BRAND PERCEPTIONS AS INFLUENCED BY CONSUMER ETHNOCENTRISM AND COUNTRY-OF-ORIGIN EFFECTS

LINDA C. UELTSCHY, University of Wisconsin Oshkosh

This article examines how brand perceptions are influenced by country of origin images and consumer ethnocentrism. Based on literature review of the impact of demographic variables on these two constructs, hypotheses are set forth. Data collected in Colombia is used to empirically test these hypotheses. Managerial implications are offered based on the findings of this study.

INTRODUCTION

Brands are used as external cues to taste, design, performance, quality, value and prestige. In other words, the consumer associates the value of the product with the brand (Alden, Stayman and Hoyer 1994). The brand can convey a positive or negative message about the product to the consumer and is affected by past advertising, promotion, product reputation, past evaluation and experience. In short, many factors can affect brand image. One which is of great concern to multinational companies that manufacture worldwide is the country-of-origin and its impact on the market's perception of the product.

Country of origin is a potentially powerful image variable that may be used to gain competitive advantage in international marketing (Parameswaran and Pisharodi 1994). It can be defined as any influence that the country of manufacture has on a consumer's positive or negative perception of the product (Cateora 1996). The country of origin of a product, typically communicated by the phrase "made in (country)," has a considerable influence on the quality perceptions of a product. The manufacture of products in certain countries is affected by a built-in positive or negative stereotype of product quality. This issue may be especially important to developing counties, which need to increase exports, and for importers who source products from countries different from those where they are sold. Many companies competing in global markets will manufacture products worldwide and, when the consumer is aware of the country of origin, there is the possibility that the place of manufacture will affect product/brand image. In some markets, however, there is a tendency to reject domestic goods and embrace imports of all kinds. This has been a problem in many Latin American countries, so much so that in Mexico they have even coined a term, "malinchismo," to describe Mexicans' strong preference for U.S. products over local brands. This phenomena, obviously, translates into marketing opportunities for U.S. firms.

Ethnocentrism can also have country of origin effects, although the two may occur independently of each other. The phrase "consumer ethnocentric tendencies" was introduced by Shimp and Sharma (1987) to represent beliefs held by American consumers about the appropriateness, indeed morality, of purchasing foreign-made products. Ethnocentric tendencies are indeed a separate issue from evaluations of quality or past experiences with a product (Herche 1992). Since the implication is that choosing a foreign product in some way threatens domestic industry, ethnocentrism tends to increase when economic times worsen.

The Journal of Marketing Management
Volume 8, Issue 1, pages 12-23

Acknowledgment: I wish to thank Ana Maria Ortiz for her invaluable help in researching the Columbian market.

Thus, a study of the factors affecting consumers' choice of domestic products over imports is an important step in the development of tools to help the international marketing or advertising manager fine tune the firm's marketing communication mix. This research focuses on how consumer ethnocentrism and country-of-origin impact consumers' perceptions of local brands vs. global brands in a foreign market. It also investigates how additional product information may mitigate consumer ethnocentrism and country-of-origin effects.

ETHNOCENTRISM

The concept of ethnocentrism was first introduced by G. A. Sumner (1906) more than ninety years ago in sociological literature to distinguish between ingroups (those with which an individual identifies) and outgroups (those regarded as hostile to the ingroup). In the field of psychology, ethnocentrism is studied at the level of the individual where it relates to the natural tendency of people to think their values and ways of thinking are the "correct" ones and to judge all others according to their own.

Ethnocentrism aids the survival of groups and their cultures and increases a group's solidarity, conformity, loyalty and effectiveness (Sharma, Shimp and Shin 1995). The term consumer ethnocentricity originated with Shimp and Sharma (1987) as a uniquely economic form of ethnocentrism which is domain-specific for the field of consumer behavior and has marketing implications. When the term ethnocentrism is used in this study it will refer to this type, previously defined. The practical ramifications of consumer ethnocentrism consist of overestimation of domestic products and underestimation of imports, a moral obligation to buy domestic products and preference for domestic products (Sharma, Shimp and Shin 1995).

To evaluate consumer ethnocentric tendencies, Shimp and Sharma (1987) developed a 17-item scale known as the CETSCALE (Consumer Ethnocentric Tendencies SCALE). Ethnocentric tendencies are a separate entity from opinions of quality or past experience with a certain product. The CETSCALE is not product specific and has been shown to be correlated with consumers' intent to purchase domestic goods; it measures the degree to which consumers feel that purchasing foreign goods is immoral and unpatriotic. Herche (1992) found that the CETSCALE was more useful than demographic variables when trying to explain consumer import buying behavior, but that the scale's predictive validity may indeed be product-specific. Herche's study was, however, very limited in geographic area and size of sample. Even though CETSCALE was first used to measure ethnocentric tendencies of U.S. consumers, the concept and its measurement have been deemed internationally applicable (Netemeyer, Durvasula and Lichenstein 1991).

Research has shown that ethnocentric tendencies tend to covary with certain consumer demographic characteristics such as age, income and educational level (Sharma, Shimp and Shin 1995).

Age

Dogmatism, greater nationalism and stabilized consumption habits are associated with ageing and have been sometimes offered as the explanation of the reluctance on the part of older people to buy foreign goods (Schooler 1971, Graby 1982). The younger generations tend to be more cosmopolitan in their views and preferences and are more likely to favor imported products (Bannister and Saunders 1978), which leads to the first hypothesis:

H1: Older consumers will exhibit more ethnocentrism than younger consumers.

Education

Anderson and Cunningham (1972) found that consumers with a higher level of education tend to evaluate foreign products more favorably. Wall and Heslop (1986) uncovered similar results and reasoned that more educated people tend to be less conservative, leading to more positive evaluations of imports. Thus, the second hypothesis is as follows:

H2: The educational level of consumers will be inversely related to ethnocentric tendencies.

Income

Consumers with higher levels of income have been found to be more open to foreign products (Wang 1978). One explanation given (Graby 1982, Wall and Heslop 1986) is that consumers that are more well educated tend to travel abroad more and are thus more familiar with foreign products, which leads to hypothesis three:

H3: Consumers with higher levels of income will exhibit less ethnocentrism than those consumers with lower levels of income.

Country of Origin

A person's culture greatly affects his or her perceptions and behaviors. Perceptions are developed in a highly subjective and selective process in which certain cues are selected and emphasized in an individual manner (Onkvisit and Shaw 1997). Thus, no object or product is ever perceived exactly as it actually is, and a product's success depends on its perception.

One cue often used by consumers is the country in which the product is made; this phenomena is referred to as the country of origin effect. The need for a greater understanding of the country of origin effect has been realized in the last 20 years as a consequence of the globalization of world markets and multinational production and sourcing. Researchers (Hooley, Shipley and Krieger 1988, Bilkey and Nes 1982) have learned that both industrial buyers and consumers develop stereotyped images of countries and/or their outputs, and that these can impact behavior.

On an international level, countries can assume the position of a reference group (Hennessey 1995). Over time, various countries have become known for achievements in some aspects of culture or industry. So it is not surprising that many empirical studies have found that consumers have stereotyped opinions about specific products from particular countries (Onkvisit and Shaw 1997). For example, many U.S. consumers would view French wines as being of the highest quality and would be willing to pay more to purchase these, but would not view French automobiles as being of the same high quality. Japanese automobiles and electronics are perceived as being of high quality, while Japanese clothing does not hold that same place of prestige in the minds of most consumers. Thus, consumer preference is a function of the match between product and country.

Chao (1989) found that consumers not familiar with a country's products use country image as a halo from which they infer a brand's product attributes. A survey of European consumers showed that, after their own country, they tended to prefer products made in the United States (*Advertising Age* 1991). European consumers often referred to U.S. products as innovative, fashionable and of high quality.

Negative evaluations by consumers on the basis of country images constitute significant market barriers for firms from less developed countries (Schooler, Wildt and Jones 1987). To further exacerbate the dilemma faced by these countries, Nes (1981) found that the negative evaluation of products made in less developed countries was not overcome by a well-known brand name. Witt and Rao (1992) found that manufacturing a global U.S. brand in offshore locations, such as the two newly industrialized countries of Taiwan and Mexico, had significant negative impact on consumers' perceptions of perceived risk in some, but not in all, product categories examined.

Schooler (1971) found that country-of-origin effects were related to several consumer demographic characteristics; older, male, less educated consumers rated foreign products from less developed countries less favorably. Schellinck (1989) reported that country of origin use was inversely related to age and education. This leads to the fourth hypothesis:

H4: Country-of-origin effects will be significantly less among those consumers who have more education.

Country-of-origin effects are said to lessen as customers become more informed (Czinkota and Ronkainen 1996). This information can come through education, as mentioned above, or through actual exposure to the product or by gaining additional product information. This leads to the fifth hypothesis:

H5: The country of origin effects will be significantly less after consumers have gained additional product information.

It has been found that country of origin has a greater influence on product evaluation when this piece of information is presented before product specific attribute information is provided. The impact is less when the country of origin information is conveyed at the same time that attribute descriptions are given (Onkvisit and Shaw 1997). It seems that when consumers learn a product's country of origin a substantial amount of time before receiving other information, they form an initial evaluation of the product based on its country-of-origin alone. This serves as a basis for judgment in its own right, but also affects the processing of subsequent attribute information (Hong and Wyer 1990).

MARKET OF INTEREST: COLOMBIA

Colombia, a tropical country with all varieties of climates, is the third most populous country in Latin America after Brazil and Mexico, with a population estimated at 36 million people. One third of the population lives in four major cities: Bogata (6.3 million), Medellin (1.6 million), Cali (1.7 million) and Barranquilla (1.3 million). This concentration of population in a few major cities is a very desirable characteristic for marketers wishing to reach the Colombian population.

Some analysts define Colombia as a "natural market" for U.S. products (*Background Notes* 1995). There are many reasons for this including: (1) the dollar is the lead currency in that part of the world and has made U.S. products less expensive than those from other countries (2) the geographical proximity of the two countries, with Miami to Bogata being a commuting flight for many in international business (3) many Colombians go to the United States to receive their higher education (4) the large number of U.S. firms already operating in Colombia (5) the technical leadership that the United States has maintained in many key sectors which are important for a developing country like Colombia and (6) the business community understands English and English is taught in most Colombian high schools.

During the period 1990-1994, Colombia undertook a profound economic reform which opened its economy to international trade and investment. In 1991 and 1992, the government passed laws to stimulate foreign investment in nearly all sectors of the economy. Its foreign investment policies are now guided by two principles: equality and openness. Foreign and national investments receive the same legal and administrative treatment. The United States is already Colombia's major trading partner and Colombia is the fifth-largest market for United States' exports to Latin America.

As a part of opening its economy up for trade, Colombia has signed several significant trade agreements in the last three years. In January, 1994, Colombia became a part of the Group of Three (G-3), a free trade accord between Colombia, Mexico and Venezuela, which lowers tariffs between the countries by 10 percent annually, until they are totally eliminated in 2004 (Byrne 1994). In July, 1994, the Caribbean Community Common Market (CARICOM) signed a trade agreement with Colombia that allows immediate duty-free treatment into of 86 percent of all CARICOM exports into Colombia, with a three year phase-in period on all other goods. The members of CARICOM include: Jamaica, Trinidad and Tobago, Guyana, Barbados and the Bahamas. Colombia is also a member of the Andean Pact, which created a free-trade zone among the five member nations (Bolivia, Colombia, Peru, Ecuador and Venezuela). Colombia now benefits from duty-free entry (for a 10 year period) for the majority of its exports to the United States under the Andean Trade Preference Act (*Background Notes* 1995).

In addition to opening its economy up to foreign trade, Colombia is making changes internally, which increase its attractiveness as a market for U.S. products. The President, Ernesto Samper, signed an Economic Plan in early June, 1995 called "El Salto Social," which calls for 13 percent of GDP to be channeled into social spending versus the 8 percent figure observed in recent years. In 1990 the government began a vigorous privatization program for infrastructure and other holdings. A recent round of financial support provided by the World Bank, the Overseas Private Investment Corporation (OPIC) and the Inter-American Development Bank (IADB) is helping bolster power projects and infrastructure investment throughout Latin America. (Hennagir 1996) and Colombia has benefitted greatly from this support, enabling it to begin the country's next phase of power sector reforms.

Colombia has made substantial progress in its attempt to improve investor perceptions of market stability and regulatory environment. In the domestic electric market, it has created a market structure similar to the United Kingdom and Wales, with a competitive generating pool which determines price daily. Colombia is traveling down the road toward privatization and making the right moves. Consortium activity within the country met another milestone in the Fall of 1995 when the $750 million Termobarranquilla electric project, built by an international slate of companies, was completed under a build-own-operate-maintain (BOOM) structure. This principle is one that has worked well in other Latin American countries, such as Mexico and its highways, to hasten the improvement in infrastructure within these countries.

In a Business Confidence Survey done in 1996 of 49 firms representing $7 billion of business in Latin America, 30 of 49 found Colombia's market more attractive than a year ago (*Cross Monitor* 1996). The government has taken action to bolster its weakening currency by relaxing capital inflow controls, making long-term borrowing cheaper for local companies. 1997 looks to be a promising year for Colombia, with the lowest inflation recorded for 13 years (*Latin Trade* 1997).

Thus, its strategic location in South America, its openness to direct foreign investment, its trade relations and treaties already in place, its improving infrastructure, and its established ties to the U.S., make Colombia a particularly attractive entry point to the Latin American market. By the year 2005, all nations of North and South America will be united in one large hemispheric trading block, so U.S. firms need to analyze the best way to maximize this opportunity.

OBJECTIVE OF THE STUDY

The objective of this study is to investigate the perceptions of Colombian consumers of local brands versus global brands manufactured in the United States and to study what impact consumer ethnocentrism and country of origin effects have on these perceptions, both before and after actual product knowledge is provided. (The hypotheses tested and the results can be seen in Table 6).

METHODOLOGY

Sample

A field experiment and survey was conducted at grocery stores in the metropolitan Bogata area; 234 Colombian adults were surveyed. Stratified random sampling was used to ensure that adequate numbers of consumers of the upper, middle and lower classes were surveyed for this study. A mall-intercept technique of survey was used to gain consumers' perceptions of local versus global brands of grocery store products produced in the U.S. "Estratos" (stratified consumer districts) throughout Bogata were used to ensure that equal numbers of grocery stores and consumers of all classes were represented. All levels of income and education, as well as ages, were well represented in the sample. Permission from the major grocery store chains in each district made this project possible.

The greater metropolitan Bogata area was chosen as the site for this study because it is the capital of the country, has a large concentration of population (6.3 million people) and is typically the first market entered by foreign firms wishing to reach Colombian consumers with their products.

Products Chosen

Products were chosen with the following criteria in mind: (1) the product had to be a product sold in grocery stores in neighborhoods of all social classes (2) it had to be a product category that all social classes could afford to buy (3) it had to be a product category that would be used by all ages, income levels and education levels (4) it had to be a product category in which there was clearly a local Colombian brand available in all types of stores and an equivalent global brand manufactured in the U.S. available in those same stores.

A pretest was conducted in Colombia with 35 Colombian consumers of varying ages, income and educational levels to determine their involvement, interest and knowledge of different product categories. Six possibilities were pretested and then one product category was selected as being most appropriate for this study: cookies. The global brand of cookies chosen was Oreos, manufactured by Nabisco in the U.S. The Colombian brand of sandwich cookies, which are equivalent to Oreos, are CanCan, manufactured by La Rosa. The two products, basically the same, are packaged similarly in equal volumes.

Questionnaire

The questionnaire was constructed and translated into Spanish by the researcher and then backtranslated by a Colombian fluent in both English and Spanish to make sure that all idioms, and local expressions employed were correct. The instrument was pretested on Colombian consumers and any necessary changes were made before it was actually administered.

Procedure

The questionnaire included items from the CETSCALE (Shimp and Sharma 1987) dealing with ethnocentrism and items dealing with country of origin effects (Parameswaran and Pisharodi 1994). Respondents indicated agreement or disagreement with these statements on a 7-point Likert scale. Respondents also were surveyed regarding brand familiarity with both products, perceived similarity between the two brands and buying intentions.

The respondents were then shown the actual products, as well as the labels indicating the sizes of both, the ingredients and the prices. Next, the subjects were allowed to sample the products (cookies). The respondents were then asked the same questions regarding perceptions of product similarity, the country-of-origin questions, the ethnocentrism questions, the questions regarding purchase intentions and finally some demographic questions.

Data Analysis and Results

To investigate the differences in ethnocentrism among Colombian consumers based on level of education, income level and age, analysis of variance (ANOVA) was used in each instance. The results (Table 1) show that hypothesis one was unsupported, but the second and third hypotheses were supported. Significant differences in ethnocentrism based on level of education and income level were noted at the .05 level. Lower income consumers were found to exhibit more ethnocentric tendencies than consumers with higher incomes and those respondents with lower levels of education demonstrated more ethnocentric tendencies than those with higher levels of education.

TABLE 1
ANOVAS for Ethnocentrism Based on Age, Level of Education and Income Level

	F Values	Pr>F
Age	2.190	.117
Level of Education	4.168	.018*
Income Level	3.926	.022*

*Significant at .05 level

To examine whether there were significant differences in country-of-origin effects among Colombian consumers based on level of education, analysis of variance (ANOVA) was utilized. In Table 2 we see that hypothesis four was supported at the .05 level; country-of-origin effects were found to be significantly less among consumers with more education.

TABLE 2
ANOVA for Country-of-Origin Effects Based on Level of Education

	F Value	Pr>F
Level of Education	4.987	.008*

*significant at .05 level

To determine if country of origin effects were significantly less after consumers gained additional product information, paired t-tests were performed. These t-tests for paired samples looked at consumers on the bases of age and income level to see how additional product information affected the responses on country-of-origin questions in each of these groups. The fifth hypothesis was only partially supported, as can be seen in Table 3.

TABLE 3
Paired T-Tests on Country-of Origin Effects Before and After Additional Product Knowledge

Age	Mean Co-Before	Mean Co-After	T-value	2 Tail Signif
Young	2.87	3.16	-.87	.393
Middle-Aged	4.00	3.51	1.03	.312
Older	3.73	3.82	-.30	.767
Level of Income	**Mean Co-Before**	**Mean Co-After**	**T-value**	**2 Tail Signif**
Low	3.87	3.96	-.20	.842
Middle	4.21	3.50	2.11	.039*
High	1.81	3.33	-2.69	.014*

*significant at .05 level

Discussion

This study makes an initial attempt to examine how brand perceptions are influenced by ethnocentrism and country of origin effects. Although the results should be considered exploratory and interpreted only within the limitations of the study, the finding of this research do indeed provide useful information to marketers.

The principal findings indicate that ethnocentrism among the Colombian respondents did vary significantly based on level of education and income level, which validates previous studies such as Anderson and Cunningham (1972), Wall and Heslop (1986), and Wang (1978). Those in the lower and middle levels of income differed significantly from those in the higher levels of income. Those in the upper income levels exhibited less ethnocentrism and strongly disagreed with statements such as "Colombians should always buy products made in Colombia" or "Colombians should buy imported products only if they are not produced in Colombia." These same upper income consumers reported significantly higher brand familiarity with the global or imported brand, which would further corroborate the explanation given by Graby (1982) and Wall and Heslop (1986) for higher income consumers being less ethnocentric. The same phenomenon was found among respondents with more education. Consumers with higher levels of education and income tend to travel abroad more and be more open to new products and ideas.

Ethnocentrism did not vary significantly based on age; older consumers did not exhibit significantly more ethnocentric tendencies than younger consumers. One possible explanation may be that exposure to new products and ideas through education and travel is a more important determinant of ethnocentrism than age and, of course, the amount of education and travel affordable to an individual is in large part based on one's level of income.

Country of origin effects were found to be significantly less among consumers with more education. This further validates the work of Schellinck (1989) and makes intuitive sense in the that country of origin is but one cue as to a product's quality and when consumers gain more information about a product through education, travel or exposure to the product, country-of-origin effects become less important.

The most interesting findings of the study relate to the effect of additional product knowledge on consumers' perceptions and intent to buy either the global or local brand, since in this study the respondents were actually able to taste both brands of sandwich cookies before responding to the questions a second time. Here we see (Table 3) no significant difference in country of origin effects before and after based on age, but we do see differences in country of origin effects based on level of income. Country of origin effects decreased significantly among middle income consumers once they actually tried both brands, while a significant increase in country of origin effects was actually seen among consumers with higher levels of income. The decrease in country of origin effects among middle income consumers was hypothesized based on the work of Chao (1989) and makes intuitive sense in that with greater product knowledge and experience, country image becomes less important since it is then only one of many cues. The increase in country of origin effects among high income consumers after additional product knowledge is indeed difficult to explain; perhaps additional product knowledge among this group of consumers did not have the expected effect since they were already significantly more familiar with both brands, as evidenced by the brand familiarity questions in the survey.

A piece of information that most marketing executives would like to know is how intent to buy was influenced. The impact of additional product knowledge (here, the actual sampling of both brands of cookies) on intent to buy both the global and the local brands can be seen in Tables 4 and 5, respectively. Here we see that after the Colombian consumers tasted both brands, the intent to buy the global brand decreased significantly among middle aged consumers and to a lesser extent among consumers of middle income levels. This can be explained by the fact that the perception of quality of the local brand increased significantly among the respondents after the taste test. Thus, a possible explanation could be that since the local brand cost less than the global brand (the global brand cost 2½ times as much as the local brand for a comparable quantity) and the perceived quality of the local brand increased significantly after the taste test, a significant number of middle aged and middle income consumers decided not to pay the premium price to buy the global brand.

TABLE 4
Paired T-Tests on Intent to Buy Global Brand Before and After Additional Product Knowledge

Age	Mean Intent Before	Mean Intent After	T-value	2 Tail Signif
Young	3.35	3.00	1.73	.094
Middle Age	2.94	2.69	2.05	.048*
Older	2.98	3.09	-.72	.472
Level of Income	**Mean Intent Before**	**Mean Intent After**	**T-value**	**2 Tail Signif**
Low	2.74	3.04	-1.27	.216
Middle	3.13	2.79	1.92	.060
High	3.62	3.58	.57	.576

*significant at .05 level

TABLE 5
Paired T-Tests on Intent to Buy Local Brand Before and After Additional Product Knowledge

Age	Mean Intent Before	Mean Intent After	T-value	2 Tail Signif
Young	3.42	3.39	.44	.662
Middle Age	3.34	3.40	-.70	.487
Older	3.48	3.67	-2.85	.006*
Level of Income	**Mean Intent Before**	**Mean Intent After**	**T-value**	**2 Tail Signif**
Low	3.48	3.60	-2.35	.023*
Middle	3.45	3.52	-.94	.350
High	3.22	3.33	-1.00	.331

*significant at .05 level

Thus, findings of this research seem to suggest that both local and global brands should conduct focus groups to ascertain the country's image, as well as how their products are evaluated when the consumers directly compare them to the competition, as was done in this study with the actual taste test of the two products. If the producer of the local brand learns that its country image is not as high as that of the country with which the global brand is associated, yet it is perceived as being of equal or superior quality when directly compared with the global brand, then it should do as was done in this study. If possible, consumers should be allowed to sample the product either in-store or at home. In Colombia, the producer of the local brand could give out free samples in the grocery store, naming its brand and identifying the other sample as "a well known global brand x." (In Colombia it is illegal to name the other brand in a comparison test or advertisement.) The local brand producer could also run ads on local television networks or create print advertisements showing a person tasting both brands and preferring the local brand.

TABLE 6
Hypotheses and Results

H1: Older consumers will exhibit more ethnocentrism than younger consumers.	Unsupported
H2: The education level of consumers will be inversely related to ethnocentrism.	Supported
H3: Consumers with higher levels of income will exhibit less ethnocentrism than consumers with lower levels of income.	Supported
H4: Country-of-origin effects will be significantly less among those consumers who have more education.	Supported
H5: The country-of-origin effects will be significantly less after consumers have gained additional product information.	Partial support; supported only for middle income respondents

If the global brand marketer finds out by using focus groups that its country image enjoys a position of superiority but that when consumers taste the two products the local brand is viewed as being equal or superior, it should clearly avoid direct comparisons and focus on its brand image and the fact that it is a U.S. product. This usually signifies quality in the minds of Colombian consumers. One strategy a global brand could use in Colombia to increase sales would be to include a ticket on each package, which could be deposited in a store display of the product to enter the consumer in a raffle to win a trip to the U.S. or a color television, which are very popular prizes in Colombia. This strategy is suggested as a way to increase sales because Colombians, like most consumers in Latin American cultures, love lotteries and are very willing to spend money for a chance to win a desired prize. On the other hand, coupons for a discount on the price of an item are not well received in Colombia or Latin America as a whole. Also, similar results from a focus group comparing the global brand with the local brand emphasize the importance of continued promotion and advertising by the global brand to continue to build awareness among the local consumers.

If the global brand was found to be superior to the local brand when direct comparisons were done by focus groups, then obviously the marketer could use this in its advertising in the same manner, emphasizing its name and quality and that local consumers had found it superior to "local brand x." It could emphasize to consumers that the product's reputation for quality and superior taste, made it worth the difference in price to buy it for their families. The family is very important in Colombia. Also, if doing television commercials, the global brand should consider using a cartoon format with much color and lively music, since these are very popular in Colombia and all of Latin America.

Conclusion

This preliminary study gives further credence to the idea that knowledge of the images held of a country's products can certainly help the marketer when developing international marketing strategy (Schooler, Wildt and Jones 1987, Morello 1984). This knowledge of the country's image is important for local brands as well as global brands.

Within the context of the study, additional support was gathered for the idea that both ethnocentrism and country-of-origin effects can be influenced by demographic variables such as income level, level of education attained and sometimes age. It was also shown that it is possible, at times, to mitigate the effect of country-of-origin by providing additional product knowledge. This additional product knowledge was also shown to have a direct effect on intent to purchase.

These recommendations are set forth, of course, with the caveat as to the risks of generalizing from a sample to the general population. Yet the findings of this research should provide marketers with some useful insights as to the impact of ethnocentrism and country of origin image on brand perceptions. As competition escalates and world markets become more internationalized, sellers of global brands need to learn how to use product country images to their best advantage.

Suggestions for Future Research

The interpretation of this study's results is limited to the Bogata, Colombia metropolitan area. Similar studies could be conducted in other Latin American countries. Extending this research geographically and numerically would provide a more comprehensive view of the relationships between ethnocentrism, country image and brand perceptions. With such knowledge, a global firm could possibly ascertain the desirability of using a regional approach in its handling of the situation.

Another important issue is that of pricing. Typically the global brand is perceived as higher quality than the local brand and carries a premium price. An interesting study would involve varying the price to see at what price local consumers would switch brands and how supplying additional product information would impact that decision.

REFERENCES

Alden, Dana L., Douglas M. Stayman and Wayne D. Hoyer (1994), "Evaluation Strategies of American and Thai Consumers," *Psychology and Marketing*, 11 (2), 145-161.

"Americas," (1996), *Crossborder Monitor*, 4(8), 2.

Anderson, W.T. and William H. Cunningham (1972), "Gauging Foreign Product Promotion," *Journal of Advertising Research*, 12 (1), 29-34.

Background Notes (1995), U.S. Department of State, National Trade Data Bank.

Bannister, J.P. and J.A. Saunders, (1978), "UK Consumers' Attitudes Towards Imports: The Measurement of National Stereotype Image." *European Journal of Marketing*, 12, 562-570.

Bilkey, Warren and Erik Nes (1982), "Country-of-Origin Effects on Product Evaluations," *Journal of International Business Studies*, (Spring/Summer), 89-99.

Byrne, Eileen (1994), "Trade in the Americas," *Business Mexico*, (Special Edition), 80-81.

Cateora, Philip R. (1996), *International Marketing*, Ninth Edition, Chicago, Illinois: Irwin Publishers, Inc.

Cattin, Philippe, Alain Jolibert, and Colleen Lohnes, (1982), "A Cross-Cultural Study of 'Made in' Concepts," *Journal of International Business Studies*, 13 (Winter), 131-141.

Chao, Paul (1989), "The Impact of Country Affiliation on the Credibility of Product Attribute Claims," *Journal of Advertising Research*, 21 (April/May), 35-41.

Chasin, Joseph B., Harmut H. Hotzmuller and Eugene D. Jaffe, (1988), "Stereotyping, Buyer Familiarity and Ethnocentrism: A Cross-Cultural Analysis," *Journal of International Consumer Marketing*, 1(2), 9-29.

Colombia: Investment Climate (1995), USDOC, International Trade Administration.

Czinkota, Michael R. and Ilkka A. Ronkainen, (1996), *Global Marketing*, Fort Worth, Texas: Dryden Press, Inc.

Daser, Sayeste and Havva H. Meriz, (1987), "Does Patriotism Have Any Marketing Value-Exploratory Findings for the 'Crafted With Pride in U.S.A.' Campaign," in *Advances in Consumer Research*, 14, 536-537.

Encuesta Nacional de Demografia y Salud de Colombia, (1995), Calverton, Maryland and Bogota, Colombia: Profamilia and Institute for Resource Development/Macro International Inc.

Graby, Francoise (1982), "Les Consommateurs et les Produits Etrangers: Application au Marche Francais," Proceedings of the 7th Seminar on Research in Marketing, IAE: Aix en Provence, Lalonde des Maures.

Han, C. Min, (1988), "The Role of Consumer Patriotism in the Choice of Domestic versus Foreign Products," *Journal of Advertising Research*, (June/July), 25-32.

Harris, Richard J., Bettina Garner-Earl, Sara J. Sprick and Collette Carroll (1994), "Effects of Foreign Product Names and Country-Of-Origin Attributions on Advertisement Evaluations," *Psychology and Marketing*, 11(2), 129-144.

Hennagir, Tim (1996), "Shaping Solicitation Success," *Independent Energy*, 26(1), 17-18.

Hennessey, Jeannet, (1995), *Global Marketing Strategies*, Third edition, Boston, Massachusetts: Houghton Mifflin Company.

Herche, Joel, (1992), "A Note of the Predictive Validity of the CETSCALE," *Journal of the Academy of Marketing Science*, 20 (Summer), 261-264.

Hong, S.T. and R.S. Wyer, Jr. (1990), "Determinants of Product Evaluation: Effects of the Time Interval Between Knowledge of a Product's Country of Origin and Information About Its Specific Attributes," *Journal of Consumer Research*, 17, 277-288.

Hooley, Graham J., David Shipley, and Nathalie Krieger, (1988), "A Method for Modeling Consumer Perceptions of Country of Origin," *International Marketing Review*, 5 (Autumn), 67-76.

"Hora Inglesa," (1997), *Latin Trade* (May), 26.

Howard, Donald, (1988), "Understanding How American Consumers Formulate Their Attitudes About Foreign Products," *Journal of International Consumer Marketing*, 2 (2), 7-24.

Hung, C.L., (1989), "A Country-of-Origin Product Image Study: The Canadian Perception and Nationality Biases," *Journal of International Consumer Marketing*, 1(3), 5-26.

Johansson, Johny K., (1989), "Determinants and Effects of the Use of 'Made in' Labels," *International Marketing Review*, 6, 47-58.

_______________, Susan P. Douglas, and Ikujiro Nonaka, (1985), "Assessing the Impact of Country of Origin on Product Evaluations: A New Methodological Perspective," *Journal of Marketing Research*, 22 (November): 388-396.

Lee, Hanjooon; Chankon, Kim and Joseph Miller (1992), "The Relative Effects of Price, Warranty and Country of Origin on Consumers' Product Evaluations," *Journal of Global Marketing*, 6(1/2), 55-81.

Morello, Gabriele, (1984), "The 'Made In' Issue: A Comparative Research on the Image of Domestic and Foreign Products," *European Research*, 12 (January), 5-21.

Murdock, George P. (1931), in *Encyclopedia of the Social Sciences*, Ed. Edwin R.A. Seligman, New York: MacMillan.

Nes, Erik B. (1981), "Consumer Perceptions of Product Risk and Quality Goods Manufactured in Developing Versus Industrialized Nations," PhD Dissertation, University of Wisconsin, Madison, Wisconsin.

Netemeyer, Richard G., Srinivas Durvasula and Donald L. Lichenstein, (1991), "A Cross-National Assessment of the Reliability and Validity of the CETSCALE," *Journal of Marketing Research*, 28 (August), 320-327.

Onkvisit, Sak and John T. Shaw (1997), *International Marketing*, Third Edition, Upper Saddle River, New Jersey: Prentice Hall.

Papadopoulous, Nicolas and Louise A. Heslop, (1993), *Product-Country Images*, New York: International Business Press.

Parameswaran, Ravi and Mohan R. Pisharodi (1994), "Facts of Country of Origin Image: An Empirical Assessment," *Journal of Advertising*, 23(1), 43-56.

"Poll: Europe Favors US Products," (1991), *Advertising Age*, (September 23), 16.

Schellink D.A. (1989), "Determinants of Country of Origin Cue Usage," in Alain d' Astous (ed.), *Marketing*, Montreal, Quebec: Administrative Science of Association of Canada, 268-275.

Schooler, Robert D., Albert R. Wildt and J. Jones (1987), "Strategy Development of Manufactured Exports of Third World Countries to Developed Countries," *Journal of Global Marketing*, 1(1), 53-67.

Sharma, Subhash, Terence A. Shimp and Jeongshin Shin (1995), "Consumer Ethnocentrism: A Test of Antecedents and Moderators," *Journal of the Academy of Marketing Science*, 23(1), 26-37.

Shimp, Terence A. and Subhash Sharma, (1987), "Consumer Ethnocentrism: Construction and Validation of the CETSCALE," *Journal of Marketing Research*, 27(August), 280-289.

Shocker, Allan D., Rajendra K. Srivastava, and Robert W. Ruekert, (1994), "Challenges and Opportunities Facing Brand Management: An Introduction to the Special Issue," *Journal of Marketing Research*, 31(May), 149-158.

Strutton, David and Lou E. Pelton (1993), "Southeast Asian Consumer Perceptions of American and Japanese Imports: The Influence of Country-of-Origin Effects," *Journal of International Consumer Marketing*, 6(1), 67-86.

Sumner, William Graham (1906), *The Sociological Importance of Usages, Manners, Customs, Mores, and Morals*, New York: Ginn & Co.

Wall, Marjorie and Louise A. Heslop, (1986), "Consumer Attitudes Toward Canadian-Made Versus Imported Products," *Journal of the Academy of Marketing Science*, 14(Summer), 27-36.

Wang, Chih-Kang (1978), "The Effect of Foreign, Economic, Political and Cultural Environment on Consumers' Willingness to Buy Foreign Products," Ph.D. Dissertation, Texas A&M University.

Witt, Jerome and C.P. Rao (1992), "The Impact of Global Sourcing on Consumers: Country of Origin Effects on Perceived Risk," *Journal of Global Marketing*, 6(3), 105-127.