitive swimmers, since for the time being TYR branded products are only sold through swim teams and at swim events and not through classical distribution in sports stores. For this reason the general public has little knowledge of the TYR brand.

The product group used in this study will be performance swimwear. The product assortment of TYR and Swimgear Oy includes various types of equipment for swimmers, apparel and technical suits for competition, but this study will focus solely on performance swimwear, used for training by competitive and active swimmers. There are three main reasons for limiting the study to this product category. Firstly, the performance swimwear product line makes up the majority of revenue. Secondly, the performance swimwear business allows brands the most opportunity to differentiate themselves from their competitors with innovative styling and design. Thirdly, TYR has decided to move production of its performance swimwear from Italy to China thus making performance swimwear the most relevant in regards to this study.

1.3. Key Concepts

The key concepts of this master thesis are brand, brand image, product cues, extrinsic product cues, intrinsic product cues, country of origin, country of design, country of manufacture and brand origin.

Brand will be defined as the subjectively viewed tangible and intangible features of the product that add value to the customer beyond the sum of these features.

Brand image will be defined as the consumers' perceptions of the brand that is comprised of associations retrieved from the consumers' memories.

Product cues will be defined as factors that differentiate a product from competing products.

Extrinsic product cues will be defined as intangible factors of a product that can be changed without changing the physical appearance of the product. Examples of extrinsic product cues are brand, price and country of origin.

Intrinsic product cues will be defined part of the physical product. Examples of intrinsic product cues are packaging and design.

Country of origin image will be defined as the attitudes that consumers hold about products from certain areas or geographical areas.

Brand Origin will be defined as the country which a consumer associates with the product or brand, regardless of where the product was manufactured.

Country of manufacture will be defined as the country where final production takes place and which is specified on the label.

Country of design will be defined as the country a part or whole of the finished product is designed.

2. Literature Review

This section begins by reviewing theoretical background on brand management, which entails defining the concept of brand and pointing out some of the strategic implications of branding. Then the concept of brand image is defined, compared with brand identity and dissected into elements. Lastly country of origin is defined and the relevant research on the subject is outlined. The topics discussed in this chapter make up the theoretical background upon which the framework for this master's thesis is built. The framework will be presented in the summary section of this chapter.

2.1. Definition of Brand

The term brand has as many definitions as there are scholars defining it. Perhaps the two most credited definitions are by Aaker and Keller. David A. Aaker (1991, 7) takes a quite concrete view and defines a brand as:

“a distinguishing name and / or symbol (such as a logo, trademark, or package design) intended to identify the goods or services either of one seller or a group of sellers, and to differentiate those goods or services from those of competitors. A brand thus signals to the customer the source of the product, and protects both the customer and the producer from competitors who would attempt to provide products that appear to be identical.”

The definition by Aaker takes quite a concrete view of the brand and describes the physical aspects related to brands. Keller (1998) on the other hand takes a more abstract view and defines a brand as “a set of mental associations, held by the consumer, which add to the perceived value of a product or service”. From these definitions we can see that the term brand embodies both concrete and abstract elements of a product. For instance Lacoste polo shirts can be distinguished from other brands of polo shirts by the crocodile logo on the chest. Consumers are willing to pay more for a polo shirt with the Lacoste logo, because to them it is a promise of high quality.

Murphy (1990,1) offers another quite concrete definition of brand stating that it is “the product or service of a particular supplier which is differentiated by its name and presentation”. He uses the term *gestalt* to describe how brands are more than the sum of their components. It takes time to build *gestalt* in the minds of consumers thus making brand building a time consuming process. The three most important issues to creating a valuable brand are credibility, coherence and attractiveness. The brand offering must be credible in the eyes of the consumer in that it is believable to the consumer. Coherence refers the clarity of the offering. If the offering is too complex or poorly communicated, it will not interest the consumer. In order for the brand to have value for the company, the offer also has to be perceived as attractive by the consumers otherwise the company cannot succeed in integrating the values and beliefs into the offering to create *gestalt*.

Another important aspect of brands is the added value that they bring to both the customer and the company. Norgan (1994) states that a brand is the representation of all the properties, features and attributes of a product which provide value to the potential customer, and this value is greater than the simple sum of the constituent tangible properties. This definition also outlines the reasons that companies are so keen on branding – mainly that they are able to get a higher price for their products.

De Chernatony (1993) views brands as being partly communicated by the company and partly developed in the mind of the consumer. She combines the two dimensions of brands and states that “brands are complex entities that are conceived in planning documents, but ultimately they reside in consumer’s minds”. When companies launch a brand they spend vast amounts of time and money in order to develop a brand story, but in the end if consumers do not relate to the story, the brand will fail. The key to strong brands is developing a brand proposition that blends harmoniously with consumers needs.

Branding can also be seen as creating a bridge between the consumer and the company. To create a bridge the company must connect to the consumers’ emotions. Gobe (2001) talks about mindshare and emotion share rather than market share. Although creating awareness is the first step to building a brand, companies must achieve more than just awareness in order for their brands to be successful. They must

develop an ongoing relationship of trust and loyalty between the consumer and the brand if they are to achieve long term success. Only the best brands manage to create a dialogue with the consumer and create a unique, lasting relationship.

By combining the propositions set forth by the definitions above, we can conclude that a brand is made up of both tangible and intangible aspects. The tangible aspects are the symbols, colors, fonts and design that make the brand recognizable to the consumer and differentiate it in appearance from its competitors. The intangible aspects are often subjective and vary from consumer to consumer. They can include the feeling and emotions that the use of a certain brand bring for the consumer, the continuity that a long-lasting relationship with a brand allows and the trust that consumers build over time. It is the combination of the two aspects that add value to the product for both the consumer and the company.

For the purpose of this master's thesis the concept of brand will be defined as the subjectively viewed tangible and intangible features of the product that add value to the customer beyond the sum of these features.

2.1.1. Strategic Implications of Branding

In this section some of the strategic implications of branding will be reviewed. This section will aim to answer the questions: what are the benefits of branding? This subject can be further divided into benefits for the company and benefits for the customer. The common theme of branding benefits seems to be that strong brands reduce risk; for both the company and the consumer (Aaker, 1991; Mackiewicz, 1993; Murphy 1990; Kapferer 1998).

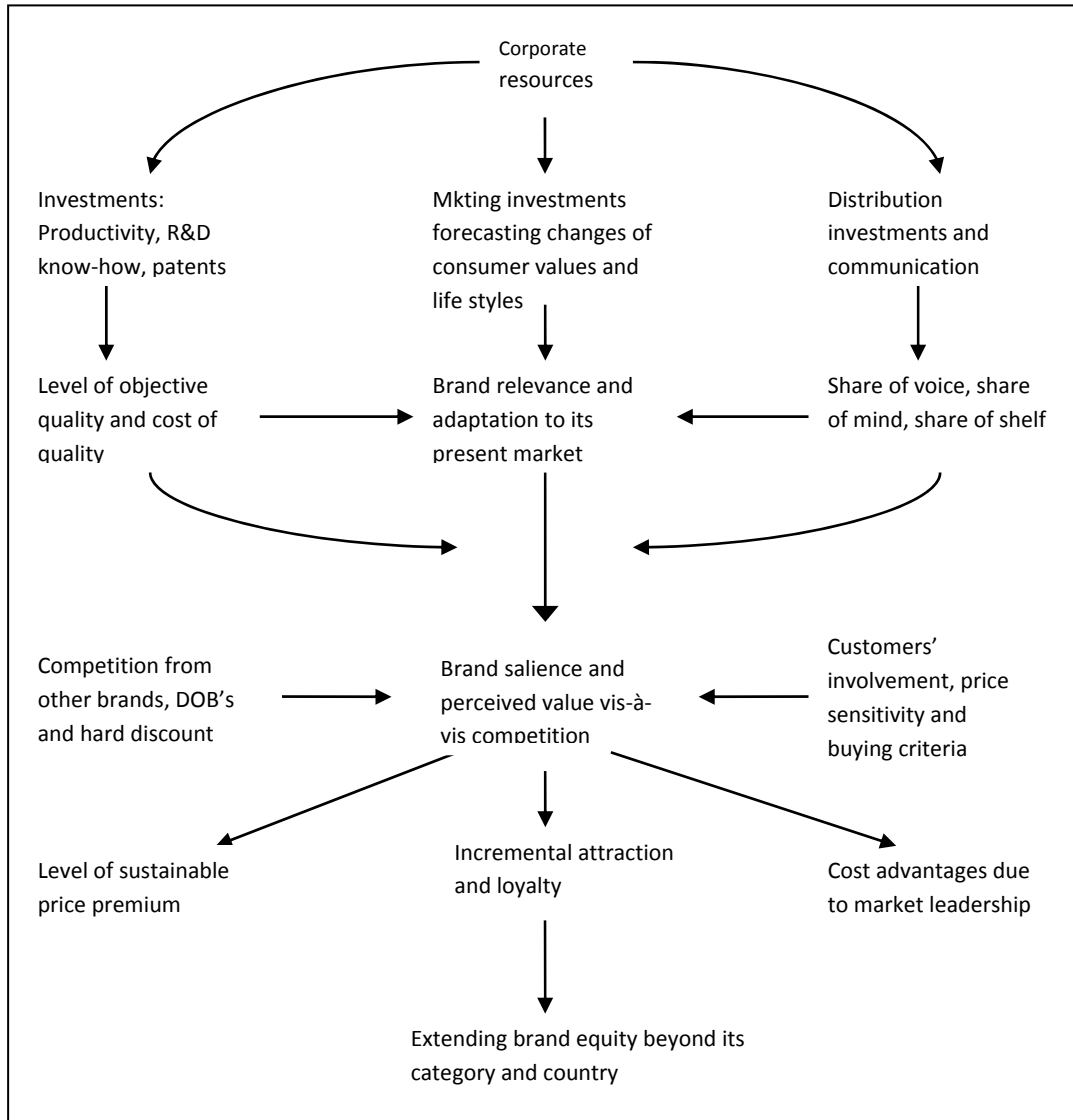
2.1.1.1. Company Benefits

The main reason for branding is that it allows companies to increase their profit margins by shifting the demand curve and thus allowing companies to increase demand for their product or charge a higher price. According to Noble (2006) companies must

differentiate themselves from their competitors and add value to their products consistently over time in order to shift the demand curve. Consistency is vital since consumers build loyalty and preference for brand over time and usually from personal experience. Strong brands also insulate companies from competitors and other risks, since consumers are loyal to the brand even if there are problems with the product or service. Loyalty that has been built over time will endure small problems such as cold soup at your favorite restaurant, but if the same situation occurred at a restaurant the customer was visiting for the first time, they would likely not return.

Kapferer (2004, 24) identifies several benefits of branding. He talks about how brands reduce risk thus increasing the value of the company in the eyes of analysts. The reason for this is that strong brands act as a guarantee of future cash flows, since strong brands benefit from a high degree of customer loyalty, which in turn translates to repeat purchasing. He goes on to distinguish three generators of profit of the brand: the acceptable price premium, the differential of attraction and loyalty, and the differential of the margin. Figure 1 depicts the way in which strong brands work as levers of profitability for the company.

Figure 1: The Levers of Brand Profitability



Source: Kapfere, 2004, 26

The corporate resources invested by the company into research and development, marketing and distribution permit the company to develop the products' level of quality, foresee changes in the market and make the needed adjustments to its offering thus retaining brand relevance and commanding the markets share of voice and mind. These investments also allow the company to make the product available and recognized through increased availability and communication. Together these strengths allow the brand to increase salience and perceived value in relation to their competitors offering.

Competition is generally thought of as the competing brands, but it can also come from the distributor's own brands (DOB's) and discount brands that offer a similar product at a reduced price. The increased brand saliency allows the company to charge a price premium, command loyalty from customers and develop cost efficiencies of scale due to market leadership. Once a strong brand has been developed by the company and adopted by the market, it also opens up the opportunity to extend the brand's equity to new product categories or new geographical markets. (Kapferer, 2004)

Mackiewicz (1993, 43-46) notes improved profit performance, reduced introduction costs of new products, and increased name recognition as benefits of branding. Improved profit performance comes from the ability to grow market share and thus profitability. Having strong brands makes it easier to introduce new products to the market by lowering risks and costs, since customers are likely to buy a familiar brand, even if they are not familiar with the actual product. For example Dove was able to branch out into hair care products by using the familiar Dove brand. Finally branding increases name recognition, which allows companies to extend the name into new business opportunities. For instance Canon used its reputation in high-quality photography to branch out into the photocopier market.

Another reason for companies to brand is that it shelters the company from competition. According to Mackiewicz (1993, 43) global companies can build a formidable arsenal of weapons for competitive insulation by capitalizing on the strength of brands, which are often a corporation's most valuable asset. One example of the insulation provided by brands is their ability to shield from copying. A product can be easily copied – think about the number of different cola products on the market. However the brand adds something to the product that cannot be copied, thus insulating it from copycat products. Kapferer (2004, 24) states that "a dominant brand is an entry barrier to competitors, because it acts as a reference in its category". Thus all new products will be compared to the leading brand.

Murphy (1990, 7) states two main reasons for branding. Like Kapferer (2004) he recognizes that brands are very closely linked to customer loyalty. A customer's loyalty to a brand guarantees a company future demand and thus also future cash flows. The second reason for branding is that brands create strategic importance for a company.

Brands do this by having the power to gain the attention of the customer even when distributed through retailers. Without this ability the manufacturer would merely be seen as a commodity supplier to the retailer. In essence this means that the brand allows the manufacturer to develop a relationship with the end user despite distributing its products through retailers and thus having no direct contact with the end consumer.

It should be noted that branding is only beneficial to companies if the brand is successful. It is not enough that consumers recognize a brand – they must also have a preference for the brand in order to benefit the company. Doyle (1989) defines a successful brand as one that has a sustainable differential advantage. Sustainable refers to the long term effects of customer loyalty to the brand and the insulating effect that strong brands have against competitors. Differential advantage is the reason that consumers prefer a certain brand to that of competitors.

Finally we cannot dismiss the importance of brand equity when talking about the benefits of branding. Brand equity can be defined as the marketing effects directly attributable to the brand and it can be thought of in terms of the financial value of the brand or the value that it creates for the customer (Keller, 1993). This means that we can view brand equity from the point of view of the company and the point of view of consumer, which is discussed in the following section. Simon and Sullivan (1993) define brand equity from the point of view of the company as “the incremental cash flows which accrue to the branded products over the unbranded products”. This increased cash flow is a result of the ability of the company to shift the demand curve.

In conclusion, the most important benefits of strong brands from the company’s point of view are improved profit performance and increased financial stability, shelter from competitive threats and ease of extensions. The next section reviews how branding increases value for the consumers.

2.1.1.2. Customer Benefits

Consumers benefit from branding because of the ability of a strong brand to create consumer based brand equity. Keller (1993) defines consumer-based brand equity as:

“the differential effect of brand knowledge on consumer response to the marketing of the brand. That is, customer-based brand equity involves consumers' reactions to an element of the marketing mix for the brand in comparison with their reactions to the same marketing mix element attributed to a fictitiously named or unnamed version of the product or service.”

In much the same way as loyalty, consumer-based brand equity is developed over time. Farquhar (1989) specifies three ways in which consumer-based brand equity is built. The first is to create positive brand evaluations meaning that the product must meet the needs and quality standards of the consumer and receive a positive evaluation. The second step is to foster accessible brand attitudes meaning that the consumer quickly and easily retrieves brand knowledge from memory. The final element is consistent brand image, which must be nurtured and reinforced. Companies must strive to develop and nurture all three aforementioned elements in order for a brand to be successful over time.

According to Kapferer (2004, 23) not all products benefit from being branded. Customers are not concerned with the brand of the product for products such as flour, copy paper and pens. The reason for this is that these items do not hold any perceived risk for the customer, but as soon as the customer perceives risk associated with a purchase, they become interested in brands.

Kapferer (1998, 30) identifies eight functions of brands for the consumer:

- Identification
- Practicality
- Optimization
- Guarantee
- Badge
- Continuity
- Hedonistic
- Ethical

The first two functions are mechanical, meaning that they function as a recognized symbol that allows the customer to make a quick decision. The identification functional allows customers to quickly identify the sought-after products and make sense of the offer. The practicality function allows the customer to save time and energy through identical repurchasing that does not require thought and also allows the customer to build loyalty to a product.

Brand loyalty is important to consumers because it allows the consumer to build a relationship of trust with the brand and a link between the brand image and the self image of the consumer (Chaudhuri & Holbrook, 2001). Dawes (2009) found that sport apparel consumers in the United Kingdom were loyal to their preferred brand in 68 % of purchases over a 12 month period. They also found that the bigger brands such as Nike and Adidas commanded the highest levels of loyalty in all demographic sub-groups.

The next three functions (optimization, guarantee and badge) reduce perceived risk for the consumer. Perceived risk can be defined as the consumers' subjective expectations of loss for each of the possible choice alternatives for a given decision goal (Conchar et al., 2004). Optimization means that the customer can be sure that when they buy the branded product, they are getting the best product in that product category and the best performance for a particular purpose. The badge function allows the consumer confirmation of his or her self-image or the image that he or she wants to convey to others. The guarantee function acts as a promise to the consumer that they will get the

same quality no matter where or when they buy the product or service. For instance McDonald's uses this principal in their strategy to provide the same consistent service to its customers all around the world.

The last three functions – hedonistic, continuity and ethical deal with the pleasure and positive feelings that the product provides for the consumer. The hedonistic function of brands provides the consumer with enchantment linked to the attractiveness of the brand, its physical appearance and its experiential rewards. Continuity of the product allows the consumer to build a relationship of familiarity and intimacy with the brand. In today's rapidly changing world, this aspect of brands has become extremely important for many consumers. (Kapferer, 2004)

The relationship between a consumer and a brand can be described as a dyadic relationship in which the consumer animates the brand with human characteristics and builds a relationship with the brand over time. The relationship is dyadic in that the brand is considered a reciprocating partner that interacts with the consumer through marketing actions taken by the company. Companies need to consider that their marketing actions build upon the perceptions that consumers have of the brand and be careful not to disturb the relationship between the brand and the consumer. (Fournier, 1998)

The final function allows the consumer to feel that his purchase choice has been ethically viable and constitutes a show of responsible behavior on the part of the consumer (Kapferer, 2004). Crane (2001) deconstructs the structure of an ethical product into elements of product safety, environmental impacts, consumer privacy, employee welfare, fair pricing and charitable donations. Companies have recently begun to realize that these factors are part of the purchase decision of consumers and have thus begun to integrate ethics into their products as well as their marketing communication. However, the study notes that no product or brand can be unreservedly ethical and that consumers are often suspicious of ethical and environmental claims.

Murphy (1990, 21) is on quite the same lines as Kapferer. He states that "the brand represents, to the consumer, a credible guarantee of quality and satisfaction at a recognized price". This makes the customer's purchase decision easier, since he does not need to search for all the different options and compare their attributes – he can

just rely on past experience of a brand and know that he will get the same outcome. Of course this also has its flipside: if the customer has had a negative experience with a brand they will try to avoid the brand in the future. For instance if a traveler stays in a Hilton hotel and the room is unclean and the service is unfriendly, the customer will avoid Hilton brand hotels in the future.

It is clear from the benefits stated above that branding is important for both the company engaging in branding of its products and the consumer. Brands however hold different meaning for different consumers, thus it is important for the company to continually monitor consumers perceptions of the brand. In other words, companies must try to understand the brand image, which is discussed in the following section.

2.2. Brand Image

The following section focuses on the concept of brand image. Brand image is defined and compared to brand identity and the relationship between the two concepts is explored. Finally some of the components that make up brand image are discussed.

2.2.1. Definition of Brand Image

Before delving into the concept of brand image, the concept of image should first be defined. Kotler (1997, 607) defines image as “a set of beliefs, ideas, and impressions that a person holds regarding an object”. Jaffe and Nebenzahl (2001) point out that the above definition of image does not include true attributes of the object, which means that an image is comprised of the subjective perceptions of the person about the object. From this definition it can be rationalized that the difficulty of measuring and understanding image comes from the fact that every person has a different image and that the image is made up of subjective perceptions that are not necessary logical.

Historically the first definition of brand image concept was made in 1955 by Gardner and Levy. They viewed the brand as having social and psychological dimensions as opposed to merely physical attributes and characteristics. They noted that consumers attached

feelings and attitudes to products and these made up the image of the brand, which in turn had tremendous effects on purchase behavior. (Gardner and Levy, 1955)

Perhaps the most important distinction of brand image is that it is not made up of the product's facts, details, functional attributes or even the needs that the product fulfills. Oftentimes these factors are not the most important element in consumer decision making at all. Consumers base their decisions and their perceptions in image. Dichter (1985) compares brand image to the placebo effect in medicine and states that

“a drug's effectiveness can be altered by the aura that surrounds it. The same is true of marketing, packaging, institutional advertising, and the credibility of a brand name, all of which can alter the power of specific claims.”

The concept of brand image has taken on many different definitions. Dobni and Zinkhan (1990) manage to sum up the common aspects of the definitions when they state that “practitioners and academics alike have embraced the concept as the embodiment of the abstract reality that people buy products or brands for something other than their physical attributes and functions”. Their analysis of 28 prior studies on brand image also allowed them to uncover 4 essential factors of brand image:

- Brand image is the concept of a brand that is held by the consumer.
- Brand image is a largely subjective and perceptual phenomenon that is formed through consumer interpretation, whether reasoned or emotional.
- Brand image is not inherent in the technical, functional or physical concerns of the product. Rather, it is affected and molded by marketing activities, by context variables and by the characteristics of the perceiver.
- Where brand image is concerned the perception of reality is more important than reality itself.

Keller (1998) describes brand image as “consumer perceptions of a brand as reflected by the brand associations held in the consumers’ memory”. He goes on to describe brand

associations as the other informational nodes linked to the brand node in memory and containing the meaning of the brand for the consumer. Brand image is thus embedded in the consumers' memory and is built over time. Much along the same lines, Aaker and Biel (1993, 71) talk about brand image as a cluster of attributes and associations. Some of these associations come from the producer in the form of advertising and other communication, but it is important to remember that consumers also build brand images from information gathered from various other sources such as conversations with other consumers or product reviews and of course also from personal experience. Brand associations are reviewed further in section 2.2.3.

Brand image is closely related to perceptions that consumers have of a product. Gensch (1978) views perception as consisting of two components: the individual's ability to obtain measures of the brand attributes on factors he considers important, and the image of each brand. He defines brand image as an abstract concept that incorporates past marketing communications, reputation of the brand, expectations towards the brand and the consumers and his or her peers' evolutions of the brand. Image is considered more important in situations in which consumers lack objective information about product attributes.

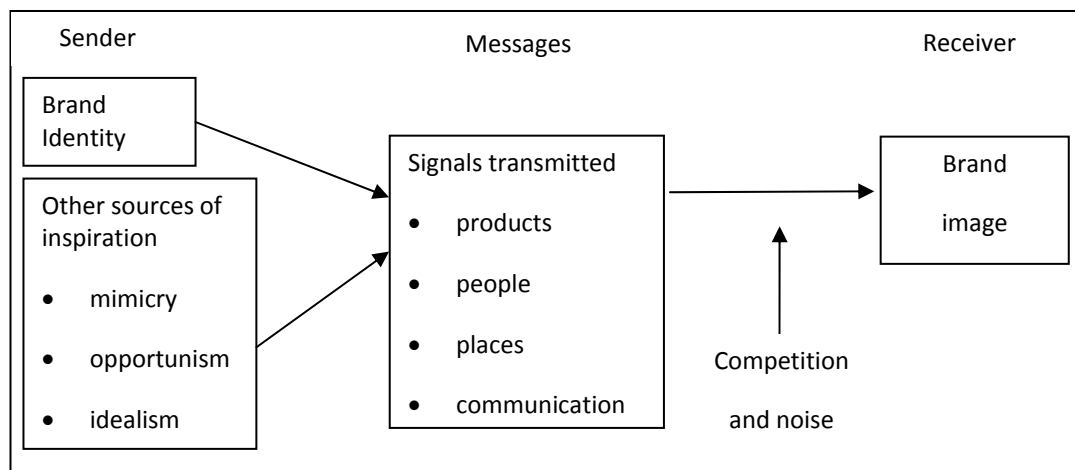
For the purposes of this master's thesis brand image will be defined as the consumers' perceptions of the brand that is comprised of associations retrieved from the consumers' memories. The following section compares brand image to brand identity. It is important to distinguish brand image from brand identity, since the two concepts are often confused and even used interchangeably (Kapferer, 2004).

2.2.2. Comparing Brand Image and Brand Identity

The main difference between brand image and brand identity is that image is on the receiver's side whereas identity is on the sender's side. For instance, Roncha (2008) describes brand image as "the perception of a brand and the feelings and expectations that it creates in the mind of the consumer." Brand image is thus owned by the consumer and cannot be controlled by the company. Brand identity is described as "a well-orchestrated corporate branding system of brand associations that the company

communicates to consumers”. Kapferer (2004) describes how consumers decode messages communicated to them by the company and other factors that shape the formation of the brand image in the consumers mind. Figure 2 illustrates the way in which consumers form brand image. (Kapferer, 2004)

Figure 2: Identity and Image



Source: Kapferer, 2004, 98

The sender in figure 2 represents the company. They initiate the process of building brand image by developing the brand’s identity. Identity consists of the brand’s meaning, aim and self-image as seen by the company. Other sources of inspiration for brand identity are mimicry, opportunism and idealism. Mimicry occurs when a company imitates other brands’ marketing communications and identities. Opportunism is the result of short-termed thinking in which the company attempts to build an image that will be favorably perceived by all consumers without consideration for the sustainability of the brand identity. Idealism stems from a misguided self image of the company, in which the company’s brand identity is so far removed from the brand image that consumers don’t associate the company’s marketing communications to the brand.

The messages sent by the company can be products or services that the company provides, the sales people or service providers that act as the face of the company and the stores or web shops where consumers do business. Naturally communication is also

one type of message that the company sends and it can consist of marketing actions, public relations or sponsoring. Before the message reaches the receiver – in this case the consumer – extraneous factors may interfere. These extraneous factors can come from competitors, who try to imitate the product or from the company trying too hard to please the public causing it to appear opportunistic or the company having a brand identity so far removed from reality that the communications fail. Note that these extraneous factors are the same factors that the company uses as inspiration in forming its brand identity. (Kapferer, 2004, 98-99)

Time is also a factor to be considered when comparing the concepts of brand image and brand identity. Mackiewicz (1993, 1-2) takes describes brand image as being gradually perceived whereas brand identity is quickly observed. She goes on to say that images are evolutionary and are made up as the company's business progresses whereas identities can be created on a drawing board, carefully pieces together and controlled. From this description we can see that two important elements in separating the terms of brand image and brand identity are time and control.

In his definition of brand identity Aaker (1996, 68) talks about brand strategists efforts to create and maintain certain brand associations that communicate to the consumer a promise from the organization to the consumer. The promise often includes a value proposition involving functional, emotional or self-expressive benefits to the consumer. In making this promise the organization is building a relationship with the end consumer. From this definition it becomes clear that brand identity is built on the side of the organization.

Brand identity can also be thought of from a supply and demand perspective. Alsem and Kosteljik (2008) note that identity has a supply orientation meaning that it is the vision of what the company stands for and what it is trying to achieve. Identity should be based on companies' core competences in order to create a clear link between the companies' superior skills and resources and their branding strategy. If companies attempt to build a branding strategy based only on market needs and ignore the companies' core competences, they will fail to create a trustworthy identity and may even be viewed by as opportunistic consumers.

It is important to distinguish the difference between brand identity and brand image and understand the way that they interact. Brand identity is the message that the organization sends out to the consumer over time. Consumers then utilize these messages in building their perception of brand image. The following section will explore the concept of brand image in more detail and explore some of the elements that make up brand image.

2.2.3. Components of Brand Image

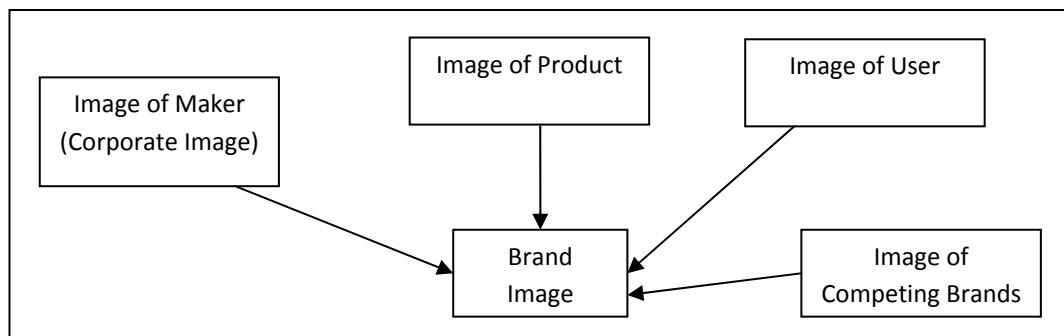
According to Aaker and Biel (1993, 71) brand image is made up of three sub images – namely the image of the provider of the product or service (also known as corporate image), the image of the user and the image of the product or service itself. Another aspect that affects the image of the brand is the image of competing brands, since the brand is compared to its competitors. For example the rivalry between Coca Cola and Pepsi Cola is apparent even in the marketing communications of both companies.

Page and Fearn (2005) consider a positive corporate image as an important part of building strong brands, but note that it does not guarantee success. Corporate reputation is made of several elements. Of these elements perceived fairness towards consumers and corporate success and leadership, rather than public responsibility matter most to consumers. Thus corporate image plays a part in the decision making process, but it is not the most important information for the consumer when making a purchase decision.

For a brand linked closely to a specific niche market, the image of the user becomes paramount. An example of this could be in-line roller skates, which were originally designed by hockey player Scott Olsson in the 1980's and dubbed Rollerblades. The Rollerblade was the only acceptable brand of in-line roller-skates for pro skaters to wear. Any other brand was considered a cheap knockoff suitable only for amateurs. Of course later on Rollerblade became a generic name for all in-line roller-skates and rollerblading became a common hobby. (Cova and Cova, 2002)

For many products the image of the product itself is the most important sub image. It can include both intrinsic cues that are part of the products physical characteristics and extrinsic cues that are outside the physical product and have to do with the feelings and emotions invoked by the product (Aqueveque, 2006). An example of this could be Mercedes cars that are known for their excellent handling and performance, which provide the consumer with an unforgettable driving experience. The three elements of brand image are presented in figure 3 below.

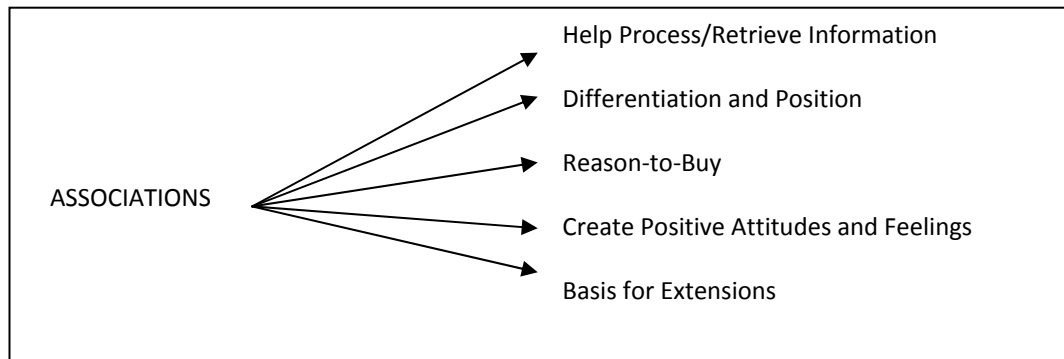
Figure 3: The three Components of Brand Image



Source: Aaker and Biel 1993, 72

As mentioned earlier, we can also think of brand image as being made up of brand associations that consumers hold in their memory. These brand associations are the underlying value of a brand name and can act as the bases for purchase decisions and brand loyalty. The value of brand associations comes from their ability to help the consumer process and retrieve information about various product attributes, allow consumers to differentiate one product from another, give consumers a reason-to-buy, create positive attitudes and feelings toward the brand and act as a basis for brand extensions. These benefits are presented in figure 4. (Aaker, 1991)

Figure 4: The Value of Brand Associations



Source: Aaker, 1991, 111

Brands have many types of associations and meanings for people, but the ones that interest companies the most are the ones that directly or indirectly affect buying behavior. Aaker and Biel (1993, 71) divide associations into two different types. The first type of association is hard associations, which are specific perceptions of tangible or functional attributes such as style, performance, durability and workmanship. The second type of association is soft associations, which are the feelings or emotions that a product provokes in a consumer. An example of soft associations could be Volvo cars that make the consumer feel safe or Dior perfume that makes the consumer feel sexy and sophisticated.

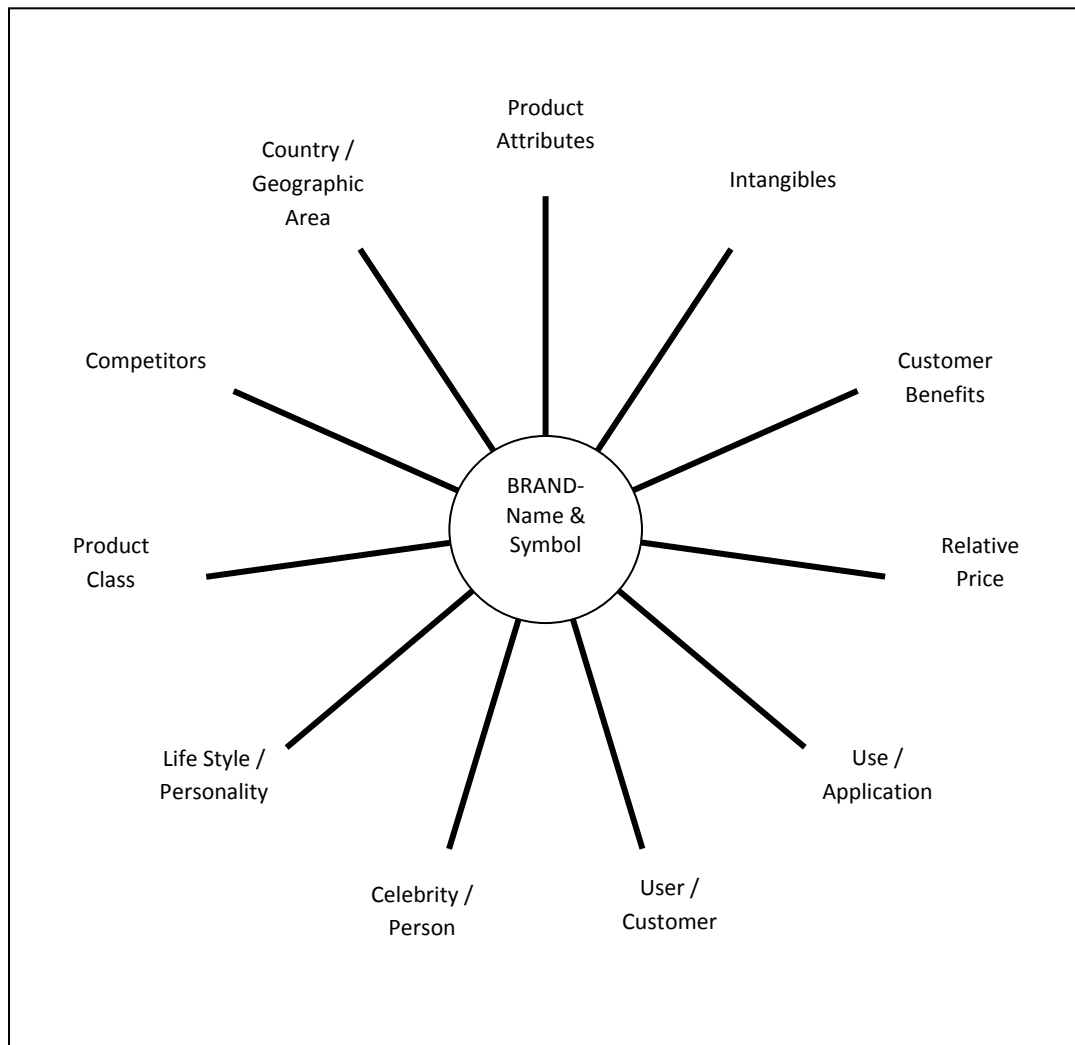
These hard and soft associations are also often referred to as intrinsic and extrinsic product cues. The most notable difference between the two is that extrinsic product attributes can be altered without making any change to the physical appearance or performance of the product (Aqueveque, 2006). The different associations can be used to position the brand in the mind of the consumers. Aaker (1991, 114) names 11 brand associations presented below with examples of each type of association. The associations are explained below and presented in figure 5.

- 1) *Product attributes* associate a brand with a certain product attribute. For instance BMW associates itself with performance and handling.
- 2) *Intangibles* claim that a product is better than the competitions. An example could be Mr Muscle branded cleaning products claiming that their cleaning products are more effective than those of their competitors.

- 3) *Customer benefits* are provided by a certain product attribute. Benefits can be both rational and psychological and often a rational benefit may lead to a psychological benefit. For instance a brand of control top tights can make you appear slimmer, which in turn makes you look and feel terrific.
- 4) *Relative price* helps customers determine where a brand stands in relation to other brands in the same price category. For instance a customer would compare a Toyota Corolla with a car in the same price category such as the Honda Accord rather than a Jaguar.
- 5) *Use or application* associates the brand with a specific use or application. For instance Arm & Hammer managed to reinvent their baking soda to be used as cleaner and deodorizer when baking with baking soda became less common and sales dropped.
- 6) *User or customer* associates the brand with a type of product user or customer. An example of this could be Billabong, which is associated with surfers.
- 7) *Celebrity/person* associates a celebrity, person or fictional character with a brand. For instance Tag Heuer associates itself with formula driver Kimi Räikkönen.
- 8) *Life-Styles/Personality* brands can associate certain personality traits or life-styles with inanimate products. For instance Coca Cola Zero communicates a care free dare devil personality.
- 9) *Product Class* brands associate themselves with a certain product class. An example is Armani branded clothes that are associated with the very high end, luxury product class.
- 10) *Competitors* are sometimes used to position a brand. Perhaps the best example of this is Avis with their slogan "We're number two, we try harder" which is a reference to the leading car rental company Hertz.
- 11) *Country or Geographic Area* can be used to exploit positive associations with other products, material and capabilities of the country from which the

product originates. An example of this is Finlandia Vodka, which is associated with Finland in order to portray the cold, fresh taste of the vodka.

Figure 5: Brand Associations



Source: Aaker, 1991, 115

There are three criteria that managers must keep in mind when planning marketing programs aimed at creating a positive brand image. According to Keller (1998) the brand image must link strong, favorable and unique associations to the brand in memory. The strength of brand associations is a function of both the amount of processing that

information receives and the nature or quality of the processing. Personal relevance of the information to the consumer and the consistency with which it is presented over time facilitate the strength of the association of a piece of information.

Another important aspect of positive brand image is the favorability of brand associations. Favorable brand associations can be formed for instance by convincing customers that the brand possesses relevant attributes and benefits that satisfy their needs and wants. For instance that a certain brand of toothpaste fights plague and keeps your breath fresh. Favorable brand associations are not always linked to physical characteristics or benefits, but rely on non-product related imagery related to typical or desirable users or usage situations of the brand. (Keller, 1998)

The final criterion for creating a positive brand image is the uniqueness of the brand association. Keller (1998) defines unique brand associations as “distinct associations not shared with competing brands”. These unique brand associations allow the consumer to distinguish brands from one another and give a reason for the consumer to buy the brand.

In summary, brand image is made up of the images of the maker, user, product and competitors. These images in turn are made up of the various associations that consumers hold in their memories. These associations can come from advertising communications, personal experiences, experiences recounted by other consumers and other available sources of information such as consumer reports. One of the aforementioned associations was country or geographical area. The next section deals with country of origin and its effects on consumers perceptions.

2.3. Country of Origin Defined

As modern consumers, we are used to purchasing and consuming goods produced all over the world and have developed stereotypes pertaining to certain countries and products. A single product may have elements from several countries and it is important to recognize that consumers may have different and even conflicting attitudes towards these different countries. The made-in image coined by one of the first country of origin

researcher Nagashima (1970, 1977) is defined as “the picture, the reputation, or the stereotype that businessmen and consumers attach to products of a specific country”. Papadopoulos and Heslop (2002) on the other hand take a more modern view of the concept and call it product-country image, which they define as the country or place of origin with which a product is associated through branding, promotion, and other means. This is a more modern view in that it takes into account the reality of today’s globalized economy in which very few products are produced in the country where the company’s headquarters are located.

It is important to distinguish between consumer perceptions of the country with which the product or brand is identified and the country of manufacture, because of the increased sourcing of production by multinational firms and their use of global, standardized advertising for their products (Nebenzahl et al, 1997). Also it should be noted that studies that used broad “product made in” approach are criticized as being ambiguous and lacking conclusive results (Peterson and Jolibert, 1995).

Nebenzahl et al (1997) propose a taxonomy to further distinguish the various elements of country of origin:

- Home Country – The country in which the consumer resides. This element is included, because the consumer’s home country effects his or her perceptions of products from other countries.
- Origin Country – The country which a consumer associates with the product or brand, regardless of where the product was manufactured.
- Made-in Country – The country where final production takes place and which is specified on the label.
- Designed-in Country – The country a part or whole of the finished product is designed.

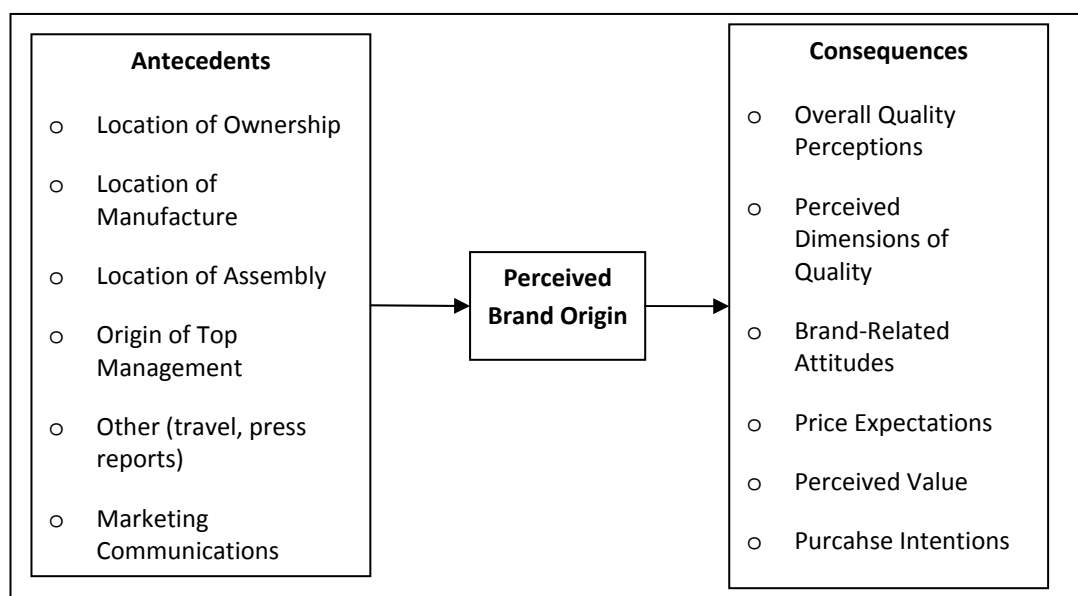
From the above taxonomy we can see that defining a product’s country of origin is not a simple task.

Chao (1993) decomposes country of origin (COO) into two dimensions by taking into account two specific aspects of COO: country of assembly (COA) and country of design

(COD). His reasoning for this classification is the increase in the formation of new international strategic alliances in which it has become more difficult for consumers to pinpoint a particular country with which a product can be associated. For this reason consumers may rely on brand as a surrogate country label. In a later study Chao (2001) adds country of parts (COP) to the decomposition in order to illustrate the complex production processes of many products.

Another common concept in country of origin research is brand origin. Thakor and Lavack (2003) name antecedents to brand origin such as location of ownership, location of manufacture, location of assembly, origin of top management, other antecedents peculiar to the consumer such as travel and press releases as well as marketing communications of the company. Although many of these elements are the same as in Nebenzahl's (1997) taxonomy, Thakar and Lavack (2003) link them together to form a unified concept – the perceived brand origin. They believe consumers draw brand origin cues from and with the aid of these cues consumers formulate perceived brand origins, which they use to devise general perceptions, attitudes, expectations and intentions about the product and the brand. Figure 6 depicts the antecedents of brand origin.

Figure 6: A model of the Antecedents and Consequences of Brand Origin



Source: Thakor and Lavack, 2003

Thakor and Lavack (2003) go on to state that perceive brand origin associations are the most powerful source of brand appeal – much more powerful in fact than the country of manufacture. One reason for this may be that many consumers are not aware of the manufacturing location of the products that they purchase. For instance a study conducted by Ratliff (1988) revealed that only 8 percent of consumers were aware that the Volkswagen Fox was produced in Brazil. The majority (66 percent) of respondents thought that the car was made in Germany.

Many of the products that we consume are made up of parts from all over the world and the production process of these products is not confined to one country or even one continent. Inch and McBride (2002) decompose the Country of Origin concept into three parts: country of design (COD), country of assembly (COA) and country of parts (COP). They consider the three to be independent variables of the product. They define COD as the country where the product was conceived and engineered. Country of assembly is defined as the country where the majority of the product's final assembly occurred and country of parts is defined as where the majority of the materials used in the product came from and/or the component part were made. An example of this would be a Toyota designed in Japan (COD) and made in the United States (COA) from parts made in Mexico (COP). The reasoning for this decomposition is that country of origin needs to be studied as a multidimensional concept in order to attain conclusive results and avoid ambiguity.

All the above definitions deal with the origin of the product, its components or its brand. However, we must also consider the importance of country image. Country image is defined as the image of the country from which product originates and it is one of the many extrinsic cues, similar to price or brand name that make up the product's total image (Eroglu and Machleit, 1989). Pharr (2005) also describes country of origin as an extrinsic product cue or intangible product characteristic distinct from physical characteristics or intrinsic attributes. She compares it to other cues such as price, brand name or retailer reputation in that none of them directly bear on product performance and can be manipulated without changing the physical product.

Country image can be divided into three components: the cognitive, the affective and the conative (Papadopoulos et al 1998). The cognitive component includes consumers' beliefs about the country's industrial development and technological advancement. The affective component describes consumers' affective response to the country's people. The conative component consists of the consumers' desired level of interaction with the sourcing country. These are the elements that affect the way that we feel about a certain country, its people and subsequently products originating from that country.

To summarize the above definitions country image is the stereotypes, attitudes and expectations that consumers hold for a certain country either as the place of manufacture or origin of the brand, which consumers use to evaluate a product or brand. For the purposes of this master's thesis country of origin will be decomposed into three parts: country of design, country of manufacture and brand origin. This country of origin information will be considered to be an extrinsic product cue that consumers use to evaluate a product or brand.

2.4. Country of Origin and Product Evaluation

There have been numerous studies about the ways in which information about a product's country of origin affects consumers' evaluations of the product. Since the concept of country of origin is such a broad one, researchers have studied the concept from many different points of view. The studies presented below can be divided into three groups: those concerning country of origin and other product attributes, those concerning country image and those concerning cognitive processing of country of origin information.

2.4.1. Country of origin and other product cues

Country of origin information is rarely the sole basis of consumers' product evaluations, but it is presented together with other extrinsic as well as intrinsic product cues. One very common extrinsic cue is brand. Jo et al. (2003) proposed that a strong brand image had a shielding effect against lower country of origin in global manufacturing. They used

the information integration theory (Anderson 1971, 1982, 1991; ref. Jo et al. 2003), which suggests that consumers evaluate a product by assigning importance and quality ratings to each of its attributes and then combine the information into an overall evaluation (i.e. averaging rule). They also used the accessibility-diagnostics theory which states that the same attribute can have different influence depending on the familiarity of the cue and the sufficiency of the retrieved cue to solve the judgment task at hand.

Since stronger brands have more weight in a consumers' decision making and are more familiar (i.e. highly accessible) than weaker brands they are less influenced by quality discounting even when associated with countries having a reputation for lower quality or more negative COO evaluations. Likewise weaker brands will experience more quality discounting when manufacturing is moved to a lower quality country, since consumers will put more weight on COO information. (Jo et al. 2003)

There are also differences in the importance of country of origin information in comparison to other product cues or attributes. Okechuku (1994) conducted research on American, Canadian, German and Dutch respondents using a multi-attribute judgment situation in order to determine the relative importance of country of origin. This is a much more realistic situation for a consumer, since the purchase decision is not made based solely on country of origin information, but also on other relevant attributes. In his study he used two different products; television sets and car radio/cassette players. For the television sets he used brand name, price, picture quality and warranty as attributes. For the car radio/cassette player the attributes were brand name, price, receiver quality and cassette player quality. He asked respondents to rank 16 imaginary products that had been devised from the above mentioned attributes. Country of origin was the most important attribute for Americans, but Canadian, Dutch and German respondents thought that brand was more important.

It should also be noted that often consumers are highly influenced by knowing the country where the brand is owned (brand origin association), and less influenced by knowing the country where the product's parts are made or where the product is assembled (Thekor and Lavack, 2003). Subjects presented with information about two different brands – one whose country of origin was known and one whose country of

origin was not known, were asked to rate products from the two countries in terms of quality and workmanship. The results indicated that perceptions of brand origin and brand quality are influenced by country of corporate ownership. Country of component source was also found to affect perceptions of brand origin, but country of manufacture did not affect perceptions of brand quality when country of corporate ownership was also provided. From this study it is clear that it is important to remember that where the product is made is not always as important as where the consumer thinks that product is made. (Thekor and Lavack, 2003)

Many researchers decompose the country of origin concept into parts and treat each part as its own cue. For instance, Insch and McBride (2002) tested a decomposition of the COO construct on American and Mexican consumers using advertisements that gave information about the products country of design, country of part and country of assembly as well as other salient attributes. The American and Mexican respondents were then asked to rate each product on quality. The products chosen for the study were television sets, athletic shoes and mountain bikes. They found that design, assembly and parts origin do have different effects on product evaluations with country of parts exhibiting the strongest influence. It was also noted that country of origin effects vary between American and Mexican consumers and well as consumers of different ages.

It should be noted that country of origin effects are not static, because consumers' attitudes towards different countries change over time. A study by Darling and Wood (1990) takes into account the dynamic nature of country of origin effects by examining the changes that occur in consumer perceptions of country of origin cues over time. They interviewed 1100 Finnish respondents over a span of 10 years to determine how globalization and the growth of intercontinental exporting changed consumers' attitudes towards products and marketing efforts from the United States and Japan. They concluded that over time the attitudes towards products and marketing efforts from both countries became more positive. However, the attitudes towards Japanese products showed substantially more improvement meaning that Japanese companies had managed to create a competitive advantage over US companies.

From the many studies concerning country of origin as part of a consumers evaluative process alongside other extrinsic and intrinsic product cues (Jo et al, 2003; Okechuku, 1994; Thekor & Lavack, 2003; Darling & Wood, 1990) it can be concluded that there are many factors that play a part in determining the importance of country of origin information in product evaluations. These factors are strength of the brand (Jo et al, 2003), home country of the consumer (Okechuku, 1994), country of corporate ownership (Thekor & Lavack, 2003) and time (Darling & Wood, 1990). Managers should remember to take into consideration all the factors effecting country of origin perceptions when planning international ventures.

2.4.2. Country Image

Country image is another important part of country of origin research, since it allows researchers to uncover the generalized attitudes that consumers have about countries and determine the effects of these attitudes on product evaluations. Roth and Romeo (1992) studied country image for six product groups (automobile, watch, bicycle, leather shoe, crystal and beer) and 10 countries (Japan, Germany, U.S., France, England, Korea, Ireland, Spain, Mexico and Hungary) using respondents from U.S., Mexico and Ireland. By using various product groups in the study they were able to uncover a deeper view of the country image concept. They defined country image as “the overall perception consumers form of products from a particular country, based on their prior perceptions of the country's production and marketing strengths and weaknesses”.

They decomposed the country image concept into four dimensions: innovativeness, design, prestige and workmanship. Their aim was to prove that product country matches exist between the countries and dimensions of country image, when dimensions considered important for a certain product category are also considered to be strengths of the country associated with the product. For instance design is the most important dimensions of high fashion clothing and Italy is considered to be very strong in design thus creating a positive match for high fashion items designed in Italy. Figure 7 shows when product matches and mismatches should occur.

Figure 7: Country and Product Category Dimension Matches and Mismatches

		COUNTRY IMAGE DIMENSIONS	
		Positive	Negative
DIMENSIONS AS PRODUCT FEATURES	Important	Favorable match	Unfavorable match
	Not Important	Favorable mismatch	Unfavorable mismatch

Source: Roth and Romeo, 1992

Roth and Romeo (1992) found that product country matches or mismatches were strong for the product categories of automobiles, watches and beer and the following countries: Japan, Germany, U.S., Mexico and Hungary. This has strong implications for managers, since it allows them to see which dimensions of country image correlate positively with dimensions of the product. This information helps managers determine which factors should be emphasized in marketing and which factors should be de-emphasized.

In his study Van Pham (2006) takes a similar view and combines multiple product dimensions (prestige, design, innovation and workmanship) with multiple product groups (TV sets, casual clothes, personal computers and mid-priced automobiles). He also asked respondents to rank 18 countries in regional trade areas (Europe, Asia, North America, and South America) according to aforementioned product dimensions. The respondents were a part of an international management seminar and thus a very

diverse and international respondent base. This allowed for partitioning of respondents into the same regional trade areas as used in the study.

He found that there were significant differences between respondents from different areas, thus proving that country of origin effects cannot be assumed to be the same in all countries. There were also significant differences in COO preferences between different product groups. For instance France and Italy were ranked highly on prestige of casual clothes, but very low on prestige for TV sets in which Japan was the undisputed global benchmark. Workmanship however was selected as the most critical product dimension in all product classes and all respondents. Interestingly China was not once nominated for workmanship, despite the fact that companies are continually outsourcing their production to China. Van Pham (2006) concluded that management should consider and monitor COO consumer preferences and stereotyping effects beyond the cost benefits that are associated with outsourcing production.

From the studies presented above by Roth and Romeo (1992) and Van Pham (2006) it can be concluded that the country image is specific not only to the home country of the consumer but also the product category being considered. For this reason it is important for management to consider the nationality of the consumers that they are targeting as well as the matches between product groups and countries.

2.4.3. Cognitive Processing of COO Information

Several researchers have concentrated on the cognitive processes involved in consumers' use of country of origin information. Laroche et al (2005) view country image as a three-dimensional concept made up of cognitive, affective and conative components, which make up attitudes. The cognitive component includes consumers' beliefs about the country's industrial development and technological advancement. The affective component describes consumers' affective response to the country's people. The conative component consists of the consumers' desired level of interaction with the sourcing country. These components of country image were taken from earlier work by Papadopoulos et al (1988, 1990, 2000).

Laroche et al (2005) propose a model that posits simultaneous processing of country image and product beliefs in consumers' evaluations of products. They define product beliefs as the consumers' beliefs about a products intrinsic cues and product evaluations as the consumers' attitude toward the product. Their main argument is that country image and product beliefs affect product evaluations simultaneously. For instance they found that when a country's image has a strong cognitive component (i.e. when consumers' base their country image mostly on the level of economic development of the country), its direct influence on product evaluations was smaller than its influence on product beliefs.

Li and Wyer (1994) studied four different ways in which consumers utilize country of origin information in their evaluation of products. They hypothesized that COO information can be used as a product attribute, as a signal, as a heuristic or as a standard relative to which the product is compared. The first three ways of utilizing country of origin information can be collectively described as giving informational influence to the decision process of the consumers. However that lastly mentioned way is quite different in that the consumer does not use country of origin as information about the product, but uses the country of origin as a standard of comparison. Li and Wyer hypothesized that when a consumer uses COO information as a standard of comparison, a positive country of origin can have negative effects on product evaluations, if the product in question does not reach the expected high level of quality that the consumer assumes is customary for products from that country.

In their research, Li and Wyer (1994) used four variables that often come into play in consumer purchase decisions: the familiarity of the product, the importance of the purchase, the amount of product attribute information available and the point in the sequence of information at which country of origin is learned. A description of products was given to subjects who were to evaluate the products either as if they were going to recommend the product to an acquaintance (low-decision-importance) or purchase it as a gift for a close friend (high-decision-importance). The familiarity of the product, the amount, importance and goodness of the product attributes and the favourability and place of the country of origin were manipulated. After reading the information about the products the subjects were asked to evaluate the product on its overall quality, likableness and individual attributes.

Li and Wyer (1994) were able to draw three conclusions about the function of country of origin information:

- COO information is most likely to be used as an independent product attribute when it is either conveyed first (before more specific attribute information) or the decision to be made is important (regardless of when it is conveyed).
- A country of origin's reputation is likely to function as a signal primarily when the product is familiar and when little specific attribute information is available.
- The COO information is likely to be used as a comparative standard when either the product is familiar and a large amount of attribute information is presented about it or when the evaluation is unimportant and the country is mentioned last.
- There was no evidence that the COO information would act as a heuristic in any situation.

Chao (2001) decomposes the COO construct into country of design (COD), country of parts (COP) and country of assembly (COA). He argued that the congruency principle affects the way in which COD, COA and COP interact. The congruency principle states that consumers prefer congruent information to incongruent information and thus when a state of incongruence exists, the state of the two objects and subsequent evaluations will tend to move in the direction of congruence (Osgood and Tannenbaum, 1955 from Chao, 2001). From the COO perspective this would mean that a product made in China (a negatively valued attribute), but designed in USA (a positively valued attribute) will cause incongruence. To overcome incongruence the consumers will either shift towards the negatively valued attribute (China) thus lessening the positive association or shift towards the positively valued attribute (USA) thus lessening the negative association. Although his research failed to fully support this theory, it is important to notice that all aspects of COO interact and cannot be viewed as separate factors.

The use of country of origin information, much like other extrinsic cues depends on the importance of the purchase decision and the consumer's expertise. Findings by Maheswaran (1994) suggest that consumers' level of expertise and the strength of

attribute information determine the extent to which country of origin influences product evaluations. Expert and novice subjects were presented with either favourable or unfavourable country of origin information followed by a strong or weak product attribute description. The subjects were then asked to express their attitudes towards the products. Consumers with less product knowledge tended to rely more on country of origin information when making decision even in cases when other attribute information was abundant. Consumers with high levels of product expertise only relied on country of origin information when other product attribute information was lacking.

The articles detailed above explore several ways in which consumers use country of origin information as part of their decision making process. It can be concluded that

- country of origin has both direct and indirect effects on product evaluations (Laroche et al, 2005),
- country of origin information can be used as independent product attributes, as signals or as a comparative standard (Li and Wyer, 1994),
- the level of consumer's expertise and the strength of attribute information determined the importance of country of origin information (Maheswaran, 1994).

Although this study does not focus on the uses of country of origin information or the cognitive processes involved in product evaluation, it is important to note that country of origin information is used in many different ways and in many different situation.

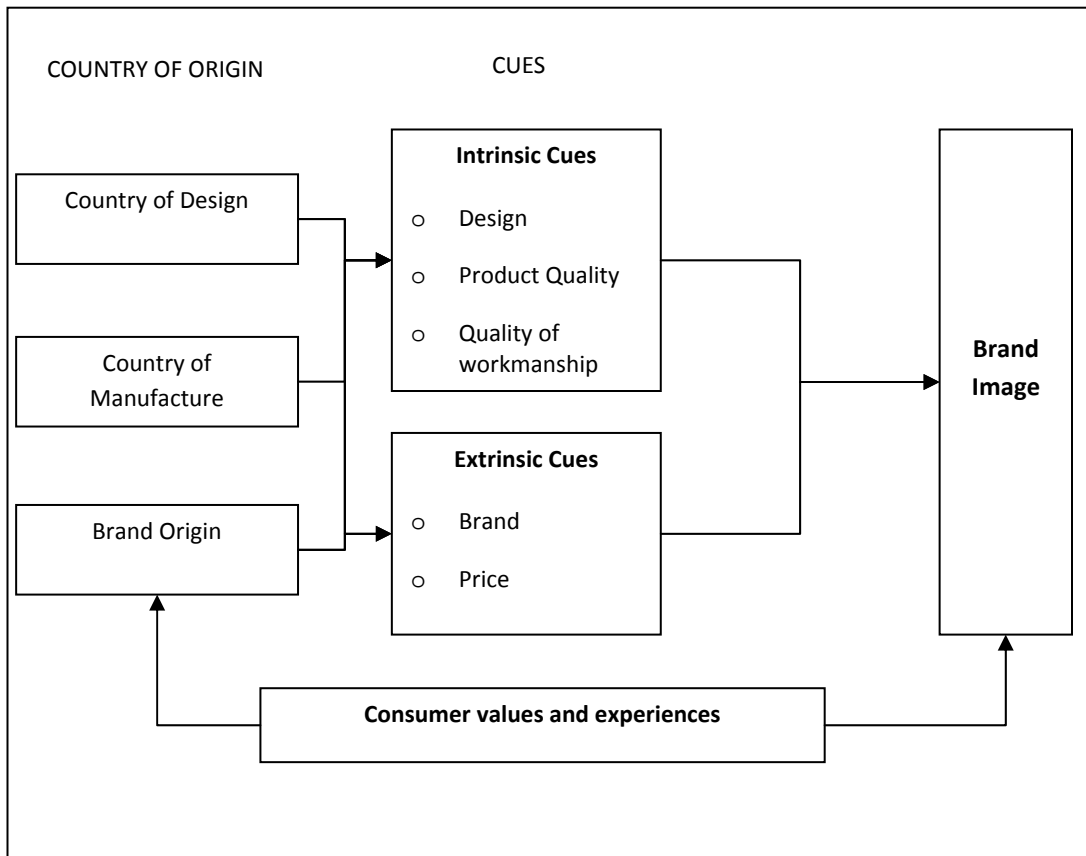
2.5. Conceptual Framework

The theoretical framework presented in figure 8 depicts the factors affecting consumers' image of a brand. Country of origin is divided into three elements: country of design, country of manufacture and brand origin. Country of design is the country in which the innovative process and styling of the product takes place. Country of manufacture or made-in country is the place in which final production takes place and which is specified on the label (Nebenzahl et al., 1997). Brand origin is the country with which the consumer associates the product (Thakor & Lavack, 2003). Splitting country of origin into several elements illustrates the complexity of country of origin concept in today's highly globalized economy in which various parts of the production process are outsourced to different locations.

All three elements of country of origin affect the intrinsic and extrinsic product cues that consumer's use to determine brand image. Intrinsic cues are part of the physical product and include the design of the product, the quality of the product and the quality of the workmanship that went into making the product. Extrinsic cues are attributes of the product that do not change the physical appearance of the product. The most important extrinsic cues are price and brand. Consumers use product cues to form a perception of the product and the brand.

Consumer values and experiences also play a part in determining the relevance of country of origin information and defining brand image. Country of origin cues can be affective cues that have a symbolic and emotional meaning for the consumer, which relates to the consumer's identity, pride and memories (Batra et al., 1999). Another element of consumer values is their inclination to purchase domestic as opposed to foreign goods and the morality of buying foreign goods (Shimp & Sharma, 1987). These elements of consumer values have direct effects on the way in which they respond to foreign goods.

Figure 8: Factors Affecting Brand Image



3. Research Methods

The primary purpose of the empirical study was to explore consumers' attitudes towards products made in Asia with a specific emphasis on clothing and swimwear made in Asia. The study also explored consumers' attitudes towards TYR branded swimwear. In order to gain a complete picture of consumer attitudes a quantitative research approach was used. The data was collected using a web-based questionnaire sent out via e-mail. In this chapter the case company Swimgear Oy and the TYR brand are introduced and the competitive swimmer market in Finland is presented. The rest of the chapter outlines the research design and statistical analysis methods to be used in this study.

3.1. Swimgear Oy and the TYR Brand

The case company Swimgear Oy has been serving the Finnish competitive swimming market since 2002 as the official distributor of TYR branded performance swimwear and equipment. The small family company started out originally as a hobby, the main purpose of the company being to supply the local swim club with swimwear, apparel and equipment. Quite quickly it became clear that there was a real demand for TYR products due to very few companies actively serving the competitive swimming community.

Swimgear Oy was able to grow market share quite quickly for three main reasons. The first reason was that Swimgear managed to secure a four year contract with Cetus, which was the largest team in Finland both in terms of revenue and members. The contract gave the company exclusive selling rights at all the swimming events in Espoo, which gave the TYR brand enormous visibility. The second reason was the lack of competitors in the market. The biggest and best-know swimwear brand Speedo, opted to leave the competitive swimming market in 2001, in order to focus its resources on retail business. The market was mostly dominated by a small Italian brand called Essenuoto, which focused solely on the competitive swimming market and the club business and did not sell retail. Arena also had some stakes in the club business, but was

never very aggressive, since much like Speedo their main focus was the retail business. The situation in the market made it reasonably easy to enter the market, since the consumers had very little choice and were willing to try something new when given the opportunity.

The third reason pertains to changes that happened within competitive swimming as a sport at the turn of the century. Competitive swimmers began to use speed suits in competition opening up a whole new category of products for the swimwear manufactures to develop and market. Since Speedo and Arena focused their business on retail selling, their speed suits were not available to the Finnish swimmers, because the retailers were unwilling to stock the expensive speed suits for a niche market. Essenuoto is not a competitive swimwear brand, since its main focus is on training and fitness swimwear and thus they did not have the capacity to develop a competitive speed suit. This allowed Swimgear to make an impact as the only competitive swimwear brand whose speed suits were readily available to the Finnish swimmers. In terms of revenue the speed suits business was not very large, since only the top swimmers used the speed suits, but in terms of promotion and marketing it helped to establish TYR viable option for competitive swimmers.

Today Swimgear operates in Finland, Denmark and Estonia, focusing in all the markets in the club business and selling directly to the clubs and competitive swimmers. Swimgear's market share among competitive swimmers is estimated to be around 30 % in Finland.

The TYR brand imported by Swimgear Oy is owned by TYR Sport Inc., a California based company specializing in performance swimwear and equipment for competitive and active swimmers. Named after the mythical Norse god of warriors and deity among all athletes, the TYR brand embodies the competitive spirit of sports and is a symbol of courage and victory. Founded in 1985 by Olympic gold medalist Steve Furniss, the company takes pride in recruiting from the swimming community and promotes its products as being "made for swimmers, by swimmers". (TYR Sport Inc., 2008).

TYR partners with Swimwear Anywhere for design and production of their swimwear, Swimwear Anywhere is the largest privately owned and second largest overall swimwear

manufacturer in North America. Equipment and accessories such as goggles, caps and training equipment are designed in California where as swimwear and apparel is designed by Swimwear Anywhere in New York. The products are produced by licensees around the world. (TYR Sport Inc., 2008)

Swimwear for the European market was previously produced by a licensee in Italy. However due to rising labor costs in Europe TYR moved the production of its European line to China at the end of 2008. TYR believes that the change in manufacturing location will not have any negative effects on the quality of the goods or consumer perceptions of the brand.

3.2. Competitive Swimming in Finland

The competitive swimming community in Finland includes 131 swim clubs, whose activities include competitive swimming, masters swimming (for adults), water polo, synchronized swimming, diving, swim lessons for children and adults, summer camps and baby swimming. Some clubs focus more on swimming lessons for babies and children and sports camps for children. Other swim clubs are focused on top level competition and their main goal is to produce top level athletes. All athletes that wish to compete must be licensed to compete by the Finnish Swimming Association, who keeps contact information of all the licensed swimmers in Finland.

All in all the 131 swim clubs have approximately 40 000 active members, which includes all the people involved with the club. Of the 40 000 active members there are 5441 licensed athletes that compete. These athletes include competitive swimmers, masters swimmers, divers, water polo players and synchronized swimmers. The majority of the licensed athletes are competitive swimmers (70 %). The age distribution of the licensed swimmers is very young, since the majority of swimmers quit at around 18 years of age once they finish high school. Of the 5441 athletes only 680 were over the age of 25, qualifying them for masters swimming. (Suomen Uimaliitto)

3.3. Collecting the Data

Data was collected using a web-based questionnaire that was sent out to potential respondents via e-mail. The web-based questionnaire was chosen as the research method since it is the least expensive and least time-consuming of survey techniques. Web-based surveys are also the easiest and least evasive form of surveying respondents, since they can answer the survey at their convenience. Disadvantages of web-based surveys are that they alienate respondents who do not use or do not give out their e-mail addresses. (Malhotra & Birks, 2007, 273)

The questionnaire used was designed using items from previously conducted research by Zain & Yasin (1997) , Chen & Chang (2003), Ramaswamy et al (2000) , Klein et al (1998), Darling & Wood (1990), Hespól et al. (1998) and Parameswaran & Yaprak (1987). The questions were modified to fit the purpose of the study by including specific questions concerning clothes and swimwear. The questionnaire was then translated into Finnish to ensure that the participant would understand the questions. The questionnaire is presented in Finnish in Appendix A and in English in Appendix B.

The final questionnaire included 48 questions grouped into 7 thematic groupings addressing demographics, general importance of country of origin information, attitude toward products made and/or designed in Asia, attitudes toward clothes made and/or designed in Asia, attitudes towards swimwear made in Asia, attitudes towards swimwear designed in Asia and attitudes towards TYR branded swimwear. The demographic questions asked the respondents age, gender, which province they were from and how long they had participated in aquatic sports. The rest of the questions surveyed agreement or disagreement towards statements related to the stimulus objects on a 5-point Likert scale ranging from 1 (strongly agree) to 5 (strongly disagree). The Likert scale was chosen because it is easy to construct and administer and easy for the respondents to understand (Malhotra & Birks, 2007, 348).

The target population of the study can be defined as the active participants of aquatic sports in Finland. According to statistics received from the Finnish Swimming Federation, the population size is approximately 40.000 people. These include competitive swimmers, divers, water polo players and synchronised swimmers as well as fitness

swimmers who do not compete. Convenience sampling was used as the sampling frame was made up of the license athletes of the Finnish Swimming Federation, whose e-mail addresses were obtained from the federation's database. The study was conducted with the approval of the federation who reviewed the questionnaire before it was sent to respondents, but made no changes. All in all there were 5441 licensed swimmers in the list obtained from the federation. The list was first condensed to those who had provided an e-mail address and then condensed further to include only license swimmers over the age of 16. The final sampling frame included 1326 potential respondents.

The questionnaire was conducted between March 25th, 2009 and April 1st, 2009. A link to the questionnaire was sent via e-mail to 1326 respondents of which 58 were returned due to a faulty e-mail address thus the sampling frame for the study included 1268 potential respondents. One reminder was sent on March 30th 2009 to those individuals who had not yet taken part in the survey. The survey included an option for the respondent to submit their e-mail address at the end of the questionnaire to take part in a prize drawing of three 100 euro gift certificates to the TYR web shop.

3.4. Research Data

From the sampling frame of 1268 possible respondents, 396 responses were received of which 343 were correctly completed and usable in the study. This amounts to a response rate of 27 %, which far surpassed all expectations and was considered to be a fair representation of the population.

The respondents included slightly more men (193) than women (150). The majority of the respondents had been in swimming for over 6 years (70 %). The distribution of the respondents in regards to place of residence was representative of the distribution of population in Finland. Over half (55 %) of the respondents came from Southern Finland, 30 % from Western Finland, 8 % from Eastern Finland, 6 % from Oulu. The final 2 % was made up of respondents from Åland and Lapland and those respondents that did not wish to state their place of residence. The age of the respondents was spread fairly

evenly among the groups with the majority (41 percent) of the respondents being over the age of 30.

3.5. Statistical Analysis Methods

Three types of statistical analysis were performed on the material gathered from the online questionnaire: t-test, ANOVA and factor analysis. These analysis methods and their uses in marketing research are presented below.

3.5.1. T-Test and Analysis of Variance

The t-test is a univariate hypothesis test that uses the t distribution to compare the averages of two groups to determine if there are significant differences between them. The test is univariate in that it is used for data that has a single measurement of each element in the sample or if there are several measurements, then only one is analyzed at a time. T-distribution is a symmetrical bell-shaped similar to normal distribution in appearance. The t-test works best when sample size is small, normally distributed and the standard deviation is unknown. It is based on Student's *t* statistic which assumes that the variable is normally distributed and that the mean is known and the population variance is estimated from the sample. The t-statistic effectively consists of the differences between the two means divided by the mean of the two standard deviations. (Malhotra & Birks, 2007, 526)

One very common use of the t-test is to compare men's and women's attitudes. For instance we could ask 100 men and 100 women if they enjoyed a certain movie and 70 % of women enjoyed the movie, but only 40 % of men enjoyed it. Using the t-test we could find out if this difference in answers is significant and whether we could project the result that more women are more likely to enjoy the movie than men on the total population.

For larger populations (over 30) it is customary to use the z-test instead of the t-test. The test is otherwise similar but uses a standard normal distribution instead of the t-

distribution. The z-test is based on the z-value which tells us how many standard deviation errors a point is away from the mean. In marketing studies however the t-test is usually used also in larger samples. (Kajalo, 2009)

Another test of significance is the Analysis of Variance (ANOVA) test. The primary purpose of ANOVA is to test for differences between multiple means. Whereas the t-test can be used to compare two means, ANOVA is needed to compare three or more means. If multiple t-tests were applied, the probability of error (rejecting a true null hypothesis) increases as the number of comparisons increases. In order to be able to use ANOVA the dependent variables must be metric meaning that it is measured using an interval or ratio scale such as the Likert scale. There also has to be one or more independent variable, which must be categorical. Categorical independent variables can also be referred to as factors. (Kajalo, 2009)

There are several different types of analysis of variance that can be used depending on how many variables are being analyzed. When we want to compare two groups to know which of them gives a higher value (for instance who spends more money on clothes; men or women) we use the one-tailed test. If we want to analyze whether there is a significant difference between two groups we would use a two-tailed test. The third type of variance analysis is the ANCOVA or analysis of covariance. It differs from ANOVA in that independent variables can be both metric and categorical. (Malhotra & Birks, 2007, 545)

Analysis of variance is especially important when we want to find out if certain groups such as "heavy users", "medium users", "light users" of a product differ in their opinions of the product. This tool is also important in that it allows us to see the cumulative effect of different variables. For instance, to find out the difference in sales revenues when discounting products and advertising products versus only discounting products.

Another aspect of analysis of variance is multiple comparisons. Analysis of variance allows us to determine that certain groups differ from one another in terms of some dependent variable. However it does not allow us to determine the cause of such differences. The multiple comparisons test uses Fisher's least significant-difference test to determine which groups differ from one another significantly. (Kajalo, 2009)

3.5.2. Factor Analysis

Factor analysis is a class of procedures used for data reduction and summarization. It is used to condense a large number of correlating variables into factors thus it is useful in marketing studies with a large number of variables which must be reduced to a more manageable level. A factor is defined as an underlying dimension that explains the correlations among a set of variables. Factor analysis differs from other analysis methods such as analysis of variance and multiple regressions in that it does not assign variables to be independent or dependent but rather examines interdependent relationships between variables. (Malhotra & Birks, 2007, 647)

Factor analysis is somewhat similar to multiple regression in that each variable is expressed as a linear combination of underlying factors. The purpose of factor analysis is to find out how much variance a variable shares with all other variables included in the analysis. This is referred to as communality. The covariation between variables is described in terms of a small number of common factors plus a unique factor for each variable. Other important concepts in factor analysis are factor loadings and factor scores. Factor loadings are simple correlations between the variables and the factors and they tell us how well the variable fits with the factor. Factor scores are composite scores estimated for each respondent on the derived factors and they tell us how the respondent has answered to questions about variables from a certain factor. (Malhotra & Birks, 2007, 648)

The mathematical model for factor analysis is presented below (Frosén, 2007).

$$X_i = \sum_{j=1}^m (A_{ij} F_j) + V_i U_i$$

Where, X_i = i th standardized variable

A_{ij} = standardized regression coefficient of variable i on common factor j

F = common factor

V_i = standardized regression coefficient of variable i on unique factor i

U_i = the unique factor for variable i

m = number of common factors.

The common factors can then be expressed as linear combinations of the observed variables as

$$F_i = \sum_{j=1}^k W_{ij} X_j$$

Where F_i = estimate of the i th factor

W_{ij} = weight or factor score coefficient of the variable j on factor i

k = number of variables

The process of conducting factor analysis begins with formulating the problem by specifying the variables to be included in the research and the sample size, which should be four or five times the number of variables being studied. Once the observations have been collected, a correlation matrix is constructed to determine the correlations between the variables. Then the researcher must determine the method of factor

analysis to be used. There are two ways of going about factor analysis: principle component analysis, which considers the total variance in the data and common factor analysis, which estimates the factors based only on the common variance.

Once the method of analysis has been determined the researched must specify the number of factors. There are several ways to determine the number of factors:

- Prior determination based on prior knowledge.
- Determination based on eigenvalues greater than 1. Eigenvalues are the total variance explained by each factor.
- Determination based on scree plot in which eigenvalues are plotted against the number of factors in order of extraction. The shape of the plot is then used to determine the number of factors.
- Determination based on percentage of variance.
- Determination on split-half reliability where the sample is split in half and factor analysis is performed on each half.
- Determination of significance tests of eigenvalues.

Once the number of factors has been determined the factors are rotated using orthogonal rotation where axes are maintained at right angles, varimax procedure where the number of variables with high loadings is minimized or oblique rotation in which right angles of axes are not maintained. The final steps of the process are calculation of factor scores, which are estimates for each respondent on the derived factors and finally selecting surrogate variables. (Malhotra & Birks, 2007, 656).

Factor analysis is commonly used in social sciences (Osborne & Costello, 2005) but it also has many applications for marketing. Malhotra and Birks (2007, 647) mention market segmentation, product research, advertising research, pricing studies and identifying customer characteristics, habits and mental models as some commonly used marketing applications for factor analysis. More specifically it has been used to determine factors

of brand personality (Aaker, 1997), determine which work environment factors affect internal service quality (Edvardsson et al, 1997), the correlation between store image and self image (Bellebger et al, 1976).

3.6. Validity and Reliability

Validity is defined by Malhotra and Birks (2007, 159) as “the extent to which a measurement represents characteristics that exist in the phenomenon under investigation”. Validity of questionnaires can be pilot-tested to identify and eliminate any potential problems before administering the questionnaire. Validity can also be ensured by using questions from previous research. The questionnaire used in the study was compiled from previous research and based on well grounded theory and carefully worded to ensure that the respondents understood the questions.

Reliability is the extent to which a scale produces consistent results if repeated measurements are made using the same scale, and it can be tested by determining the total error of the research design, which consists of sampling and non-sampling error as well as response and non-response errors (Malhotra & Birks, 2007, 159). The sampling error was minimized by targeting the whole sampling frame of competitive swimmers in Finland using the list of licensed competitive swimmers provided by the Finnish Swimming Federation. This was considered the best available representation of the target population. However, the sampling frame was limited to licensed swimmers and thus excluded competitive swimmers that do not compete and have not register for a license with the federation. In addition, all of the licensed swimmers did not provide e-mail addresses and thus were excluded from the sampling frame. These factors were mainly the result of aiming for convenience in administering the questionnaire and may skew the results.

Research based errors were minimized by using questions from prior research. However, a possible cause of concern was the translation of the original question from prior research into Finnish. However, it was essential to translate the questionnaire into the mother tongue of the respondents to ensure that the questions would be fully understood. The questions were back-translated to English to ensure that the content of

the questions did not change. The translation/back-translation technique has been rated high on informativeness, source language transparency, security and practicality (Zhikun & Fungfai (2007); ref. Behling & Law, 2002).

Another concern was respondent-based errors stemming from the length of the questionnaire and the respondent's ability and willingness to concentrate for the duration of the questionnaire. This issue was resolved by dividing the questions into 7 sections, each with its own heading and instructions so that the questionnaire would not be overly monotonous. The questions were also worded carefully to avoid misinterpretation, thus the responses are assumed to be quite accurate.

Reliability also assesses the degree of consistency between multiple measurements of a variable. Internal reliability of the factor analysis was tested using the Cronbach's alpha method, which represents the average of all possible split-half coefficients resulting from different ways of splitting the scale items. In exploratory study, a value above 0.60 is generally accepted as satisfactory internal consistency. (Malhotra and Birks 2007, 358). Of the four factors discovered only three met the criteria of having sufficient internal consistency. For this reason only three of the factors were considered reliable.

4. Results and Analysis

The data was first analyzed using the t-test and ANOVA to find out whether different groups of respondents differed in their attitudes towards products from Asia. Then the data was analyzed using factor analysis to determine which factors are relevant in forming attitudes regarding products from Asia. The following section describes the results from T-test, ANOVA and factor analysis.

4.1. T-test

The data was analyzed using an independent T-test to find out if male respondents' attitudes differed from those of female respondents. The majority of statements did not show a significant difference between attitudes of male and female respondents. The statements that did show differences related to products made in Asia. The results show that the male respondents' attitudes towards products produced in Asia are slightly more positive than those of the female respondents. The full results of the T-test can be found in Appendix C.

Males had more positive responses than females to the statements "products made in Asia are good value for money" and "clothes produced in Asia are long-lasting" meaning that their overall opinion of the value and durability of Asian goods is more positive than that of female respondents. This assumption is further ratified by male respondents' more negative attitude toward the statement "I take pride in the ownership of Western made swimwear". However, males showed a higher level of agreement than females with the statement "products made in Asia are imitations not innovations", which in turn shows that they have a negative view of goods designed in Asia.

In terms of swimwear specific questions males responded less positively to the statements "swimwear produced in Asia is made with meticulous workmanship" and "I can be sure of high quality when I buy a swimsuit made in Asia". This shows that even though male respondents attitudes towards products made in China were generally more positive than those of women, their attitudes towards swimwear produced in China was less positive than that of female respondents.

From the last section of questions concerning the respondent’s attitudes towards TYR branded swimwear there were also some differences in attitudes between male and female respondents. Males showed a higher level of agreement to the statement “TYR swimsuits are expensive compared to those of competing brands” and lower level of agreement to the statement “Overall I have been happy with the TYR swimsuits I have purchased” than female respondents. This demonstrates that women are generally more positive towards the TYR brand. Table 1 below presents the results of an independent t-test between male and female respondents.

Table 1: T-test between male and female

	Male		Female		Significance
	Mean	SD	Mean	SD	
Products made in Asia are good value for money	2,67	0,95	3,02	0,86	0,0006
Clothes produced in Asia are long-lasting	3,18	0,79	3,35	0,77	0,0453
Swimwear produced in Asia is made with meticulous workmanship	3,35	0,64	3,19	0,64	0,0287
I take pride in the ownership of Western made swimwear	3,53	1,13	3,2	1,07	0,0058
I can be sure of high quality when I buy a swimsuit made in Asia	3,52	0,81	3,34	0,7	0,0332
Products made in Asia are imitations not innovations	2,53	0,76	2,77	0,85	0,006
TYR swimsuits are expensive compared to those of competing brands	3,06	0,86	3,3	0,97	0,0201
Overall I have been happy with the TYR swimsuits I have purchased	2,24	0,99	2,02	1,01	0,0364

4.2. Analysis of Variance

The data was analyzed using analysis of variance or ANOVA to find out if respondents of different ages differed in their responses. The respondents had been categorized as under 20 years of age, 20 to 29 years of age and over 30 years of age. Of the 44 statements presented, 24 of the statements showed significant differences in attitudes between the three age groups. Since there were so many statements that had significant differences between the age groups, the statements will be presented grouped in the same way as in the questionnaire, but excluding section one that pertained to demographics.

The second section of the questionnaire was concerned with the importance of country of origin information on a general level. Respondents over the age of 30 showed the highest level of agreement to statements concerning the general importance of country of origin information meaning that for this age group it is important to know about a products origin when making a purchase decision. Over 30's year olds felt that it was especially important to check COO when purchasing clothes (statement 6) or unfamiliar products (statement 9). Interestingly the under 20's showed higher levels of agreement than the 20 to 29 year olds meaning they also displayed interested in country of origin information. The results for the ANOVA for section one is presented in table 2.

Table 2: Importance of COO information by age

	Always check COO to be sure of quality		Always check COO of clothes before purchase		Check COO to determine quality		Check COO of unfamiliar products		Check COO to know that I buy the best	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Under 20	3,43	1,25	3,80	1,12	3,60	1,25	3,68	1,20	3,78	1,14
20-29	3,69	1,22	3,89	1,16	3,70	1,19	3,79	1,24	4,01	1,04
Over 30	3,06	1,18	3,19	1,24	3,31	1,12	3,09	1,34	3,45	1,06
Total	3,33	1,24	3,56	1,22	3,50	1,19	3,46	1,30	3,69	1,11
F	6,82		11,96		3,25		10,35		7,01	
Significance	0,0012		0,0001		0,0398		0,0001		0,0010	

The next section of the questionnaire dealt with attitudes towards products produced or designed in Asia. This section showed differences in attitudes for almost all the statements. The under 20 year olds responded most negatively to the statement “Asian products are good value for money” and most positively to the statements “Western products are the best”, “Asian products are inferior to Western products”, “I always prefer Western goods” and “Asian products are cheaply made consumer items”. These results demonstrate that of the three age groups the youngest had the strongest preference for Western made goods.

The 20 to 29 year olds showed the lowest level of agreement to statements “I avoid Asian products when possible”, for which there was generally a very low level of agreement (3,58 in total) mainly due to the provoking wording of the question. It is interesting to note that although the statement “Western products are the best” showed a high level of agreement from all the respondents (2,49 in total) the following statement “I always prefer Western goods” showed a much lower level of agreement (3,06). From this it can be reasoned that although consumers may feel that Western made products are far superior there are other factors at play which steer the consumers purchase decision. Perhaps consumers are not willing to pay extra for

Western made products despite rating them the best. The results for the ANOVA for section two are presented in table 3.

Table 3: Attitudes towards products designed or produced in Asia

	Asian products offer good value for money		Asian products are inferior to Western		Western products are the best		I always prefer Western goods		Asian products are cheaply made consumer items		I avoid Asian products when possible	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Under 20's	3,05	0,94	2,44	0,93	2,22	0,90	2,82	1,05	2,35	1,02	3,52	1,00
20-29's	2,66	0,92	2,95	1,05	2,76	1,12	3,39	1,10	2,69	1,04	4,00	1,02
Over 30's	2,70	0,89	2,96	0,91	2,61	1,00	3,11	1,05	2,58	0,94	3,44	1,01
Total	2,82	0,93	2,76	0,98	2,49	1,01	3,06	1,08	2,51	1,00	3,58	1,03
F	6,65		12,34		8,51		6,95		3,11		7,75	
Significance	0,0015		0,0001		0,0002		0,0011		0,0457		0,0005	

The fourth section of the questionnaire reviewed consumer attitudes towards clothes designed or produced in Asia. In this section there were only two statements that showed a significant difference in attitudes. Statement 23 "Clothes made in Asia are generally lower quality" had the highest level of agreement from the over 30 year olds. Statement 27 "I prefer to purchase Western made clothes" had the most agreement from the under 20 year olds, which fits with the results from the previous section and strengthens the assumption that under 20 year olds have the strongest preference for Western made goods. It should be noted that the level of significance for both of these questions was quite poor (0,0241 and 0,0179) compared to the majority of other questions in which the significance was under 0,01. The results of the ANOVA for section four can be seen in table 4.

Table 4: Attitudes towards clothes designed or produced in Asia

	Clothes made in Asia are generally lower quality		I prefer to purchase Western made clothes	
	Mean	SD	Mean	SD
Under 20's	3,44	0,97	2,64	1,03
20-29's	3,21	0,95	3,07	1,05
Over 30's	3,12	0,87	2,75	1,01
Total	3,26	0,93	2,77	1,04
F	3,77		4,07	
Significance	0,0241		0,0179	

Sections five and six of the questionnaire are concerned with the respondents' attitudes towards swimwear produced and designed in Asia respectively. Respondents under the age of 20 showed high levels of agreement for the statements "I take personal pride in owning Western swimwear" and "I would feel guilty if I purchased Asian swimwear", which in general showed a very low level of agreement (4,21 in total). These results add to the evidence from section 3 that suggest a strong preference for Western made goods among the youngest age group. Respondents between 20 and 29 years had the most negative attitudes towards the statements "Asian swimwear brands are easily recognizable and well know" indicating a low level of knowledge of Asian swimwear brands although the general agreement with the statement was quite low (3,57 in total).

Respondents over 30 responded most positively to the statements "I find it important to seek COO information when buying swimwear", which is in line with the results from section two that suggested that the over 30 year olds were most interested in country of origin information as an aid in making purchase decisions. The oldest age groups also showed the highest level of agreement to the two statements pertaining to the lack of

creativity and innovativeness of Asian swimwear (statements 40 and 41) meaning that they have the most negative attitude towards swimwear designed in Asia. These results are presented in table 5 below.

Table 5: Attitudes towards swimwear designed or produced in Asia.

	Asian swimwear brands are easily recognizable and well known		I find it important to seek COO info when buying swimwear		I take personal pride in owning Western swimwear		I would feel guilty if I purchase Asian swimwear		Asian swimwear lacks creativity and is imitative		Asian swimwear is imitative not innovative	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Under 20's	3,42	1,01	3,63	1,17	3,08	1,01	4,07	1,06	2,73	0,83	2,56	0,83
20-29's	3,77	0,98	3,87	1,15	3,64	1,14	4,51	0,76	3,09	0,81	3,00	0,87
Over 30's	3,62	0,83	3,35	1,13	3,54	1,14	4,20	0,87	2,65	0,73	2,51	0,70
Total	3,57	0,94	3,57	1,17	3,39	1,12	4,21	0,94	2,77	0,80	2,63	0,81
F	3,53		5,14		8,40		5,30		7,27		9,67	
Significance	0,0304		0,0063		0,0003		0,0054		0,0008		0,0001	

The final section of the questionnaire dealt with the respondent's attitudes towards TYR branded swimwear. Interestingly there were significant differences between the attitudes of the three age groups for all the statements. The under 20 year olds felt that TYR swimwear was better value for money and more durable than swimwear of competing brands and they were the most satisfied with TYR swimwear they had purchased. The over 30 year olds felt that TYR swimwear was not more expensive than swimwear of competing brands, and they also felt that TYR had a larger choice of styles than competing brands. Overall the majority of the respondents expressed satisfaction with TYR swimwear with an average mean of 2,15 for all respondents. The results from section 7 are presented in table 6.

Table 6: Attitudes towards TYR branded swimwear

	TYR offers better value for money		TYR swimwear is more durable		TYR swimwear is more expensive		TYR has a larger choice of styles and models		I have been satisfied with TYR swimwear	
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
Under 20	2,62	1,05	2,60	1,11	3,33	0,98	3,13	1,04	1,96	1,06
20-29	3,19	0,98	3,07	1,04	3,33	0,88	3,30	0,84	2,03	1,02
Over 30	2,84	0,74	2,87	0,68	2,94	0,84	2,97	0,69	2,38	0,90
Total	2,83	0,94	2,81	0,95	3,17	0,92	3,10	0,88	2,15	1,00
F	8,73		6,17		7,53		3,47		6,75	
Significance	0,0002		0,0023		0,0006		0,0323		0,0013	

4.3. Factor Analysis

Factor analysis is suitable for this study since it fits all the criteria required for factor analysis. There are more than five times the number of respondents with 343 respondents to 44 variables for a subject-to-variable ratio of 7,8. The variables are statements with responses of agreement on a 5-point Likert scale with 1 being strongly agree and 5 being strongly disagree. All 44 statements were not used in the factor analysis, because some of the statements were very similar and overlap, which can cause the outcome of the factor analysis to be inaccurate (Kajalo, 2009). The variables chosen for the factor analysis are presented in table 7.

Table 7: Variables used in factor analysis.

Q29	Asian swimwear brands are easily recognizable and generally quite well-known.
Q30	Swimwear made in Asia is made with meticulous workmanship.
Q31	A swimsuit made in Asia will last longer than a swimsuit made in a Western country.
Q32	I feel it is important to look for Country of origin information of swimwear when making a purchasing decision.
Q33	I take a great deal of personal pride in the ownership of swimwear made in the West.
Q34	I would feel guilty if I bought swimwear made in Asia
Q35	When I buy a swimsuit produced in Asia, I can be sure it is of good quality.
Q36	A swimsuit made in Asia is durable and long lasting.
Q37	I consider careful and meticulous workmanship to be characteristic of swimsuits made in Asia.
Q38	Swimwear made in Asia is usually quite inexpensive compared to similar swimwear from other countries.
Q39	Swimwear designed in Asia is more concerned with outward appearance than product durability.
Q40	Swimwear made in Asia generally lacks creativity and is very imitative of products made in other countries.
Q41	Swimwear made in Asia is imitation, not innovation.
Q42	Swimwear produced in Asia is innovative.
Q43	Swimwear designed in Asia uses colour in a more clever way than swimwear designed in the West.

The data was analyzed using principal component analysis, which is a factor analysis that considers the total variance of the data (Malhotra & Birks, 2007). A varimax rotation was used to minimize the number of variables with high loadings on a factor to enhance interpretability of the factors. The result revealed 4 factors having eigenvalues above one. Together the four factors explain 60 % of the total variance. Each variable was assigned to the factor for which it had the highest factor loading. The full results of the factor analysis can be found in appendix D.

The Cronbach's alpha method was used to measure each factor's internal consistency reliability. Cronbach's coefficient alpha represents the average of all possible split-half coefficients resulting from different ways of splitting the scale items. A value above 0.60 is generally accepted as satisfactory internal consistency. (Malhotra and Birks 2007, 358)

The four factors, their variables (metrics), factor loading values, final communality estimates (h^2) and Cronbach's alpha are presented in table 8.

Table 8: Factors representing dimensions of Country of origin

Factor	Metrics	Factor Loading	h^2	Cronbach's Alpha
1	Asian more durable than Western	0,80	0,67	0,82
	Asian more meticulous than western	0,79	0,63	
	Asian is durable	0,73	0,62	
	Meticulous workmanship	0,70	0,56	
	Asian guarantee of good quality	0,67	0,49	
2	Asian lack creativity	0,84	0,78	0,75
	Asian imitative	0,80	0,75	
	Asians innovative	0,60	0,54	
	Asian uses color more cleverly than western	0,49	0,53	
3	Feel guilty to buy Asian	0,79	0,69	0,73
	Take pride in owning Western	0,79	0,66	
	COO info important	0,77	0,63	
4	Asian less expensive	0,72	0,58	0,36
	Asians appearance more than durability	0,65	0,51	
	Asian is recognizable	0,48	0,42	

The four factors each represent a different dimension that effect consumers' perception of products and their country of origin. The factors are named and explained in more detail below.

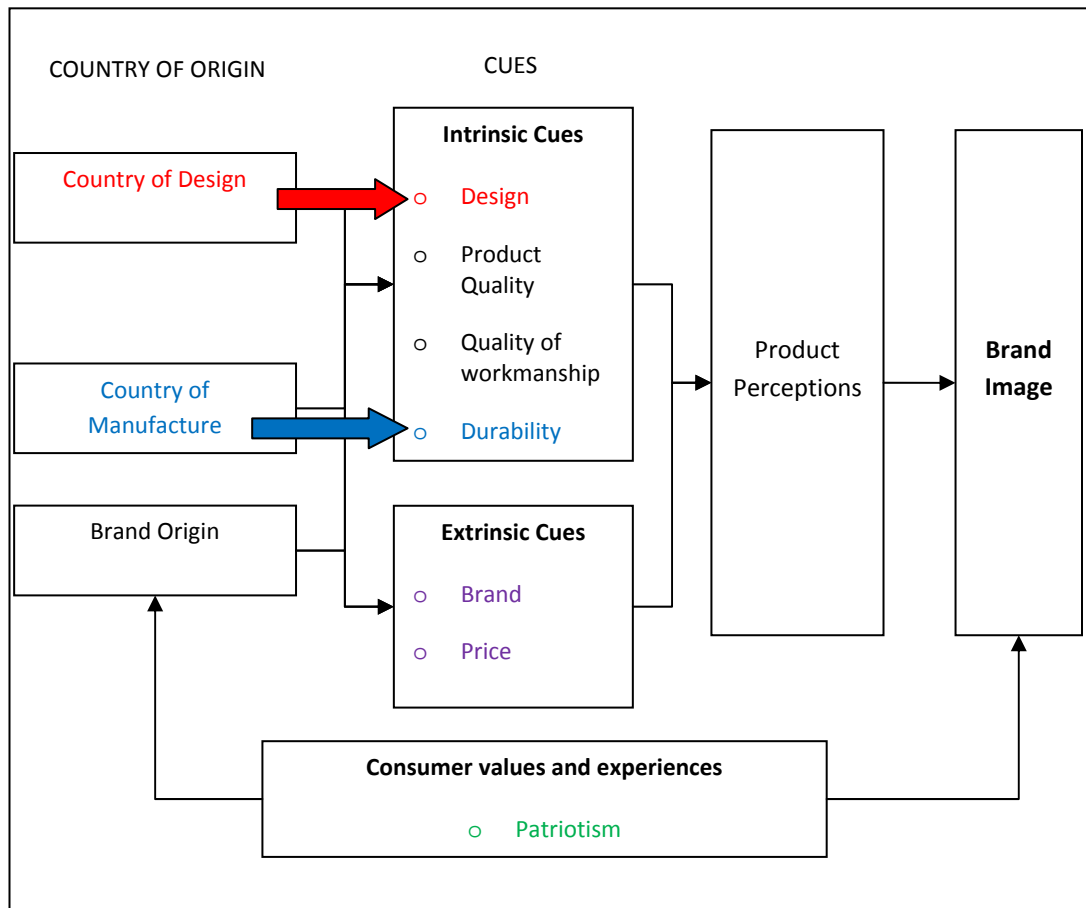
- *Durability* – factor 1 represents how the products, in this case swimwear, country of origin affects consumer perceptions of the products durability and quality.
- *Creativity of Design* – factor 2 represents how consumer perceptions are affected by country of design.
- *Patriotism* – factor 3 is the affective component of consumer attitudes towards products made in certain countries. It describes how purchasing foreign made products makes the consumer feel.
- *Ease of purchase* – factor 4 presents variables that allow consumers to make easier purchasing decisions regardless of where the product is made or designed. The variables of price and recognizeability may play a bigger role in purchase decisions than country of origin information.

It should be noted that only factors 1, 2 and 3 meet the criteria of having internal consistency over 0,6. Factor 4 does not meet the criteria of having satisfactory internal consistency and thus the results of the factor analysis should be further analyzed before final conclusions can be made.

5. Discussion and Conclusions

In this study a framework was presented to depict the factors that affect consumer's formation of brand image. The framework depicted how country of origin information affects product cues which in turn are used by consumers to build brand image. Using factor analysis we were able to distinguish three strong factors that play a role in consumers' perceptions of a product or brand. These three factors were durability, creativity of design and patriotism. The T-test and ANOVA allowed us to compare male versus female and different age groups to see if there were differences in their attitudes for each factor. A revised version of the framework is presented in figure 9.

Figure 9: Revised framework of factors effecting brand image



The first factor is depicted in blue on the framework. It is linked to the country of manufacture in that the place of manufacture impacts the perceptions that consumers

have of a product's durability. Quality of workmanship is also closely related to this factor. Generally consumers felt that goods produced in Western countries are more durable and of better quality than goods produced in Asia. However the differences in opinion concerning goods produced in Asia and goods produced in the West were quite small. From this we can gather that although consumers tend to be more positive towards Western goods, Asian goods are not viewed so negatively that consumers would avoid them.

The T-test between male and female respondents revealed that male respondents had more positive attitudes towards goods produced in Asia than female respondents. We could assume that males are perhaps more function oriented in their purchase decisions where as women are influenced more by esthetics and brands and consider Western goods to be more stylish. Interestingly, the ANOVA showed that the youngest age group showed the most negative attitudes towards goods produced in Asia. It would have been logical to assume that the younger respondents are more accustomed to consuming goods from abroad and thus would pay less attention to country of origin. Perhaps the younger age group showed a stronger preference for Western made goods of higher quality because they rely on their parents to purchase the goods that they consume and thus are less concerned with price, which is often much higher for Western goods than Asian goods.

The second factor is depicted in red and deals with country of design and the perceptions that consumers have of the level of creativity and innovativeness used in products designed in a certain location. Generally consumers' attitudes towards goods designed in Asia were negative. Particularly statements concerning swimwear designed in Asia showed a very low level of agreement from all respondents. Women and the oldest age group showed the most negative response to Asian design. This may be due to the fact that although we are used to goods produced in Asia, we are relatively unfamiliar with goods designed in Asia and Asian brands. Especially the clothes and swimwear Finnish consumers are accustomed to, are predominantly Western. The opinions would probably have been very different had the questions concerned electronics or cars. The overall differences in attitude for Asian versus Western design were much stronger than the difference between Asian and Western manufacturing. It

can thus be assumed the country of design has a much bigger impact on consumers' perceptions than country of manufacture.

The third factor was labeled as patriotism and it is depicted in green on the framework. It consists of the feelings and emotions involved with purchasing foreign products. These feelings and emotions are a result of the values that consumers hold. Males displayed a lower level of agreement than females to statements regarding patriotism. The youngest age group of respondents showed higher levels of agreement to the questions regarding patriotism than the older respondents. It should be noted however that the statements concerning patriotism received very low levels of agreement from all respondents. Although Finnish consumers have a clear preference for Western goods, they do not feel guilty or ashamed of purchasing Asian goods nor do they feel pride in owning Western goods. This is probably a result of the openness of the Finnish economy and the commonness of purchasing goods produced in various parts of the world.

The factor analysis also uncovered a fourth factor that was concerned with the ease of purchase and was concerned with price and recognizability of the brand. The fourth factor did not meet the criteria of having sufficient internal consistency and thus cannot be considered a very strong factor. However, despite a lack of internal consistency we can see that the extrinsic cues of price and brand do play a part in the consumers' brand perceptions. The only significant difference in attitudes towards Asian brands came from the middle age group who displayed the most negative attitudes towards Asian brands. In general, respondents showed negative attitudes towards Asian brands and a strong preference for Western brands. These extrinsic cues of price and brand are depicted in purple on the revised framework.

The final change that should be made to the framework concerns brand image. Brand image is made up of many dimensions but the most important is the image of the product (Aaker & Biel, 1993, 72). The image of the product comes from the perception or associations that consumers have of the product and its intrinsic and extrinsic cues. Product perceptions are such an integral part of the brand image formation process that they should be added to the framework as an element of brand image.

The results of the study reinforced the view that country of origin should be viewed as a multidimensional construct by uncovering three factors related to country of origin that

affect consumers' perceptions of a brand. The factors of country of design, country of manufacture and brand origin have been conceptualized in prior research (Chao, 1993; Nebenzahl et al, 1997; Thakor and Lavack, 2003). It should be noted however that all three factors did not affect consumers' attitudes equally. Country of design and brand origin were clearly more important to consumers than country of manufacture.

From the branding theory perspective the study reinforced the view of brand image as a collection of associations held in the memory of the consumer. In addition it validates the claim that consumers' perceptions are not always logical. For instance the preference for goods manufactured in Western countries is likely not due to any functional differences between goods from Western countries and goods from Asia. Consumers merely view Western goods as being more durable and stylish.

In terms of contributing new knowledge to the vast array of country of origin research this study is unique in the targeted respondents and the product group under inspection. The study focused on a niche market and a very specific product group whereas previous studies have focused on populations as a whole and commonly used commodity items. The product group of swimwear or other sport apparel has not been studied before despite the fact that the textile industry is being shifted from Europe and North America to low labor cost locations such as Asia. This study gives important insight into the peculiarities of country of origin information in niche markets.

5.1. Managerial Implications

Many sports apparel companies in the recent past have been faced with the decision of moving production to lower labor cost locations in order to keep prices at a competitive level. The choice of relocating production to a more economical location is an easy decision from the financial perspective, but little thought has been given to the effects of these decisions on brand image. The results of the study showed that consumers did not have strong negative attitudes towards goods produced in Asia, but do show a preference for goods produced in Western countries. Consequently changes of production location will not have significant impact on sales thus making it economically worthwhile to move production to a lower cost location.

However, the change in production location may cause the company to lose a significant competitive advantage if all its competitors are producing their goods in low cost countries. This situation becomes especially difficult if the company has previously communicated country of origin information to consumers. Managers should carefully think about the information communicated to the consumers and avoid focusing on country of manufacture.

The study also investigated consumers' attitudes towards goods designed in Asia and Asian brands. The results showed that consumers had negative attitudes towards Asian design and Asian brands. Western sports apparel companies should focus their marketing communications on the origin of the brand and the place of design. For instance TYR should use their American brand origin and their strong New York design department as a means to build brand image in the minds of the consumer. Western consumers' clear preference for Western design and brands may become a critical advantage for companies in the future when Asian sport apparel brands come to Europe.

Some specific managerial implications for Swimgear Oy and the TYR brand are that works still needs to be done to make the brand known to all consumers and some changes in product selections may increase sales. With over 60 percent of respondents showing agreement to the statement "I have been happy with TYR products that I have purchased", TYR swimwear seems to be well-liked among the Finnish competitive swimming community. However, 30 percent of the respondents did not agree or disagree with the statements. From this we can determine that there is still a large group of consumers who are unfamiliar with TYR products. Thus marketing efforts should be revised to increase awareness of the brand.

There were also some differences between male and female respondents in regards to TYR products with females showing a more positive attitude toward the brand. It would be beneficial to find out why males are less positive towards the brand and perhaps make changes to product selections or marketing communication to accommodate better for and reach male customers. It would also be useful to compare Swimgear's

product selection for males to that of its competition to see if there are some key styles missing.

5.2. Limitations and Public Research

The study was confined to a very specific market niche and a very specific product group in order to explore the peculiarities of a niche market. The same study could be replicated in different part of the world, with different product groups. The data gathered could also be analyzed further to uncover other patterns in the data.

The purpose of this master's thesis was to uncover the factors of country of origin that influence consumer's product evaluations and brand image thus it focused on factor analysis. The data gathered could be analyzed further to find other patterns in the responses such as clusters of consumers who have strong attitudes towards country of origin information. The different levels of questions also leave possibility to study consumers' attitudes on different product levels using the same data. The study could also be extended to include the country of parts to the dimensions of country of origin. In the textile industry the source of the fabric is considered more important than the source of labor.

As the study was conducted only in Finland, the same or similar study could be conducted in other western countries and the results compared to see if there are significant differences between Finnish and other respondents. The study may have very different results in countries such as the United States in which people are generally more patriotic and in which the government encourages consumers to buy domestic with campaigns. Also larger countries with more diverse production capabilities perhaps give local consumers the option to buy products produced in their home country much more so than small countries such as Finland. The level of industrialization and openness of the economy would also have an impact on the consumers' attitudes thus making it worthwhile to conduct the study in a country with a less open economy than that of Finland or other European Union countries.

The study was quite general in terms of the countries which it compared in that the comparison was between Western countries and Asia as opposed to specific countries. The study could be modified to measure attitudes towards specific countries.

As the study focused on swimwear, it would also be possible to extend the research to other product groups to see if the results were specific to swimwear and clothes or similar results would be attained using a different product group. The distribution of the respondents in regards to gender and location was representative of the Finnish population. However the age distribution of the respondents was quite young, and thus not fully representative of the general population of Finland. If the section concerning swimwear was removed from the questionnaire the same study could be administered to the general population to ensure that the results from this study are reflective of the overall attitudes of the Finnish population.

References

- Aaker, David A. (1991), *Managing Brand Equity: Capitalizing on the value of a Brand Name*. The Free Press, New York.
- Aaker, David A. (1996), *Building Strong Brands*. The Free Press, New York.
- Aaker, Jennifer (1997), Dimensions of Brand Personality. *Journal of Marketing Research*, Vol 34, pp. 347-356.
- Alahuhta, Tiina (2005), International brand identity management in design business - Case Marimekko. *Master's thesis, Helsinki school of Economics*.
- Alsem, Karel Jan and Kosteljik, Erik (2008), Identity based marketing: a new balanced marketing paradigm. *European Journal of Marketing*, Vol. 42, Issue 9/10, pp. 907-914.
- Aqueveque, Claudio (2006), Extrinsic cues and perceived risk: the influence of consumption situation. *Journal of Consumer Marketing*, Vol. 23, Issue 5, pp. 237-247.
- Batra R., Alden, D.L., Steenkamp J.-B.E.M. and Ramachander S. (1999), Effects of Brand Location/Non-location on origin on consumer attitudes in developing countries. *Journal of Consumer Psychology*, Vol. 9, Issue 2, pp. 83-96.
- Bellenger, Danny N., Earle Steinberg, and Wilbur W. Stanton (1976), The Congruence of Store Image and Self Image. *Journal of Retailing*, 52 (Spring), pp. 17-32.
- Biel, Alexander L., *Converting image to Equity from Aaker and Biel (1993), Brand Equity and Advertising*. Lawrence Erlbaum and Associates Inc., Hillsdale, New Jersey.
- Bonza, Carlo 2008. Managing Director, Luigi Bonza Srl. Milan, Italy. 5.12.2008
- Chao, Paul (1993), Partitioning Country of origin Effects: Consumer Evaluations of a Hybrid Product. *Journal of International Business Research*, Vol. 24, Issue 2, pp. 291-306.

- Chao, Paul (2001), The Moderating Effects of Country of Assembly, Country of Parts and Country of design on Hybrid Product Evaluations. *Journal of Advertising*, Vol 30 Issue 4.
- Chaudhuri, A. & Holbrook, M.B. (2001), The chain of effects from brand trust and brand affect to brand performance: the role of brand loyalty. *Journal of Marketing*, Vol. 65, Issue 2, pp. 81–93.
- Chen, Judy F., Chang, H. T. (2003) Is English a Brand: Language of Origin's Influence on Product Evaluation. *Proceedings for the 2003 Association for Business Communication Annual Convention*.
- Cova, Bernard and Cova, Véronique (2002), Tribal Marketing: The Tribalisation of Society and its Impact on the Conduct of Marketing. *European Journal of Marketing*, Vol. 36, No. 5/6, pp. 595-620.
- Crane, Andrew (2001), Unpacking the Ethical Product. *Journal of Business Ethics*, Vol 30, Issue 4, pp. 361-373.
- Darling, John R.; Wood, Van R.. (1990), A Longitudinal Study of Comparing Perceptions of US and Japanese Consumer Products in a Thirds / Neutral Country: Finland 1975-1985. *Journal of International Business Studies*, Vol. 21 Issue 3, p427-450
- Dawes, John (2009), Brand Loyalty in UK Sportswear market. *International Journal of Market Research*, Vol. 51 Issue 4, pp. 449-463.
- De Chernatony, Leslie (1993), Categorizing Brands: Evolutionary Processes Underpinned by Two Key Dimensions. *Journal of Marketing Management*, Vol. 9, Issue 2, pp. 173-188.
- Dichter, Ernest (1985), What's in an Image? *Journal of Consumer Marketing*, Vol. 2, Issue 1, pp. 75-81.
- Dobni, Dawn and Zinkhan, George M. (1990), In Search of Brand Image: A Foundation Analysis. *Advances in Consumer Research*, Vol. 17 Issue 1, pp. 110-119.

- Doyle, Peter (1989), Building Successful Brands: The Strategic Options. *Journal of Marketing Management*, Vol. 5, Issue 1, pp. 77-95.
- Edvardsson, Bo S., G. Larsson, S. Setterlind (1997), Internal Service Quality and the Psychosocial Work Environment: an Empirical Analysis of Conceptual Interrelatedness. *Service Industry Journal*, Vol 17 (2), pp. 252-263.
- Eroglu, S. and Machleit, K.A. (1989), Effects of Individual and Product Specific Variables on Utilizing Country of origin as a Product Quality Cue. *International Marketing Review*. Vol 6, No. 6, pp. 27-41.
- Farquhar, Peter H. (1989), Managing Brand Equity. *Marketing Research*, Vol. 1 Issue 3, pp. 24-33
- Fournier, Susan (1998), Consumers and Their Brands: Developing Relationship Theory in Consumer Research. *Journal of Brand Management*, Vol. 24, Issue 4, pp. 343-373.
- Frisk, Karla (2008), Managing the brand identity of an international brand in a SMOPEC. Case: Positioning of Strongbow brand into Finland. *Master's thesis, Helsinki school of Economics*.
- Frosén, Johanna (2008), Measuring Marketing Performance from a Shareholder Perspective. *Master's thesis, Helsinki school of Economics*.
- Gardner, Burleigh B. and Levy, Sidney J. (1995), The Product and the Brand. *Harvard Business review*, Vol 3, Issue 2, pp. 33-39.
- Gensch, Dennis H. (1978), Image-Measurement Segmentation. *Journal of Marketing Research*, Vol. 15, Issue 3, pp. 384-394.
- Gobe, Marc (2001), *Emotional Branding: the new paradigm for connecting brands to people*. Allworth Press, New York .
- Häubl, Gerald (1996), A cross-national investigation of the effects of country of origin and brand name on the evaluation of a new car. *International Marketing Review* Volume:13 Issue: 5, pp. 76 - 97

- Heslop, Louise A, Nicolas Papadopoulos, Margie Bourk (1998), An Interregional and Intercultural Perspective on Subcultural Differences in Product Evaluations. *Canadian Journal of Administrative Sciences*, 15 (2), pp 113-127.
- Insch, Gary S. and McBride, Brad J. (2004), The Impact of Country of origin Cues on Consumer Perceptions of Product Quality: a Binational Test of the Decomposed Country of origin Construct. *Journal of Business Research*, 57 (2), pp. 256-65.
- Jaffe, Eugene D. and Nebenzahl, Israel D. (2001), *National Image and Competitive Advantage: the Theory and Practice of Country of origin Effect*. Copenhagen Business School Press, Copenhagen.
- Jo, Myung-Soo, Kent Nakamoto, and James E. Nelson (2003), The Shielding Effect of Brand Image Against Lower Quality Country of origin in Global Manufacturing. *Journal of Business Research*, 56 (8), pp. 637-49.
- Kajalo, Sami (2009), Lecture slides for Business Research Methods.
- Kapferer, Jean-Noël (1998), *Strategic Brand Management Creating and Sustaining Brand Equity Long Term*. Kogan Page, London.
- Kapferer, Jean-Noël (2004), *The New Strategic Brand Management*. Kogan Page, London.
- Keller, Kevin Lane (1993), Conceptualizing, Measuring and Managing Customer-Based Brand Equity. *Journal of Marketing*, Vol. 57, Issue 1, pp. 1-22.
- Keller, Kevin Lane (1998), *Strategic Brand Management: Building, Measuring, and Managing Brand Equity*. Prentice-Hall, New Jersey.
- Kuusela, Jutta (2003), Corporate brand identity management in global context: case UPM-Kymmene Corporation. *Master's thesis, Helsinki school of Economics*.
- Laroche, Michel; Papadopoulos, Nicolas; Heslop, Louise A.; Mourali, Mehdi (2005), The Influence of Country Image Structure on Consumer Evaluations of Foreign Products. *International Marketing Review*. Vol. 22, No. 1, pp. 96-115.

- Li, Wai-Kwan and Wyer, Robert S. (1994), The Role of Country of Origin in Product Evaluations: Informational and Standard-of-Comparison Effects. *Journal of Consumer Psychology*, 3(2), pp. 187-212.
- Mackiewicz, Andrea (1993), *The Economist Intelligence Unit Guide to Building a Global Image*. McGraw-Hill, Inc.
- Maheswaran, Durauraj (1994), Country of Origin as a Stereotype: Effects of Consumer Expertise and Attribute Strength on Product Evaluations. *Journal of Consumer Research*, Vol. 21 Issue 2, pp. 354-365.
- Malhotra, N. K. and Birks, D. F. (2007), *"Marketing Research: An Applied Approach."* Third European Edition, Pearsons Education Limited, Essex, England.
- Murphy, John M. (1990), *Brand Strategy*. Cambridge, Director Books.
- Nebenzahl, Israel D., Jaffe, Eugene D. and Lampert, Shlomo I. (1997), Towards a Theory of Country Image Effect on Product Evaluation. *Management International Review*, Vol. 37, no.1, pp. 27-50.
- Noble, John (2006), Branding: From a Commercial Perspective. *Journal of Brand Management*, Vol. 13 Issue 3, pp. 206-214.
- Norgan, Susan (1994), *Marketing Management: A European Perspective*. Addison-Wesley, Wokingham.
- Okechuku, Chike (1994), The Importance of Product Country of Origin: A Conjoint Analysis of the United States, Canada, Germany, and the Netherlands. *European Journal of Marketing*, Vol. 28, No 4, pp. 5-19.
- Olson, J.G. (1977), Price as an informational cue: Effects in product evaluation. In A.G. Woodside, J.N. Sheth and P.D. Bennet (Eds. *Consumer and industrial buying behavior*. New York: North Holland.
- Olson, J.G., & Jacoby, J. (1972), Cue utilization in the quality perception process. In M Venkatesan (Ed.), *Proceedings of the Third Annual Conference of the Association for Consumer Research*. Iowa City: Association for Consumer Research.

- Osborne, Jason W. and Costello, Anna B. (2005). Best Practices in Exploratory Factor Analysis: Four Recommendations for Getting the Most From Your Analysis. *Practical Assessment, Research and Evaluation*, Vol. 10, No. 7.
- Page, Graham and Fearn, Helen (2005), Corporate Reputation: What do Consumers Really Care About? *Journal of Advertising Research*, Vol. 45 Issue 3, pp. 305-313.
- Papadopoulos, N., Heslop, L.A., Bamossy, G. (1990), A comparative image analysis of domestic versus imported products. *International Journal of Research in Marketing*, Vol. 16 No.7, pp.283-94.
- Papadopoulos, N., Heslop, L.A. and The IKON Research Group (2000), A cross-national and longitudinal study of product-country images with a focus on the US and Japan. *Marketing Science Institute, Report*. 00-106, pp.67.
- Papadopoulos, Nicholas G. and Heslop, Louise A. (2002), Country Equity and Country Branding: Problems and Prospects. *Journal of Brand Management*, Vol.9, No. 4-5, pp. 294-314.
- Papadopoulos, N., Marshall, J.J., Heslop, L.A. (1988), Strategic implications of product and country images: a modeling approach. *Marketing Productivity*, European Society for Opinion and Marketing Research, Lisbon, pp.69-90.
- Parmeswaran, Ravi and Yaprak, Attila (1987), A Cross-National Comparison of Consumer Research Measures. *Journal of International Business Studies*, Vol. 18, No. 1, pp. 35-49.
- Peterson, Robert A. and Jolibert, Alain J.P. (1995), A Meta-Analysis of Country of origin effects", *Journal of International Business Studies*, 26 (4), pp. 83-101.
- Pharr, Julie M. (2005). Synthesizing Country of origin Research from the Last Decade: Is the Concept Still Salient in an Era of Global Markets? *Journal of Marketing*, Vol. 13 Issue 4, pp. 34-45.
- Ramaswamy, Venkatram; Alden, Dana L.; Steenkamp, Jan-Benedict E. M.; Ramachander, S. (2000) Effects of Brand Local and Nonlocal Origin on Consumer Attitudes in

- Developing Countries. Batra, Rajeev;. *Journal of Consumer Psychology*, Vol. 9 Issue 2, p83-95
- Ratliff, R. (1989), Where's that new car made? Many Americans don't know", *The Ottawa Citizen*, 11 November, p. D13.
- Roncha, Ana (2007), Nordic brands towards a design-oriented concept. *Journal of Brand Management*, Vol 16, Issue 1, pp. 21-29.
- Roth, Martin S. and Romeo, Jean B. (1992), Matching Product Category and Country Image Perceptions: a Framework for Managing Country of origin Effects. *Journal of International Business Studies*, Vol. 23, Issue 3, pp. 477-497.
- Ruuskanen, Soile (2008), Corporate Identity and image advertising in financial services. *Master's thesis, Helsinki school of Economics.*
- Shimp, T.A. and Sharma S. (1987), Consumer ethnocentrism: construction and validation of CET scale. *Journal of Marketing Research*, Vol. 24, Issue 3, pp. 280-289.
- Siberg, Katja (2006), Destination brand management: Case Snow – Wintern in Finland. *Master's thesis, Helsinki school of Economics.*
- Simon, Carol J. and Sullivan, Mary W. (1993), The Measurement and Determinants of Brand Equity: A Financial Approach. *Marketing Science*, Vol. 12, pp. 28-52.
- Thakor, Mrugank V. and Lavack, Antoine M. (2003), Effect of Perceived Brand Origin Associations on Consumer Perceptions of Quality. *Journal of Product & Brand Management*, 12 (6), pp. 394-408.
- TYR Sport Inc. 2009. Our Company. <http://www.tyr.com/swimwear.php>, 15.07.2009.
- Van Pham, Kien-Quoc, (2006). Strategic Offshoring from a Decomposed COO's Perspective: A Cross-Regional Study of Four Product Categories. *The Journal of American Academy of Business*, Cambridge. Vol. 8, Num. 2, pp 59-66.
- Weiste, Johanna (2006), Country of origin, Santa Claus and Christmas storytelling as parts of international branding strategies of Finnish firms. *Master's thesis, Helsinki school of Economics.*

Zain O M, Yasin N M (1997) The importance of country of origin information and perceived product quality in Uzbekistan International Journal of Retail & Distribution Management . Vol 25 No 4 pp 138-145.

Appendix A: Thesis Questionnaire in Finnish

Uima-asun alkuperämaan vaikutukset ostopäätökseen

Tässä kyselyssä kartoitetaan uimaharrastajien asenteita liittyen tuotteen valmistusmaan merkitykseen uimapukujen ostamisessa.

Kysely on osa Helsingin kauppakorkeakoulussa suoritettavaa Pro gradu-tutkimusta ja se on tarkoitettu kilpauinnin harrastajille. Kysely toteutetaan Suomen Uimaliiton luvalla. Kyselyssä on 7 osiota ja yhteensä 48 kysymystä. Kyselyn tekeminen kestää noin 15 minuuttia.

Mahdolliset kommentit tai kysymykset voi osoittaa Pro gradu tutkimuksen tekijälle Liisa Rädylle sähköpostilla osoitteeseen liisa.raty@student.hse.fi.

Kaikkien yhteystietonsa jättäneiden vastaajien kesken arvotaan 3 kpl 100 euron TYR-lahjakortteja. Jos haluat osallistua arvontaan, jätä kyselyn lopuksi sähköpostiosoitteesi. Osoitetta ei käytetä muuhun tarkoitukseen kuin arvonnän mahdollisesta voitosta tiedottamiseen.

1. Kilpauimarin ikä

alle 16 vuotta	16–19 vuotta	20–29 vuotta
yli 30		

2. Sukupuoli

Mies	Nainen
------	--------

3. Kotipaikka

Etelä-Suomen lääni	Itä-Suomen lääni	Länsi-Suomen lääni
Oulun lääni	Lapin lääni	Ahvenanmaan lääni
En osaa sanoa		

4. Olen harrastanut kilpauintia

alle 3 vuotta	3-6 vuotta	yli 6 vuotta
---------------	------------	--------------

Seuraavat yleiset väittämät koskevat tuotteen alkuperämaatietojen merkitystä ostopäätökseesi. Vastaa väittämiin asteikolla 1-5 (1= täysin samaa mieltä, 2 = jokseenkin samaa mieltä, 3 = ei samaa eikä eri mieltä, 4 = jokseenkin eri mieltä, 5 = täysin eri mieltä).

5. Tarkistan aina tuotteen alkuperämaan varmistaakseni, että ostamani tuote on laadukas.
6. Etsin aina vaatteista merkinnän vaatteen valmistusmaasta ennen ostamista.
7. Selvitän tuotteen alkuperämaan määrittääkseni tuotteen laadun.
8. Ostaessani uuden tuotteen otan ensisijaisesti huomioon tuotteen alkuperämaan.
9. Ostaessani minulle entuudestaan tuntemattoman tuotteen, etsin ensin tietoa tuotteen alkuperämaasta.
10. Etsin aina tuotteen alkuperään liittyvät tiedot varmistaakseni, että ostamani tuote on paras vaihtoehto.
11. Tuotteen alkuperällä on vähemmän merkitystä silloin kun kyseessä on edullisempi tuote.

Seuraavat väittämät koskevat suhtautumistasi Aasiassa valmistettuihin tai suunniteltuihin tuotteisiin verrattuna länsimaissa valmistettuihin tai suunniteltuihin tuotteisiin. Vastaa mielikuviesi perusteella väittämiin asteikolla 1-5 (1= täysin samaa mieltä, 2 = jokseenkin samaa mieltä, 3 = ei samaa eikä eri mieltä, 4 = jokseenkin eri mieltä, 5 = täysin eri mieltä).

12. Aasiassa valmistetut tuotteet tarjoavat hyvää vastinetta rahoilleni.
13. Aasiassa valmistetut tuotteet ovat heikompia kuin länsimaissa valmistetut.
14. Aasiassa valmistetut tuotteet ovat yleisesti ottaen kohtuuhintaisia verrattuna muualla valmistettuihin vastaaviin tuotteisiin.
15. Länsimaiset tuotteet ovat parhaita.
16. Suosin aina länsimaissa valmistettuja tuotteita.
17. Länsimaissa suunnitelluilla tuotteilla on vahva kilpailuasema verrattuna Aasialaisiin tuotteisiin.
18. Aasiassa valmistetut tuotteet ovat halvalla tehtyä kulutustavaraa.
19. Vältän Aasialaisia tuotteita aina kun mahdollista.

Seuraavat väittämät koskevat suhtautumistasi Aasiassa valmistettuihin tai suunniteltuihin asusteisiin verrattuna länsimaissa valmistettuihin tai suunniteltuihin asusteisiin. Vastaa mielikuviesi perusteella väittämiin asteikolla 1-5 (1= täysin samaa mieltä, 2 = jokseenkin samaa mieltä, 3 = ei samaa eikä eri mieltä, 4 = jokseenkin eri mieltä, 5 = täysin eri mieltä).

20. Aasiassa valmistetut asusteet ovat valmistettu yhtä huolellisesti kuin länsimaissa valmistetut asusteisiin.
21. Aasiassa suunniteluissa asusteissa on hyödynnetty yhtä taitavasti väriä ja muotoilua kuin länsimaissa suunniteluissa tuotteissa.
22. Aasiassa valmistetut asusteet kestävät käytössä yhtä kauan kuin länsimaissa valmistetut tuotteet.
23. Aasiassa valmistetut asusteet ovat yleisesti huonompaa laatua kuin muualla valmistetut samantapaiset tuotteet.
24. Aasiassa valmistetun asusteen hoito-ohjeet ovat helposti ymmärrettäviä ja informatiivisia.
25. Länsimaissa valmistetut asusteet ovat kalliimpia kuin muualla valmistetut tuotteet.
26. Aasiassa valmistetut asusteet ovat kestäviä.
27. Ostan mieluiten länsimaisia asusteita aina kun mahdollista.
28. Maksaisin enemmän länsimaassa valmistetusta asusteesta kuin Aasiassa valmistetusta täysin samanlaisesta asusteesta.

Seuraavat väittämät koskevat suhtautumistasi Aasiassa valmistettuihin uima-asuihin verrattuna länsimaissa valmistettuihin uima-asuihin. Vastaa väittämiin asteikolla 1-5 (1= täysin samaa mieltä, 2 = jokseenkin samaa mieltä, 3 = ei samaa eikä eri mieltä, 4 = jokseenkin eri mieltä, 5 = täysin eri mieltä).

29. Aasialaiset uima-asumerkit ovat helposti tunnistettavissa ja yleisesti tunnettuja.
30. Aasiassa valmistetut uimapuvut ovat valmistettu pikkumaisen huolellisesti.
31. Aasiassa valmistettu uima-asu kestää käytössä pidempään kuin länsimaissa valmistettu uima-asu.
32. Minulle on tärkeää etsiä tietoa uimapuvun alkuperästä tehdessäni ostopäätöstä.
33. Minulle on kunnia-asia käyttää Länsimaissa valmistettuja uima-asuja.
34. Tuntisin syyllisyyttä jos ostaisin Aasiassa valmistettuja uima-asuja.

35. Voin olla varma uima-puvun erinomaisesta laadusta ostaessani Aasiassa valmistetun uima-asun.
36. Aasiassa valmistetut uima-asut ovat erittäin kestäviä.
37. Huolellinen käsityö on ominaisempaa Aasiassa valmistetuille uima-asuille kuin länsimaissa valmistetuille uima-asuille.
38. Aasiassa valmistetut uima-asut ovat yleisesti ottaen halvempia verrattuna muualla valmistettuihin vastaaviin uima-asuihin.

Seuraavat väittämät koskevat suhtautumistasi Aasiassa suunniteltuihin uima-asuihin verrattuna länsimaissa suunniteltuihin uima-asuihin. Vastaa väittämiin asteikolla 1-5 (1= täysin samaa mieltä, 2 = jokseenkin samaa mieltä, 3 = ei samaa eikä eri mieltä, 4 = jokseenkin eri mieltä, 5 = täysin eri mieltä).

39. Aasiassa suunnitelluille uimapuvuille on tärkeämpää uimapuvun ulkonäkö kuin sen kestävyys.
40. Aasiassa suunnitelluista uimapuvuista uupuu yleisesti luovuus ja ne jäljittelevät muualla valmistettuja tuotteita.
41. Aasiassa suunnitellut uima-asut ovat pikemminkin jäljitelmiä kuin innovaatioita.
42. Aasiassa suunnitellut uima-asut on innovatiivisia.
43. Aasiassa suunniteluissa uima-asussa hyödynnetään väriä ja muotoilua taitavammin kuin Länsimaissa suunniteluissa uima-asuissa.

Seuraavat väittämät koskevat TYR -merkkisiä uima-asuja. Vastaa väittämiin asteikolla 1-5 joko kokemuksiesi tai mielikuviesi perusteella. (1 = Täysin samaa mieltä, 2= jokseenkin samaa mieltä, 3 = en osaa sanoa, 4 = jokseenkin eri mieltä, 5 = täysin eri mieltä)

44. TYR uimapuvut antavat parempaa vastineen rahoilleni kuin muiden valmistajien uima-asut.
45. TYR uima-asut ovat kestävämpiä kuin muiden valmistajien uima-asut.
46. TYR uima-asut ovat kalliita verrattuna kilpailevien valmistajien uima-asuihin.
47. TYRillä on suppeampi valikoima tyylejä ja malleja kuin muilla valmistajilla.
48. Olen ollut tyytyväinen ostamiini TYR -merkkisiin uima-asuihin.

Appendix B: Thesis Questionnaire in English

Thesis Questionnaire English

Demographics

1. Age
2. Gender
3. Place of Residence
4. Years in Swimming

All question will be on a 5-point scale: 1 strongly agree – 5 strongly disagree

5. To make sure that I buy the highest quality product or brand, I look to see what country the product was made in.
6. I look for the “Made in ...” labels in clothing before making a purchase.
7. I find out a product’s country of origin to determine the quality of the product.
8. When I am buying a new product, the country of origin is the first piece of information that I consider.
9. If I have little experience with a product, I search for country-of-origin information about the product to help me make a more informed decision.
10. I look for country-of-origin information to choose the best product available in a product class.
11. When buying a product that is less expensive, such as a shirt, it is less important to look for the country of origin.
12. Products made in Asia are usually a good value for the money.
13. Products made in Asia are generally of a lower quality than similar products from Western countries.
14. Products made in Asia are usually reasonably priced in comparison to similar products from other countries.
15. Western products are the best.
16. I would always prefer to buy products made in the West.
17. Products made in the West occupy a very strong competitive position in comparison to the products made in Asia.

18. Products made in Asia are cheaply made consumer items.
19. Whenever possible, I avoid buying products made in Asia.
20. Clothes made in Asia are equally carefully produced and have as fine workmanship as products produced in Western countries.
21. Clothes designed in Asia usually show an equally clever use of color and design as clothes designed in the West.
22. Clothes made in Asia seem to last the same length of time as clothes made in the West.
23. Clothes made in Asia are generally lower quality than similar clothes made in other countries.
24. The package labels and directions for use of products made in Asia are usually understandable and informative.
25. Clothes made in the West are more expensive than clothes made in other places.
26. Clothes made in Asia are durable.
27. I prefer to purchase clothes made in the West whenever possible.
28. I would pay a more for a piece of clothing made in the West than for a similar piece of clothing made in Asia.
29. Asian swimwear brands are easily recognizable and well-know.
30. Swimwear produced in Asia is made with meticulous workmanship.
31. Swimwear made in Asia seems to last the same length of time as swimwear made in the West.
32. It is important for me to seek country of origin information when making a purchase decision about swimwear.
33. I take a great deal of personal pride in the ownership of swimwear made in the West.
34. I would feel guilty if I bought swimwear made in Asia.
35. If I purchase a swimsuit made in Asia I can be sure that it is of good quality.
36. Swimwear made in Asia is very durable.
37. I consider careful and meticulous workmanship to be characteristic of swimsuits made in Asia.
38. Swimwear made in Asia is generally less expensive than swimwear produced in the West.
39. Swimwear designed in Asia is produced by firms that are more concerned with the outward appearance of the product than with durability.

40. Swimwear made in Asia generally lacks creativity and is very Imitative of products made in other countries
41. Swimwear designed in Asia is imitative, not innovative.
42. Swimwear designed in Asia is innovative.
43. Swimwear produced in Asia uses color and styling in more clever way than swimwear designed in the West.
44. TYR swimsuits are better value for money than those of competing brands.
45. TYR swimsuits are more durable and long-lasting than those of competing brands..
46. TYR swimsuits are expensive compared to those of competing brands.
47. TYR has a smaller choice of style and model than competing brands.
48. I have been happy with the TYR swimsuits that I have bought.

Appendix C: T-Test Male / Female

Variable	Sukupuoli	Mean	Std Dev
K12	Male	2.6736	0.9532
K12	Female	3.02	0.8629
K12	Diff (1-2)	-0.346	0.9148
K30	Male	3.3472	0.6445
K30	Female	3.1933	0.6419
K30	Diff (1-2)	0.1538	0.6433
K33	Male	3.5337	1.1274
K33	Female	3.2	1.0744
K33	Diff (1-2)	0.3337	1.1046
K35	Male	3.5181	0.8107
K35	Female	3.34	0.7031
K35	Diff (1-2)	0.1781	0.7655
K41	Male	2.5285	0.7572
K41	Female	2.7667	0.8546
K41	Diff (1-2)	-0.238	0.8013
K46	Male	3.0674	0.8664
K46	Female	3.3	0.9745
K46	Diff (1-2)	-0.233	0.9152
K48	Male	2.2487	0.9949
K48	Female	2.02	1.0065
K48	Diff (1-2)	0.2287	1

T-Tests					
Variable	Method	Variances	DF	t Value	Pr > t
K12	Pooled	Equal	341	-3.48	0.0006
K12	Satterthwaite	Unequal	333	-3.52	0.0005
K26	Pooled	Equal	341	-2.01	0.0453
K26	Satterthwaite	Unequal	326	-2.02	0.0444
K30	Pooled	Equal	341	2.20	0.0287
K30	Satterthwaite	Unequal	321	2.20	0.0287
K33	Pooled	Equal	341	2.78	0.0058
K33	Satterthwaite	Unequal	327	2.79	0.0055
K35	Pooled	Equal	341	2.14	0.0332
K35	Satterthwaite	Unequal	337	2.18	0.0302
K41	Pooled	Equal	341	-2.73	0.0066
K41	Satterthwaite	Unequal	300	-2.69	0.0076
K46	Pooled	Equal	341	-2.34	0.0201
K46	Satterthwaite	Unequal	300	-2.30	0.0221
K48	Pooled	Equal	341	2.10	0.0364
K48	Satterthwaite	Unequal	319	2.10	0.0367

Appendix D: Factor Analysis

Eigenvalues of the Correlation Matrix: Total = 15 Average = 1				
	Eigenvalue	Difference	Proportion	Cumulative
1	4.29298721	2.13194622	0.2862	0.2862
2	2.16104099	0.74850644	0.1441	0.4303
3	1.41253455	0.21790754	0.0942	0.5244
4	1.19462701	0.34435560	0.0796	0.6041
5	0.85027141	0.04447875	0.0567	0.6608
6	0.80579266	0.12617976	0.0537	0.7145
7	0.67961290	0.12617194	0.0453	0.7598
8	0.55344096	0.01566863	0.0369	0.7967
9	0.53777233	0.02046511	0.0359	0.8325
10	0.51730722	0.06190730	0.0345	0.8670
11	0.45539992	0.00295358	0.0304	0.8974
12	0.45244634	0.01955170	0.0302	0.9275
13	0.43289465	0.03941972	0.0289	0.9564
14	0.39347492	0.13307801	0.0262	0.9826
15	0.26039691		0.0174	1.0000

4 factors will be retained by the NFACTOR criterion.

Rotated Factor Pattern					
		Factor1	Factor2	Factor3	Factor4
K29	K29	0.14302	-0.16809	0.36316	0.48830
K30	K30	0.70218	-0.24842	-0.01549	0.01418
K31	K31	0.79951	-0.08454	0.01341	-0.15091
K32	K32	-0.21058	-0.00278	0.76510	0.03849
K33	K33	-0.13482	0.06256	0.79177	0.10199
K34	K34	0.12850	0.23212	0.78653	-0.01842
K35	K35	0.66544	-0.15518	-0.14492	0.02694
K36	K36	0.73435	-0.24162	-0.14849	-0.07060
K37	K37	0.79201	0.00116	0.03626	-0.00266
K38	K38	-0.16579	0.08797	-0.15517	0.72444
K39	K39	-0.00431	0.23952	0.17032	0.64771
K40	K40	-0.08316	0.83639	0.15524	0.21479
K41	K41	-0.19864	0.80403	0.09889	0.24090
K42	K42	0.41471	-0.59840	0.01417	0.12048
K43	K43	0.46111	-0.48683	-0.04620	0.28062

Variance Explained by Each Factor			
Factor1	Factor2	Factor3	Factor4
3.2996150	2.2435799	2.0968604	1.4211345

Final Community Estimates: Total = 9.061190							
K29	K30	K31	K32	K33	K34	K35	K36
0.41903	0.55521	0.66931	0.63120	0.65938	0.68935	0.48862	0.62468
K37	K38	K39	K40	K41	K42	K43	
0.62860956	0.58411715	0.50593135	0.77669571	0.75372932	0.54477993	0.53051272	