

Country of Origin Image and Brand Equity from Gender Perspective: Do they matter?

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Abstract

This study investigated how the country of origin image and brand equity dimensions affect overall brand equity. In addition, this study also investigated whether there is the gender difference in the hypothesized relationship. A partial least squares structural equation modeling with multigroup analysis was carried out on a sample of 171 respondents selected using purposive/convenience sampling technique. The result indicates that country of origin has the indirect effect of brand equity through two dimensions of brand equity (perceived quality and brand loyalty). This study also found that country of origin image's association with brand awareness/association is stronger for female shoppers than for male shoppers. This study adds more insights about how male and female consumers reactor country of origin image.

Keywords

Country of origin image; Brand equity; Brand equity dimensions; Gender and partial least square

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Introduction

Brands with high equity have been acknowledged as an important asset for firms that can provide a competitive advantage, such as more positive customer attitude, easier acceptance, and wider distribution by trade, as well as providing a good platform for brand extension (Farquhar, 1989).

According to Aaker (1991), these benefits are derived from five elements, namely brand loyalty, brand awareness, perceived quality, brand associations

and other proprietary assets. Over the years, researchers have focused on understanding the drivers of overall brand equity that come from marketing mix variables, but only a few have focused on non-marketing mix variables such as country of origin image (Mohd Yasin, Nasser Noor, and Mohamad, 2007).

The notion that image of a country, i.e. The totality of impressions and associations held about a country (Nagashima, 1970) may affect product

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evaluation and attitude formation has been proposed in the literature (Andéhn, Nordin, and Nilsson, 2016; Mohd Yasin et al., 2007; Nagashima, 1970). Research by Verlegh, Steenkamp, and Meulenberg (2005) emphasized largely documented findings that consumers use country of origin as an informational variable, and reinforce the idea that country of origin plays an important role in consumer product evaluations.

Overall brand equity (overall brand equity as well as its components such as perceived quality, brand awareness/association and brand loyalty) can be thought of as a form of product evaluation. There has been a number of studies relating country of origin image with overall brand equity, either directly or through overall brand equity dimensions (e.g. Andéhn et al., 2016; Mohd Yasin et al., 2007; Murtiasih, Sucherly, and Siringoringo, 2014).

This study intends to investigate whether country of origin image influence overall brand equity, directly as well as indirectly through overall brand equity dimensions. However, this study also would like to extend the research on the association between country of origin image and overall brand equity by investigating how demographic variable such as gender moderates the association between the two constructs as has been suggested by Mohd Yasin et al. (2007).

Past research on country of origin suggest that gender may moderate the effect of country of origin perception toward evaluation of a given product (e.g. Balabanis, Mueller, and Melewar,

2002; de Tavares Canto Guina and de Moura Engracia Giralardi, 2015; Good and Huddleston, 1995; Wall, Heslop, and Hofstra, 1988). Therefore, this study would like to explore whether and how gender affects the relationship between country of origin image and overall brand equity of a product within the context of laptop industry in Indonesia.

There is lack of consensus from past studies related to how men and women differ in responding to the country of origin image. For instance, Balabanis et al. (2002) suggest that women tend to have a more negative view of foreign product than men. Similarly, Good and Huddleston (1995) found that women tend to be more ethnocentric than men. Meanwhile, de Tavares Canto Guina and de Moura Engracia Giralardi (2015) suggest that men have a more favourable attitude toward the foreign product.

Research in Indonesia has revealed that gender may affect cognitive, affective and behavioral response toward marketing stimuli (e.g. brands, store, promotional strategy). For instance, Kusnandar (2017) found that gender moderates the relationship between green marketing and brand loyalty. In another study, Dhinata & Kusumadewi (2014) found that gender moderates the relationship between customer satisfaction and customer loyalty. Nevertheless, there is still lack of studies regarding how genders react to the country of origin image in Indonesia, therefore this study would like to contribute toward investigating the moderating role of gender in the country of origin image research, particularly in Indonesia.

Theoretical Background and Hypotheses

Country of Origin Image

The country image can be defined as “the picture, the reputation, the stereotype, that businessmen and consumers attach to products of a specific country” (Nagashima, 1970, p.68). Meanwhile, Roth and Romeo (1992, p.480) define the 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.”

Country of origin image in the era or global marketing needs to be understood as the country of brand origin (Andéhn, Nordin, et al., 2016). Brand origin is defined as “the place, region or country to which the brand is perceived to belong to its target consumers” (Thakor and Kohli, 1996, p.27). Pharr (2005) suggest that country of brand origin may be more dominantly associated with a brand’s perceived developmental origins than origin information related to the product’s part, assembly, design or manufacture.

Country of origin may alter a consumer’s judgment due to the association between a product, service, or brand and a place (Andéhn, Nordin, et al., 2016). Early evidence of how a place can affect product evaluation was demonstrated by Schooler (1965) who found that there was a significant difference in evaluation of products that were identical in every aspect, except the name of country displayed on the label.

Country of origin serves as the extrinsic cue in assessing product

quality (Steenkamp, 1990). According to a meta-analysis by Verlegh (1999), country of origin serves as a cognitive cue as well as providing symbolic and emotional value to consumers. Andéhn, Gloukhovtsev, and Schouten (2016) suggest that country of origin information might also function as heuristics used in unconscious mental processing.

According to Han (1989), there are two alternative views that can explain how the country image can affect product evaluations, namely: country image as halo and country image as a summary construct.

Country image as a halo view suggests that since consumers often are unable to assess the true quality of a country’s products before purchase, they turn to the country image to infer product quality (Han, 1989).

Country image as a summary construct implies that country image consists of abstractions of product information, and that country image directly affects consumer attitude toward the brand (Han, 1989).

Overall brand equity

Overall brand equity is defined as “The difference in consumer choice between the focal branded product and an unbranded product gave the same level of product features” (Yoo, Donthu, and Lee, 2000, p.196). Meanwhile, Keller (1993, p.1) defines consumer based overall brand equity as “the differential effect of brand knowledge on consumer response to the marketing of the brand.

According to Yoo et al. (2000), evidence from the extant literature suggest some

example of benefits enjoyed by brands with strong equity: increased brand choice probability, higher willingness to pay premium prices, and decreased vulnerability to competitive marketing actions.

Aaker (1991) suggest that overall brand equity consists of the following dimensions: brand loyalty, brand awareness, brand association, perceived quality.

Brand loyalty

Oliver (1999, p.34), defines loyalty as: “Deeply held commitment to rebuy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behavior.”

Brand loyalty is said to provide some advantages to brands, such as reducing consumer’s motivation to search for information about competing for products during next purchase, increasing resistance to counter-persuasion (Dick and Basu, 1994), increasing willingness to routinely purchase the brand (Yoo et al., 2000), and contribute toward positive word of mouth from loyal consumers (Casaló, Flavián, and Guinalú, 2008; Dick and Basu, 1994).

Brand awareness/association

Brand awareness refers to “the ability of the potential buyer to recognize and recall that a brand is a member of a certain product category” (Aaker, 1991, p.61). Brand awareness is related to how likely and how easily would a brand come to mind under various conditions (Keller, 1993).

While brand awareness is related to ability to recognize and recall a brand, brand association refers to “anything linked in memory to a brand” (Aaker, 1991, p.109.), Aaker (1991) suggest that this link to brand would be stronger if the customer has many experiences or exposures to the brand (e.g. through brand communication, or use experience). Brand association is proposed to be related to brand image, which is defined as “perception about a brand as reflected by the brand associations held in consumer’s memory” (Keller, 1993). While there is a conceptual difference between brand awareness and association, Yoo and Donthu (2001) found that brand awareness and association lacked discriminant validity and thus suggest measurement of both constructs be combined.

Perceived quality

Perceived quality refers to “consumer’s judgment about a product’s overall excellence or superiority” (Zeithaml, 1988, p.3) Steenkamp (1990, p.317) proposed another definition:

“Perceived product quality is an idiosyncratic value judgment with respect to the fitness for consumption which is based upon the conscious and/or unconscious processing of quality cues on relation to relevant quality attributes within the context of significant personal and situational variables.”.

Zeithaml (1988) suggest that brand serves as an extrinsic cue that can indicate product quality, especially when consumers have insufficient information regarding a product’s intrinsic quality.

High perceived quality may be associated with higher perceived differentiation and perceived superiority of the brand as consumers have more experience with it. (Yoo et al., 2000). Furthermore, Yoo et al. (2000) suggest that high perceived quality would motivate a consumer to choose a brand instead of other brands.

A brand can benefit from its country of perceived origin. Bilkey and Nes (1982) suggest that stereotype consumers hold about a country would affect their perception of products coming from the country. Andéhn, Nordin, et al., (2016) suggest that country image affect overall brand equity. Josiassen et al. (2013) concluded that country of origin image affects brand evaluation. Herz and Diamantopoulos (2013) propose that any presence of country cues would trigger functional and emotional country stereotype, which in turn affect consumer's cognitive and affective brand evaluations and behavior.

It is possible that the more positive perception of country image held in consumers' mind, the higher their tendency to prefer products from that country. Therefore, this research hypothesizes that:

H1: Country of origin image have direct positive association towards overall brand equity

Besides affecting overall brand equity directly, country of origin image is proposed to affect overall brand equity dimensions (brand loyalty, perceived quality, and brand awareness/association).

Drawing from past research, Pappu, Quester, and Cooksey (2007) proposed that country of origin may affect brand

loyalty through a number of ways. The first explanation is through brand popularity contributed by favorable country image, which subsequently stimulates brand loyalty (e.g. Kim, 1995 in Pappu et al. (2007)). The second explanation is through country loyalty. Just as consumers might develop loyalty toward brands, they might also develop loyalty toward country (e.g. Paswan, et.al 2003 in Pappu et al. (2007)). The third explanation is through the consumer's familiarity with products from a country, which consequently affect the consumer's loyalty. Another explanation proposed by Pappu et al. (2007) is that consumer's satisfaction with products from a country can influence the consumer's loyalty toward products from the country.

As Zeithaml (1988) has suggested, country of origin information is part of external cue used by consumers to indicate product quality. Literature has indicated that country of origin information affects consumer's quality perception of a product. For instance, some studies (e.g. Teas and Agarwal [2000]; Thakor and Lavack [2003]) report that country of origin affect consumer's product quality evaluation.

Brands originating from a country is proposed to have a shared country-related intangible assets and liabilities (i.e. country image), which makes a positive contribution to the market performance by influencing marketing strategy effectiveness (Kim and Chung, 1997). This country-related assets and liabilities can affect brand image, which in essence is a set of meaningful consumer brand associations (Pappu et al., 2007).

Brand association cannot be separated from brand awareness. Although the two was clearly defined as the separate concept in Aaker (1991), Yoo and Donthu (2001) suggested combining brand awareness and brand associations into one construct. Based on the literature review by Romaniuk, Wight, and Faulkner (2017), it is proposed that brand awareness is required for the development of brand image/brand association in consumer's mind, as consumers cannot develop any brand association without first being aware of the brand.

H2: Country of origin image has positive association towards overall brand equity through overall brand equity dimensions (brand loyalty, perceived quality, and brand awareness/association)

Gender Differences in Country of Origin Research

Country of origin literature has indicated that consumers from different gender respond to the country of origin information differently.

For example, Schooler (1971) reported that women rated foreign product higher than males. Wall and Heslop (1986) reported that Canadian men in general rated foreign product more positively than women. In a subsequent study, Wall et al. (1988, p.21) emphasized that "there are important differences in how and what men and women think about product quality and about images of which countries produced quality products."

Wall and Heslop (1986) suggested that difference in country evaluation

between men and women evident in their study can be explained by typicality of product produced in focal countries in their study. Wall and Heslop (1986) and Wall et al.(1988) suggest that men tended to rate countries like Japan, Germany, and Sweden higher than women because men tended to be influenced by the countries' reputation in producing "technical" products like car or electronics, while for women, items such as clothing or shoes may be more relevant in affecting quality judgments about some countries. This study argues that explanation from past studies may not hold again today, as men and women have an equal role in the society, where women have more exposure and role in purchase and use of "technical products" that was traditionally purchased and used by mostly by men.

However, differences between men and women in processing information have been highly documented in the literature (Putrevu, 2001). Putrevu (2001) summarized that differences between men and women in information processing could be explained with biological explanations, social explanations, selectivity explanations and item-specific versus relational processing explanations.

While biological and social explanation may shed light on how the difference between men and women originated, this study would like to discuss the difference from the perspective of selectivity explanations and item-specific versus relational processing.

Based on selectivity hypothesis, women have more tendency to engage in elaborate message processing, while men tend to be driven by overall message

themes or schemas, and tend to rely on heuristics in the form of cues that are highly available and salient (Putrevu, 2001). Nevertheless, Putrevu (2001) further suggests that gender differences in information processing only occur if the message or task factor do not require a particular form of processing strategy.

Another perspective suggests that men use item-specific processing, whereby they would be more likely to pay attention to key attributes that have the greatest personal impact, while women tend to engage in relational processing, which involves considering the more comprehensive number of attributes before making the decision (Putrevu, 2001). Putrevu (2001) adds that relational processing may explain the more creative, associative, imagery-embedded interpretations usually associated with women, while item-specific processing illustrates the use of clearly identifiable perceptual attributes or objective concepts by men.

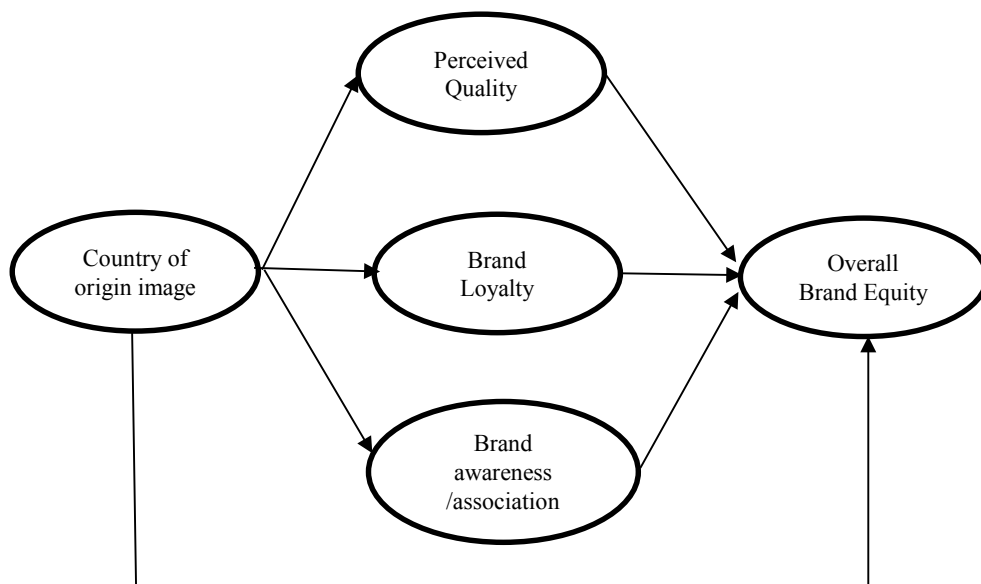
In a purchase situation, this might mean that men tend to focus on attributes, while women may take into account more comprehensive information, including the country image associated with the product.

H3a: The association between country of origin image and overall brand equity dimensions would be different between men and women

H3b: The association between country of origin image toward overall brand equity would be different between men and women

H3c: The association between overall brand equity dimensions toward overall brand equity would be different between men and women

Based on the literature review and hypothesis development, the research framework is depicted in Figure 1.



Source: Modified from Mohd Yasin et al. (2007)

Figure 1. Research Framework

Method

A quantitative research design was used in this study. Data collection was carried out through an online survey. Respondents were selected using non-probability sampling technique (purposive sampling).

The online survey was created through "Typeform" (www.typeform.com) and invitations to participate were posted through instant messaging applications to people in the first author's network.

This study intentionally used student sample since it intends to focus on the student as consumers of laptop computers. Students are target market for laptop computers since laptop computers offer portability and versatility, which is ideal for students who constantly need to use a computer for many purposes related to their campus activities. Use of students in this study can be justified

since they are target market for the focal product, as was emphasized in Megehee (2009).

Measures for the country of origin image were derived from Mohd Yasin et al. (2007), while measures for brand loyalty, brand awareness/association, perceived quality and overall brand equity were derived from Yoo et al. (2000).

A total of 182 responses were recorded, and 171 complete responses were used for data analysis. The respondents consist of more female respondents than male respondents (57%). Most respondents (61%) were from 21-25-year-old age group, while the rest fell within the 15-20-year-old age group. Respondents with reported monthly expenditure between IDR 1.000.000 and 3.000.000 made up most of the sample (65%). Table 1 summarizes respondent profile.

Table 1. Demographic Profile of the Sample

	Percentage
<i>Gender</i>	
Males	43%
Females	57%
<i>Age</i>	
15-20	39%
21-25	61%
<i>Expenditure</i>	
< Rp.1.000.000.000	19%
Rp.1.000.000- 3.000.000	65%
Rp.3.000.001- > Rp.5.000.000	15%

Source: data analysis

Results

Data were analyzed with partial least square method using *plspm* package (Sanchez, Trinchera, and Russolillo, 2017) in R Statistical Program (R Core Team, 2016).

Model evaluation: measurement model

Reliability was tested based on Cronbach's alpha and Composite Reliability (CR) following the suggestion from Hair, Hult, Ringle, and Sarstedt (2014). Based on Cronbach's alpha (see Table 2), all constructs exceeded the minimum level of 0.7 as suggested by Nunnally (1978). Meanwhile, CR for all constructs was also above the minimum threshold of CR=0.7 as suggested by Nunnally and Bernstein (1994).

Convergent validity was checked by examining Average Variance Extracted

as well as item loadings for each construct. Average variance extracted were all higher than 0.5, which was considered as the minimum threshold (Fornell and Larcker, 1981; Hair et al., 2014). All constructs have item loadings of more than 0.7, except two items from COO Image which have item loadings of 0.6. However, the authors decided to retain the two constructs because deleting the two indicators did not result in increasing the Composite Reliability, as suggested in Hair et al. (2014).

Discriminant validity was assessed by comparing each construct's square root of AVE with correlations between that construct and all other constructs (Fornell and Larcker, 1981). From Table 3, all constructs indicated square root of AVEs higher than their correlations with each other, thus establishing discriminant validity.

Table 2. Mean, Standard Deviation, Reliability, and Validity

Construct	Mean	SD	Composite Reliability	Cronbach's alpha	AVE
COO Image	4.50	0.787	0.890	0.864	0.540
Perceived quality	4.79	0.803	0.940	0.920	0.758
Brand loyalty	3.81	1.260	0.938	0.911	0.790
Brand Awareness/association	4.71	0.893	0.898	0.858	0.638
Overall brand equity	3.97	1.114	0.933	0.905	0.779

Table 3. Correlation and Discriminant Validity

Construct	Coo Image	Perceived Quality	Brand Loyalty	Brand Awareness /Association	Overall brand equity
COO Image	0.735				
Perceived quality	0.527	0.871			
Brand loyalty	0.321	0.718	0.889		
Brand Awareness/association	0.407	0.685	0.697	0.799	
Overall brand equity	0.263	0.645	0.804	0.553	0.883

Note: Items on diagonals (printed in boldface) are the square root of AVE

Model evaluation: the structural model

Structural model can be evaluated from several indicators, such as coefficient of determination (R²), predictive relevance (Q²), path significance (T value/p-value) and beta coefficients (β).

In terms of coefficient of determination, perceived quality, brand loyalty, and brand awareness/association explained 65.5% variance of overall brand equity. COO image explained 27.5% variance of perceived quality, 10% variance of brand loyalty, and 16.3% variance of brand awareness/association.

Predictive relevance (attained when the Q² value is above zero) indicates whether the PLS-SEM model accurately predicts the data points of indicators in reflective measurement models of endogenous constructs (Hair et al., 2014). For endogenous variables in this study were as follows: 0.090 for the path from COO → brand awareness/association, 0.064 for COO → brand loyalty, 0.185 for COO → perceived quality, and 0.493 for the path from perceived quality, brand loyalty and brand awareness/association to overall brand equity. Hair et al. (2014) suggest that Q² value of 0.02, 0.15 and 0.35 indicate that an exogenous construct has small, medium and large predictive relevance, respectively. From the data analysis, it can be noted that predictive ability for constructs leading to perceived quality and overall brand equity was medium and high, respectively.

PLS includes Goodness of Fit (GoF) measures, which is proposed as an index to validate PLS model globally (Tenenhaus, Vinzi, Chatelin, and Lauro, 2005). PLS path model in this study yielded GoF of 0.45, which can be

classified as large GoF since it is above the value of 0.36 as proposed in Wetzels et al. (2009).

Data did not support H1 ($\beta = -0.047$, $p=0.195$), indicating non-significant path between COO image and overall brand equity. H2 was partially supported. From Table 4, all paths from COO Image to all overall brand equity dimensions were found significant, but from the three mediating variables, only paths from perceived quality and brand loyalty toward overall brand equity were found significant.

To test for mediation implied in H2, the authors applied bootstrapping method proposed in Preacher and Hayes (2008) to test for multiple moderators. The authors calculated the bootstrap CI using spreadsheet application from bootstrap subsamples table generated through Smartpls 2 M3 (Ringle, Wende, and Will, 2005) due to unavailability of similar output in R's Plspm package. From Table 5, the total effect of COO image to overall brand equity was 0.255 (significant at $p<0.01$), with the indirect effect of 0.301, 95% CI [0.172, 0.439], indicating the significant indirect effect of COO image to overall brand equity. Direct effect on COO image and overall brand equity was non-significant and negative (-0.047; $p= 0.195$), thus indicating full mediation (Hair et al., 2014). Based on this result, indirect effects of COO image to overall brand equity was only significant through perceived quality and brand loyalty.

Hypothesis 3 concerning group difference were tested using multigroup analysis. Plspm (Sanchez et al., 2017) provides the function to assess group differences using bootstrapping method.

Table 5 provides the summary of structural path-level differences between genders. From Table 5, only one path is significantly different (COO image

→ brand awareness/association), thus making H3a partially supported, while H3b and H3c unsupported.

Table 4. Results for Hypothesis Testing

Path	B	P-value	Result
COO Image → Perceived quality	0.525	<0.01	H2 partially supported
COO Image → Brand loyalty	0.316	<0.01	H2 partially supported
COO Image → Brand awareness/association	0.404	<0.01	H2 partially supported
COO Image → Overall brand equity	-0.047	0.195 (ns)	H1 not supported
Perceived quality → Overall brand equity	0.193	<0.01	H2 partially supported
Brand loyalty → Overall brand equity	0.732	<0.01	H2 partially supported
Brand awareness/association → Overall brand equity	-0.078	0.131 (ns)	H2 partially supported

Table 5. Direct, Indirect and Total Effects

Path	B	P-value	Result
COO Image → Perceived quality	0.525	<0.01	H2 partially supported
COO Image → Brand loyalty	0.316	<0.01	H2 partially supported
COO Image → Brand awareness/association	0.404	<0.01	H2 partially supported
COO Image → Overall brand equity	-0.047	0.195 (ns)	H1 not supported
Perceived quality → Overall brand equity	0.193	<0.01	H2 partially supported
Brand loyalty → Overall brand equity	0.732	<0.01	H2 partially supported
Brand awareness/association → Overall brand equity	-0.078	0.131 (ns)	H2 partially supported

Table 6. Structural Model Path Difference Between Gender

Path	β Male	β Female	Difference	t-value	p-value
COO Image → Perceived Quality	0.464	0.571	(0.107)	(0.592)	0.276
COO Image → Brand Loyalty	0.266	0.364	(0.098)	(0.491)	0.312
COO Image → Brand Awareness/Association	0.236	0.529	(0.293)	(1.832)	0.034*
COO Image → Brand Equity	-0.017	-0.082	0.065	0.563	0.287
Perceived Quality → Brand Equity	0.139	0.286	(0.147)	(1.002)	0.159
Brand Loyalty → Brand Equity	0.757	0.694	0.063	0.404	0.343
Brand Awareness/Association → Brand Equity	-0.013	-0.139	0.126	1.053	0.147

* Significant at $p < 0.05$

Discussion

This study seeks to add to the understanding of how COO image affects overall brand equity directly as well as through overall brand equity dimensions. Aaker's overall brand equity dimensions were used as the primary constructs in the model. The result shows that COO image have an indirect effect on overall brand equity of brands in the focal product category (i.e. laptop) through perceived quality and brand loyalty.

This study used a relatively similar model with the study by Mohd Yasin et al. (2007); and Murtiasih et al. (2014). Mohd Yasin (2007) used employees in public and private sector as respondents. Murtiasih et al. (2014) used car owners aged between 24 and 60-year-old as their sample. Both studies found that COO Image influence overall brand equity through brand loyalty.

The result from our study is slightly different from that of Murtiasih et al.(2014) and Mohd Yasin et al. (2007). Our study found that COO image influence overall brand equity through perceived quality and brand loyalty. This difference is perhaps related to the sample used. Murtiasih et al. (2014) and Mohd Yasin et al. (2007) used non-students as their sample, while our study used student sample. While students were target market of laptops, they were more likely to be more price sensitive, this would also consider perceived quality as a driver for brand equity (i.e. brand preference as defined by Yoo et al. [2000]).

Path from COO image to perceived quality had the highest loading ($\beta =$

0.525, $p < 0.01$). This result supports the notion proposed by (Steenkamp, 1990) that COO image serves as the extrinsic cue that consumers use in assessing product quality as well as heuristics used in mental processing (Andéhn, Gloukhovtsev, et al., 2016).

Here, COO image may function as heuristics that symbolizes certain information about the product's quality. Product quality subsequently affects overall brand equity, which in this study was operationalized using overall brand equity measure from Yoo et al. (2000), which was essentially captured degree of preference toward the focal brand. This finding is consistent with findings in Yoo et al. (2000) who suggest that superior quality would motivate consumers to choose a brand over other brands.

COO image affects brand loyalty ($\beta = 0.316$, $p < 0.01$), and subsequently brand loyalty affects overall brand equity ($\beta = 0.732$, $p < 0.01$). Pappu et al. (2007) summarized a number of past studies and proposed that COO image may be associated with brand loyalty because favourable country image may increase brand popularity, or alternatively, satisfaction with a country's' products might lead consumers to develop more favourable COO image, which would, in turn, affect brand loyalty.

The COO image is also found to be associated with brand awareness/ association ($\beta = 0.404$, $p < 0.01$). Apparently, this supports the idea that country of origin serves as informational stimulus used by consumers to infer beliefs about product attributes as well as associating a product with status, authenticity, and exoticness (Verlegh,

1999). The COO image in consumers' mind, as well as beliefs associated with the country, may become part of brand awareness/association activated in consumers' mind.

In this study, the laptop was used as the focal product category. Laptop, which can be categorized as high involvement product (Dens and de Pelsmacker, 2010), implied that consumers would be more motivated to process all information relevant to the product. Thus, consumers would be very likely to assess information about a brand's country of origin as part of the attributes used to perceive quality as well as to aid formation of brand awareness/association in their mind. Having positive country image associated with the product may help marketers attain better consumer brand awareness/association and more positive quality perception.

However, the association between brand awareness/association and overall brand equity was not evident in this study, and therefore the indirect effect of COO image through brand awareness/association was not supported. This finding may indicate that awareness/association may not be sufficient to affect overall brand equity (which was conceptualized as an intention to buy the brand as a primary choice (Yoo and Donthu, 2001)).

Multigroup analysis revealed gender differences in the association between COO image and brand awareness/association, whereby the effect of COO image on brand awareness/association is stronger for the female group than for the male group. This means that female laptop consumers might place more emphasis

on COO image than male respondents in forming brand awareness/association. According to Hong and Toner (1989), when evaluating a familiar product, both men and women used specific attributes of the product more than the country of origin. However, when faced with an unfamiliar product, men and women would rely more on country of origin as heuristic criteria. This result might imply that female consumers place higher importance on COO image in brand awareness/association formation due to their less familiarity with product category purchase criteria (i.e. specific product attributes used in laptop purchase consideration), while male consumers rely less on COO image because they might be more familiar with the laptop purchase attributes (i.e. know what attributes to look for in laptop purchase consideration). However, further research is required to validate this proposition as this research did not include a follow-up study to develop the findings further.

Conclusion, Limitations, and Suggestion for Future Research

Based on findings in this study, the COO image is an important strategic tool that can affect the way consumers perceive quality, develop loyalty, and subsequently increases the differential value of a brand over a set of competitors' brands.

This study also found that effect of COO image on brand equity was moderated by gender, but only on the path between COO image and brand awareness/association. Here, the effect of COO image on brand awareness/association was more profound on female consumers than male consumers.

This research has some limitations. Firstly, it only focused on one product category (laptop), which can be considered as high involvement product. Future research can include other product category, perhaps from other high involvement products as well as low involvement product categories to confirm whether the model holds.

Secondly, during the survey, country of origin of this product was revealed to the respondents to ensure that respondents have an accurate country of origin in mind when answering questions regarding the country image. However, the authors acknowledge that this practice may have a drawback. According to Samiee (2010) this practice has weaknesses as to sensitizing the respondents about the country of origin, thus not capturing the real country of origin association dynamics that may be at play during real purchase consideration (which may also

involve inaccurate association between brand-country of origin. Further research should devise ways to get around this weakness while making sure that when evaluating the COO image, respondents have the right country of origin in mind.

Notes on Contributors

Astrid Vega Septyanti is a graduate of Undergraduate Program in Management at Universitas Indonesia. She was active in various student bodies, and currently, she works in the property industry. She is interested primarily in advancing the best practices for sales and marketing management.

Arga Hananto is a senior lecturer in Department of Management, Faculty of Economics and Business, Universitas Indonesia. His research interest includes branding, integrated marketing communication, and big data analysis.

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