Country of Origin and Consumer Perceptions:
Strategies and Initiatives

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ABSTRACT

Different products and brands come from different countries. Consumer perceptions and country images are developed because of country of origin. Country of origin affects global brands. Consumer perceptions about global brands are related to stereotyping, ethnocentrism, industrialization, technological developments, and fads. Consumer perceptions create influences on brand choices and acceptance of brands. Consumer perceptions about country of origin should be improved. Companies adopt a number of strategies and initiatives to overcome and improve country-of-origin perceptions. A proper understanding of consumer perceptions about country of origin is required for managers to realize consumer preferences about global brands and the connections between consumer perceptions and country of origin. All these will allow companies to establish their products and brands in foreign markets, sell their brands, and achieve business excellence.

KEYWORDS

Brand Choices, Country Images, Ethnocentrism, Global Brands, Industrialization, Stereotyping, Technological Developments

1. INTRODUCTION

Different products and brands come from different countries. Consumers and businesses judge products and brands based on the countries from which they originate (Hien, Phuong, Tran, & Thang, 2020). Individuals have pre-determined notions, perceptions, and beliefs about products and brands originating from a specific country (Basfirinci & Cilingir Uk, 2020). Business decisions are sometimes affected by the attitudes and beliefs individuals have about a specific country (Zameer, Wang, & Yasmeen, 2017). Attitudes and beliefs of the country from which a product or brand originates are the major determinants of the sales of the products and services from that country. For all these reasons, it is important to develop and maintain a positive image about a country in the minds of consumers. Country-of-origin perceptions are the mental associations and beliefs triggered by a country (Rashid, 2017). It is the aim of any country to improve its perception and image in the minds of customers to fare well in the global competition. This will help the domestic markets to export. Positive country-of-origin perceptions about products and brands help to attract foreign firms and investors (Mallon & Fainshmidt, 2017). It is obvious for marketers to take advantage of positive country-of-origin

perceptions to sell their products and services. So, marketers require understanding and analyzing the country-of-origin perceptions and country images in the minds of customers.

Studies have been conducted to understand the characteristics of country of origin, the effects on consumer perceptions, and consequently the sales of such products and brands. However, a comprehensive study analyzing the various aspects of country of origin, the effects of consumer perceptions, and the various issues associated with country of origin is missing. The study aims at addressing the research gap.

The objective of the study is to conduct a qualitative and conceptual analysis of the various aspects of country of origin, consumer perceptions about country of origin, and the effects of consumer perceptions on choosing such brands.

The methodology adopted is the qualitative and conceptual analysis of the literature on country of origin, consumer perceptions about country of origin, and the various aspects associated with country of origin. Latest literature on country of origin was analyzed. The study did not collect primary data and did not conduct an empirical analysis.

The novelty and the contributions of the study lie in the fact that a thorough qualitative and conceptual analysis of the various aspects of country of origin is done. The latest and the relevant literature on the topic is analyzed to understand consumer perceptions about country of origin. Individual perceptions are developed to a large extent based on the country of origin of a particular product or brand and goes a long way in generating revenues and profits for products and brands. Consumer perceptions about country of origin decide how successful the products and brands will be in different markets. Companies and managers will be able to understand consumer perceptions about brands, how they should position their brands, and how they might develop and influence consumer perceptions. Academicians will understand the various aspects of country of origin and how consumer perceptions about brands coming from a specific country are developed.

The study is structured as follows.

Section 2 discusses about country images and consumer perceptions. Section 3 focuses on the effects of country-of-origin on different global brands with sub-sections 3.1, 3.2, 3.3, 3.4, and 3.5 focusing on country of origin and stereotyping, ethnocentrism, and country-of-origin perceptions, industrialization and country-of-origin perceptions, technological developments and country-of-origin perceptions, and fads and country-of-origin perceptions respectively. Companies adopt a number of initiatives which help consumers to overcome country-of-origin perceptions and these initiatives are discussed in sub-section 3.6. Section 4 discusses about country of origin and consumer perceptions with sub-sections 4.1 and 4.2 focusing on influence of country-of-origin perceptions on brand choices and country of origin and acceptance of brands respectively. Sub-section 4.3 discusses about the initiatives which different brands take to improve country-of-origin perceptions. Section 5 discusses about the salient points of the study with sub-sections 5.1 and 5.2 highlighting the theoretical and managerial implications of the study respectively. Section 6 concludes the study with sub-sections 6.1 and 6.2 highlighting the limitations of the study and the avenues of future research respectively.

2. COUNTRY IMAGES AND CONSUMER PERCEPTIONS

Country images create a major impact on consumer perceptions. Positive images of cities and countries in the minds of consumers play an important role in tourism (Avraham & Ketter, 2017). Same is true for other forms of businesses. Governments of various countries are interested in attracting foreign companies to their own countries. Foreign investment improves the economic situation of a country by providing jobs to the local people and also by developing the infrastructure of the country. Multinationals like Eli Lilly, Nestle, and Procter & Gamble were attracted to invest in Japan by government officials in Kobe, Japan by utilizing the strategy. The multinationals were pursued by government officials to establish their Japanese headquarters in the city. They applied careful targeting and positioning strategies to achieve this (O'Leary, 2010). The city of Venice is

well-known for a number of products. Marketers sell a wide range of products starting from pizza to perfume to window blinds across the globe by using the name of Venice. Government officials of the city of Venice noticed this and decided to capitalize on the positive image of Venice. They created a trademark that could be licensed to product markets (Zhang & Khare, 2009). The dragon symbolizes the core brand values of Hong Kong and the government officials of Hong Kong employed a stylized dragon to communicate the core brand values of the city (Merrilees, Miller, Gloria, & Tam, 2018). Similarly, the government of India set up India Brand Equity Foundation (IBEF) to promote India as an investment destination. Comprehensive information about India is collected, collated, and made available by the foundation. It also undertakes several initiatives to showcase the achievements of modern India in the field of business and industry (Satpathy & Venkatesh, 2006). Companies will not be able to attract customers to their countries unless customers have positive perceptions and attitudes towards country of origin.

Companies do not necessarily market only products and services. They market a number of other offerings. Countries can be marketed and branded like products and services (Rendon, 2003). New Zealand marketed itself very well based on country-of-origin perceptions. The country developed concerted marketing programs to sell its products outside the country through its New Zealand Way Program. The popular Hollywood film trilogy, *Lord of Rings* was shot in its entirety in New Zealand. The movie showcased the scenarios and spectacular landscapes of New Zealand to millions of viewers. The initiative helped New Zealand to experience a surge in tourism. The popularity of the movie helped New Zealand to propagate tourism to the outside world. The efforts reinforce the image of New Zealand as fresh and pure (Phillips, 2018). However, there are also instances where promotion of countries through movies have backfired. British comedian, Sacha Baron Cohen's mock documentary, *Borat* portrayed Kazakhstan in an entirely different, crude, and vulgar light. The documentary failed to promote the country which is large in size, rich in natural resources, and is modernizing very rapidly (Bagenal & Harlow, 2006).

Consumers develop their beliefs and attitudes towards countries based on how the countries are showcased to them. It takes time for consumers to develop perceptions and attitudes. Again, attitudes of individuals towards countries may change over a period of time (Diamantopoulos, Arslanagic-Kalajdzic, & Moschik, 2020). Japan had a poor image for quality products before World War II. Japanese companies and brands performed well after World War II to change the attitudes of individuals and created a positive image about Japan in the minds of people. The companies which helped change the image of Japan in the minds of individuals include Sony and its Trinitron television sets, and automakers, Honda and Toyota (Bautista Jr, Osaki, & Jeong, 2020). Success or failure of a brand from a country may drastically change the image and perception about the country. The global success of Nokia in the field of telecommunications helped Finland, its country of origin to launch a campaign which enhanced the image of Finland as a center of high-tech innovation (Zhang & Khare, 2009).

Perceptions and images may be developed based on the political situations prevalent in a country (Peters & Papathanassis, 2019). The brands from the United States suffered much due to political issues. The war with Iraq affected the image of the United States. The country found itself at odds with other countries in recent years. The image and perceptions of individuals affected the effectiveness of the marketing programs developed by U.S. brands (Weisul, 2010).

Individuals have divergent opinions about the policies adopted by the United States on political issues and the strategies adopted by U.S. brands (Schneider & Jacoby, 2018). One consumer observed, "Calling for political independence from the US is one thing, and linking American brands is another. I like IBM, Dell, Microsoft, Starbucks, and Coke" (Fullerton, Kendrick, Chan, Hamilton, & Kerr, 2007). Such comments clearly indicate that political issues may not always influence the perceptions of individuals about countries. Individuals are willing to separate politics and products. Different technologies and brands from the United States are popular among consumers all over the world. Consumers are positive about U.S. brands and they continue to embrace U.S. youth culture irrespective of political issues. Perhaps the most compelling example of the popularity of U.S. brands

overseas is the fact that the most successful market of McDonald's in Europe is France, a country often dismissive of U.S. politics and culture (Holt, Quelch, & Taylor, 2004).

Different perceptions and opinions are created in the minds of people of different countries by U.S. brands (Ogbonna & Ogunnubi, 2018). Part of it can be explained by the manner in which the global U.S. brands have been built and marketed over the years. Most of the U.S. brands have become global and are sustaining the global competition. U.S. brands like Nike, Coca-Cola, and Disney understand customer requirements and preferences well and offer their products and services according to such requirements (Abalkhail, 2018). The brands do extensive marketing research to gain customer insights in the global markets. The brands position themselves in the global markets based on the understanding of universal consumer values and needs. Nike with athletic performance, Coca-Cola with youthful optimism, and MTV with youth culture have captured the hearts of customers globally (Steenkamp, Batra, & Alden, 2003). These brands are successful because they modify their offerings after an in-depth understanding of the local cultures, tastes, and preferences. To understand the requirements and tastes of local customers, they hire local employees in each country and make sure that their products and marketing activities are consistent with local sensibilities (Hein, 2007).

Many brands conduct in-depth marketing research to understand the psychology of customers in the global markets (Wei, Ang, & Liou, 2020). Some products have such a uniform global appeal that global customers can be targeted without any changes in the products. There was an instance of a Japanese girl visiting the United States with her parents. On seeing a Coca-Cola vending machine, she commented to her parents, "Look, they have Coca-Cola too!" As far as the little girl was concerned, Coca-Cola was a Japanese brand (O'Leary, 2010).

It is not true that established brands are always acceptable to global markets. There are instances when the marketing efforts of U.S. brands in foreign markets were not that much fruitful (Surdu, Mellahi, & Glaister, 2019). Many established U.S. brands like Yahoo!, Microsoft, Coca-Cola, and McDonald's faced a number of obstacles in the foreign markets. The images of such brands were tarnished. Consumers in global markets were surprised by the resilience of U.S. brands. This is especially true for emerging markets where many of the U.S. brands are still popular even when the United States as a country is not that much popular (Grewal, Chandrashekaran, & Dwyer, 2008). Customers in Saudi Arabia consider the different products – McDonald's restaurants, Lay's potato chips, and Kraft packaged cheese as top brands in their respective categories (Hein, 2007). Customers in emerging markets also consider products and brands from developed countries as performing better than domestic or local brands. Surveys conducted indicated that 70 percent of consumers in developing countries, ranging from Argentina to the United Arab Emirates, felt that local products were not as good as products from international brands (Hein, 2007). Individuals consider the United States as a country with a number of issues. However, the country is still considered as the consumer capital of the world (Varman & Belk, 2009).

3. EFFECTS OF COUNTRY-OF-ORIGIN ON GLOBAL BRANDS

Customers consider brands as external cues to taste, design, quality, performance, value, and prestige. They associate the value of the product with the brand. A brand has the power of communicating either a positive or a negative message about the product to the consumer (Bhat, 2019). Perceptions are also created by past advertising and promotion, product reputation, and product evaluation and experience (Wijaya, 2020). A number of factors affect brand image. One factor that is of great concern to multinational companies which manufacture worldwide is the country-of-origin effect on the market's perception of the product (Rashid & Barnes, 2018).

Country-of-origin (COO) can be defined as any influence that the country of manufacture, assembly, or design has on a consumer's positive or negative perception of a product (Schumann-Foster, Semaan, & Sono, 2020). Most of the companies compete in global markets and these companies

manufacture products worldwide. Customers are aware of the country of origin and there is the possibility that the place of manufacture will affect product or brand images (Rashid & Barnes, 2018).

Perceptions about country of origin determine whether the country, the type of product, and the image of the company its brands will create a positive or a negative reaction (Visbal, Herrera-Mendoza, Orozco-Acosta, & Herzberg, 2017). A variety of generalizations can be made about country-of-origin effects on products and brands (Costa, Carneiro, & Goldszmidt, 2016). Customers develop stereotype thinking and attitudes towards products and countries. These attitudes are formed by experience, hearsay, myth, and limited information (Motsi & Park, 2020). Customers form a number of generalizations which are discussed below.

3.1. Country of Origin and Stereotyping

Customers have broad but somewhat vague stereotypes about specific countries and specific product categories they judge the "best" (Pegan, Vianelli, & de Luca, 2020). For example, individuals have positive perceptions about English tea, French perfume, Chinese silk, Italian leather, Japanese electronics, and Jamaican rum. Stereotyping of this nature is typically product-specific and may not extend to other categories of products from these countries (Sivaramakrishnan, & Carvalho, 2019).

The importance of these types of stereotypes is emphasized as a result of a change in U.S. law that requires any cloth "substantially altered" (woven, for instance) in another country to identify that country on its label (Pegan et al., 2020). Designer labels such as Ferragamo, Gucci, and Versace need to include on the label "Made in China" because the silk comes from China. Ferragamo loses some of its appeal because of "Made in China" label. "Made in Italy" label would have allowed Ferragamo to convince customers to pay $195 for scarves. One buyer commented, "I don't care if the scarves are made in China as long as it doesn't say so on the label" (Carlotto & O'Leary, 2018). Designer labels such as Ferragamo, Gucci, and Versace need to include on the label "Made in China" because the silk comes from China. Ferragamo loses some of its appeal because of "Made in China" label. "Made in Italy" label would have allowed Ferragamo to convince customers to pay $195 for scarves. China supplies more than 95 percent of all silk. China has the reputation of producing the finest silk. At the same time, China has the reputation of producing cheap scarves (Bai, 2017). Customers have the perception that the "best" scarves are made in France or Italy by one of the haute couture designers (Genç & Wang, 2017).

3.2. Ethnocentrism and Country-of-Origin Perceptions

Country-of-origin perceptions are formed by ethnocentrism. Ethnocentrism includes feelings of national pride – the "buy local" effect. Such feelings can influence attitudes towards foreign products (Basfirinci & Cilingir Uk, 2020). Honda manufactures one of its models almost entirely in the United States. Honda is successful because it recognizes the "buy local" effect. It emphasizes how many component parts are manufactured in America in some of its advertisements (Sulhaini, Rinuastuti, & Sakti, 2019). In contrast, individuals also have the perception that Japan produces the "best" automobiles, at least up until 2010. A study completed before the Toyota quality disaster had found that U.S. automobile producers may suffer comparatively tarnished images. This may happen even when they actually produce superior products (Kalaignanam, Kushwaha, & Swartz, 2017).

3.3. Industrialization and Country-of-Origin Perceptions

The stage of industrialization which a country is in may determine the perceptions of individuals about the country (Roman, Manolică, & Manole, 2018). Individual perceptions are developed based on whether the countries are industrialized, in the process of industrialization, or developing. Such stereotypes are less about products and more about a perception of the quality of goods and services in general produced within the country (Roman et al., 2018). Customers have positive perceptions about industrialized countries. Such countries have the highest quality image, and products from developing countries generally encounter bias (Bentzen & Iacob, 2016).

In Russia, for example, the world is divided into two kinds of products – "ours" and "imported". Russians show preferences for fresh and homegrown food products. At the same time, they prefer clothing and manufactured items which are imported (Lee, Cheah, Phau, Teah, & Elenein, 2016). Because of these divergent perceptions and preferences, companies hoping to win loyalty by producing in Russia are unhappily surprised. Consumers have positive perceptions towards locally produced Polaroid cameras and Philips irons. At the same time, they consider computers manufactured in the neighboring country, Finland to possess higher quality. For Russians, country of origin is more important than brand name as an indicator of quality (Papadopoulos, 2018). Because of these perceptions, electronics products from South Korea which are as good as the Japanese ones, are not preferred by Russians. Russians are suspicious about products manufactured in Malaysia, Thailand, or Hong Kong. Russians consider clothing from Eastern Europe to be adequate. However, they consider the quality of food or durables from Turkey and China to be extremely poor (Wishnick, 2017).

3.4. Technological Developments and Country-of-Origin Perceptions

The more technical the product is, the less positive is the perception of something manufactured in a less developed or newly industrializing country (Hong & Kim, 2017). Customers from countries which are less developed tend to favor foreign-made products over domestic-made products. Foreign products may not fare well in developing countries because customers have stereotypes about the quality of foreign-made products. Such perceptions hold true even for products from industrialized countries (Lee, Kim, & Kim, 2018). A survey was conducted among customers in the Czech Republic. The results showed that 72 percent of Japanese products were considered to be of the highest quality; German goods followed with 51 percent, Swiss goods with 48 percent, Czech goods with 32 percent, and the goods from the United States with 29 percent (Roman et al., 2018).

3.5. Fads and Country-of-Origin Perceptions

Generalization about country of origin gets formed about fads regarding products from specific countries or regions in the world (Caldwell-Harris, 2019). These fads are most often product-specific and generally involve goods that are themselves faddish in nature. European consumers are quite fickle-minded and less affectionate about American products (Steenkamp, 2017). The affinity for Jeep Cherokees, Budweiser beer, and Bose sound systems of the 1990s has faded. European consumers are hostile towards American brands as a protest of American political policies. Customers were hostile in the 1970s and 1980s against anything American. However, American brands started gaining acceptance again in the 1990s. Chinese customers prefer anything which is Western. If it is Western, it is in demand. This happens even when the prices are three to four times higher than those of domestic products (Tzeng & Wong, 2016). Fads wane after a few years as customers become interested in newer fads.

3.6. Initiatives to Overcome Country-of-Origin Perceptions

The generalizations discussed above do include exceptions. However, it is important to acknowledge that a product or brand's image gets affected significantly by country of origin. Again, all customers may not be influenced by a product's country of origin (Bhat, 2019). Studies suggest that perceptions about country of origin vary across customer groups. For example, Japanese customers are more sensitive about country of origin than American customers (Tsuda, 2019). Multinationals should consider these factors in their product development and marketing strategy. Negative country stereotypes can hamper the success of a product unless overcome with effective marketing.

Negative stereotypes about products and country of origin can be overcome once the products get established in the markets (Cater, James, Camp, & Kidwell, 2018). Nothing would seem plausible than selling chopsticks made in Chile to Japan. However, Chilean companies were able to do so. It took years for a Chilean company to overcome doubts about the quality of its product. However, the company persisted on inviting Japanese companies to visit the Chilean poplar forests that provided

the wood for the chopsticks. Japanese people became slowly convinced about the high quality of the product. Afterwards, the company was flooded with the demand for its chopsticks (Callicott, & McRae, J. (Eds.), 2017).

Country stereotyping on "nation equity" can be overcome with good marketing (Diamantopoulos, Florack, Halkias, & Palcu, 2017). The market in the United States was skeptical about Korean brands. However, once the market gained positive experience, the image of Korean electronics and autos improved substantially (Lauren, 2018). In recent times, American customers are worried about the quality and safety of Chinese-made products for American branded toys, foods, and pharmaceuticals. It is also challenging for Chinese brands such as Lenovo computers and Haier appliances to avoid the current negative "nation equity" to which they are suffering association (Sun & Paswan, 2017). All these examples emphasize the importance of building strong global brands like Levi's, General Electric, Walmart, and Sony. Efficient advertising and positioning of brands can help a less-than-positive country stereotype (Wu, Ju, & Dodoo, 2016).

4. COUNTRY OF ORIGIN AND CONSUMER PERCEPTIONS

Consumers develop distinct and diversified perceptions about brands of products from different countries (Holt et al., 2004). Perceptions of consumers are developed over a significantly long period of time because of different attitudes and beliefs about the brands. Such perceptions influence the consumer decision-making process. Other attributes in the process may also be affected by consumer perceptions. For example, if a brand is a French brand, then the product must be stylish (Varman & Belk, 2009). The mere fact that a brand is perceived as successful on a global stage may lend credibility and respect. If a brand is successful globally, then it sends a quality signal, taps into cultural myths, or reinforces a sense of social responsibility (Rendon, 2003).

Consumers may develop varying perceptions about different brands from a specific country. Consumers form positive perceptions about brands from their own countries unless the countries are less developed (Holt et al., 2004). Companies should display the "Made in …" label more prominently if the image of the country is highly positive in the minds of consumers (Hornikx, van Meurs, van den Heuvel, & Janssen, 2020). Impact of the country of origin may also be decided by the type of product. For example, consumers are more interested in knowing where from the main product is and not its accessories. The place of manufacture of an automobile, and not the lubricating oil, may be of interest to consumers (Rendon, 2003).

Different countries may be known and considered to be famous for certain types of products. Such products will be demanded more by customers. The United States is known for high-tech innovations, soft drinks, toys, cigarettes, and jeans; Japan for automobiles and consumer electronics; and France for perfume, wine, and luxury goods (Dong & Tian, 2009). Sometimes, consumer perceptions about country of origin may become stereotype and affect perceptions towards any product from a specific country. Images of all products and brands from that country may be influenced. One study revealed that Chinese consumers in Hong Kong perceived U.S. products as prestigious, Japanese products as innovative, and Chinese products as cheap (O'Leary, 2010). It is difficult to alter the perceptions of customers about products from different countries.

4.1. Influence of Country-of-Origin Perceptions on Brand Choices

Country of origin perceptions may influence both the domestic and the foreign perspectives of consumers in that country (Jackline, 2016). Consumers will decide whether to go for a product or not based on their own perceptions for that particular product. So, it makes sense for marketers to conduct a proper analysis of such perceptions. In the domestic market, consumers may use the products and brands originating from that country because of love and respect for their motherland. Consumers take pride in the cultural heritage and identity of their own countries. Such aspects also gain in importance as international trade grows (Rendon, 2003).

Patriotic appeal may be one of the prime reasons for consumers to use and promote products and brands originating from their own country (Rendon, 2003). Consumers who have a strong love for their own country may patronize domestic brands. Marketers sometimes take advantage of this in turbulent situations of economic and political crisis. Domestic brands from small businesses tap into community pride to emphasize their local roots. Local and domestic products, services, and brands are promoted by such businesses (Zhang & Khare, 2009).

Consumers, sometimes may not be aware about the country of origin of established and well-known brands. For example, consumers recognize Heineken as German and Nokia as Japanese brands respectively (Steenkamp et al., 2003). However, they are Dutch and Finnish brands respectively. Similarly, contrary to the popular belief of consumers, Häagen Dazs and Estée Lauder originated in the United States (Holt et al., 2004).

4.2. Country of Origin and Acceptance of Brands

The acceptance of established brands anywhere in the world and irrespective of their countries of origin suggest that consumers will accept those products and brands for which the performance is superior. Also, it becomes difficult to recognize the country of origin for products and brands in this age of outsourcing and foreign manufacturing (Robinson & Hsieh, 2016). Only 65 percent of the content of a Ford Mustang comes from the United States or Canada, whereas the Toyota Sienna is assembled in Indiana with 90 percent local components. Companies invest a lot of money and resources in North America because of the huge potential in the markets there. The companies invest in plants, suppliers, dealerships, as well as design, testing, and research centers. The country of origin effects get blurred in such cases (Weisul, 2010).

4.3. Initiatives and Strategies by Brands to Improve Country-of-Origin Perceptions

Companies adopt a number of initiatives to improve country-of-origin perceptions. Companies marketing established brands in the home country target niches in the global competition to get a foothold in foreign markets which are lucrative, growing, and vibrant (Pegan et al., 2020). Haier is a leading brand of China in air-conditioners, refrigerators, and washing machines. Haier tries to be a favorite among the college students of the United States. Haier targets college students because students will form the major markets in future. Haier is trying to shift the loyalty of U.S. customers from brands like Dell, Hewlett Packard, and Wal-Mart. Haier has long-term plans of introducing innovative products outside China, such as flat-screen television sets and wine-cooling cabinets in future (Backaler, 2010). The success of Haier in global markets will improve the country of origin effects of foreign consumers in China. It will also allow Haier to establish the brand in the growing and profitable U.S. market. Customers evaluate the importance of a brand based on its success in the U.S. market. Success in the U.S. market will allow Haier to establish itself in other foreign markets (Pallas, 2016).

Haier is well-known and respected in its home market for its well-designed products (Zhou & Jing, 2018). Haier targeted its rural and urban customers with different offerings. Haier sold extra-durable washing machines that could wash vegetables as well as clothes for rural customers. For urban customers, it made smaller washing machines to fit in small apartments (Cook, 2020). In 1999, Haier expanded its horizon and set its goal to become a truly global brand. Unlike most other Asian companies that chose to enter Asian markets before considering Western markets, Haier decided to first target the United States and Western Europe (Casanova & Miroux, 2019). Haier understood that the success in those two markets would determine the success in other markets. In the United States, Haier established a beachhead by tapping a neglected market – mini-fridges for homes, offices, dorms, and hotels. It also secured distribution at top retailers like Walmart, Target, and Home Depot. Haier achieved initial success and started selling higher-end refrigerators and other appliances such as air-conditioners, washing machines, and dishwashers (Wang, Cheng, Jia, Zhang, & Yao, 2016). It tried to

create a perception in the minds of customers that it is a "localized U.S. brand" and not an "imported Chinese brand" (Zhao, 2019). Haier invested $40 million in a manufacturing plant in South Carolina and became a managing partner with the National Basketball Association (Liu, 2017). The efforts put in by Haier paid off. By 2012, 30 percent of U.S. households owned a Haier product, and Haier is now the world's top-selling home appliance brand (Wang & Islam, 2017).

5. DISCUSSION

The study discussed about various aspects of country of origin. Customers form different perceptions and images about countries and the products and brands originating from those countries. Consumer perceptions about country of origin have effects on the acceptance of global brands. There are various aspects associated with country of origin which include stereotyping and ethnocentrism. The extent to which a country is industrialized affects country-of-origin perceptions. Some other aspects which affect country-of-origin perceptions include technological developments and fads. Country-of-origin perceptions also influence brand choices and acceptance of brands. Companies adopt a number of initiatives so that consumers are able to overcome country-of-origin perceptions. Various brands adopt initiatives to improve country-of-origin perceptions. Latest and relevant literature related to country of origin was analyzed to understand country of origin and consumer perceptions about country of origin. The discussions will add value both for academicians and practicing managers.

5.1. Theoretical Implications

Academicians will understand the various aspects of country of origin and how country of origin helps to form and develop perceptions of consumers regarding products and brands from different countries. They may analyze how the perceptions of consumers are formed and developed based on country of origin. They may understand the various strategies and initiatives which different brands and products from different countries adopt to influence perceptions of consumers and suggest strategies and initiatives which will be more effective.

5.2. Managerial Implications

Consumer perceptions formed due to country of origin are important for companies and practicing managers because consumers will decide to buy or not to buy a product or a brand based on the perceptions created in their minds. So, it is important that positive and favorable perceptions are created in the minds of consumers so that the products and brands get sold. Managers will also be able to appreciate the various aspects associated with country of origin and the roles played by stereotyping, ethnocentrism, industrialization, technological developments, and fads in developing consumer perceptions. Consumer perceptions about country of origin also influence brand choices and acceptance of brands. Companies and practicing managers should appreciate and acknowledge all these aspects to formulate effective strategies and adopt better initiatives.

6. CONCLUSION

Country of origin may create both positive and negative impressions and images about a particular product or brand coming from a specific country. Country-of-origin perceptions can affect consumers and businesses alike. It is a marketing priority for many companies to manage these perceptions to best advantage. Consumers have different perceptions about a specific country and such perceptions influence the impressions created. Companies should analyze the effects created by country of origin. They should develop and promote their brands so that customers are delighted by the offerings. This will help companies to establish their products and brands better in the global market.

6.1. Limitations

The study conducted a qualitative and conceptual analysis of the various aspects of country of origin, consumer perceptions related to country of origin, and different initiatives taken by companies to overcome country-of-origin perceptions. Primary data was not collected and empirical analysis was not done in the study.

6.2. Avenues of Future Research

Researchers may collect primary data about consumer perceptions about country of origin. Primary data might be collected regarding consumer perceptions about different brands and products originating from different countries. The data might be analyzed to understand how consumer perceptions about country of origin influence the sales of brands and products from different countries. A comparative analysis of brands and products from different countries may also be performed to understand to what extent country of origin forms an impact on consumers when they select different brands and products. Such studies will help to better formulate strategies and initiatives so that the sales of brands and products from different countries get maximized.

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