THE 'MADE IN' ISSUE
A Comparative Research on the Image
of Domestic and Foreign Products

Gabriele Morello

Research memorandum 1983-18 Nov.'83

VRIJE UNIVERSITEIT
EKONOMISCHE FAKULTEIT
AMSTERDAM
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The author would like to thank his doctoral student
Ewout G. Overeem for the assistance received in the
preparation of this article, and Dr. Robert Hogenraad
of the University of Louvain for providing the
computer program used to process the research data.

November 1983
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Introduction

The present paper analyzes the influence of the country of origin on consumer' attitudes towards products. The main question is: what is the relationship between the image of a country and the image of the products made in that country? We call this the "made in" issue.

In general, images are not derived from objective, but from subjective cognitive processes. They express our personalized feelings of what we know and think about an object. In a study on images of countries and products several secondary questions can be asked, such as:

a) what is the image held by different people towards the products of various countries?

b) are such images consistent throughout time or are they subject to change?

c) are such images linked to other images?

d) what are the components of the country/product relationships?

e) is there enough evidence to support generalizations on the issue?

In order to look into some of these questions, the findings of previous investigations will be reported in the first part of the paper. The research conducted by us on two groups of students - a Dutch and an Italian group - will then be presented and discussed in three different paragraphs. A concluding part of the paper summarizes the results and places them into a broader frame of marketing management focused on strategic options and on the psychology of international branding.
1. Previous investigations

1.1. An investigation among U.S. students indicated that all products made in the U.S.A. were rated the best (Reierson 1966). Outside this judgement significant mis-matches were found, concerning families of products, product classes and specific products. The highest correlation was found between a country's image and its mechanical products. Food products and fashion merchandise showed lower correlation coefficients. The concordance of results from respondents located in different geographical areas of the U.S. suggests the existence of nation-wide stereotypes on these issues.

In a second publication, the same author found that national images were subject to change (Reierson 1967). His view is that consumers' attitudes towards a given nation's products can be significantly improved by even slight exposure to communication and promotion devices, if the prejudice is not too intense. For this reason attitudes towards Italian products were easier to change than attitudes towards Japanese products. A good way to stimulate the shift was found to be the association of the product or brand with the names of reputable retailers. Magazines and brochures seemed to play a more important role than films in affecting the process of change.

1.2. In a cross-cultural study among Japanese and American businessmen, in which scales were used to measure the attributes of products, 20 scales were combined into five headings: price-value, advertising and reputation, design and style, consumer profile, service and
One of the attributes, for instance, was reliability. The American group ranked the American products first, followed by those made in West Germany, U.K., Italy and Japan. The Japanese rated the products made in West Germany highest, followed by those made in the U.K., U.S.A., Japan and France.

After 8 years the same study was repeated among Japanese businessmen to determine whether any changes had occurred (Nagashima 1977). The image of Japanese, West German and French products improved, the one of U.S. products remained constant, while the image of British goods declined slightly. However, although the image of Japanese products had improved, fewer businessmen expressed their willingness to buy a Japanese product in cases where all other choice factors (quality, design, etc.) were the same in a foreign product (1967: 57%, 1975: 46%). Another interesting finding was the importance of automobiles as products which influence the country's image.

1.3. In another study of U.S. consumers' attitudes, once again products made in the U.S.A. were given the highest scores, and the image of the other countries did not always match the various product classes (Gaedeke 1973). The general image of developed countries correlated highly with the image of mechanical products, less with food products and least with textiles. The opposite was found with regard to developing countries: a high correlation of such countries' images with textiles, less with food products and electronic items. The quality of branded products was not significantly affected by the country of

*1 When speaking of products, it should not be forgotten that services that accompany their sales are an increasingly important element of influence not only in Japan but also in Europe, as the experience of the Singer Sewing Machine Company in France demonstrates (Terpstra '83). In fact, the very denomination "product" in marketing usually refers to its extensive meaning, including not only services but also packaging, design, guarantee and all the other benefits customers receive with it.
origin – with the positive exception of television sets made in Mexico.

In the same vein, another case is provided by Keegan (1980), who reports that a company located in Brazil was unable to sell scientific instruments to Mexico before the components were shipped to Switzerland to be assembled. "Made in Switzerland" was a necessity to obtain a satisfactory level of demand for a sophisticated technological product.

1.4. In a research on Finnish consumers' attitudes, Darling and Kraft (1977) found a very high correlation (0.914) between the influence of the country of origin and buying behaviour. It was found that the knowledge of the country of origin also affects the attitude towards other aspects of the marketing mix (distribution, price, etc.). Like U.S. citizens, Finnish people are inclined to rate their home-made products highest. With the exception of goods made in Russia, goods from countries near to Finland received more favourable ratings than goods from more distant countries. This ties well with the view that groups perceived as similar are likely to be evaluated positively, whereas dissimilar groups tend to be assigned negative stereotypes (Segall 1979).

1.5. Also U.K. consumers' reactions towards foreign products were investigated (Bannister and Saunders 1978). West Germany, U.K. and Japan generally were given favourable ratings on all attributes (reliability, appearance, workmanship, availability, value for money). The authors compared their study with the ones of Nagashima and the results seemed to tally. Regarding the characteristics of respondents, age and sex were found to be significant causes of variance, while social standing and regional location generally had
no important influence. The influence of age was most clear with Japanese products, which were rated more positively by young people while older people rated products made in the U.K. higher.

1.6. Abdel Malek (1975) examined the attitude of Canadian managers towards trade contacts abroad. The study, centered on the views of exporters, showed that differences in preferences are caused by differences in perceived socio-economic traits. Some evidence was found that exporters were less prejudiced towards foreigners than non-exporters. Contact with distant groups stimulates more positive attitudes. Another finding was that differences expressed by consumers are greater than those expressed by intermediaries.

1.7. The role of communication in exchange transactions is obviously very relevant. Schneider (1981) examined the efficiency of the communication methods used by the German information centre in New York. From this study several criteria for evaluating a country may be derived. The most important are: cultural, traditional and historical ties; character of the people: industrious, inventive, disciplined; internal politics: democratic, stable government, handling of terrorism; international politics: support to NATO, cooperation on international matters; economic: success, handling of problems.

1.8. Research on the relationship between foreign nations and companies located in those nations was conducted in Ireland (Bradley, 1981). Industrial buyers' and traders' images and attitudes were investigated with regard to West Germany, Italy, Sweden, France, U.K.,
Switzerland, the Netherlands and U.S.A.  

A high correlation was found between national and corporate images. As country scores were higher than company scores, Bradley suggests that the former tend to dominate the latter. However, with a manufacturing base in Ireland, the opposite outcome was signalled: company image and attitude scores were higher than the corresponding country scores.

Company size did not seem to affect the score. Traditional suppliers were found to have weaker image and attitude indexes than newer suppliers.

1.9. An interesting research was recently conducted by the Nederlandse Stichting voor Statistiek on economic nationalism in the Netherlands (NSS 1983). Only for the following set of products of which no local alternatives were available, did the Dutch show preferences for foreign products: Japan - photo/film equipment, stereo and video devices; Germany - kitchens and kitchen equipment, automobiles; Italy - shoes; France - fashion, perfumes.

Specially preferred Dutch products were: colour television, kitchen equipment (small appliances), bicycles, fruit, vegetables.

*2 The distinction between attitude and image may need a technical clarification. An attitude is obtained by summing the beliefs that a person has about a given object, multiplied by a weight which expresses the importance given by the same person to that belief. An image can be defined as a (non-weighted) set of beliefs. When each belief has weight 1, then attitudes are equal to images.
and flowers, beer. In accordance with the findings of Bannister and Saunders, a stronger preference for home-made products prevails among older people than among younger people. Wealthy people showed less interest in Dutch products than poorer people did.

Economic nationalism was found to be linked with the economic situation (stronger in economic crises) and with the availability of home-made products and brands (the greater their availability, the stronger the economic nationalism).

Good products and adequate marketing were considered more important than the national image of a country. Likewise prestige or status considerations did not seem to play an important role in the consumer decision concerning products from a certain country. (One wonders, however, whether such results may have been caused by the asking of questions highly associated with specific brands, e.g. Dutch colour-television = Philips. Since such questions involve the image of a given brand rather than the link between a country and its products, they do not necessarily measure economic patriotism).

1.10. Again with reference to the influence of a country on aspects other than tangible products, a study was conducted on peoples' attitudes towards two sets of concepts: a set of nations and a set of vacations in such nations (Morello 1983). The study was conducted among a group of Dutch university students and an Italian group of post-graduates. Since the structure of the research was the same as the one described in the next two paragraphs (in fact the present article can be considered as its logical prosecution), more will be said about it later on.
At this point it suffices to say that high correlation coefficients were obtained between two sets of concepts by both groups of subjects.

1.11. For the purpose of this paper, the main points of the above ten investigations can be summarized as follows:

a) country images and product images are linked in consumers' attitudes. However, products in general, classes of products and specific products have different images in relation to their country of origin;

b) in homogeneous cultures, country/product images do not differ among similar groups located in different geographical areas of the same country;

c) country/product attitudes can be changed through communication processes if the underlying beliefs are not too strong;

d) the image of a country affects the image not only of products but also of other matters, such as the images of companies and the choice of vacation sites;

e) nationalistic feelings have to be taken into account in some countries, as well as perceived similarities between groups. The relationship between such feelings and attitudes towards domestic and foreign products may be due to various reasons. Let alone the fact that the interpretation of basic factors such as quality, are not absolute but relative measures which vary according to use patterns and/or predetermined standards (Gateora 1983), the very availability of existing products may stimulate positive attitudes towards them. (Is the opposite, however, not also true, when products generally not available are idealized by the masses and become status symbols?)
f) although in some cases the results of independent studies show a considerable degree of concordance, in other cases they do not. These conflicting results call for the need of further research contributions.

2. **Our research : design and method**

2.1. The attitude towards a country is difficult to express directly in behavior. Indirect expressions are possible in various ways such as: buying products from a certain country, spending one's vacation there, establishing trade contacts, directing foreign investment, or even immigrating. The degree of personal involvement may be taken as a determining influence in such indirect expressions. The attitude towards immigration (greatest involvement) to a specific country is certainly stronger than the attitude towards products made in that country. Attitudes towards vacations in a country are likely to differ more or less from attitudes towards products made in that country, depending on the relevance of the object. Involvement usually increases when the perceived risk - for instance high costs - increases. It would be higher for a long vacation than for a day-trip, as it could be for durable goods in comparison with non-durable goods.

Besides this, the attitude towards a country is more influenced by centralized beliefs than by attitudes towards products. Actual experience may also play a role. The less known goods and/or services are, the less experience and empirical considerations will interfere in the attitudinal process. In fact, borrowing from the halo-effect in the belief attitude relationship, it seems reasonable to assume that *ceteris-paribus* the less the
knowledge of products and brands, the greater the influence on consumers' choice of the image of the country of origin.

Another warning: the country image is usually supposed to influence the image of its products. However, the reverse influence should not be ignored. The image of certain products, and the satisfaction/dissatisfaction with them, may well influence the attitude towards a country.

2.2. In order to minimize the above difficulties — that should always be kept in mind to avoid over-simplified conclusions — we thought that an economical way to investigate the "made in" issue might have been the assessment of peoples' affective orientation towards countries and products made in those countries, through the rather old, but according to our experience still valid, Semantic Differential (SD) technique. As is well known, unlike the "denotative" meaning of a concept which defines its literary/dictionary-type explanation, the "affective" meaning refers to the feelings that it provokes. In operational terms, a person's attitude towards a concept, or stimulus-word, may be considered as perfectly equivalent to a person's affective meaning of that concept.

2.3. Since consumers usually choose among alternatives, and a favourable attitude towards one country may be offset by a more favourable attitude towards another country, relative judgements are more meaningful than judgements expressed only on one country. One should therefore consider as many countries as possible. On the other hand, in international research a limiting factor to excessively long listings of countries is the cluster concept. This is
justified by the fact that often people place different nations in one cultural cluster (Haire, Ghiselli, Porter 1966; Sitora, Greenwood 1971; Schaupp 1978; Hofstede 1979, 1983).

In our case, the countries we chose were a Northern European set: Belgium, Holland, West Germany; a Latin European set: Italy, Spain, France; and a contrasting couple: the United States (U.S.A.) and Soviet Union (USSR). These countries formed the first set of concepts to be tested in the SD exercise.

When the research objectives permit it, one way of gathering data efficiently is to focus on homogeneous groups rather than on samples representative of the whole population. This is so not only to avoid sampling problems, as non-sample errors are also frequent in international research (Davis, Douglas, Silk 1980).

Given the experimental class-room exercise of our study, we worked with university students. Two geographically distant and culturally different groups of students were chosen: A Dutch group made up of 29 subjects attending their last year in the Faculty of Economics at the Free University of Amsterdam; an Italian group consisting of 37 subjects following the master programme at ISIDA, the business school located in Palermo.

Due to the differences in attitudes towards products in general, product classes and specific products, the choice of category to be investigated should be a careful one. As mentioned before in the discussion of the NSS survey, by asking too specific questions one comes close to behavioural alternatives, while the problem is avoided by asking about products in general.
In the present research, the term "products made in ...." followed, one by one, by the already mentioned list of countries, was used to provide the second set of concepts to be tested. Each item in both sets of concepts (i.e. the 8 countries and the equivalent number of products made in those countries) was rated against a set of 12 seven-point bipolar scales, structured along the three dimensions: Evaluation (E), Potency (P), Activity (A), which since the well-known findings of Osgood (Osgood, Suci and Tannenbaum 1957, Osgood and Sneider 1969) have amply proved to be salient and pan-cultural factors in the analysis of the affective meanings of concepts.

The E dimension expresses the likes and dislikes of people towards a given concept, P refers to its strength and robustness, A is an indication of its dynamic properties in terms of action and movement. The universality of this structure has often been reconfirmed by further research and theoretical work (Osgood, May, Miron 1975). The scales (good/bad, strong/weak, fast/slow, etc.) were taken from Osgood's original pairs' list and were properly used in their Dutch and Italian translations. The full list of the scales used, as well as the analytical expressions of the measurements described in the following paragraph, are contained in the previous article (Morello 1983).

3. Measurements and results

For each group of subjects, the following measures were applied to the data collected on every concept and dimension: Composite Factor Scores, Distances from the Origin, Interconcept Distances, Cultural Instability. Correlation coefficients were also computed for the Composite Factor Scores. The results obtained will be presented below, after a short explanation of each measure.
3.1. Composite Factor Scores (CFS)

This is the first and basic step in data reduction used to combine ratings on the separate scales into factor scores. Usually CFS are used in their raw form, which gives the mean score for each dimension. Here we have applied its standardized version, obtained by subtracting the group mean from the raw scores and dividing the result by the standard deviation of the group. In multi-country analysis, often characterized by considerable differences in the group means, this method is better suited to guarantee the comparability of the scales.

<table>
<thead>
<tr>
<th>Countries</th>
<th>EVALUATION</th>
<th>POTENCY</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amsterdam</td>
<td>Palermo</td>
<td>Amsterdam</td>
</tr>
<tr>
<td>Belgium</td>
<td>0.8</td>
<td>-0.5</td>
<td>-1.3</td>
</tr>
<tr>
<td>Holland</td>
<td>0.9</td>
<td>0.9</td>
<td>-0.9</td>
</tr>
<tr>
<td>W. Germany</td>
<td>-0.7</td>
<td>-0.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Italy</td>
<td>0.2</td>
<td>1.0</td>
<td>-0.7</td>
</tr>
<tr>
<td>Spain</td>
<td>0.1</td>
<td>0.2</td>
<td>-0.6</td>
</tr>
<tr>
<td>France</td>
<td>0.9</td>
<td>0.4</td>
<td>0.1</td>
</tr>
<tr>
<td>USA</td>
<td>0.1</td>
<td>0.5</td>
<td>1.3</td>
</tr>
<tr>
<td>USSR</td>
<td>-2.3</td>
<td>-2.3</td>
<td>1.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product made in</th>
<th>EVALUATION</th>
<th>POTENCY</th>
<th>ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>0.4</td>
<td>-0.8</td>
<td>-0.8</td>
</tr>
<tr>
<td>Holland</td>
<td>1.2</td>
<td>0.6</td>
<td>-0.0</td>
</tr>
<tr>
<td>W. Germany</td>
<td>0.2</td>
<td>0.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Italy</td>
<td>0.3</td>
<td>1.6</td>
<td>-1.2</td>
</tr>
<tr>
<td>Spain</td>
<td>-0.9</td>
<td>-0.6</td>
<td>-1.2</td>
</tr>
<tr>
<td>France</td>
<td>1.0</td>
<td>1.0</td>
<td>-0.4</td>
</tr>
<tr>
<td>USA</td>
<td>0.0</td>
<td>0.2</td>
<td>1.3</td>
</tr>
<tr>
<td>USSR</td>
<td>-2.1</td>
<td>-1.9</td>
<td>1.1</td>
</tr>
</tbody>
</table>
3.2. **Distance from the Origin (DO)**

In a geometric representation of the E, P, A structure, the origin of the concept—which is positioned in the middle of the dimensions—shows its meaningfulness, i.e., the richness of feelings or intensity of affect.

![Table 2](image)

### TABLE 2

<table>
<thead>
<tr>
<th>Countries and Products made in:</th>
<th>Countries</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amsterdam</td>
<td>Palermo</td>
</tr>
<tr>
<td>Belgium</td>
<td>1.4</td>
<td>1.8</td>
</tr>
<tr>
<td>Holland</td>
<td>1.5</td>
<td>1.7</td>
</tr>
<tr>
<td>W. Germany</td>
<td>1.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Italy</td>
<td>1.4</td>
<td>1.6</td>
</tr>
<tr>
<td>Spain</td>
<td>0.7</td>
<td>1.0</td>
</tr>
<tr>
<td>France</td>
<td>1.8</td>
<td>1.6</td>
</tr>
<tr>
<td>USA</td>
<td>2.1</td>
<td>3.0</td>
</tr>
<tr>
<td>USSR</td>
<td>2.2</td>
<td>1.8</td>
</tr>
</tbody>
</table>

3.3. **Interconcept Distances (ICD)**

The ICD measure represents the distance between two concepts in the three-dimensional space. The results are contained in two tables: 3a for the countries, and 3b for the products made in each country.
The graphic expression of the three preceding indexes (CFS, DO, ICD) visualizes the numerical data and provides a synthetic picture of their structure. In Fig. 1, the countries are 1 = Belgium, 2 = Holland, 3 = West Germany, 4 = Italy, 5 = Spain, 6 = France, 7 = U.S.A., 8 = USSR. Because of the scales used, the E, P, A dimensions go from -3 to +3. The Origin representing the point of meaninglessness is the intercepting point of the three axes (0,0,0).
3.4. Cultural Instability (CI)

This index shows the degree of intra-group conflict or disagreement about the affective meaning of our concepts.

To construct this (standardized) index, the absolute deviations of each individual subject from the mid-point of the scales (called Individual Polarity, or IP) have been calculated. The absolute deviations of the group mean from the mid-point of the scales (called Group Polarity, or GP) have also been calculated, and subtracted from the IP in order to obtain the final CI measurement.

<table>
<thead>
<tr>
<th>Concepts</th>
<th>Groups</th>
<th>Cultural Instab.</th>
<th>Group Polarity</th>
<th>Individual Polarity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Countries</td>
<td>Products</td>
<td>Countries</td>
</tr>
<tr>
<td>Belgium</td>
<td>Amst.</td>
<td>-0.5</td>
<td>-0.4</td>
<td>-0.3</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>-0.5</td>
<td>1.7</td>
<td>-1.4</td>
</tr>
<tr>
<td>Holland</td>
<td>Amst.</td>
<td>0.4</td>
<td>-0.8</td>
<td>-0.1</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>-0.2</td>
<td>-0.4</td>
<td>-0.1</td>
</tr>
<tr>
<td>W. Germany</td>
<td>Amst.</td>
<td>0.5</td>
<td>-0.3</td>
<td>-1.1</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>-0.2</td>
<td>-0.9</td>
<td>0.4</td>
</tr>
<tr>
<td>Italy</td>
<td>Amst.</td>
<td>1.6</td>
<td>0.5</td>
<td>-0.5</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>0.7</td>
<td>-0.5</td>
<td>-0.2</td>
</tr>
<tr>
<td>Spain</td>
<td>Amst.</td>
<td>0.8</td>
<td>2.1</td>
<td>-1.4</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>0.9</td>
<td>1.1</td>
<td>-0.8</td>
</tr>
<tr>
<td>France</td>
<td>Amst.</td>
<td>-1.9</td>
<td>0.8</td>
<td>0.6</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>-0.1</td>
<td>-0.8</td>
<td>-0.5</td>
</tr>
<tr>
<td>USA</td>
<td>Amst.</td>
<td>-1.7</td>
<td>-0.9</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>-1.7</td>
<td>-1.1</td>
<td>2.2</td>
</tr>
<tr>
<td>USSR</td>
<td>Amst.</td>
<td>-0.6</td>
<td>1.0</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>1.7</td>
<td>1.0</td>
<td>0.6</td>
</tr>
</tbody>
</table>
3.5. Correlation coefficients

In spite of the small number of countries involved in the re-
search, correlation coefficients were computed for the CFS, separa-
tely for each E, P, A dimension, to establish the relationships
between the two groups of students and the two sets of concepts.
Simple linear correlation coefficients were computed after a
significantly positive correlation was found using the Spearman
Rank coefficient.

<table>
<thead>
<tr>
<th>Dimensions and concepts</th>
<th>Groups and dimensions</th>
<th>R</th>
<th>$R^2$ (%)</th>
<th>sign. (%)</th>
<th>equations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PRODUCTS (y) - COUNTRIES (x)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation</td>
<td>Amst.</td>
<td>0.87</td>
<td>75</td>
<td>0.3</td>
<td>$y = 0.50x + 0.20$</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>0.86</td>
<td>77</td>
<td>0.2</td>
<td>$y = 1.07x - 0.23$</td>
</tr>
<tr>
<td>Potency</td>
<td>Amst.</td>
<td>0.82</td>
<td>75</td>
<td>0.5</td>
<td>$y = 0.85x - 0.10$</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>0.86</td>
<td>75</td>
<td>0.5</td>
<td>$y = 0.73x + 0.06$</td>
</tr>
<tr>
<td>Activity</td>
<td>Amst.</td>
<td>0.92</td>
<td>84</td>
<td>0.5</td>
<td>$y = 1.07x - 0.38$</td>
</tr>
<tr>
<td></td>
<td>Pal.</td>
<td>0.96</td>
<td>92</td>
<td>0.05</td>
<td>$y = 1.10x - 0.09$</td>
</tr>
<tr>
<td><strong>COUNTRIES (y) - AMERICAN (x)</strong></td>
<td></td>
<td></td>
<td></td>
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<td>E</td>
<td>0.83</td>
<td>69</td>
<td>0.5</td>
<td>$y = 0.65x + 0.59$</td>
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<td>P</td>
<td>0.95</td>
<td>90</td>
<td>0.05</td>
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<td></td>
<td>A</td>
<td>0.66</td>
<td>43</td>
<td>0.05</td>
<td>$y = 0.83x - 0.09$</td>
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<tr>
<td>Products</td>
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<td>62</td>
<td>0.5</td>
<td>$y = 1.30x + 0.16$</td>
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<td>P</td>
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<td>56</td>
<td>2.5</td>
<td>$y = 0.58x + 0.40$</td>
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<tr>
<td></td>
<td>A</td>
<td>0.62</td>
<td>38</td>
<td>5</td>
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The results show that high coefficients were found for both products and countries on the E and P dimensions. The correlation coefficient on A is considerably lower. This is partly caused by the high disagreement on the A factor of Italy: Italians perceive their own country and products as rather inactive while the Dutch respondents find them extremely active.

The correlation between countries and products made in the same countries is always very high (for the A dimension it is close to 1). This is in accordance with previous studies, where the relations between countries and companies, and countries and trade contacts were detected. It also agrees with the results of the country-vacation study, where the correlation between the two concepts was very high indeed. This point will be discussed again in the conclusive summary.

4. Discussion

The above results will now be described and commented upon, on a country-basis. In order to keep the "made in" issue in its proper perspective, comments on the affective meaning of countries will precede the comments on products. Comparisons with previous findings will be referred to, whenever useful.

4.1. Belgium

On CFS, Belgium as a country was evaluated rather poorly for all dimensions and both groups compared to other countries. The only exception were the ratings on the E dimension by the Dutch group.

The meaningfulness (DO) of Belgium as a country was much higher among the Dutch subjects than among the Italians. This may well
be due to the stronger economic and cultural ties that link the two neighbour countries. The DO of products made in Belgium, however, was low for both the Italians and the Dutch.

Moreover, both groups evaluated (CFS) products made in Belgium lower than Belgium as a country. An interpretation for this could be the scarcity of well-known Belgian goods on the consumer market.

With a 0.5 index of CI (the maximum disagreement being +3), both the Dutch and the Italian group showed a rather compact agreement on the affective meaning of Belgium as a country.

Regarding products made in Belgium, however, the Italian group indicated considerable conflict. Under these circumstances there seems to be a good possibility for attitude changes, which could be gainfully worked upon in marketing communication processes.

The Amsterdam group sees Belgian products close to Spanish, French and Dutch products, while the Palermo group sees them close to Dutch, Russian and Spanish products. Belgian products are considered remote in the semantic space from American and German products.

4.2. The Netherlands

The evaluation of the Netherlands as a country was quite high, being positioned second in rank by the Dutch as well as the Italian group. The feelings of the Dutch group are not chauvinistic, France was rated highest on the E dimension.

Holland is not seen as a very strong nation (negative P from Amsterdam and Palermo) but as rather dynamic (positive in both cases).
Products made in Holland are also evaluated highly by both groups. The CFS on the P and on the A dimension of this concept are about average and so are the DO and CI indexes.

French products are positioned very close to Dutch products in the semantic space by both groups. The largest distance away from Dutch products are Russian products, again for both groups. The pattern of the whole ICD exercise is the same for both groups except for products made in the U.S.A., which the Dutch see as more remote than the Italians do.

4.3. **West Germany**

Products made in West Germany are perceived as being very strong, with only American products scoring higher on P. These results are in line with previous studies: Nagashima had found that the most representative German products were automobiles, machinery, tools, electronic products, medical and pharmaceutical products and sporting goods. Since the E dimension of West German products is rather low, one can give credit to the hypothesis that, in judging products made in West Germany, the respondents were not only interested in their durability and reliability. The DO of West German products is high in comparison with products made in other countries and with West Germany as a country.

The Italian respondents agree more on products made in West Germany than the Dutch ones, as the CI measurement shows.
On the ICD index, West German products are perceived by both groups as being quite close to American products in the semantic space, and far removed from Spanish products. The distance pattern is quite identical for both groups, except for the distance between German and Russian products. The Amsterdam students judge the distance smaller, and the Palermo students see it as being much wider.

4.4. Italy

Self-esteem or nationalistic feelings among Italian respondents proved to be rather strong on E. They gave their highest ratings to Italy as a country and to their own products.

The Dutch respondents held a different opinion, and Italy was ranked fourth on both concepts - country and products. The P dimension of Italy was rated low by both groups, while the ratings on A differed substantially: Italy was considered very active by the Dutch group and only moderately active by the Italian group.

Still on the "made in" issue, the scores on P were modest in Italy and poorest in the Netherlands. These scores are in line with the findings of Bannister and Saunders, and of Nagashima, according to whom Italian products scored well as being reasonably priced but poor on reliability and workmanship - a finding that would require further insight from the marketing standpoint to determine whether it is true that Italian producers are very active in low-price sectors and that products which are low-priced are considered as being low-quality. On practical grounds the argument is contradicted by the evidence of Italian automatic washers, which have been gaining large shares in the European market, where not even Hoover, a strong U.S. firm with a large plant in England, was not able to defend its high quality brand against the Italian low-priced, relatively simple
On A, the ratings of Italian products were similar to the ratings obtained on the country: high in Amsterdam, low in Palermo. CI and DO were above average.

Russian products are considered furtherest removed from Italian products by both groups. France is seen as close to Italy in the semantic space for both. The major difference occurs between products from Spain and from Italy. As a nation, Italians see themselves very close to Spain but not close to Spanish products, while the Dutch group thinks Italy and its products are closest to Spain. The Italian group sees Belgian products as closest while the Amsterdam group considers Italian products as most distant.

4.5. Spain

The ratings of the Italians for Spain as a country have been more positive in all aspects compared to the Dutch group. Their CFS scores were moderate on E and low on P and A. This may be interpreted as a sign of a more general inclination to rate neighbour countries which are relatively weak, higher than countries which are located further away.

* The case is forcefully illustrated by Levitt(1983). Yet in our view Levitt carries his plea for "market globalization" too far, when advocating that progressive corporations should ignore regional and national differences (including, as it seems, image issues which have no place in his analysis) and concentrate on the growing demand for the same standardized products all over the world.
The indexes of agreement resulting from the usual IC measure and from the DO index of meaningfulness turned out to be low among both groups on Spain as a country, as well as on products made in Spain.

Spanish products scored low on all dimensions. In fact, most respondents had problems to fill in the SD forms for products made in Spain. As in the case of Belgium, this is probably due to the lack of well-known locally manufactured goods or brands. The low DO score for goods produced in Spain also stresses this point.

Spanish products caused quite different reactions among the respondent groups.

As far as ICD is concerned, the Dutch group saw Italian products as being closest to Spanish products and German products as most distant from them.

The Italians consider Belgian products closest and American products as furtherest apart from products made in Spain.

France

The relative ratings for the CFS evaluation of France have been rather different for the two groups. France achieved the most favourable ranking from the Dutch group but only a fourth ranking from the Italian respondents. The A score for France was considerably higher than its P, while the agreement on the ratings was quite high in both groups.
Also French products scored high on dimensions E and A, but their P was only moderate. This high evaluation, combined with moderate potency, suggests once again that the respondents put more value in attributes other than reliability and durability. In fact, in previous investigations French products were perceived as being luxurious and exclusive, scoring low on engineering factors. Nagashima (1977) found that the most representative products from France were, according to Japanese businessmen, cosmetics, perfumes, wine, clothing and fashion items.

The products closest and most distant from those made in France were agreed upon by both groups, and were Dutch and Russian products respectively. The major ICD difference between the two groups was the positioning of Belgian products. The Amsterdam group positioned them closer to French products than the Palermo group did.

4.7. U.S.A.

The U.S.A. was rated more positively in Italy than in Holland. The country is considered to be very strong. According to the Italian respondents, it is the strongest of the 8 countries included in the survey. For the Dutch group, its power is exceeded by that of the USSR. Also in the A dimension, the U.S.A. scored high while on E they were judged as only moderately positive. The DO on the U.S. concept was quite high and the CI index was mediocre.
Products made in the U.S.A. achieved most favourable ratings on P, even higher than Germany. This is in conflict with the findings of Bannister and Saunders, and of Darling and Kraft while it coincides with those of Nagashima. In the research of the latter, American goods scored highest for reliability and heavy industry products. Japanese businessmen mentioned the following as the most representative products: automobiles, food, electronic items, computers, Coca-Cola, machinery and airplanes.

Cl and DO on products made in the U.S.A. were very high.

American products are seen as very close to German ones.
Most distant are products from Russia (Palermo) and Spain (Amsterdam).

4.8. USSR

The poorest scores of all countries in the survey were obtained by the USSR. The feeling about its strength—on the P dimension the country scored very high— is an exception.

The agreement on the low scores was high for the Dutch respondents but lowest for the Italian ones. The DO scores indicate clearly that USSR is a very meaningful concept. In interconceptual distances, the Dutch and the Italians positioned this country as very far from themselves. From this standpoint the Amsterdam group perceives the two super-powers as rather similar—more so than the Palermo group does. The latter group probably stresses the points in common, while the former group stresses the opposite.
Products made in the USSR achieved least-favourable ratings on the E and A dimensions. The agreement between the two groups concerning P is rather high. Russian goods are perceived as being strong by the Dutch and relatively weak by the Italians. The Dutch score ties in with the findings of Bannister and Saunders, in whose study the Soviet Union rated lowest on all attributes except for reliability and workmanship.

The DO of products made in the USSR is much higher among the Amsterdam students than among the Palermo group. These scores could be due to the fact that the most representative Soviet product, the Lada Automobile, is not sold in Italy. This car, originally designed in Italy as Fiat 124, has the image of being uncomfortable, slow and old-fashioned, but quite strong and reliable.

As far as ICD is concerned, we have already noticed that the Dutch see Russian products as being very close to American products, but the Italians find them furtherest away. These scores are similar to the country scores.

5. Summary and Conclusions

5.1 Keeping in mind that the results originate from a small scale study and hence cannot be unduly generalized, the essential findings of our research can be summarized as follows:

a) A close connection - clearly expressed by high correlation coefficients - exists between attitudes towards countries and attitudes towards their products.

This important conclusion, based on the general "made in" image, is in line with the results of previous investigations, with some exceptions, however. One such exception refers to our own study on nations and vacations. The difference between those findings
and the present ones, lies mainly in the fact that, compared to attitudes towards nations, attitudes towards vacations in Southern European nations were rated higher (especially in the Evaluation dimension of the SD). On the other hand, products made in Northern Europe were evaluated higher than products made in Southern Europe. Differences of this kind tend to confirm that classes of products or services, as well as specific products or services, may have different images.

b) Weak neighbour countries are evaluated higher than strong ones. Clusters of countries may be detected, yet the number and type of countries considered in the present study do not permit conclusive statements on this point.

c) The scores of the Dutch and the Italian group were quite similar except for the Activity dimension. Economic nationalism appears to be stronger among Italians than among the Dutch. The self-perception of Italians for their own country as well as for their products was quite different from that of the Dutch. The findings of Reierson and of Bannister and Saunders concerning similar images in different regions of the same country may be extended at international level. This is supported by the high correlation coefficients and the similarity in findings among the different studies.

d) Although analytical reasons connected with the use of standardized scores may weaken the validity of the findings, it is interesting to notice that the U.S.A. and USSR are positioned in the semantic space quite differently than European countries. Considerable divergence exists on how Italians and Dutch people see the two super-powers. It is likely that the first group stresses the
differences (political and economic system), while the second group stresses the similarities (size and power). The effect is that Russian products are positioned furthest from American products by the Italians, while the Dutch see them as being most close to each other compared to the other countries considered in the survey. This pattern is repeated in the country scores.

5.2. How can all this be interpreted in a marketing framework? The attitude toward the "made in" issue is important for predicting consumers' behaviour. Given the increasing degree of competing exchanges at international level, studies about it may be relevant, especially for small countries which depend largely on exports for their national income and for small companies which lack the resources to create an own image.

Since the image of a country can be seen as national goodwill, to protect it when it is favourable and to try and change it when not favourable should be a national concern. Something similar happened in Germany with AEG, which was kept alive because the government "could not afford a shadow to fall on the good name of West German exports" (E.W. 1982). A policy of image support would perfectly fit the current Dutch export promotion programs envisaged on medium and smaller size firms (Hess and Kemne 1983).

The usual network of embassies and specialized offices might well be utilized in this connection. The findings of properly conducted investigations should be made available to domestic companies and, if desired, to international companies willing to start productive investments. Such a policy would help companies to formulate proper marketing and communication strategies.
5.3. The following guidelines may be considered in formulating such strategies:

a) If the image of a country is already favourable, products made in that country should stress their origin. Dutch flowers, Irish linen, Italian fashion, Scotch whisky, Swiss watches are stereotypes of this kind. The communication mix has then to work on the reinforcement of concepts and, whenever possible, on the extension of prevailing attitudes to new market segments.

Sometimes conflicting interests within the same country make it difficult to convey a uniform message. For instance, an image based on a high level of specialized technology, which is valid for the export of industrial goods, would contradict advertising campaigns centred on quiet and peaceful landscapes, which would serve the tourism industry. In such cases, the best solution seems either a clear-cut choice of the preferred alternative based upon cost-benefit analysis, or the search for a viable coexistence of the conflicting interests based on segmentation techniques, and a balanced coordination of all variables involved in the communication process. A case in point is Finland, where this kind of bivalent situation is placed under the responsibility of the same public authority. Another case is Holland, where the image of "good agricultural land" does not help the sale of sophisticated technical products.

b) If the image is not favourable but the prejudices are weak, one could:

- promote the country and its products with an emphasis on their positive features or events. If research on the "made in" issue is based on the SD methodology, the different scores of the E, P, A dimensions should be considered and properly conveyed.
into the right communication messages. The promotion which combined the prestigious performance of the sailing ship "Azzurra" in the 1983 America's Cup - a competition which only admits boats built entirely from domestic material and equipment - with one of its financial sponsors, Banco di Roma, is an intelligent example of the use of the "made in Italy" concept, which stresses the Potency and Activity dimensions. The same can be applied not only to products and events but also to people. Football players like Paolo Rossi and Johan Cruyff have certainly contributed to a better image of Italy and Holland respectively;

- encourage exports of the best and most visible products (i.e. most clearly recognizable from the "made in" standpoint) and link them with other positive elements of the marketing mix (price, quality, etc.). Countries with a relatively poor image try to associate their products with better-known brands or countries. In the car industry, examples of this approach are Hyundai's Pony model (South Korea) associated with the Mitsubishi Lancer model (Japan), Zastava model Yugo 45 (Yugoslavia) associated with Fiat's 127 (Italy), Seat Ronda presented as the Spanish version of Fiat's Ritmo;

- stress the good alignment and the economic ties with the target country. A pertinent example of this approach is the ongoing advertising campaign of Volvo in the U.K. Instead of attacking the Buy British line, the firm is following a parallel path, focused on the slogan "Support the British Motor Industry, buy a Volvo". The body-copy explains that Sweden buys so many components from the U.K. that "nearly 25% of every Swedish Volvo is made in Britain". Playing the nationalistic tune on another note, the text goes on with the following comment: "At a time when Ford is building their
Granadas in Germany and seventeen in every hundred Cavaliers are assembled in Belgium, that's quite a boost for the British Motor Industry". The same message content is used by Volvo and other Swedish manufacturers for better penetration into the Dutch market.

c) if the image of the country is unfavourable and the prejudice is strong, an international denomination is the best choice. Japan provides many examples of domestic goods with international brand names, such as Kenwood, Pioneer, Cannon, Minolta, Citizen.

Sometimes a branding based on a sort of 'country switch' is adopted, and not only in Japan. How many people know that Alcida is not an Italian ice cream and Atkinson is not a British toiletry line? Although expensive, the following dynamic sequence may also be adopted: disguise the country of origin, improve the products' features, increase promotion, and change brand names when the image has improved. It seems that the Datsun-Nissan shift followed this path.

An interesting history is the one of Averna, a family company which today is the leader in the Italian bitter liqueurs market. In the sixties its Sicilian origin was a handicap. It became an asset, well exploited by skillful management in the seventies, with the growing appreciation of natural herbs and non-artificial aromas, in line with the emerging ecological values.

Assembly and/or manufacturing plants abroad, joint ventures and similar foreign operations which have been examined elsewhere from different angles (Morello 1971) could also be considered from the image standpoint, and not only when the country of origin has a poor reputation. The comparative advantages
of the "made in" issue may well justify investments of this kind. When Italian stylist Emilio Pucci entered the perfume business, he chose to do so from France rather than from Italy. However, a mistake in such decisions can be dangerous, as the Volkswagen case demonstrates: the change of production from Germany to America has negatively affected the sales of this car on the U.S. market. It remains to be seen whether Philips' recent link-up with AT&T has been a good move or not. Although it certainly has positive aspects, according to some observers (Business Week 1983) the turning to the U.S.A. for technology may close off Philips' access to the European telecommunication market.

This leads to another important aspect of brand policy, i.e. the risks involved in linking the image of the firm with the products it sells. It is for this reason that, unlike Procter & Gamble, another Dutch multinational - Unilever - never associates its own company name, nor its country of origin, with any of the thousands of products it sells all over the world.

5.4. Obviously not only marketing variables should be considered. Other economic factors, as well as political feelings, do influence the image of countries and products. This is true both for local and international political factors.

The influence of internal politics is clear in the recent case of Japanese history books. Forty years after World War II, Japan, which proudly claims to have "the world's most efficient book distribution machinery" (Minowa 1976), felt confident enough to present a different interpretation of its role in the Second World War. Under external pressure of public
opinion, they were forced to use the original books again.

At international level, a negative reaction followed the legal selling of soft drugs in Enschede, Holland, with groups in Sweden proposing a ban of Dutch products.

Ideology motivated threats such as the boycott of U.S. firms selling to communist countries, the criticism to trade with South Africa or the Arabs' opposition to nations trading with Israel, are already too well-known to be discussed here.

If nations, firms, associations or other productive units want to improve their image and the image of their home-made products, all relevant factors have to be carefully analyzed so that, in terms of trade-off and calculated risk, the expected benefits outweigh the costs involved in such strategic decisions.
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