Abstract. In this article you will find a literature review approach on the effect of country of origin in a constant evolution leading to brand origin. Overall, the value of literature reviews lies in their ability to provide scholars, students, and practitioners with a critical assessment of existing research, helping to identify and develop further studies. The country-of-origin effect is controversial but retains all interest in a globalized and regionalized world, especially when we are talking about the current hybrid character of many products and when perceptions about brands’ countries of origin are important from the consumer’s point of view. The country of origin becomes a potential competitive and differentiating factor when we are talking about international markets. The studies appeared in 1965, but we have seen a growth in studies since the mid-1990s of the last century looking for an approach that redefined the concept, leading us to research topics such as brand origin, product country image and product place image. The European Union, for example, promotes protected designation of origin or protected indication of origin for some products. As important or even more important is the perception of the brand origin as a source of brand appeal, relegating to the background the question about where the company produces its goods or services, and giving importance to this perception, even for reasons related to stereotypes.

Keywords: Country of Origin, Brand, Brand Origin.

Country and Brand Origin – an Introduction

It is from the 1960s that we find studies on the country-of-origin effect (COO). An ongoing area of interest, although controversial, it has been studied from the effects around the idea of country of origin, perceived in many ways (Samie [45]). Consumer behavior seen as an intangible barrier to entry into new markets arises against the consumption of imported products. For others (Cattin, Jolibert & Lohnes [10]), which consider the country of origin to be the one where the headquarters of the company selling the product or trademark is located, the effects
generated fall on that nation. It is also known that the country is a factor or element inherent to some brands (Samie [45]). Place and date are important elements, so the country of origin can be defined as “the country of manufacture or assembly” (Cattin, Jolibert, & Lohnes [10]) (Han, 1989) (Papadopoulos [21]). The evaluation of products and the attitude towards them benefit, or not, from information such as the country of origin of the product, the price, the brand, etc., (Chamorro, Rubio, & Miranda [11]). Today we give more importance to other phases of product design (important and of very high added value), allowing us to associate the country with manufacturing companies, to understand the global vocation or the network of suppliers over which the company can exercise some power. The term “made in” has been used for long to define the country of origin of the product (Cattin, Jolibert, & Lohnes [10]) (Parameswaran & Mohan [41]). We can also find sub dimensions such as “designed in”, “assembled in”, “made in”, “invented in”, “made by a producer whose domicile is in ... ”. Complexity emerged from the emergence of multinational companies and the hybrid (These are those products considered as containing the components or ingredients manufactured in third countries) character of the products (Chao [12]). This is why brand origin becomes then, a fact. Increasing globalization has led researchers and investigators to study more intensively the country-of-origin effect (Ahmed [2]). Adjustments were seen and now we find it much more similar to the concept of country brand (country-of-brand) or the origin of the brand (brand origin) because of the hybridization of goods, that is higher, and because of the relocation of industries (Ahholt [1]). We should also have in mind that the brand is often and perhaps the only component that still holds the national origin of the product (Fruchter, Jaffe, & Nebenzahl [18]).

For products under a less well-known brand, the country of origin can act as a brand, enhancing their value. For products under a well-known brand, origin tends to be less important (Schaefer [46]), but it still can help to reinforce brand attributes. Country image can leverage brand attributes, acting as an external signal about product quality, so perceptions of a country’s brand influence local brands and vice versa. Therefore, separating the influences of brand perceptions and country-of-origin associations can be difficult (Profeta, Balling, & Roosen [43]). The brand images of different nations vary a great deal, and we may consider that a certain product in the market becomes significant to customers when the brand positioning is strong and there is a unique brand association with other products. Because brand image is primarily based on the customers perspective, the marketer’s control over this issue is minimal. The positioning of product elements in the market differs according to personal characteristics, desired objectives, and customer values (Chen, Mathur, & Maheswaran [14]). However, external factors affect brand positioning in the market. These factors include competition, social issues, and cultural issues in the economy (Johnson, Tian, & Lee, [26]) (Kim, Choi, Kim, & Liu [30]).

Country of origin brand personality results from the association of individual personality characteristics with a COO product or brand. Positive COO brand personalities are those that are preferred by customers because they create trust, loyalty, and security and allow companies to have different types of positioning strategies among multiple marketing techniques that can influence consumers’ purchase intentions. (Dinnie [16]).

Marketers emphasizing COO brand personality should strive to match the personality or self-image of the consumer via segmentation-based efforts (Cassidy, Tsarenko, & Anderson [9]) (Lin [36]).

The approach to consumers’ perceptions of a country, its products and services is dynamic. Consumer attitudes towards products improve significantly if consumers are exposed to communication or promotion (Samie [45]). The image of the stereotype “made in” was heavily influenced by familiarity and the availability of the product (Samie [45]).
Stereotypes are a phenomenon that can be considered universal, and the existence of the phenomenon called stereotype is evident (Cattin, Jolibert, & Lohnes [10]) (Roth & Diamantopoulos [44]). Stereotypes are also perceived differently by consumers in different countries, since consumers who share the same cultural values tend to be similar in their assessments to the country of origin (Cattin, Jolibert, & Lohnes [10]). The issue of information and its relevance (not being ambiguous) is gaining importance in the studies. Consumer knowledge is increasing and information as a type of attribute is a moderator of the effects of country of origin on product evaluations. If the information is ambiguous, both consider the country of origin differently (Parameswaran & Mohan [41]). High brand equity can be strongly associated with brand origin. In contrast, low heritage brands generally have weak and therefore incongruent brand associations, so information about the country of production is likely to have a pervasive effect on all beliefs about the featured products (Hui & Zhou [51]).

**Assessing products and services**

A considerable number of studies focus on product evaluation concluding on the existence of the country-of-origin effect and affecting consumer behavior, but less so if a multi-attribute approach is used. Relying on the relationship between domestic and foreign products, several studies have concluded that the country effect is a variable that affects the decision when the stereotyping phenomenon is present. Familiarity then has a strong influence – consumers are reluctant to buy when the brand is not known (Samie [45]) (Usunier & G. Cestre [49]). Country of origin and brand name affect the perception of the consumer given the quality of the product and stimulation of the country-of-origin effects who are relevant on the evaluation of bi-national products (Han [21]). Sometimes we are in the presence of the *halo effect* and the *summary effect* on product evaluation. The image of a country can then be used by consumers in product reviews in the following directions, or both: as a *halo* (In terms of brand management, a *halo effect* is one where the perceived positive aspects of a particular item are extended to the full range of the brand. For example, in a range of oils a brand that stands out, but that serve as the basis for all remaining range or even for products other than oil. The effect is also exploited in the industry in general. It is perceived more in the relationships of the agro-food sector) construct (the image of a country is used to consider products that consumers know little); as a *summary* (The consumer purchase attitudes are, generally, routines. Search showed that in this sense simplifications and shortcuts are present in their decisions. After careful review, the consumer tends to synthesize aspects that lead to the decision and to structure his thinking and analysis purchase according to this simplification. Categorizes the goods and also the sources as if it was a photograph) construct (as the consumer becomes familiar with a product of a country, the image of the country can be a construct that summarizes the beliefs of the consumer in relation to product attributes and directly affects their attitudes toward the brand). Consumers tend to associate the product categories to the perception they have of the country, “deciding” if the country has a profile for producing a certain product (Roth & Diamantopoulos [44]). With the globalization phenomenon the notion of mass production and the concept of hybrid products enhancing the importance of the origin, suggested that manufacturers should pay more attention to the potential consumers’ reactions in situations of international partnerships or alliances (Chao [12]). The studies evolve towards the perception of the country-of-origin effect when, when purchasing, the consumer evaluates perceived quality, purchase price, and product profiles such as country of design, country of assembly, brand, price, and warranty. Country of origin dilution occurs when other attributes are present, showing that familiarity plays a relevant role and thus country of origin information has little influence on consumer attitudes towards the foreign brand. In some cases, brand names are a particularly strong advantage for hedonic products and more ef-
fective than country of origin information. (Thakor & Lavack [48]). For ethnocentric reasons origin can regain some status by concluding that there is an importance and impact of both product and country images, and the presence of ethnocentrism on purchase intention (positive and negative). This ethnocentrism can be a source of competitive advantage, especially when domestic products are substitutes for imported ones, based on price/performance. In addition to changes in brand value, consumers classify products on different dimensions as production originates in other countries, which has implications for changing marketing strategy and policies (Knight & Calantone [32]). The image of the country of origin tends to be an antecedent of attitudes and beliefs, and beliefs, in turn, are a significant antecedent of attitudes. Stating this, national cultures play an important role in purchase decisions (Knight & Calantone [32]), valuing products from countries with different (higher) socioeconomic and technological levels. Studies reveal that the more technologically sophisticated the consumer, the more favorable he is to the products of newly industrialized countries (Ahholt [1]) (Laroche, Papadopoulos, Heslop, & Mourali [35]). The fact that the country of manufacture is a country of low reputation means that this information can produce negative effects on product evaluations if the brands have little value (Ahholt [1]). Relevant for the study of the effect is the idea that the image of a country is a three-dimensional concept consisting of cognitive, affective, and conative components (Laroche, Papadopoulos, Heslop, & Mourali [35]). (The image of a country and beliefs about a product, affect the evaluation of a product simultaneously and independently of the level of familiarity with the products of that country, and the structure of the image of a country influences the reviews of products directly and indirectly through beliefs about products. When the image of a country has a strong affective component, it influences product evaluations stronger than its influence on the beliefs of the products. Alternatively, when the image of the country has a strong cognitive component, its direct influence on product evaluations is smaller than its influence on the beliefs of products).

Access to low-cost resources can improve a company’s competitiveness in a global market, but country of origin (COO) has been shown to have an indirect influence on consumer purchasing behavior (Berry, Mukherjee, Burton, & Howlett [7]) (Koschate-Fischer, Diamantopoulos, & Oldenkotte [33]) (Samie [45]). As already mentioned, the COO effect can be differentiated between the brand’s country of origin and country of production (COP) considering that a poorly perceived country of production can devalue the brand (Godey, et al. [19]) (Nebenzahl & Jaffe [37]).

As for studies focusing on the quality of the service available, much work has been done around the issue of the price variable. Price in services is a strong, recognized variable and can override country loyalty, but is reversed when the consumer has higher incomes. Still, country of origin seems to be relevant for consumers, albeit stronger than brands when it comes to quality and attitude. Less engaged consumers tend not to think much about associations to country of origin and therefore need more information to support their decision. Consumer-related behaviors emphasize high and low involvement purchases, but also services involving high or low involvement (Usunier & G. Cestre [49]). The level of consumer involvement depends on the degree of personal relevance that the service has for the customer. If it is relevant to the consumer, he documents himself and demands adequate information. Risk perception is one of the antecedents of involvement, therefore risk and involvement seem to be related to the degree of information seeking. High involvement acquisitions are important to the consumer because they pose more risk, as opposed to low involvement ones. (Usunier & G. Cestre [49]). Studies conclude that more important than brand origin is the perception of brand origin, which should be given more attention (Thakor & Lavack [48]).
Brand Origin

If the country-of-origin perspective was strong, this trend has evolved to the importance of the origin of the brand or the region of origin of the brand. It is argued that globalization, product hybridization, commercial communication, global branding and the decline of origin labelling in World Trade Organization rules are responsible for making COO difficult (Sammie [45]) (Usunier & G. Cestre [49]). Consumer’s perception of the place, region, or country to which a brand belongs defines the brand origin (Costa, Carneiro, & Goldszmidt [15]). The country where a product is manufactured is related to several unique elements (culture and sub-cultures, climate, political climate, landscape, languages, economic and technological development, people, heritage, history and religions) (Allman, Fenik, Hewwtt, & Morgan [3]) (He & Wang [22]). The country’s image is viewed as an asset of the organization, and it has a positive impact, and it’s considered to be a liability when a country’s image has negative impacts on the nation (Cheah, Phau, Kea, & Huang [51]) (Hui & Zhou [23]). Previous studies have suggested that there should be a positive correlation between the perception of where a product is manufactured and the image that is portrayed by the brand to avoid negative impacts on the economy (Allman, Fenik, Hewwtt, & Morgan [3]) (Cheah, Phau, Kea, & Huang [13]).

Accordingly, brand origin can be understood simply as the place a consumer associates with a brand (P. Magnusson, Westjohn, & Zdravkovic [39]). Considering the immense commercial relevance of brands for marketing success (Ambler [4]) (Keller K. L. [28]), the question of how various facets of place-category interrelationships influence brand equity (BE) has emerged as an interesting avenue for advancing knowledge of origin effects in general. While the impact of COO on consumer attitude towards products has been studied for decades, the impact of brand country of origin (COBO) on consumers has only recently gained some interest (Pikturnienè & Treigyè [42]). Their research revealed unique results where consumers have a different attitude towards products with different combinations of COO and COBO. They reveal that consumer attitude towards products with different combinations of COO and COBO does not depend on the product category but on the consumer’s susceptibility to interpersonal influence. If a consumer’s attitude is considered as a relatively constant opinion about something, this opinion often helps the consumer to make an easier decision – the opinion is formed, and if the situation is repeated, there is no need to deal with the problem again (an attitude represents the intention of a predisposition, motivation and can be positive or negative) (Godey, et al., [19]).

Anyway, the location (involving the country, region or even city) is now emerging as an important topic from the point of view of economy and society, recognizing that each place builds its own image (Ahholt [1]) (Usunier & G. Cestre [49]) and the origin encloses a set of benefits presented as a proposal in a clear and captivating brand. Business location has been shown to generate different effects in terms of country of origin (COO) and in terms of brand origin and country of production (COP). The country of production and brand origin may not be the same, potentially highlighting the effect of incongruence on a brand, consumer ethnocentrism and location issues, particularly when a well-known brand is from a developed country and the COP is in a developing country. If perceived by the consumer, it can generate a differential effect between the origin of the brand and the country of production (COP), with the effect of devaluing the brand (Godey, et al., [19]) (Nebenzahl & Jaffe [37]).

There is a trend towards regional differentiation reinforced by geographical protection, which is reinforced by consumers who increasingly demand products with some proof of authenticity and traceability. Localization brings several benefits such as presenting a proposition in a clear and fascinating brand. It has been shown that if the country of origin of the brand is respectable, this element has a posi-
tive and significant effect on brand value and brand dimensions. Consequently, there is a propensity for regional differentiation strategies reinforced by geographical protection. Thus, as a variable, the country or region of origin is similar to price, brand, or retailer reputation in the sense that none of these factors has relevance on the functional performance of the product, but can be worked on without physically modifying the product (Aholt [1]) (Samie [45]). Since it has been realized that the country-of-origin effect portrays the association of the product or service with the country’s image and influences it on consumer perceptions, attitudes, and purchase intention. In most of these investigations, the brand has been treated as an extrinsic product attribute (Samie [45]) (Papadopoulos [40]) (Usunier & G. Cestre [49]) as has been the case with the country of origin. But as stressed and suggested by other authors (Zhou, Yang, & Hui [51]) (Roth & Diamantopoulos, [44]) the notion of origin is now over “the matter of brands and their content”. The brand has played a peripheral role and presents itself as a moderating variable of the country-of-origin effect at the time of product evaluation and purchase decision, sometimes masked in holistic brand constructs such as brand image, brand equity and brand success. Other studies, starting in the mid-1990s, have tried to understand how assessments of global brands vary when associated with different countries or production locations. (Papadopoulos, Ahmed [2]) (Usunier & G. Cestre [49]). Over time, it evolved towards the origin of the brand, creating the opportunity to study the origin of brands, in addition to the origin of the products. The term provenance, like location, seems, on the other hand, to be more appropriate because the origin may not be exclusively linked to a country. The term provenance is considered (Zhou, Yang, & Hui [51]) because also deals with the question of origin in another dimension – the time – and the origin is often perceived as both an historical time or date (since 1850 and founded in 1850) and sometimes as the site of an initial design (created or established in the Azores) even though this may seems confusing. As consumer perceptions are not aligned with everything the organization says about itself and its brands, we can assume that there are only reflections that allow us to talk about brand image. If the origin can be associated with the brand, then it is possible to apply the characteristics that are attributed to the phenomenon of association with brands: strength, favorability, and the fact of being unique. The strength of the brand’s link with its origin can happen due to the geographic position of the source in relation to the brand’s core values and the long exposure of consumers to marketing strategies (Aholt [1]). As for favorability, some brand associations can be evaluated by consumers more positively than others, thus, it is possible to trust them promoting positive attitudes towards the brand (Cattin, Jolibert, & Lohnes [10]), so that other brands may evoke the origin implicitly. An association is considered unique when it is not shared with another brand and is exclusively linked to the brand taking an important role in the market especially in conditions such as private market oligopoly situations and the period relating to the early life cycle of the product (Fruchter, Jaffe, & Nebenzahl [18]) (Zhou, Yang, & Hui [51]). The country embraces within its borders a wide range of entities and powers, leaving to him the difficulties of developing a strong component of strategic management that serves the desired positioning of the country. Images that consumers associate to the country of origin of a trademark function as signals of quality and guide the brand value (Laroche, Papadopoulos, Heslop, & Mourali [35]). Consumers generally perceive the place of origin of the brand and the place of manufacture of the product. It is worth noting that the image for the country of origin comprises micro and macro images (Laroche, Papadopoulos, Heslop, & Mourali [35]). The macro images correspond to beliefs held by consumers (eg level of economic development) while the micro images correspond to beliefs related to very specific products produced by a country (German cars as
being technological and sophisticated). Micro and macro images of countries influence the brand value differently. When approaching the country of origin of the macro point of view we consider it as global level variable related to aspects such as associations in the country including national symbols, political and economic conditions, levels of industrialization, levels of education, and cultural values (Laroche, Papadopoulos, Heslop, & Mourali [35]). The micro level, on a product category, implies that either the country or the product benefits from the association with the product category. The destinations, territories, and geographies, such as brands, end up having unique characteristics and it is strategic to aggregate all of them and understand then how all these activities are communicated (Aholt [1]). This is relevant because some researchers argue that Country of production may provide a weaker brand association than brand origin (Johansson & Nebenzahl [25]) (Thakor & Lavack [48]).

The complexity arises in the exact measure that management of the country, region or local brand is not dependent on a single entity. In many cases, and often, is dependent of the political cycle and is implicitly given to numerous entities and organizations with regularly divergent interests (Aholt [1]). The application of branding techniques to develop and sustain a local image is something very recent. The interaction between the consumer, the brand, the place, and the awareness that the place favors products or services (and therefore the citizens), in the logic of an umbrella brand, creates new dynamics and new products. People’s perceptions gain strength because that is what is relevant from the point of view of image construction in the present and in the future. (Aholt [1]) (Zhou, Yang, & Hui [51]). Building a local reputation, whose qualities and attributes are recognized and inspire associations, motivates capacities to trigger investments, attract people, companies, sell goods and, therefore, building a reputation requires a strategy, qualities, positive elements, exclusivity, and sustainability throughout of time (Aholt [1]).

We have seen that the research has taken a hedonistic perspective approaching such terms as brand origin, product-country image, and product-place image. In post-industrial economies, the service sector is changing daily, and globalization is one of the main drivers of this, taking us to the assessment of the origin in the service sector. It is important to notice that the use of origin cues should be subtle and implicit sometimes, and more explicit in others. However, the origin is incentivized by some politic entities being they regional, national or multinational like the European Union, for instance when fomenting the protected denomination of origin (PDO) or the protected indication of origin (PIO) for some products. Both PDO and PIO are growing in Europe becoming a distinctive point promoting the origin and its competitiveness. This development involves today new local narratives and discourses and in an emergent global economy of places the opportunities to make different outcomes depends on the capacity to value local resources, reorganize strategies and reshape territorial identity. In this context, the processes of diversification and integration to improve competitiveness and quality of life hold the territorial identity through several products (Woods & Mcdonagh [50]) (Kipnis & Broderick [31]). As important or even more is the perceived brand origin as a source of brand appeal, relegating to the background the question about where the company produces its goods or services, and giving importance to this perception, even for reasons of stereotyping. In a recent study by Josiassen (Josiassen, Lukas, Whitwell, & Assaf [27]) he developed and tested a framework that divided the basis of the association to a place into three facets: general place image, product image, and category image. All three facets exert an effect on a consumer’s summative judgment of product quality. In doing so, this model can explain variations in the effect of the association with a place on judgment with greater accuracy than models that view categories as a moderator. What is particularly interesting about the Josiassen framework is that the relative significance of these different facets can be compared.
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