

## CONSUMER EVALUATIONS OF BEAUTIFICATION PRODUCTS: EFFECTS OF EXTRINSIC CUES

Nargis Parvin<sup>1</sup> and Md. Humayun Kabir Chowdhury<sup>2</sup>

<sup>1</sup>Discipline of Marketing, Islamia College, Binodpur, Rajshahi, Bangladesh

<sup>2</sup>Department of Marketing, University of Rajshahi, Rajshahi 6205, Bangladesh

e-mail: <sup>2</sup>mhkchowdhury@yahoo.com

### ABSTRACT

*This study investigates the influence of extrinsic cues, i.e. brand image, perceived price, perceived quality, and perceived country of origin on consumers' evaluative judgments for beautification products. Multi-item measures were used for data collection. Results revealed that three extrinsic cues: brand image, perceived quality, and perceived country of origin have positive and significant influence on consumers' brand evaluation of beautification brands. Only perceived price has shown no such influence on consumers' brand evaluation. Finally, unanswered questions and future research directions are presented.*

**Keywords:** beautification products, extrinsic cues, brand image, perceived quality, country of origin, perceived price

### INTRODUCTION

Beautification products are those that clean and perfume the body, change appearance, correct body odor, protect skin, and keep it in good condition (Chidambaram & Devi, 2000). These products are more important to women in general. When we look at the rising speed of the industries of beautification products, beauty parlors and health centers, it is clear that the consciousness of beauty and the use of beautification items have been increasing. The commonly used beautification products are: fairness cream, talcum powder, body lotion, lip liner, shampoo, lipstick, face wash, eyeliner, perfume and so on. Some beautification products are used daily and some used occasionally. The history of use of these products is not new. Several years ago, natural items were used for beautification. Today's varied cosmetics are the result of scientific processing of natural items.

Cox (1962) was one of the investigators to develop a model of the consumer product evaluation process. Since then, researchers concentrated on brand evaluation research focusing on the influence of different types of cues. Consumers evaluate a product on the basis of information cues. Such cues have

been separated into two categories, namely intrinsic and extrinsic (Olson & Jacoby, 1972). Intrinsic cues are physical characteristics of a product that serve to influence consumers' perceptions regarding a brand. Extrinsic cues are external characteristics of a product, such as price, brand image, or country of origin that serve to influence consumers' perceptions toward a brand. The intrinsic attributes are principal and essential element of a brand but researchers found that the extrinsic cues have strong influencing capability to brand evaluation (Dodds & Monroe, 1985; Dodds, Monroe, & Grewal, 1991). Various extrinsic cues may influence consumers' brand evaluation (Teas & Agarwal, 2000). This study will find out the influence of some important extrinsic cues in evaluating the beautification brands.

## **RELATED CONSTRUCTS OF THIS STUDY**

The related constructs of this study are: brand evaluation, brand image, perceived price, perceived quality, and perceived country of origin.

### **Brand Image**

Usually, consumers buy not only a product but also the image associated with the product. Past studies suggested that brand image can be an important information cue for consumers to evaluate a product (Hutchinson, Kalyan, & Mantrala, 1994; Nedungadi, Chattopadhyay, & Muthukrishnan, 2001). Generally, there are two possible ways for consumers to use brand image in their product evaluation. In the first, rational way, brand image is a construct that consumer use to simplify their product knowledge about a specific brand (Meenaghan, 1995). Thus, consumers will often refer to brand image prior to their product attitude formation process. In the second, emotional way, consumers are assumed to seek a match between their self-concept and brand image (Heath & Scott, 1998). Consumers search information concerning the brand and they respond positively on that brand which are associated with their cognition and self-worth. Habitually, consumers focus on the brand's opportunities, suitability, benefit, and prestige when they evaluate brand image. When a brand can fulfill these expectations of a consumer, s/he holds positive impression toward that brand, that is, brand image may provide consumers a symbolic motivation in their product consumption. In short, brand image is found to be an influential factor on product evaluation.

### **Perceived Price**

Price perception is the process by which consumers translate price into meaningful cognitions, and it has interested researchers for several years

(Lichtenstein, Block, & Black, 1988). Consumers want to get highest utility from a brand, which they purchase by sacrificing money and benefit from other competitive brands. The classical models in economics postulate that a consumer maximizes utility by allocating a limited budget over alternative goods and services (Lilien & Kotler, 1983). Indeed, the main effects of price appear to be more clearly associated with quality perception of a brand. Perceived price is a good proxy variable for perceived quality. Price conveys information to the consumer about product quality (Erikson & Johansson, 1985). The importance of price as a function of perceived quality has been extensively studied more than any other factors in this sphere (Dodds et al., 1991; Swan, 1974; Wheatley & Chiu, 1977; Zeithaml, 1988). High priced brands likewise perceive to be higher quality. Thus, price information is extensively used as an extrinsic cue to evaluate a brand. Therefore, price can play both role as an indicator of the amount of sacrifice needed to purchase a product and an indicator of the level of quality.

### **Perceived Quality**

The perceived quality construct has received considerable attention in the marketing literature (Chowdhury & Islam, 2003; Holbrook & Corfman, 1985; Jacobson & Aaker, 1987; Olshavsky, 1985). Quality is the ability of a product to satisfy a consumer's needs and requirements (McCarthy & William, 1991). Perceived quality can be defined as the perception of a consumer about the overall excellence and superiority of a brand, which is directly related to his/her satisfaction. Quality is the best indicator of the product's durability, reliability, precision, and other valued attributes. It provides added value and constructive perception on a brand to affect consumers' brand evaluation. The high quality perception often depends on consumers' distinct liking and beliefs toward the brand. Thus, a brand may contain quality attributes but it may not satisfy consumers' preference if it does not fit with their perceptions and beliefs of high quality. Typically, consumers recognize the quality levels of different brands through categorical information as well as experience with the brand and they form positive or negative perceptions about the quality of a specific brand. When consumers are convinced with quality of a brand, they evaluate a brand positively. Consumers also feel pride of owning quality product because they perceive better quality as an image of social status. Sometimes, the perception of quality is diverse among consumers. For a brand, different consumers hold different perception vis-à-vis brand quality. A brand might be coded as "high quality" by some consumers, and "medium quality" or "low quality" by others. Again, product quality perceptions are also varied based on the product class.

### **Perceived Country of Origin**

The "made in" image is the picture, the reputation and the stereotype that businessmen and consumers attach to products of a specific country (Nagashima, 1970). To examine the impact of "image" on consumers' actual behavior, country image is major consideration when they have no familiarity or knowledge about the product or brand. Several studies have examined country-of-origin effect on product evaluations (Li & Wyer, 1994; Maheswaran, 1994). Recent research has focused on the antecedent of the country-of-origin effect (Hung, 1989; Roth & Romeo, 1992) and assessing the relative importance of country of origin as one of many possible cues (Thorelli, Lim, & Jongsuk, 1989; Tse & Gorn, 1993). Country image plays a significant and optimistic role in consumers' evaluation of a brand. Each country's product is not evaluated positively in the world. Consumers' perception on some country is better than other countries. When a country's name in the country of origin label is tied with good image, consumers' evaluation of that product becomes favorable. When a country's name in the country of origin label is tied with poor image, consumers' evaluation of that product becomes unfavorable (Chowdhury, 2001). There is a tendency that products from industrially developed countries are evaluated as being superior compared to those from less developed countries. Most of the consumers believe that the industrially developed countries produce superior quality products because they are financially strong as well as their production and marketing capability is advanced. So, country of origin influences consumers' brand evaluation if the country is familiar as high image country.

### **RESEARCH QUESTIONS AND OBJECTIVES**

Many issues have been identified as determining factors of consumers' brand evaluations. This study explored how an attitude towards a brand of beautification item is formed. Central issues of previous consumers' brand evaluations have been identified as determinants of consumer evaluation of a beautification brand (Dodds & Monroe, 1985; Erickson & Johansson, 1985; Johansson, Douglas & Nonaka, 1985; Lee, 1999). In this process, we introduce constructs relevant to the process: brand image, perceived price, perceived quality, and perceived country of origin on the consumer evaluation of a beautification item. Therefore, this study will find out the roles of the extrinsic cues on the evaluation of a beautification item.

The purpose of this research is to explore how consumers evaluate a beautification brand. This study considers the influence of extrinsic cues, i.e. brand name, perceived price, perceived quality, and perceived country-of-origin effects on consumers' evaluative judgment concerning a beautification brand. If

each cue has positive or negative effect on consumers' brand evaluation, then we must find out which cues have/has important roles to influence consumers' brand evaluation of beautification products.

## **HYPOTHESES OF THE STUDY**

The hypotheses developed to test the direct positive or negative effect of the variables on the evaluation of beautification brands are:

### **Influence of Brand Image**

Brand image is a crucial cue of a brand. Generally, brand displays elevated role for evaluating a brand, when they lack the ability to judge the intrinsic cues of a brand. Brand image inhibits the learning of other attribute information too. Moreover, it provides specific information about product quality, reputation, performance, credibility, prestige and so on about a brand. Hence, high image brands have significant and dominating influence in evaluating a brand. A well-known brand also reduces the consumers' risk perception and increases positive evaluation towards the brand. Sometimes brand image is used as a symbol of social status and it forces the consumer to own that brand. For example, the brand Rolex for watches and Mercedes for automobiles fall into this category. Consumers perceive these brands as unique and valuable. Thus, if a brand can achieve reliability and reputation as a high image brand, the consumer develops favorable evaluation towards that brand.

H<sub>1</sub>: Perceived brand image (i.e., higher brand image perception) is associated with more favorable evaluations toward a beautification item.

### **Influence of Perceived Price**

Consumers are more likely to use price in product evaluation when some related product information is lacking (Jacoby, Olsen, & Haddock, 1971), when they are not familiar with a product (Monroe 1976), and when information about purchase context is lacking (Belk, 1975; Erickson & Johansson, 1985). Consumers often perceive price as an extrinsic quality cue (Dodds & Monroe, 1985; Dodds et al., 1991). Several studies have searched consumer perception of price as an indicator of quality, and many of these have shown price to operate in these manner (Erickson & Johansson, 1985; Dodds & Monroe, 1985; Dodds et al., 1991). Although there are so many arguments in favor and against this rationale, in this study, the idea of positive relationship between price and perceived quality is adopted. The arguments behind this assumption are: (a) producing quality good

needs sophisticated machineries that cost more and increases price, (b) manufacturers use high quality raw materials to produce quality products, and (c) it is unlikely that a product with low quality will be charged more in this competitive world. Therefore, the following hypothesis is drawn based on the above reasoning:

H<sub>2</sub>: Perceived price (higher vs. lower) has a direct positive effect on the evaluation of a beautification item.

### **Influence of Perceived Quality**

Quality is the totality of features and characteristics of a brand based on its ability to satisfy stated and implied needs. When a consumer lacks sufficient knowledge about intrinsic cues, he or she may use perceived quality information to evaluate a brand. Nowadays, a consumer does not intend to buy just a brand, but he or she purchases the benefits associated with it. Consequently, high quality perceptions toward a brand achieve consumers' preferences and satisfactions rapidly. Consumers evaluate a brand as unique, prestigious, and reliable for its superior quality. If the product is associated with high-perceived quality, the consumers' trust of a brand is increased and thus a brand's preference is also increased. Moreover, consumers use the brand's quality to differentiate a brand from the other brands. Researchers generally have postulated that there are many different ways to differentiate products; superior quality is one of the most effective (Porter, 1980). Therefore, the perception of higher quality directly influences the consumers' favorable evaluation of a brand.

H<sub>3</sub>: When consumers' perceptions of quality are more favorable, their evaluation of a beautification brand is positive.

### **Influence of Perceived Country of Origin**

The country-of-origin field of research has been extensively explored and documented in the international business literature. A substantial body of literature has accumulated showing that consumers adjust their attitudes toward a product according to its country of origin (Bilkey & Nes, 1982; Han, 1989; Hong & Wyer, 1989; Gurhan-Canli & Maheswaran, 2000). This bias may be categorized as either "home country bias" or "foreign country bias". With "home country bias", consumers prefer products made in their own country to identical products made in foreign countries. "Foreign country bias" exists when differential differences are expressed for products made in different foreign countries (Huber & McCann, 1982; Roth & Romeo, 1992).

Country of origin is widely accepted 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 (Roth & Romeo, 1992). Moreover, studies suggest that country of origin has a positive effect on consumers' perceptions of product quality (Bannister & Saunders, 1978; Johansson, 1989; Kapferer, 1994; Jo, 2005; Nagashima, 1970; Erdem, Joffre, & Ana, 2006). In short, consumers are willing to pay premium prices for a product made in a specific country such as Japanese mechanics, French perfumes, Italian fashions and so on. The literature on country-of-origin effects has been enriched with a wide range of different premises and experiments from different countries. The majority of these studies demonstrate the existence of country-of-origin effects on product evaluation, although the magnitude, direction and process vary considerably (Okechuku, 1994; Elliott & Cameron, 1994; Maheswaran, 1994; Iyer & Kalita, 1997; Thakor & Katsanis, 1997).

When the consumers cannot detect brand quality and value, they consider the country of origin for evaluating a brand. Thus, like price, country of origin may also serve as a proxy variable when other information is lacking. A positive country image towards a brand provides favorable evaluation.

H<sub>4</sub>: When the image of the country from where the product originates is perceived higher, the evaluation of the brand is positive.

## **RESEARCH METHODOLOGY**

This study examined how consumers evaluate a beautification product. The survey approach was used for this study. Details of the pretests, the sampling process, data collection method and procedure, and dependent measures are discussed below.

### **Pretests**

Three pretests were conducted to identify necessary stimuli for this study. The first pretest was conducted for the purpose of obtaining a list of beautification products. Some beautification products were necessary for this study. Subjects consisted of a sample of 60 students from a national university in Bangladesh. The respondents were asked to give a list of products that came to their minds when they think about beautification items. The responses were obtained by asking questions to solicit free recall protocols. Five products were selected based on the frequency of mentioning. The five beautification products were lipstick, talcum powder, body lotion, shampoo and fairness cream. The second pretest was conducted to obtain preferable brand name for beautification products. A

convenience sample of 70 subjects were asked about their opinions on: What were their most preferred brands for lipstick, talcum powder, body lotion, fairness cream and shampoo? The selected brand names for the five beautification products were Medora for lipstick, POND'S for talcum powder and body lotion, SUNSILK for shampoo, and Fair & Lovely for fairness cream. The purpose of third pretest was to obtain a list of salient attributes of five beautification items. Subjects were asked: What are the features they consider or what are the things that came to their minds when they purchased talcum powder, body lotion, shampoo and fairness cream? The highest scored cues selected for the five beautification products by subjects were brand image, perceived price, perceived quality, and perceived country of origin.

### **Sample**

A student sample has been used in this study. There are many arguments in favor and against the convenience sampling method. Several authors have enumerated the dangers of using student samples in research (Beltramini, 1983; Oakes, 1972). These authors have generally cited threats to external validity as their primary concern, arguing that students are atypical of the "general population", and that any findings based on student samples may therefore not be generalizable to other populations (Cunningham, Anderson, & Murphy, 1974). However, some scholars disagree on this issue. Oakes (1972) contended that such arguments are specious because, regardless of what population was sampled, generalization can be made only with caution to other populations. In fact, a student sample, with its homogenous characteristics, is often advocated because its use can increase internal validity (Calder, Philips, & Tybout, 1981) and statistical conclusion validity (Judd & Kenny, 1981) through a reduction in error variance. The end result is that statistical conclusion validity is improved, or conversely, the probability of a type II error is reduced. This situation is particularly desirable when researchers are engaged in theory testing, or are testing specific theoretical predictions. All that is required is that the sample be chosen to allow a test of the theoretical predictions under consideration. Because the primary focus of this study was a theory test and not an effects generalization, considerations of internal validity were paramount and a student sample was appropriate (Calder et al., 1981; Cook & Campbell, 1975). Concerns about external validity were secondary.

Therefore, a total of 212 responses were collected from female students who have usage experience. Only female students were considered for sampling because female students were the ultimate consumers and have usage experience, sufficient knowledge and interest about the beautification products.



### Data Collection Method and Procedure

A questionnaire served as a data-gathering instrument. The cover page of the questionnaire described the purpose of this study. The subsequent pages contained information of brands and country of origin of the products and the scales (7-point Likert scales) needed to measure the variables considered in this study. Four sets of questionnaire were used for the four brands considered in this study. Most subjects spent between 7 and 10 minutes filling out the entire questionnaire.

### Measurement of the Variables

Multi-items measures were used to get the data on the constructs considered. A total of 27 items were constructed for the questionnaire on four different brands i.e. POND'S talcum and body powder, POND'S lotion, fairness cream of Fair & Lovely, and SUNSILK shampoo. Reliability/internal consistency of the multi-item scales for each of the constructs were measured using Cronbach coefficient alpha. The minimally acceptable reliability for primary research should be in the range of 0.50 to 0.60 (Nunnally, 1967). Based on the assessment, a total of 23 items measuring the constructs were finally retained for final use (see the Appendix). Coefficient alpha values were computed for each construct separately, which ranged from 0.62 to 0.86 (see Table 1).

The qualitative analysis provided support for the importance of some of the variables thought to affect consumers' evaluations. To address these effects more formally, we estimated a regression model motivated by the hypotheses.

TABLE 1  
SUMMARY OF THE RELIABILITY MEASUREMENT

Dimension	Number of items	Alpha values
Brand image	4	0.6151
Perceived price	4	0.7060
Perceived quality	6	0.8583
Perceived country of origin	3	0.8184
Brand evaluation	6	0.7770

### RESULTS

The independent variables as hypothesized are listed in Table 2. The first variable is the brand image of beautification products ( $H_1$ ), followed by the perceived price of the brand ( $H_2$ ), and the perceived quality of the brand ( $H_3$ ). The final variable is the country of origin, i.e. the country from where the brand originated

(H<sub>4</sub>). The regression analysis of the 212 subjects and the four brands are as reported in Table 2.

TABLE 2  
A REGRESSION MODEL OF THE EVALUATION  
OF BEAUTIFICATION PRODUCTS

Independent variables	Standardized regression coefficients	Regression coefficients	t-value
Brand image	0.32	0.17	2.0
Perceived price	0.04	0.04	0.4
Perceived quality	0.34	0.21	2.7
Country of origin	0.22	0.13	2.3

Sample size = 212  
Adjusted R<sup>2</sup> = 0.65

H<sub>1</sub> predicts that brand image has positive influence on consumers' brand evaluation. Table 2 shows that perceived brand image influences brand evaluation positively and significantly ( $\beta = 0.32$ ,  $p = 0.001$ ). Thus, H<sub>1</sub> is supported.

H<sub>2</sub> predicts that price has positive influence on the consumers' brand evaluation. Perceived price influences brand evaluation positively but the influence is very low and not significant ( $\beta = 0.035$ ,  $p = 0.466$ ). Thus, H<sub>2</sub> is not accepted.

H<sub>3</sub> states that the evaluation of a brand will be positively affected by the perception of quality. The direct effect of perceived quality on brand evaluation is positive and significant ( $\beta = 0.34$ ,  $p = 0.001$ ).

H<sub>4</sub> predicts that perceived country of origin would be positively associated with the consumer's brand evaluation. The result indicates a positive relationship between country of origin and brand evaluation. This hypothesis is supported positively and significantly ( $\beta = 0.22$ ,  $p = 0.001$ ).

## DISCUSSION

To the best of our knowledge, this study is the first of its kind to examine consumer image on beautification items. This study was conducted to examine the effects of extrinsic cues on how individuals subjectively evaluate a brand. In general, this study allowed analysis of direct influence of extrinsic cues on brand evaluation. Therefore, the direct effects of the extrinsic cues, brand image, perceived price, perceived quality, and perceived country of origin on brand

evaluation were tested. The results proposed a model where three extrinsic cues (brand image, quality, and country of origin) were shown direct positive and significant influence on consumers' brand evaluation. Only price did not show any significant influence on consumers' brand evaluation. It is perhaps consumers gave more importance to quality, brand image or other attributes to evaluate a beautification product.

## **CONCLUSION**

In this study, consumers' brand evaluation process were tested using some independent variables. Mainly, this study was conducted for developing theory. This study recognized and conceptually defined four perception related constructs. The four constructs are brand image, perceived price, perceived quality, and perceived country of origin. This study measured the effect of brand, price, quality, and country of origin information on how individuals subjectively evaluate a brand.

The results of this study have shown that brand image, perceived quality, and perceived country of origin have positive and significant influences on consumers' brand evaluation. However, a puzzling and contradictory result occurred in the role of perceived price. In this study, it was hypothesized that price has a positive influence on brand evaluation. However, the results showed that price had a positive but insignificant influence on brand evaluation. The reason might be that perceived price may not be an important cue in brand evaluation in the context of beautification items. Instead, other extrinsic cues are more important in brand evaluation.

## **Limitations and Future Research**

This study spawns a number of limitations and potential fertile directions for future research. When a consumer evaluates a brand, she may retrieve the cues directly related to a brand. It is important to include all the potential variables in a research setting to assess the effects of cues on consumers' brand evaluation. The cues considered in this study were selected depending on the consumers' response. Nevertheless, the regression model showed that  $R^2$  and adjusted  $R^2$  values were comparatively low and this phenomenon suggests that other variables also influence the consumers' brand evaluation process. Future study should include other cues other than the ones considered here.

The study used students as sample to test the hypotheses. However, as Oakes (1972) has pointed out regardless of what population is sampled, generalization

can be made with caution to other populations. Thus, future research should consider samples other than students.

In this study, perceived price was considered as an extrinsic cue in evaluating a brand but failed to prove its effect. A question for future research involves the identification of reasons for it. The possibility is that perceived price effects is specific for beautification brands may not be the same for other products. Further research might examine the potential moderating conditions of perceived price. Results suggest that continuous research is necessary to achieve clearer empirical support. From a practical standpoint, results of this study should provide managers with greater insight concerning the potential benefits associated with using brand evaluation strategies. In conclusion, future study should focus on which cues have significant and positive influence on consumers' real behavior toward a beautification item.

## REFERENCES

- Badovick J. G. (1990). Emotional reactions and salesperson motivation: An attributional approach following inadequate sales performance. *Journal of the Academy of Marketing Science*, 18(Spring), 123–130.
- Bannister, J. P., & Saunders, J. A. (1978). UK consumers' attitudes towards imports: The measurement of national stereotype image. *European Journal of Marketing*, 12(8), 562–576.
- Belk, R. W. (1975). Situational variables and consumer behavior. *Journal of Consumer Research*, 2, 157–164.
- Beltramini, R. F. (1983). Student surrogates in consumer research. *Journal of the Academy of Marketing Science*, 11(Fall), 438–443.
- Bilkey, W. J., & Nes, E. (1982). Country-of-origin effects on product evaluations. *Journal of International Business Studies*, (Spring-Summer), 89–99.
- Burnett J. J., & Dunne P. M. (1986). An appraisal of the use of student subjects in marketing research. *Journal of Business Research*, 14(August), 329–343.
- Calder, J. B., Philips, L. W., & Tybout, A. M. (1981). Designing research for application. *Journal of Consumer Research*, 8(September), 197–207.
- Calder, J. B., Philips, L. W., & Tybout, A. M. (1982). The concept of external validity. *Journal of Consumer Research*, 9(December), 240–243.
- Chidambaram, K., & Devi, S. N. M. (2000). Beauty parlour customers in Madurai City: A study. *Indian Journal of Marketing*, 30(January–April), 29–32.
- Chowdhury, M. H. K. (2001). Country-of-origin: The concept and its measurement. *Asian Academy of Management Proceedings*, 4(2), 55–63.
- Chowdhury, M. H. K., & Islam, M. R. (2003). Critical factors in consumer quality perceptions: A cognitive approach. *Journal of Business Research*, 5(1), 22–34.
- Cook, T. D., & Campbell, D. D. (1975). The design and conduct of experiments and quasi-experiments in field settings. In D. Martin (Ed.), *Handbook of industrial and organizational research*. Chicago: Rand McNally Publishing Co.

- Cox, D. F. (1962). The measurement of information value: A study in consumer decision-making. In W. S. Decker (Ed.), *Emerging concept in marketing*. Chicago: American Marketing Association, 413–421.
- Cunningham, W. H., Anderson, T. Jr., & Murphy, J. H. (1974). Are students real people? *Journal of Business*, 47(July), 399–409.
- Dodds, W. B., & Monroe, K. B. (1985). The effect of brand and price information on subjective product evaluation. In H. Elizabeth, & H. Morris (Eds.), *Advances in consumer research*. Provo, UT: Association for Consumer Research, 85–90.
- Dodds, W. B., Monroe, K. B., & Grewal, D. (1991). Effects of price, brand, and store information on buyers' product evaluation. *Journal of Marketing Research*, 28(August), 307–319.
- Elliot, G. R., & Cameron, R. S. (1994). Consumer perception of product quality and the country-of-origin effect. *Journal of International Marketing*, 2(2), 49–62.
- Erdem, T., Joffre, S., & Ana, V. (2006). Brands as signals: A cross-country validation study. *Journal of Marketing*, 70(1), 34–49.
- Erickson, G. M., & Johansson, J. K. (1985). The role of price in multi-attribute product evaluations. *Journal of Consumer Research*, 12(September), 195–199.
- Gurhan-Canli, Z., & Maheswaran, D. (2000). Determinants of country-of-origin evaluations. *Journal of Consumer Research*, 27(June), 96–108.
- Han, C. M. (1989). Country image: Halo or summery construct? *Journal of Marketing Research*, 26(May), 222–229.
- Heath, A. P., & Scott, D. (1998). The self-concept and image congruence hypothesis: An empirical evaluation in the motor vehicle market. *European Journal of Marketing*, 32(11/12), 1110–1123.
- Holbrook, M. B., & Corfman, K. P. (1985). Quality and value in the consumption experience: Phaedrus rides again. In J. Jacoby, & J. C. Olson (Eds.), *Perceived quality*. Lexington, MA: Lexington Books.
- Hong, Sung-Tai, & Wyer, R. S. (1989). Effect of country-of-origin and product attribute information on product evaluation: An information processing perspective. *Journal of Consumer Research*, 16(September), 175–187.
- Huber, J., & McCann, J. (1982). The impact of inferential beliefs on product evaluations. *Journal of Marketing Research*, 19(August), 324–333.
- Hung, Chao-Shun L. (1989). A country-of-origin product image study: The canadian perception and nationality biases. *Journal of International Consumer Marketing*, 1(3), 5–26.
- Hutchinson, J. W., Kalyan, R., & Mantrala, M. K. (1994). Finding choice alternatives in memory: Probability models of brand name recall. *Journal of Marketing Research*, 31(November), 441–461.
- Iyer, G. R., & Kalita, J. K. (1997). The impact of country of origin and country of manufacture cues on consumer perceptions of quality and value. *Journal of Global Marketing*, 11(1), 7–28.
- Jacobson, R., & Aaker, D. A. (1987). The strategic role of product quality. *Journal of Marketing*, 51(October), 31–44.
- Jacoby, J., Olson, J. C., & Haddock, R. A. (1971). Price, brand name and product composition characteristics as determinants of perceived quality. *Journal of Applied Psychology*, 55(6), 570–579.

- Jo, M. S. (2005). Why country of origin effects vary in consumers's quality evaluation: A theoretical explanation and implications for country of origin management. *Journal of Global Marketing*, 19(1), 5–25.
- Johansson, J. K. (1989). Determinants and effects of the use of 'made in' labels. *International Marketing Review*, 6(January), 47–58.
- Johansson, J. K., Douglas, S. P., & Nonaka, I. (1985). Assessing the impact of country of origin on product evaluations: A new methodological perspective. *Journal of Marketing Research*, 22(November), 388–396.
- Judd, C. M., & Kenny, D. A. (1981). *Estimating the effects of social interventions*. Cambridge, MA: Cambridge University Press.
- Kapferer, J. N. (1994). Strategic brand management: New approaches to creating and evaluating brand equity. *Journal of Marketing*, 58(3), 118–119.
- Lee, D. (1999). Effects of partitioned country of origin information on buyer assessment of binational products. *Advances in Consumer Research*, 26, 344–351.
- Lichtenstein, D. R., Block, P. H., & Black, W. C. (1988). Correlates of price acceptability. *Journal of Consumer Research*, 15(September), 243–252.
- Lilien, G. L., & Kotler, P. (1983). *Marketing decision making: A model-building approach*. New York: Harper & Row.
- Li, Wai-Kwan, & Wyer, R. S. Jr. (1994). The role of country-of-origin in product evaluation: Informational and standard of comparison effects. *Journal of Consumer Psychology*, 3(2), 187–212.
- Maheswaran, D. (1994). Country of origin as a stereotype: Effects of consumer expertise and attribute strength on product evaluations. *Journal of Consumer Research*, 21(September), 354–365.
- McCarthy J. E., & William, P. D. (1991). *Essentials of marketing* (5<sup>th</sup> ed.). New York: McGraw-Hill, 524.
- Meenaghan, T. (1995). The role of advertising in brand image development. *Journal of Product & Brand Management*, 4(4), 23–34.
- Monroe, K. B. (1976). The influence of price differences and brand familiarity on brand preference. *Journal of Consumer Research*, 3(June), 42–49.
- Nagashima, A. (1970). A comparison of Japanese and US attitudes toward foreign products. *Journal of Marketing*, 34(January), 68–74.
- Nedungadi, P., Chattopadhyay, A., & Muthukrishnan, A. V. (2001). Category structure, brand recall and choice. *International Journal of Research in Marketing*, 18(September), 191–202.
- Nunnally, J. C. (1967). *Psychometric theory* (1<sup>st</sup> ed.). New York: McGraw-Hill.
- Oakes, W. (1972). External validity and the use of real people as subjects. *American Psychologist*, 27, 959–962.
- Okechuku, C. (1994). The importance of product country of origin: A conjoint analysis of the United States, Canada, Germany and The Netherlands. *European Journal of Marketing*, 18(4), 5–19.
- Olshavsky, R. W. (1985). Perceived quality in consumer decision making: An integrated theoretical perspective. In J. Jacoby, & J. C. Olson (Eds.), *Perceived quality*. Lexington, MA: Lexington Books, 3–29.
- Olson, J. C., & Jacoby, J. (1972). Cue utilization in the quality perception process. In M. Venkatesan (Ed.), *Advances in consumer research*, 3, 77–91. Iowa City, Iowa: Association for Consumer Research.

- Porter, M. E. (1980). *Competitive strategy*. New York: Free Press.
- Roth, S. M., & Romeo, J. B. (1992). Matching product category and country image perception: A framework for managing country-of-origin effects. *Journal of International Business Studies*, 23(3), 477–79.
- Swan, J. (1974). Price-product performance competition between retailer and manufacturer brands. *Journal of Marketing*, 38(July), 52–59.
- Teas, R. K., & Agarwal, S. (2000). The effects of extrinsic product cues on consumers' perceptions of quality, sacrifice, and value. *Journal of the Academy of Marketing Science*, 28, 278–290.
- Thakor, M. V., & Katsanis, L. P. (1997). A model of brand and country effects on quality dimensions: Issues and implications. *Journal of International Consumer Marketing*, 9(3), 79–100.
- Thorelli, H. B., Lim, Jeon-su, & Jongsuk, Y. (1989). Relative importance of country of origin warranty and retail store image on product evaluations. *International Marketing Review*, 6(1), 35–46.
- Tse, D. K., & Gorn, G. J. (1993). An experiment on the salience of country-of-origin in the era of global brands. *Journal of International Marketing*, 1(1), 57–76.
- Wheatley, J. J., & Chiu, J. S. Y. (1977). The effects of price, store image, and product and respondent characteristics on perception of quality. *Journal of Marketing Research*, 14(May), 181–186.
- Zeithaml, A. V. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52(July), 2–23.

## **APPENDIX**

### **The Questionnaires**

The following are the questions used to collect data in this study:

#### Brand Image

1. This brand is more advanced than any other brand of this kind.
2. It is always comes with unique functions that distinguishes it from the others.
3. It is more concerned about customers.
4. It is a sophisticated brand.

#### Perceived price

1. The price of the product is always very high.
2. The price of the product is always reasonable.
3. The price of the product is always under priced.
4. The price compared to its quality is always acceptable.

#### Perceived quality

1. This product has something new that cannot be found in other products.
2. This product is very friendly to my body.
3. This product improves my social status.
4. This product is always a good quality product.
5. I always feel impressed by using this product.
6. This product always does its basic job very consistently.

#### Perceived country of origin

1. You will get good results from using products made in this country.
2. Products made in this country are very reliable.
3. You can depend on products made in this country.

#### Brand evaluation

1. I always keep this brand in my consideration set.
2. This brand always outperforms other brands of this category.
3. This brand has unique features which cannot be found in other brands.
4. This brand has attractive attributes than other brands.
5. I am impressed by this brand's image.
6. Owning this brand make other people envious.