

## The Impact of Country-of-Origin, Ethnocentrism and Animosity on Product Evaluation: Evidence from Romania

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**Abstract.** *The paper investigates whether product country image influences consumption patterns and purchase decisions of Romanian consumers, as well as the existence of stereotypes regarding foreign products. It provides clear evidence regarding Romanian consumers' ethnocentric tendencies and the countries towards which they exhibit animosity feelings. Quantitative data collection method was applied on Romanian consumers, with a sample consisting of 150 respondents, living in Bucharest, answering a tested self-administered questionnaire based on the CETSCALE. The results of the research show that country of origin impacts product evaluation, with a significantly high difference between domestic products (Romania) and those from three foreign countries (Russia, Hungary and South Korea). The results suggest that the level of consumer ethnocentrism is low among Romanians, but they do exhibit certain animosity tendencies towards Russia and Hungary with substantive demographic differences identified.*

**Keywords:** *international business, consumer behaviour, country-of-origin, ethnocentrism, animosity.*

### Introduction

In the context of globalization, country-of-origin (COO) has become a crucial issue, as researchers try to understand consumer behaviours and attitudes towards the internationalization of markets, while focusing on the impact that

it has on decisions. Highly demanding consumers with more differentiated needs are now the norm as focus shifts toward extrinsic cues like price, brand name, quality and origin. COO is one of the most researched concepts among the factors that impact consumer behaviour because of its influence on product evaluations at two perception levels: quality and purchase value (Ahmed & D'Astous, 1993). There is still a need, however, to understand COO and consumer stereotypes issues in less developed countries, which have emerged in the international markets.

This study aims to identify the influence of COO on perceptions and evaluations of products, in the context of the Romanian market. The increased level of imports has led to a higher level of foreign product availability. As such, a goal was to determine consumer attitudes towards domestic and foreign products and whether they express ethnocentric tendencies or animosity feelings toward specific countries. Three countries were specifically chosen for comparison: South Korea as one of fastest-growing economies and biggest exporters of the world, Russia due to its past relations with Romania during World War II and communist rule and Hungary, being one of the top 5 countries exporters to Romania (INSSE, 2012) and, historical, due to several ethnic conflicts between the two countries during the past decades.

### **Coo and its influence on consumer attitudes, beliefs and purchase behaviour**

The roots of COO date back to the early 1960s when it was found that products from less developed countries were evaluated as of a lower quality than those from developed nations (Al-Sulaiti et al., 1998). COO research started to gain traction in international marketing with the realization that the country of manufacture could influence the opinion of products. Since then, many studies have demonstrated that COO affects product evaluations along with other extrinsic cues (Okechuku, 1994). In the literature, it is also referred to as product country image (PCI) or the image that the country of origin reflects upon products produced in a particular country.

COO is perceived either as the country of manufacture, country of assembly, or as the 'made-in label' (Papadopoulos, 1993). According to Bilkey and Nes (1982), country image is a set of generalized beliefs about specific products from a country, also known as stereotypes that consumers hold in relation to different products with different origins. Nagashima (1970, p.68) defines country image as 'the picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country'.

COO is a product's extrinsic cue, which generates a considerable effect on product evaluation. Cox (1962) suggested that extrinsic cues reduce the perceived risk assigned to products that have a low intrinsic cue evaluation (e.g., warranty), while intrinsic cues are used as a basis of the overall evaluation. The first COO conducted studies approached it as a single informational cue, its impact being significant on consumer evaluations; however, its impact decreased when it became part of multiple-cue research, but it maintained considerable influence on product perception as it related directly to a willingness to buy evaluation.

COO is a three dimensional concept, combining cognitive, affective and conative aspects (Urbonavicius et al., 2011). The cognitive components are defined as a country's image attributes, which are perceived and understood by a consumer at an intellectual level, such as socio-economic, cultural and political. On the other hand, the affective components refer to consumer feelings related to a specific country, which can be translated to patriotic, ethnocentric or even racist feelings. The third category is represented by the conative components, generally referred to as norms and social rules.

The literature is deeply differentiated when it comes to COO image and its effect on purchasing behaviour, but the common tendency is to relate it to product quality perceptions related to a particular country (Knight et al., 2000). Verlegh (1999) states that the effect of COO cannot be entirely explained by focusing on quality, but also on the symbolic and emotional meaning that it has to consumers. The influence of COO on consumers may be expressed by feelings of national pride and memory of past moments, resulting in strong emotional attachment to specific brands from particular countries or it can link products with the social environment of the origin country.

Keller (1993) states that COO generates secondary brand associations, there being a direct relation between brand equity and the country of production. COO can be, however, disguised due to other brand elements. For instance, there are several brands that induce a different origin through advertising or through the spelling of a brand name, in order to associate it with a country which has a higher reputation. Moreover, foreign language spelled brand names are more recognisable, because the foreign language stands out and encourages memorability (Spillan & Harcar, 2012).

Diamantopoulos et al. (2012) concluded that consumers are willing to spend more for products originating from countries with a favourable image, associating the image with a better quality and higher product reliability. This

has also a direct effect on brand image, which is gaining value just by having a better COO. Other studies, however, contradict the above, with COO being considered as having little or no significant effect (Agrawal & Kamakura, 1999). Analysing the role of PCI for competitive business advantage, however, the same authors hypothesized that COO affects brand equity and, implicitly, may command premium prices.

### **Animosity and consumer ethnocentrism**

The animosity construct and ethnocentrism have been intensively studied in relationship with PCI. Klein et al. (1998) first defined and measured animosity, stating that animosity is the 'antipathy related to previous or ongoing political, military, economic or diplomatic events' (Nes et al., 2011, p.1) – animosity is event-triggered. At the same time, ethnocentrism has more individual-related causes than extrinsic ones, related to national feelings and pride, ethnocentric consumers associating themselves with the country and nation, while keeping a distance from the out-groups or even rejecting them (Jossiasen, 2011). Both of them are directly related to consumers' willingness to buy, influencing the consumption decisions and the product judgements. Riefler and Diamantopoulos (2007) offer an additional view from the foreign product purchase preference perspective stating that, while ethnocentric consumers are not willing to purchase products from any foreign country, consumers who present animosity feelings refuse to buy products originating only from the country towards which they target these feelings.

Ethnocentricity is primarily a sociological construct, being defined as the conflicts that may appear between in and out groups (Shimp & Sharma, 1987). Consumer ethnocentrism has as its main source nationalistic feelings of those who want to support their country and its economy by boycotting other nations. Ethnocentric consumers have a higher tendency towards buying domestic products, they are less culturally open, more patriotic and dogmatic, collectively-minded and embody a conservative way of living (Balabanis et al., 2001; Sharma et al., 1995; Olsen et al., 1993). It is suggested that the higher the level of national identity, the stronger the preference towards domestic products (Gurhan-Canli and Maheswaran, 2000; Wang, 2004). This tendency is even higher in countries where employment is threatened by foreign competition and there are economic problems (Verlegh, 2007). If imports positively influence the level of employment and generally the economic situation, there is a clear tendency toward foreign products.

Groups of ethnocentric consumers are not homogenous, with the level of ethnocentricity depending on variables such as age and gender (Jossiassen, 2011) and also on the country level of development. Therefore, research reveals that older consumers and females are more ethnocentric than younger consumers or males, respectively. According to Shimp and Sharma (1987, p.281), ethnocentrism is 'assumed to be socialized during childhood, like other behavioural patterns', manifesting itself through strong feelings of pride with one's nation and opposing imports which are considered unpatriotic, hurting the domestic economy and causing job loss.

Animosity refers to 'strong feelings of dislike and enmity based on beliefs arising from previous or ongoing military, political, or economic actions between nations and peoples that are perceived as hostile, unwarranted, or violating social norms' (Averill, 1982, in Leong et al., 2008, p.997). Consumer animosity is manifested through the reluctance of consumers to purchase products originating from the animosity targets (Papadopoulos et. al., 2011) through a dual perspective – cognition and affection. The cognitive dimension of animosity involves cynical beliefs and mistrust of others, which are deeply established in the individual cognition and are powered by rationality (e.g., historical events and proofs of hostility). The affective dimension refers to the situational feelings of anger towards a country or a specific event, being less stable, but the same or even more influent than the cognitive dimension (Leong et al., 2008).

The previously discussed dimensions give rise to two types of animosity: situational and stable (Leong et al., 2008). Both have a negative effect on consumers' willingness to buy from the animosity target country, but research has identified that stable animosity has an impact only if it is mediated by the situational one. Usually, the reasons of economic animosities consist of unfair trade, countries who want to gain economic power over less important players on the market, unreasonable control in the market etc. (Cheng & Sutikno, 2011).

Hong and Kang (2005) indicate that prior to revealing their animosity feelings, consumers firstly have to be conscious about COO, its image and its representative products. If the country image is positively perceived and it has a strong reputation in producing that category of goods, it is very likely for the consumer not to activate feelings of anger, even if they exist. Amine et al. (2005) summarized the most important factors influencing the animosity effects on purchase behaviour, such as geographic region, demographic

variables, market integration and unusual economic conditions. Besides these factors, the literature also indicates that the level of import volume and foreign trade determines the animosity impact, since countries which are more self-sufficient express less need for international cooperation and higher tendencies towards animosity (Nijssen & Douglas, 2003). On the other side, people who are travelling more, or those who come from individualistic and culturally open nations, are more willing to buy products from abroad and open to cultural exchange (Nijssen & Douglas, 2003; Shankarmahesh, 2006; Chan et al., 2010). Mass media has a great impact on the level of animosity expressed nowadays through global information exposure, driving less ethnocentrism and changing consumption patterns (Puzakova et al., 2010).

### **Methodological approach**

The primary data necessary for the research were collected through a survey-based method, among Romanian consumers. Loosely based on the CETSCALE of Shimp and Sharma (1987) and the additional work of Saffu and Walker (2005), the questionnaire used was adopted from Papadopoulos and Malhorta (2007), for the Romanian environment, by changing the scales referring to history, background information, and animosity target countries. The questionnaire was translated and back-translated from English to Romanian. This research is part of a large multi-country study conducted by the Bridges Research Group, based at the Sprott School of Business at Carleton University in Ottawa, Canada. Respondents were Romanian consumers selected through random mall intercept in Bucharest.

The final sample consisted of 150 respondents with nearly even numbers of male and female respondents (44% and 56% respectively). The balance of the demographic characteristics approximated that of younger, more educated consumers than the national average: age: 5% were under 20 years old, 54% between 20 and 34, 33% 35-49 years old and 9% over 50; education: 71% had a college/university degree; income: 47% earned over 3500RON (780€).

### **Research findings**

The first focus of the analysis was on the differences between the four countries and their products, taking into account 12 variables. Analysing the mean scores for each country, South Korean products were rated the highest over-

all by respondents (4.86), being followed very closely by domestic (4.84). As can be seen, the highest scores were assigned between the two categories, the other two countries having no first position for any of the variables. Moreover, Hungarian products were rated with the lowest scores for half of the variables, being also on the last position overall (3.60), while Russia occupied the third place, with a score lower than the average (3.72).

**Table 1. 7 POINT SEMANTIC DIFFERENTIAL SCALE**

**Bold** – Highest score for each variable. *Italic* – Lowest score for each variable

	Overall Means	South Korea	Romania	Russia	Hungary
Quality of products	4.69	<b>5.26</b>	4.39	4.64	4.47
Attention to detail	4.48	<b>5.33</b>	3.97	4.33	4.30
Technical advancement	4.47	<b>5.81</b>	3.69	4.50	3.90
Ease of finding	4.51	5.30	<b>5.36</b>	3.39	3.99
Value for money	4.39	<b>5.02</b>	3.98	4.22	4.36
Brand names	4.27	<b>5.26</b>	4.84	3.71	3.28
Variety of products	4.22	<b>5.05</b>	4.51	3.66	3.67
Normally buy products from	3.42	3.50	<b>5.71</b>	2.29	2.21
Knowledge of products	3.70	3.85	<b>5.66</b>	2.74	2.55
Willingness to buy products	4.40	4.60	<b>5.75</b>	3.74	3.53
Satisfaction with products	4.38	<b>4.93</b>	4.85	3.82	3.95
Pride of ownership	4.15	4.41	<b>5.43</b>	3.66	3.10
Summated country means	4.16	<b>4.86</b>	4.84	3.72	3.60

In terms of quality, domestic products were considered to be the lowest with a score of 4.39. Domestic products were also characterized by moderate attention to detail (3.97) and lower technical advancement (3.69). South Korea gained the first position for all three variables perhaps due to the highly advanced products introduced in the global market, such as electronics and cars.

Even though domestic products were rated poorly on the above dimensions, they are considered to be the easiest to find in the market (5.36). Moreover, Romanian consumers are used to buying mostly domestic products (5.71), the difference between the scores assigned to the domestic versus foreign products being very high on this variable. They express a clear preference for domestic products, which received very low scores for the variables regarding quality, attention to detail, technical advancement and so on. The results suggest ethnocentric tendencies among Romanian consumers, who place domestic products above the foreign ones, without considering them superior.

In terms of value for money, domestic products were assigned the lowest score (3.98) with respondents considering them too expensive for the quality they



offer. This is not the situation when talking about brand names, local products gaining a considerable equity the last years, both at a national and international level, due to the expansion of industry. Respondents did not consider their products too varied, especially when they have high knowledge regarding the local production, comparing to the other countries involved in the research. On the other side, even though domestic products scored last in terms of quality, attention to detail and technical advancement, respondents were willing to buy them, being fairly satisfied with them and, importantly, being proud to own them. These results reveal nationalistic feelings, which influence consumers' beliefs through the affective dimension of COO. Moreover, the low scores assigned to Hungary and Russia for these variables show a certain level of animosity.

In order to have a better understanding of the differences between the countries, paired-samples T-tests were run to probe for statistical significant differences between the consumers' evaluations of domestic versus foreign countries. Numerous significant differences between consumers' evaluation of domestic versus foreign products were found. Romanian consumers perceived domestic products similar to Hungarian and Russian in terms of quality and value for money but, overall, domestic products were rated higher than the products from these countries compared to those from South Korea.

Furthermore, in order to identify animosity tendencies among Romanian consumers towards Russia or Hungary, it is critical to stress the differences identified for the variables 'normally buy from', 'willingness to buy' and 'pride in ownership'. Highly significant differences ( $p=,000$ ) for all the cases were found. Moreover, the fact that all the differences are significant suggests ethnocentrism among respondents given their purchase intentions reflecting a strong preference for domestic products, as well as a high level of ownership pride.

In order to gain more insight about the sample and whether demographic differences may influence opinions, we sought to analyse significant differences in scores between different groups of people, through one-way ANOVA. Younger people consider Russian brands stronger and more diversified than older people. In terms of willingness to buy, younger Romanians were more willing to buy Hungarian and Russian products than older ones, they being more open to foreign products and having more flexible consumer behaviour, while older people express a higher level of ethnocentrism. Moreover, older people may be more influenced by past history, having lived through communist rule and thus holding a higher level of animosity towards Russia, feelings



which translate to their purchase intentions. The analysis identified significant differences only in the case of Hungarian and Russian products. From the income level point of view, those with higher levels of income perceived South Korean products as having higher quality and stronger brand names. Higher income respondents may also have easier access to products from South Korea, which are not as affordable for those from low to medium social strata – South Korean products having higher levels of technology and, implicitly, higher prices. This research identified significant differences only in the case on South Korean products.

The second focus was built in order to gain knowledge about Romanian consumers' perceptions regarding the four researched countries and their people. Analysing the mean scores, South Korea was rated the first in terms of overall image of the country and its people (4.87), being assigned with the highest scores for seven out of twelve variables. The second position is occupied by Russia (4.26), which gained this rank due to its highly perceived influence at a global level, followed by Romania (3.98) and then Hungary (3.67). Romanian people do not have a high appreciation for their country and people, the low rates suggesting complexes, a lack of trust in the country's role in the world and in its people and an overall negatively sketched image. The only country rated lower was Hungary, a fact which reveals a certain level of animosity targeted towards it, it being rated the lowest for half of the variables. Romanian people were less willing to receive imports and investment from Hungary, as well as visiting or keeping close ties with it.

**Table 2. 7 POINT SEMANTIC DIFFERENTIAL SCALE**

**Bold** – Highest score for each variable. *Italic* – Lowest score for each variable

	Overall means	South Korea	Russia	Romania	Hungary
Political stability of country	4.38	5.31	<b>5.43</b>	2.53	4.25
Technology advanced	4.59	<b>5.90</b>	5.37	3.17	3.93
Trustworthiness of people	4.11	<b>4.61</b>	3.73	4.13	3.99
Hardworking people	4.49	<b>5.80</b>	4.07	4.03	4.13
Likeability of people	4.25	4.70	3.43	<b>5.42</b>	3.45
Ties with country	4.44	<b>5.16</b>	4.25	X	3.93
Ideal country	3.47	<b>4.04</b>	3.19	3.70	2.98
Admirable role in world politics	3.64	4.11	<b>4.85</b>	2.65	2.95
Alignment of country with my country	3.15	3.22	<b>3.32</b>	X	2.93
Welcome more investments from country	4.18	<b>5.27</b>	4.01	X	3.28
Welcome more imports from country	3.89	<b>4.66</b>	3.81	X	3.20
Like to visit country	5.71	5.75	5.73	<b>6.28</b>	5.10
Summated country means	4.19	<b>4.87</b>	4.26	3.98	3.67

Romanian people consider their country as being the least politically stable from the four researched countries, while Russia ranks first. The results are predictable, due to the recent difficult economical and political conditions in Romania. The situation is similar when it comes to Romania's technological advancement, due to the lack of financial resources invested in technology development, while South Korea scored highest. Further on, the discussion is built around the citizens of the four countries, respondents believing that they are fairly trustworthy and hardworking and highly likeable. As expected, South Korean are perceived as being the most trustworthy, there being a halo effect from the country's good products to its people, and also the most hard-working, there being a possible common stereotype regarding the work ethic of Asian people. The level of appreciation for Russian and Hungarian people is lower than for the other two countries, this fact suggesting once more the existence of a certain level of animosity.

In terms of international relations and foreign trade, respondents supported closer ties with South Korea and Russia, they being perceived as stronger economic powers and also as having an admirable role in the world politics. The same rank is kept in the case of investment and imports from the two countries, and Romanians welcoming more foreign trade with them, which is associated with an internal development and prosperity. When it comes to more personal decisions, however, respondents would first visit their home country. Among other countries Hungary was their last choice in terms of a destination, there being two possible reasons for this: either they have already visited Hungary, as most of the respondents indicated being in Hungary at least once, or they do not want to visit it – animosity.

In order to gain further insight regarding the relationship between Romania and the two countries suggested as animosity targets (Hungary and Russia), paired samples T-tests were run to test for statistical differences between Russia and Hungary in terms of the likeability of people, ties with country, foreign trade and holiday destination. No statistical significant differences between the appreciation that Romanian people have for the Hungarian and Russian people were found. The mean scores assigned for this variable are both lower than average suggesting that respondents do not like Russian and Hungarian people, and make no difference between them. Moreover, no significant differences were found on the 'closer ties' variable. Respondents were neutral regarding the strength of ties between Romania and the two. On the other hand, significant differences were found for the remaining three variables. Romanian people would welcome more investment from Russia than Hungary as well as more

imports. Furthermore, they are more willing to visit Russia than Hungary, all the three variables suggesting a higher preference for Russia than for Hungary. The results are in accordance with the previous section, stressing even more the fact that the level of animosity towards Hungary is higher than towards Russia.

Respondent differences based on demographic characteristics were undertaken through one-way ANOVA. This showed that women generally scored higher the variables that have an affective connotation, while men are more interested in the economic aspects of the international relations. Older people rated higher Romania and its people for all three variables: political stability, role in world politics and hardworking people. Moreover, older people rated South Korea and its people higher than younger people, while having a more positive image of the researched countries, overall. Finally, when referring to income level, people with a higher household income were more willing to travel abroad, regardless the destination, compared to poorer people who expressed lower intentions to visit Hungary and Russia. Moreover, even if both groups do not consider Romania as being an ideal country, richer people assign a lower score.

When analysing domestic versus foreign products, respondents did not associate foreign product acquisition with the loss of jobs, suggesting less ethnocentrism in this regard. Moreover, they do not consider the act of purchasing foreign products as being overly un-Romanian (3.26), and a real Romanian citizen not really being obliged to buy domestic products (3.51). It is suggested that the nationalistic feelings Romanians appear to harbour – considering the previous results discussed – seem to have a limited reflection on perceptions. Furthermore, they moderately agree with the imports of foreign products (5.14) despite their average availability on the local market (4.32). The expansion of the internal market, the borders opening and the boom of products from abroad are recent events in Romania and they suggest reasons for people's openness towards trade. Furthermore, the results from the first section, regarding domestic products assessment as having low quality, is one more clear explanation for respondent being positive toward foreign products.

On the other hand, Romanian consumers are only somewhat willing to support domestic products (4.41) and their purchase (4.44). Hence, when an economic reason is implied, the results alter respondents' views being strongly influenced by social and economic aspects. To conclude, Romanian consumers do not exhibit highly ethnocentric tendencies, they being open to purchase foreign products, regardless of their availability on the local market. Moreover, they do not consider domestic products as being 'first, last and foremost'

(3.70), the only reasons for which they would support them being the economic competitiveness of the country.

Being a moderately low-ethnocentric nation, Romanians appear to see themselves as somewhat citizens of the world (4.74), communicating relatively often with people from other countries (4.55) and are able to live abroad (4.54). After 1989, Romania has been characterized by a strong emigration phenomenon, Romanian citizens trying to make a better living abroad, in more developed countries. Romanians are open to learning, visiting and even living in other countries but maintaining their cultural identity. Therefore, they do not want a central governing of all the countries and they also agree on the fact that even if living elsewhere, they will retain the Romanian culture (5.66). To conclude, Romanian people express a clear tendency towards emigration and are extremely culturally open mostly due to economic reasons. Being willing to have a better living, they either dream or live the 'western' illusion, but this does not translate into losing the original culture of each citizen.

Overall, Romanian people seem to nurture strong patriotic feelings, which, interestingly, are not clearly reflected in their purchase behaviour. Once more, since they tend to be moderate towards banning imports from unfriendly nations (3.66), they do not consider international trade to be connected with national identity and the issues that Romania may have with some other countries. The results of the previous section, however, suggested the existence of animosity towards some countries, which was clearly reflected in the ratings assigned to products originating from there (willingness to buy Hungarian and Russian products variables). Thus, people seem to react more when they are given clear examples than when they face general statements regarding their feelings and beliefs.

In order to better understand how the opinions are shared regarding Russia and Hungary, the two countries against which the study revealed the existence of a certain level of animosity, several one-way ANOVA tests were administered for variables related directly with the matter of animosity. Higher income respondents showed limited to no animosity feelings towards any of the countries, expressing their willingness to purchase products from Hungary and Russia. On the contrary, lower income respondents, who were found to be highly ethnocentric, showed reluctance in purchasing products from the two countries, perhaps because of the guilt they are feeling. Moreover, they expressed a possible war-based animosity towards Russia.

Furthermore, older Romanian people exhibited stronger animosity feelings towards Hungary and Russia, while younger ones did not show limited animosity tendencies, having positive purchase intentions regarding products from Russia and appreciative feelings towards the Hungarian people. Interestingly, this section of the paper uncovered differences between younger and older respondents for exactly opposite views, offering clear evidence regarding animosity differences among categories of people. These results allowed the research to draw more specific conclusions regarding animosity tendencies in Romania, which are nurtured mostly by older and poorer consumers. Moreover, they also show a high level of ethnocentrism, while younger and richer people show little or no feelings of anger towards foreign countries, in general, or for the specific two countries in the research.

### **Conclusions and general discussion**

Taking all the data above into account, the study demonstrates that COO has a significant impact on Romanian consumers purchase intentions, which infer the quality of products and make product decisions according to COO effects. The research captures the image that Romanian consumers have sketched regarding domestic and foreign products, the domestic ones being ranked lower in terms of quality than products from Russia, South Korea or Hungary; however, when asked about their preferred purchases and willingness to buy, Romanian products were ranked first, thus triggering further discussion about consumer ethnocentrism and animosity issues, which is the core of the current research and which has the highest implications, both at a theoretical and managerial level, being the first research of its type to be conducted in Romania.

The results show that Romanian consumers are not highly ethnocentric. They do not consider that purchasing foreign products affects the national economy or the level of employment and they do not feel obliged to buy domestic products for supporting the economy, findings which contradicts the definition of consumer ethnocentrism (Verlegh, 2007, Shimp & Sharma, 1987). Moreover, respondents appear relatively culturally open. Faced with on a high level of emigration towards western countries, they want to learn and get into contact with other civilizations and they can live abroad. All these characteristics are opposed to the high conservatism and patriotism which sketch the image of an ethnocentric person, as Balabanis et al. (2001) mention in their study.

On the other hand, respondents exhibited strong nationalistic tendencies, loving their country, willing to honour the national heritage and considering their national identity as determinants for their overall cultural identification. Hence, Romanian people nurture high patriotic feelings, which are not reflected in their purchase behaviour. The explanation of their cultural openness is the lack of freedom during communist rule, their willingness to know the world and products around them, to get in contact with the more developed nations and finally live the 'western' dream. This does not translate into a lack of patriotism, however, but low ethnocentric tendencies, as a general phenomenon among developing economies (Puzakova et al., 2010; Wang & Chen, 2004). In terms of demographic differences, males and younger people appear less ethnocentric. Moreover, older people have stronger patriotic feelings and consider the purchase of foreign products as affecting the economy, facts which suggest the same conclusion. Results show that income level has also a high impact on the ethnocentric tendencies, poorer people being more ethnocentric.

Regarding animosity, the results demonstrate that Romanian consumers consider Russia and Hungary as being targets of animosity, but the extent and the reasons for these feelings are different. The results show that the level of animosity towards Russia is less strong than towards Hungary. Russia has a more positive image and people would support stronger collaboration with it. Moreover, respondents identified more guilt towards buying Hungarian and were less willing to do so. The conclusion is justified by the topicality of the animosity sources for each case, the problems with Hungary being 'actual' and well-known among Romanian consumers, while the second World War and communist rule, which are the reasons for animosity towards Russia, have 'passed' and do not directly influence the current welfare. Moreover, products from Russia are considered superior, Hong and Kang (2005) arguing that the animosity effect can be successfully blocked by a positive PCI or high quality production.

Demographic data play a critical role in uncovering the animosity tendencies among Romanian consumers, since opinions are different between categories of people. Older people expressed a higher level of animosity, while younger ones exhibited positive feelings towards Hungarians and products from Russia. Moreover, higher income earners did not assign high importance to any of the country issues, they being interested in the intrinsic cues of products, the animosity and guilt being stronger among lower income respondents.

The current study has its highest contribution at the practical level, being a topic of critical interest for managers involved in international business, the research

instrument being able to be applied in different contexts, in order to measure ethnocentrism, animosity and PCI. Chan (2010) argues that improving an exporting country's image at a global level is more complex and valuable than marketing branded products. This is valuable knowledge for managers who want to export to Romania, who should focus both on the macro-image of the country they are representing and the brand equity of their products.

Furthermore, probably the most severe problem that managers should encounter regarding COO is having a negatively evaluated country image or trying to enter a market of ethnocentric consumers or those who exhibit animosity towards their country. This is the case of the current research, Hungarian and Russian producers may encounter consumer reluctance when exporting to Romania, both from low PCI and high animosity tendencies. There are plenty of strategic solutions which may be applied in order to overcome these issues. Leong (2008) suggests managers downplay the 'made-in' label and get involved in manufacturing alliances from which the product may gain a better country image. Moreover, focusing on other aspects of brand equity may distract consumers from paying attention to the COO. For instance, distributing through a prestigious retailer, innovative design, branding with neutral or foreign brand names or educating salespeople regarding the importance of COO influence on brands and, implicitly, on profitability, are just some of the tactics that marketers may adopt (Hooley, 1988; D'Astous & Ahmed, 1999). Moreover, if consumers are aware of the product origin, companies should get involved in the local community, through different activities of CSR and make customers understand that the relationship between countries is not reflected upon products and their intentions are to help.

The study has encountered several limitations, the most important being related to sampling and data collection, given the limited number of respondents and thus issues of generalizability. Furthermore, the majority of the sample was aged 20 to 34 years old and were highly educated, a fact that does not correspond to the general distribution of the Romanian population but is representative of clear targets for sellers.

Therefore, from a consumers' point of view, it is highly recommended that this research be repeated, using a more extensive sample and different foreign countries could be assessed. Furthermore, a study analysing the impact of COO on industrial buyers would also provide valuable knowledge, since such a study has never been conducted in Romanian market. In this way, managers from different levels of the supply chain would have the needed information



regarding the impact that their products' country of origin has on the suppliers, buyers or different stakeholders opinions, they knowing also which markets is more recommendable to enter.

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