

Does Exposure To A Country's Culture Affect Consumers' Attitude Towards Brands: A Comparative Study Between Japan and Germany

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Abstract: Many multinational companies manage their consumer perception through the country of brand origin in their promotion campaigns. This research tries to add subject to the literature of brand origin by trying to identify if consumers who are exposed to Japanese culture and consumers who are exposed to German culture through the means of language learning, internet, cultural events and work become factors that influence brand origin recognition and possess varying attitude towards other country brands. Considering two countries: Japan and Germany which are at an equal standing in terms of development, having a perception of being countries that provide high tech and quality goods, brand origin can be a factor which will influence the varying attitude of the people of Bangalore city and in identifying the county of origin of the brand, The research finds that consumers who are not exposed to respective cultures make errors in brand recognition and also Japanese language learners have more overall positive attitude towards Japanese brands than towards German brands, but German language learners are not biased towards either Japanese brands or German brands.

Key words: Brands, Brand origin, Brand origin recognition, Exposure, Language learning

Date of Submission: 15-02-2018

Date of acceptance: 27-02-2018

I. Introduction

1.1 Background

The main factor in the growth of the world economy is emerging markets which offer growth opportunities for firms from developed countries. Companies in Developed economies that saturate the home market with their goods will move to markets where demand for products emerge and offer the potential for entry. With this influx, they bring not only the product but also its country's culture and people. Many of these Multinational companies manage their consumer perception through the country of brand origin in their promotion campaigns. An example is a German-accented narrator used to emphasize on "German made cars" and also includes "Das Auto" as a slogan in its advertisements. Despite the continuous use of country cues, a study by Liefeld (2004) showed that 1.4% of consumers explicitly acquired a product's country cues and only about 6% knew the country of origin before acquiring the product. In contrast, 88.8% reported that they did not know the brand origin and suggest they were not interested in knowing it. Several studies show that consumers do not possess accurate knowledge of the origins of brands but also do not seek such information (Magnusson et al., 2011c). Language learners are bound to come across various words in the course of their study and thus became able to easily identify words, their country of origin of the brand, and the place as they are continually exposed to the culture through the language.

1.2 Brand origin

Theoretical analysis reveals two complementary views on brand origin. One view represents an argument that consumers use the information on brand origin to evaluate products and the place of origin influences the evaluation by indicating product quality. Most of the studies show that brand image depends on the perception of the level of economic development of the country. The second view represents the relationship between single brand origin and the association with other brand names from the same origin. The idea is that familiarity with products made in the country is the strongest predictor of country perceptions. Therefore, perceived origin associations are evident within brand names, created through long-term communication with the consumers. According to that, the brand origin is a construct consisting of affective and cognitive components (Chlivickas & Smaliukienė, n.d.). Brand-origin is defined as "the place, region, or country where brand is perceived to belong by its target consumers" (Thakor, 1996) Brand origin refers to the country with which consumers associate the brand. For example, at the mention of the brand Coco-cola, McDonald, most consumers

will view them as American brands and Sony, Honda and Panasonic consumers think of Japan. Research shows that Brand origin represents a culture, reflects consumers' attitude to a specific country and therefore affects consumers' behavior to a large degree. Some researchers argue that Brand origin country represents a particular culture, reflects consumers' attitude to a specific country, and therefore, will affect consumers' behavior to a large degree. It is considered to be a better scale of measurement because it has been found to have a greater impact on consumer purchasing than the country of origin in emerging markets (Jin & Chansarkar, 2006). The reason for this is that consumers in emerging markets perceive foreign brands, from developed countries, to have an image of status and modernity (Ånmo & Tarnovskaya, 2010). A great number of studies provide evidence that brand origin is a construct of emotional and cognitive components where cognitive is knowledge about the physical attributes and emotional as feeling towards the attributes, the cognitive component explains why consumers may rationally think that a certain country is an expert at some product categories and overall positive or negative feelings associated with the country may lead to positive or negative consequences. When consumers are highly motivated, they use cognitive components for evaluating products according to their brand origin (Chlivickas & Smaliukienė, n.d.). Perceived origin association can be created either through advertising or through the language associated with the brand name. It has become more relevant to use brand origin rather than country of origin since many brands are not associated to originate from the country on the "made in" label anymore. Thakor, (1996) proposed the concept of "Brand Origin" and highlighted a clear distinction between the concepts of Country of Origin (COO) and Brand Origin (BO). They defined Brand Origin as "the place, region or country where a brand is perceived to belong by its target market" which indicates the role of brand origin association as one of the most important personality traits of a brand. Brand Origin can increase the value of a brand regardless of the place of manufacture. For example Nike, The brand is of US origin but is manufactured in China. However, most people still perceive the brand as American brand regardless of where the brand is manufactured. When a brand is in an international market, it creates an opportunity for perceived brand origin to influence the consumers. Literature has shown consumer bias towards national origins of products and has explored factors that reduce such bias. Brand origin effect refers to the different ways that the perceived origin of a brand influences the consumers, for example, the consumer brand equity or purchase behavior. Researchers assume that consumers are knowledgeable of brand origins and this knowledge is a significant influence that drives judgment of product quality, brand attitudes, and choice behavior in the market. Brand image is the reason for the emotional perception that a consumer attaches to a specific brand. Every brand consists of symbolic brand beliefs. Brand association are a brand's cue that includes anything which "links" in memory to a brand (Country of origin, brand image perception, 2008). "Ultimately, the power of a brand lies in the minds of consumers or customers" and that the meaning that customers attached to a brand may be different from that which the firm intends. (Country of origin, brand image perception, 2008)

II. Literature Review

"Culture of Brand Origin (COBO): The Impacts of Language and Linguistics on Purchase Intention of a Brand", gives new insights into origin effect by focusing on different parameters pertaining to cultures such as language and linguistic factors. The cultural cues in the brand name are identified as a factor for influence in the purchase behavior of the consumers. The results indicated that the element of the culture of brand origin does have an influence on purchase behavior and also suggests that managers can appreciate the usefulness of language as a strategy in brand positioning and determine the most effective linguistic pattern to be applied in a brand name. (Harun, Abdul Wahid, Mohamad, Lily, & Lasuin, 2015) The study "Brand origin and country of production congruity: Evidence from the UK and China", extends past studies on the country of origin effect to examine whether a negative country of production affects consumer product perception and consumer purchase decision of a well-known brand. The main findings show that both brand origin and country of production are especially important for consumers in a developed country in their product evaluations while the perceived brand image of a developing country and price are key factors for consumers in a developing country. (Eng, Ozdemir, & Michelson, 2016) Researches also show the influence of the brand origin consumer preference and purchase of local and overseas brands. The more the consumers mistake an overseas brand for a local brand, the more negative impact it has on purchase behavior. (Emirates, 2015) The paper, "Examining brand origin recognition accuracy in Indonesia", says Brand origin has been suggested as an important determinant of brand evaluation and purchase intention. However, previous studies have indicated that consumers have limited knowledge and ability to recognize the national origin of brands. The purpose of this paper is to assess brand origin recognition accuracy and its relationships with brand evaluation and purchase intention in the Indonesian laptop market. The study found that consumers are more likely to misidentify than correctly recognize a true brand origin. This limited ability also has contributed to the low BORA scores for both local and foreign brands. The brand evaluation was found to be positively correlated with purchase intention. (Tjiptono, Tiana, & Andrianombonana, 2016) The paper "The concept of Culture of Brand Origin (COBO): A new paradigm in the evaluation of Origin effect" talks about how origin effect is evaluated on country of origin (COO) and has become irrelevant in today's

marketing context due to the globalization effect. This paper tries to propose a new alternative tool to assess the origin effect by concentrating on culture factors namely Culture of brand origin. This concept says that cultural characteristics are embedded into the brand name and thus gives linguistic uniqueness. These two scales function as an indicator of the brand's origin and are said to have an influence on consumer's attitude and behavior. The paper also discusses the components which include identification of brand origin on the basis of language and perception of brand name linguistics. The components of brand name linguistics include phonetic, morphology and semantics.(Harun, Wahid, Mohammad, & Ignatius, 2011)The paper "Brand origin: conceptualization and review", talks about how several aspects of brands may affect consumer purchasing processes, one significant characteristic of many brands is the origin cues that they contain which has received little or no attention. It distinguishes brand origin from the country of origin and shows how this concept could be valuable in resolving a methodological problem with some country- of- origin studies and discusses the relationship between brand origin and the concept of the global brand. It shows the problems associated with the use of brand origin, draws managerial implications and suggests research gap.(Thakor, 1996)

III. Statement of Problem

Many types of research' have been conducted on Country of origin and find that it is an outdated model as the place of manufacture of the product is no longer the country of origin. Even though there are researches done on Brand origin, most of them solely focus on brand recognition. There isn't much research on the factors which might affect the brand recognition. This study focuses on using language and linguistics, cultural exposure as the main variable.

IV. Need and Importance Of Study

In a globalized world where cultures and markets are merging, this study explores how being exposed to a country's culture through different mediums such as learning the language, living in the country, working with clients of a different nation become factors in attitude towards a particular country's brand. Bangalore is one of the fast growing metropolitan cities where people are being exposed to Japanese and German culture through language institutions, Japanese and German expats at work and the use of the internet. With this continual exposure to the country and its people, they are exposed through various mediums leading to the formation of attitude towards Japanese and German brands. The results of the study can be used by marketers to implement strategies that include country cues in their advertisements.

V. Objectives

The objective of the study is to assess the impact of exposure to a country's culture on the attitude towards the brand of the respective countries under study.

VI. Research Methodology

The data for the study has been collected from various language institutions in Bangalore. 120 respondents were selected on random sampling basis. The primary data was collected using a structures questionnaire. IBM SPSS software ver.21 was used for data analysis. The data is analysed using statistical tools such as simple frequency and percentage analysis, descriptive statistics and chi-square. The level $p < 0.05$ was considered as significance value.

Data Analysis and Interpretation

Table1 showing the demographic profile of respondents

Variable	Category	No. of respondents	Percentage %
Age	21-30	65	56
	31-40	43	37
	41 and above	8	6.9
Gender	Male	65	56
	Female	51	44
Education Qualification	Graduate	72	62
	Post Graduate	41	35
	Others	3	3

Inference: The above tables show that a total of 116 respondents were collected at random, the majority of respondents were 21-30-year-olds (56%, n=65), men (56% n=65) who are mostly graduates (62% n=72)

Table 2(a) (b): Table showing the number of respondents exposed to (a) Japanese culture (b) German culture

Japanese culture		Frequency	Percent	German culture		Frequency	Percent
valid	Yes	61	53.0	Valid	Yes	47	40.9
	No	54	47.0		No	68	59.1
	Total	115	100.0		Total	115	100.0

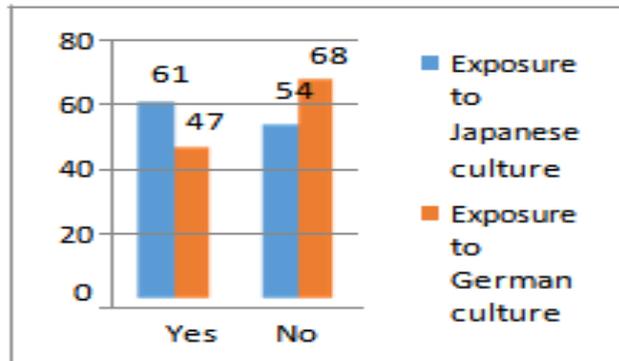


Fig 1: Chart showing the frequency of respondents exposed to Japanese and German culture

Inference: The tables 5 and 6 show the number of respondents exposed to either Japanese culture (61%) or German culture (47%) or both cultures through different mediums of exposure. 29 respondents were exposed to neither of the cultures.

Table 3: Table showing the different mediums of exposure for Japanese and German culture

	To Japanese culture	To German culture
Internet	38	25
Language learning	31	23
Television	31	13
Cultural events	23	12
Work	19	14
Colleagues	15	13
Clients	12	12

Inference: The above table shows that language learning and the internet are two important mediums through which consumers become exposed to the culture of a country. Due to many foreign expats coming into the city, there are people also being exposed due to their work with colleagues and clients. Cultural events across the city also become a medium of exposure, but compared to Japanese learners German learners are considerably low in number in case of cultural events.

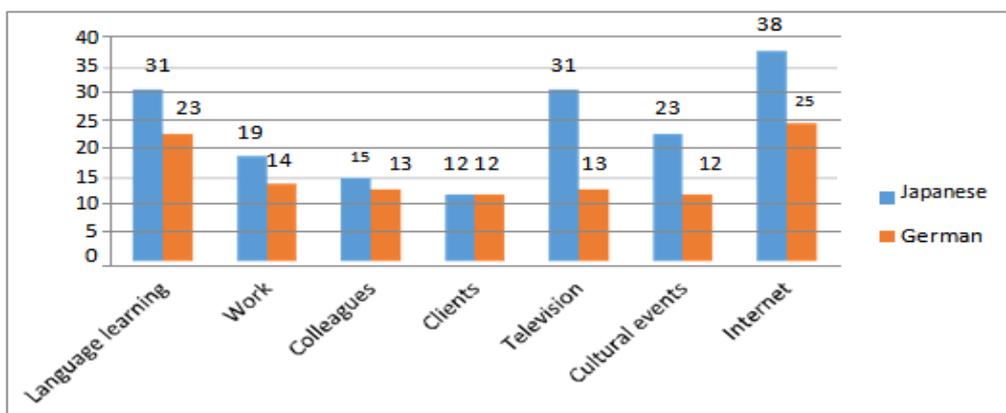


Fig2: Chart showing the different mediums of exposure for Japanese and German culture

Table 4 (a) (b): Tables showing the overall attitude of consumers towards (a) Japanese Brands (b) German brands

Japanese brands	Frequency	Percent	German brands	Frequency	Percent
4.0	1	.9	1.0	1	.9
5.0	8	6.9	4.0	1	.9
6.0	7	6.0	5.0	2	1.7
7.0	20	17.2	6.0	11	9.5
8.0	46	39.7	Valid 7.0	36	31.0
9.0	26	22.4	8.0	28	24.1
10.0	8	6.9	9.0	32	27.6
Total	116	100.0	10.0	5	4.3
			Total	116	100.0

VII. Interpretation

The above tables show the frequency and percentage of respondents that rate their positivity on the different brands from Japan and Germany. As seen from the tables there are respondents who have a low attitude which is 5 and below 5 rating. A 7, 8, 9 and 10 rating shows a very good overall positive attitude towards both the brands

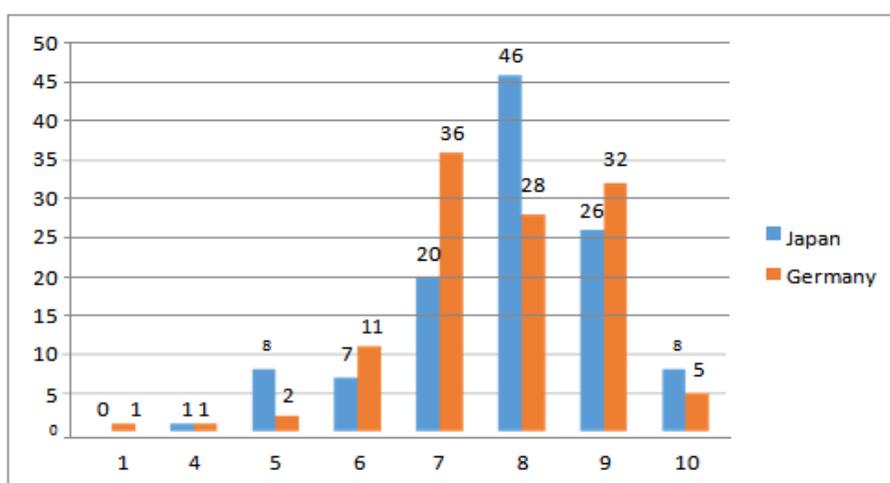


Fig3: Chart showing the overall attitude of consumers towards (a) Japanese Brands (b) German brands

7.1 Hypothesis testing

Objective To assess the impact of exposure to a country's culture on the attitude towards the brand of the respective countries under study

- Hypothesis 1

H0: There is no significant relationship between consumers who are exposed to Japanese culture and their attitude towards Japanese brands

		Attitude towards Japanese brands						Total	
		4.0	5.0	6.0	7.0	8.0	9.0		10.0
Exposed to Japanese culture	Yes	0	0	4	4	28	22	4	62
	No	1	8	3	16	18	4	4	54
Total		1	8	7	20	46	26	8	116

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	80.572 ^a	6	.000

Likelihood Ratio	35.688	6	.000
Linear-by-Linear Association	17.211	1	.000
N of Valid Cases	116		

H1: There is significant relationship between consumers who are exposed to Japanese culture and their attitude towards Japanese brands

Inference: It is inferred from the table that the calculated value of chi-square at 5 % level of significance with 6 df is 30.572. The p-value obtained is .000 which is less than the standard p-value of 0.05. Hence the null hypothesis is rejected. By the statistical analysis, it can be concluded that there is a significant relationship between consumers who are exposed to Japanese culture and their attitude towards Japanese brands.

• Hypothesis 2

H0: There is no significant association between consumers who are exposed to German culture and their attitude towards German brands

H1: There is significant association between consumers who are exposed to German culture and their attitude towards German brands

		Attitude towards German culture								Total
		1.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	
Exposed to German culture	Yes	0	0	0	5	9	10	23	1	48
	No	1	1	2	6	27	18	9	4	68
Total		1	1	2	11	36	28	32	5	116

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.462 ^a	7	.005
Likelihood Ratio	22.172	7	.002
Linear-by-Linear Association	7.679	1	.006
N of Valid Cases	116		

It is inferred from the table that the calculated value of chi-square at 5 % level of significance with 7 df is 20.462 The p-value obtained is 0.005 which is less than the standard p-value of 0.05. Hence the null hypothesis is rejected. By the statistical analysis, it can be concluded that there is a significant relationship between consumers who are exposed to German culture and their attitude towards German brands.

Hypothesis 3

H0: There is no significant association between consumers who are exposed to Japanese culture and their attitude towards German brands

H1: There is significant association between consumers who are exposed to Japanese culture and their attitude towards German brands

		Attitude towards German culture								Total
		1.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	
Exposed to Japanese culture	Yes	1	0	0	8	21	20	10	2	62
	No	0	1	2	3	15	8	22	3	54
Total		1	1	2	11	36	28	32	5	116

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	16.643 ^a	7	.020
Likelihood Ratio	18.482	7	.010
Linear-by-Linear Association	2.961	1	.085
N of Valid Cases	116		

VIII. Interpretation

It is inferred from the table that the calculated value of chi-square at 5 % level of significance with 7 df is 16.643 The p-value obtained is 0.005 which is less than the standard p-value of 0.05. Hence the null hypothesis is rejected. By the statistical analysis, it can be concluded that there is significant relationship between consumers who are exposed to Japanese culture and their attitude towards German brands

□ Hypothesis 4

H₀: There is no significant relationship between consumers who are exposed to German culture and their attitude towards Japanese brands

H₁: There is significant relationship between consumers who are exposed to German culture and their attitude towards Japanese brands

		Attitude towards Japanese brands							Total
		4.0	5.0	6.0	7.0	8.0	9.0	10.0	
Exposed to German culture	Yes	1	2	4	13	16	10	2	48
	No	0	6	3	7	30	16	6	68
Total		1	8	7	20	46	26	8	116

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.420 ^a	6	.151
Likelihood Ratio	9.804	6	.133
Linear-by-Linear Association	1.632	1	.201
N of Valid Cases	116		

IX. Interpretation

It is inferred from the table that the calculated value of chi-square at 5 % level of significance with 6 df is 9.420. The p-value obtained is .151 which is more than the standard p-value of 0.05. Hence the null hypothesis is accepted. By the statistical analysis it can be concluded that there is no significant relationship between consumers who are exposed to German culture and their attitude towards Japanese brands.

Table 5 (a) (b) shows brand recognition by respondents who are exposed to (a) Japanese culture and (b) German culture and those who aren't

Japanese Brands	Exposure to Japanese culture		
	Yes	No	Total
Toyota	54	43	97
Isuzu	48	31	79
Yamaha	45	34	79
Sansui	41	33	74
Sony	38	28	66
Daikin	33	16	49
Kenko	38	11	49
Panasonic	27	21	48
Docomo	54	43	37
Canon	30	02	34
Hyundai	07	20	27
Samsung	01	20	21
LG	01	16	17
Gionee	0	10	10

German brands	Exposure		
	Yes	No	Total
Bosch	52	39	91
BMW	43	37	80
Porsche	35	32	67
Adidas	30	15	45
Siemens	33	07	40
Puma	21	15	36
Nivea	16	10	26
Ford	03	20	23
Chevrolet	05	16	21
Fiat	02	12	14
Nike	06	06	12
Chevron	00	08	08
Nokia	00	05	05
Samsung	00	00	00

The table (a) show the frequency of how many respondents could answer which of the following given brands were of the Japanese origin and German origin. Toyota for Japanese is the most identified brand by both respondents who are exposed to the culture and those that aren't, followed by Isuzu and Yamaha. It can also be noted that there are consumers who believe Hyundai, Samsung, LG, and Gionee are of Japanese origin. These are the respondents who are not exposed to Japanese culture in any way.

The table (b) shows the frequency of how many respondents could answer which of the following given brands were of the Japanese origin and German origin. Bosch for Germany is at the most correctly identified by most of the by respondents who are both exposed to culture and those that aren't, followed by BMW and, Porsche. It can be noted that there are respondents who think that Ford, Chevron, Fiat, and Nokia are identified to be of German origin, these are respondents who are not exposed to German culture in any way.

Thus it can be noted that exposure to a country's culture does affect the brand origin recognition.

X. Findings and Conclusion

Consumer perceptions of brand origin have been investigated widely over the years, marketing researchers continue to show great interest in this research paradigm and this is because researchers realize the importance of the consumer perceptions of brand origin being one of the main influencing factors in consumer decision-making process.

The results of the theoretical analysis of this study provide a foundation for making suggestions. The results of the study show that there is indeed a significant relationship between brand origin and the impact it has on attitude towards the brand by the people of Bangalore city. This can be seen from the hypothesis being tested.

1. Language learning, internet, and television were noted as the two important mediums of exposure through which consumers gain know how about the brands.
2. The highest 39% of the respondents have given an eight rating for Japanese products and 31% for German products
3. There is a significant relationship between consumers who are exposed to the culture of a country and their attitude towards the brand of the country as tested.
4. The tests also show that there is no relationship between consumers between consumers who are exposed to German culture and their attitude towards Japanese brands
5. When a consumer knows that the product is from a specific country, the attitude changes according to the knowledge and the exposure the consumer has towards the product. The attitude possessed by Japanese learners is different towards German products and vice versa.
6. Language and cultural exposure does affect the attitude of the consumers towards the brands of the respective country's language and culture they are exposed to.
7. Toyota (97) for Japanese brand and Bosch (91) for German has the highest correctly identified brand origin of country.
8. As seen from table 5 (a) and (b) exposure to a country's culture does affect the brand origin recognition.
9. Those who are not exposed to either of the countries culture have guessed most brands which do not originate from the country like Samsung for being Japanese and Fiat for German.

With this it can be noted that Language learning and other mediums of exposure are factors which affect the brand origin attitude. The Japanese consulate with the Japanese community in Bangalore organizes various cultural events for the public and its language learners throughout the year in Bangalore city, but none of such public events are heard of from the German community in Bangalore city. The German consulate in Bangalore can hold more cultural events in association with German language institutions to invite the public and sell German related consumer goods. With this, there will be more exposure to German culture to the public as well as German learners. Japanese and German companies should include more country cues in their advertisements relating to the culture or language cues to make their country of brand origin known. Some limitations of the study are that the research is limited to the city of Bangalore; the research does not find the exact cause behind the attitude which can be further studied upon. During the survey, it was found that many respondents of Bangalore city were unaware of German products and culture.

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IOSR Journal of Business and Management (IOSR-JBM) is UGC approved Journal with Sl. No. 4481, Journal no. 46879.

Dr. Ritty Francis " Does Exposure To A Country's Culture Affect Consumers' Attitude Towards Brands: A Comparative Study Between Japan and Germany IOSR Journal of Business and Management (IOSR-JBM) 20.1 (2018): 45-53.