

Scandinavian Hotel Chains Globalization and Opportunities in China Market:

Country of Origin (COO) Approach

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### Abstract

This study concentrates on Scandinavian (Danish, Norwegian and Swedish) hotel chains' globalization discussions and their opportunities to develop in Chinese hotel market. To find out how Chinese consumers perceived Scandinavia, their brand products and people, we adopted Country of Origin (COO) effect as the research approach in this study. We conducted an online survey in China, and collected 436 usable respondents, which were common consumers mainly from four metropolises. The results revealed that Chinese consumers had overall good impressions on Scandinavia. And they were generally positive to potential Scandinavian brand hotels in Chinese market. Chinese consumers who held more positive attitudes toward Scandinavian hotels would have greater behavioral intentions to them. Country of Origin Image directly affected Chinese consumers' attitudes toward Scandinavian brand hotels, while indirectly impacted on their further behavioral intentions, moderated by factors such as product beliefs evaluations, personal experience, face saving, group conformity and attitudes. Generalization is skeptical because findings may vary by regions and demographic backgrounds. In addition, the research model has its weaknesses and it is needed to be refined. As Chinese consumers welcome Scandinavian hotel chains, hotel brands in Scandinavia can seize the opportunities to expand in non-saturated Chinese mid-scale hotel market. This study is one of the first researches which aim to discuss Scandinavian hotel chains expansion in Chinese market, utilizing COO effect as study approach.

*Keywords:* Country of Origin, Scandinavian hotel chains, Chinese consumers, globalization, behavioral intention model

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## Foreword

Nowadays, the tide of globalization is still flourishing. Hospitality industry has been in this tide for decades since the middle of last century. However, although several Scandinavian hotel chains look have effective size to expand outside their main region, most of them haven't present elsewhere (Slattery & Clifton, 2003). Actually, we can find that they are trying to explore more destinations and expand their territories outside their main market, but it seems they go very slowly. Therefore, this study attempts to discover the possibility of Scandinavian hotel chains global expansion, selecting Chinese hotel market as the research target. We believe our study can contribute to both academic researches and industries as pioneers, because it is next to nothing on this theme in any study. We hope this study can draw Scandinavian scholars' and hoteliers' attentions and interests in exploring further and deeper how Scandinavian hotel chains expand globally.

Here, we would like to thank our advisor Dr. Einar Marnburg. He has given very constructive advisory directions and comments on our whole study. We would also like to thank Dr. Torvald Øgaard, who gave us many inspiring suggestions on our questionnaire design. In addition, we would like to thank the four Scandinavian hoteliers, one consultant who is engaged in business between Scandinavia and China, and the hotelier in China for their insightful and constructive comments and for their valuable contribution in developing this study, although they want to be anonymous. Their kindness is unforgettable.

At last, we would like to gratefully acknowledge the assistance of the online survey participants in China.

## Chapter 1 Introduction

### 1.1 The Research Focus

In 21<sup>st</sup> century, nowadays is an era of globalization. It seems nobody in the world can live without the influence of it. And virtually every industry is globalized in a variety of forms. Cunill (2006) thought globalization could bring new opportunities in diversified markets and fewer commercial barriers when entering into new geographic markets. Enz (2009) also concluded that the five primary reasons for why firms going internationally were (1) having new markets; (2) gaining better resources; (3) increasing efficiency; (4) reducing risks in a single market; and (5) adopting competitive countermove.

Although globalization has its cons and pros, many industries and their companies are still willing to try to expand in new geographic markets, such as hospitality industry and its hotel business segment. Since the tourism industry has been prosperously developing globally from about 70 years ago, many hospitality companies are enthusiastic about global expansion, with international hotel development starting in the late 1940s and early 1950s (Cunill, 2006; Enz, 2009). Holiday Inns, Hyatt, InterContinental (IHG), Hilton, and Sheraton were early entrants to international hotel business development (Enz, 2009). Today, in a new millennium, overmatches are still dominating the world. Giants consolidate their strong positions through acquisitions and mergers. Such as IHG, has already ranked No. 1 for six consecutive years in some major worldwide international hotel groups ranking reports. In the Top 10 ranking in the last 6 years, Marriott, Hilton, Wyndham, Choice, Accor, Starwood and Best Western have

monopolized the leading positions (Special Report: Hotels' 325 2010, 2010; Special Report: Hotels' 325 2011, 2011; Special Report: Hotels' 325 2012, 2012; Special Report: Hotels' 325 2013, 2013; World Ranking 2013 Of Hotel Groups And Brands, 2013). IHG, Best Western and Starwood already achieved to operate their business into 100 countries in 2013. It seems the hotel world won't be disrupted until a serious acquisition or merger emerges (World Ranking 2013 Of Hotel Groups And Brands, 2013).

It is no doubt that hotel business globalization is a widespread phenomenon in today's business environment. It is worth going deep in its relevant researches. This study focuses on Scandinavian hotel chains globalization discussion. In addition, to discover their development potentials in Chinese hotel market is the highlight of the study. We will not answer why it should choose China market for expansion, because market choice can be diverse with a variety of reasons. China market is not the only choice for Scandinavian hotel chains global expansion. So we are only interested in exploring what opportunities the Scandinavian hotel chains possibly will meet in China market. As country-of-origin effect<sup>1</sup> has been widely used for global marketing and international business studies since 1965 (Al-Sulaiti & Baker, 1998; Brodowsky, Tan, & Meilich, 2004; Han, 1989; D. Li, Ahn, Zhou, & Wu, 2009; Luo, 2011; Schooler, 1965), and N Papadopoulos and Heslop (2000) suggested it should be seen as a significant impact on consumers' purchase decision (as cited in D. Li et al., 2009), so we decide to use country-of-origin effect as an approach to learn about how Chinese consumers perceive Scandinavian countries and their brand products, as well as what Chinese consumers' attitudes are toward to a potential Scandinavian hotel chain into Chinese market. Besides, we want to



analyze also how the country of origin image influences on consumers' purchase intention on the basis of Fishbein and Ajzen (1975)'s theory of reasoned action. In a word, this study is an analysis of the early phase of a market research for Scandinavian hotel chains entry into China concentrating on Chinese consumers' perceptions of Scandinavian countries' images. The main questions will be shown on page 64.

## 1.2 The Research Background and Research Objectives

Scandinavian countries are composed of Denmark, Norway and Sweden. The word *Scandinavia* refers to a historical and cultural-linguistic region in Northern Europe including the three kingdoms above (Bourget, 2012b; Wikipedia, 2014). Scandinavia has its own scene in many aspects. The economy in Scandinavia is among the most developed in Europe. And the hotel industry development here has its unique picture, which is very different from other major economic regions in Europe.

Scandinavian hotel chains have the pressures from limited market scale, highly cost human resources, narrow profiles of market level, conurbation size, and conurbation type, etc. in the long term (Slattery & Clifton, 2003). From a long range strategic thinking, we guess Scandinavian hotel chains will or have to expand globally, at least outside Scandinavia. Further, Scandinavian hotel chains specialize in mid-scale hotel business (Slattery & Clifton, 2003), which matches the need of nowadays mid-scale hotel market in China (孟令涛, 2014c; 赵焕焱, 2012). Perhaps they can have a try in China's hotel market in the near future and maybe will achieve success there. Actually, there are already some Scandinavian companies developing well in Chinese market ([Appendix A](#)). Therefore, we would like to discuss and

study the opportunities for Scandinavian hotel chains entry into Chinese market. The discussions and studies can carry out from various aspects, while we would like to start from country of origin effect this concept and its relevant theories to find out the behavioral intention of Chinese consumers to Scandinavian hotel brands.

Thus, the objectives of this study are:

- 1) to describe the nature of country of origin effect,
- 2) to provide an in-depth review of the existing literature in this field,
- 3) to determinate the dimensions and attributes of country of origin affecting Chinese consumers' perceptions of Scandinavian countries and their behavioral intention to the hotel brands from this region,
- 4) to identify the difference between regions of target, that is to say, consumers segments' beliefs relevant to Scandinavia and its brands and products,
- 5) to define the effect of Scandinavian countries' image and their brand products' image on consumers likelihood of behavioral intention to Scandinavian hotel brands,
- 6) and to test the relationship between country image and behavioral intention, as well as product image and behavioral intention.

### **1.3 The Outline of Research Methodology**

In order to generalize our findings in the whole Scandinavia hotel industry, the COO we identified was Scandinavia as a whole. For adequately answer the research questions and fulfill the purposes of this study, we conducted two phases of studies, the qualitative phase

and the quantitative phase. In qualitative phase, we interviewed four Scandinavian hoteliers, one consultant in Scandinavian hotel industry, one consultant who engaged in assisting Scandinavian enterprises to enter into Chinese market and one Chinese hotelier individually. In quantitative phase, the survey was conducted in Mainland China, four metropolises, investigating the common Chinese consumers. The online questionnaire was sent to the convenient sample, mixing with snowball sample, to achieve the target of over 300 respondents.

The questionnaire was made of seven sections, the questions on Personal Experience, COI, Product Beliefs Evaluations, Social Culture Pressure, Attitudes, Behavioral Intentions and Demographic Information. In Attitudes section, a scenario with fictional Scandinavian hotel brand was provided to better test Chinese consumers' attitudes toward and behavioral intentions to Scandinavian brand hotels in Chinese market. 7-point scales were used in measuring continuous variables. Some of questions adopted 7-point Likert Scales and some of them adopted 7-point Semantic Differential scales.

The constructs, their dimensions and items were subsequently analyzed using typically factor analysis to identify the key dimensions. The statistical techniques used to test the hypotheses and relationships between variables, as well as relationships between groups were correlations, partial correlations, simple linear regression, multiple regression and one-way multivariate analysis of variance (MANOVA).

#### **1.4 The Structure of the Dissertation**

Five chapters follow this introduction. Chapter 2 is literature review, introducing the Scandinavian hotel market and Chinese hotel market; discussing the COO effect, the constructs and previous studies on COO to identify the key antecedents and moderators which need to be considered when studying the COO effect. Chapter 3 is methodology, presenting in detail the methodology used in this research. Chapter 4 is results, illustrating the findings of the empirical study followed by a discussion of the results. Chapter 5 is conclusions and limitations of the study. Chapter 6 explores the implications from the study to academic research and practical management, as well as makes recommendations for future research.

#### **1.5 Contributions of the Research**

The dissertation will be relevant to the study of globalization, global strategy, and brand expansion as well as market development. As the short history of Scandinavian hotel chains expansion outside its home market, this study perhaps might be one of the antecedent researches on Scandinavian hotel chains globalization. It might be significant to the further study of Scandinavian hospitality industry global development. COO effect discussed in Scandinavian academic research is difficult to be found. The studies setting Scandinavia as COO and China as COT seem to be zero. This study is supposed to fill the research gap, and hopefully offers useful managerial implications.

## Chapter 2 Literature Review

### 2.1 Introduction

According to this study's objectives, this chapter aims to provide an introduction of Scandinavian hotel market and Chinese hotel market, as well as an in-depth introduction and analysis of country of origin effect, its relevant theories, consumers' receptivity to and purchase intention of a certain category of products from a specified country or region. Findings of previous researches from empirical studies are also evaluated to define a conceptual model to test the relationships among country image, product belief, consumers' attitude and their behavioral intention to a specified brand product.

This chapter is divided into six sections: The first section is to introduce Scandinavian hotel market and Chinese hotel market. The second section is about an in-depth review on the definitions of country of origin effects, including country of origin (COO), country of origin image (COI), and country image affecting on consumers' product evaluation. In the third section, the antecedents of COO are discussed; whilst the moderating factors which have influence on consumers' attitude to and their behavioral intention to a brand product from the specified country or region are also studied in section four. The fifth section briefly compares several empirical models which are used to exam the various relationships between country of origin and consumers purchase intention. At last, the summary of previous findings and the conclusion of the review will be given.

## **2.2 Introduction of Scandinavian Hotel Market and Chinese Hotel Market**

### **2.2.1 Scandinavian hotel market.**

The Scandinavian hotel market is different from other part of Europe. The hotel industry is demanded mostly by domestic consumers with a significant proportion of which is inter-Scandinavian in Norway (approximately 70%) and Sweden (approximately 80%); while in Denmark inbound visitors demand occupies over half of the total market (Slattery & Clifton, 2003; Krogh, 2014; Statistics Denmark, 2013; Terpstra, 2013).

Slattery and Clifton (2003) reported that in Scandinavia, hotel chains highly consolidated in the market. There were around 800 affiliated hotels in Scandinavia with average about 38% hotel chain consolidation (Denmark with 33%, Norway with 43% and Sweden with 36%), which was vastly ahead of the European average of 28%. The four largest operators in the region according to number of hotels are Scandic Hotels with 223 hotels opened (Scandic Hotels, 2014b), Nordic Choice Hotels with 176 hotels opened (Nordic Choice Hotels, 2014), Best Western with 132 hotels opened (Best Western International Inc, 2014a, 2014b, 2014c) and Rica Hotels with 76 hotels opened which has been acquired by Scandic Hotels since the beginning of 2014 (Rica Hotels, 2014a, 2014b). These four hotel brands account for over half of the affiliated room stock in Scandinavia (Slattery & Clifton, 2003).

Slattery and Clifton (2003) discovered that in general, international hotel brands had relatively small presence in Scandinavian hotel market and the cash flow generated from most of these international brand hotels was hardly sufficient for them to sustainably develop in the region. Bourget (2012) also concluded that in Scandinavia, hotel market was still dominated by

strong, local operators. In other words, international hotel brands perform rather weakly in the market. Even though such as Nordic Choice Hotels with its *Clarion*, *Quality* and *Comfort* brands have a brilliant performance in the market; Best Western and The Rezidor Hotel Group with its *Radisson Blu* and *Park Inn* brands have a resilient presence, Scandinavia hotel market remains elusive to the most global chains (Bourget, 2012b). Although some of these global mega players have tried to strive to become a force in the region, but the outcome is not obvious. She also believed that Scandinavians' loyalty to Scandinavian hotel chains was a significant reason for international hotel chains' dilemmas in the region (Bourget, 2012b).

It is clear that regional operators have so much and obvious strength that most global hotel chains haven't got a foothold in the game yet. It sounds local hotel chains don't need to worry about the future, because it seems they know how to do well in driving the hotel market. In addition, owing to the emerging cyclical upturn of Scandinavian economy, it is supposed to provide a more positive economic context for the hotel business in the region (Slattery & Clifton, 2003). Slattery and Clifton (2003) believed in the short term, demand was improving and was being boosted by budget airlines' growth with operating routes from other European destinations to Scandinavia. In the mediate future, they believed a fast growth of domestic demand or foreign visitors brought by increasing budget airlines would consume the developing supply in the market. In view of rising international visitors to the region, especially in Denmark market, Bourget (2012b) argued that international hotel chains were eager to put Scandinavian hotel properties to their portfolio. For example, Accor is about to return to Denmark, whilst Hilton plans to introduce its midscale brand Garden Inn by Hilton and its

economic brand Hampton Inn to the region. Louvre Hotels, Steigenberger Hotels, NH Hotels, Grand City Hotels and some other active non-Scandinavian players also keep a watchful eye on this market (Bourget, 2012b).

Scandinavian hotel chains in fact also have their predicaments. As Slattery and Clifton (2003) pointed out, the high relative number of rooms to population, the low relative number of foreign visitors (especially in Norway and Sweden) and the high relative level of hotel consolidation meant Scandinavian hotel chains couldn't always have plain sailing once and for all. They also stated that due to a high degree of uniformity in the Scandinavian hotel business with narrow profiles of market level, hotel configuration, conurbation size, conurbation type and affiliation structure, little creativity hadn't been found since Scandic developed Eco concept in the middle of 1990's. In addition, human resources are extremely expensive in Scandinavia (Eurostat, 2014c, 2014d) (see [Table 1](#) and [Figure 1](#)); raw materials are much more expensive than other countries in Europe (Eurostat, 2008, 2014a, 2014b); hotel values per room are at the middle level in Europe (Bertschi & Perret, 2014); RevPAR (revenue per available room) is also just middling in Europe (Auernheimer, 2013; Bourget, 2012a; Chappell, 2013; Winkle, 2014). Moreover, the population with around 20 million people in Scandinavia which accounts for only approximately 4% of the European population (Eurostat, 2013; Slattery & Clifton, 2003) is relatively small, so the hotel business market has limited space for growth.



Table 1.

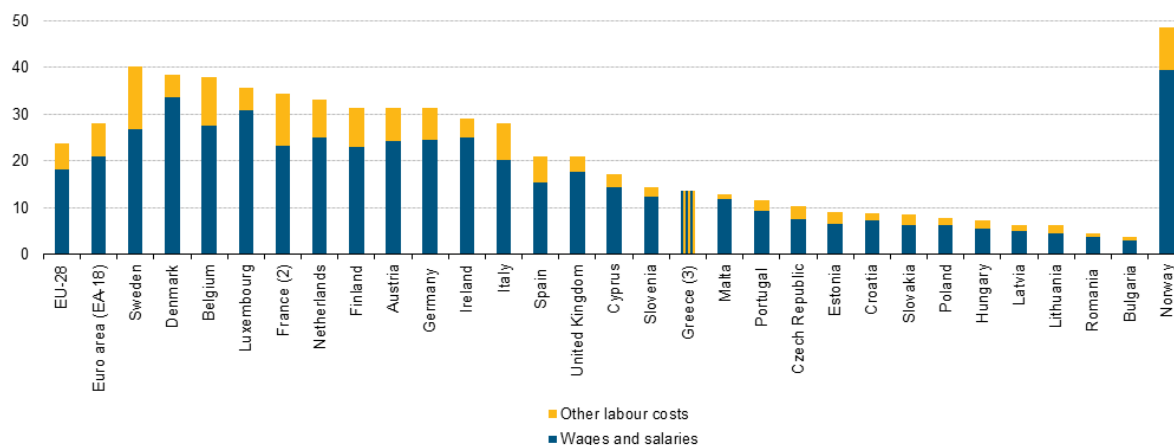
**Annual Net Earnings of Residents in Selected European Countries in 2012**

	Single person without children, 50 % of average worker	Single person without children, 100 % of average worker	Single person with 2 children, 67 % of average worker	1-earner married couple with 2 children, 100 % of average worker	2-earner married couple with 2 children, both 100 % of average worker	2-earner married couple without children, both 100 % of average worker
<b>EU-27</b>	12 697	22 616	19 832	26 530	47 949	45 270
Belgium	16 660	26 360	24 899	35 160	57 688	52 847
Bulgaria	1 799	3 598	2 840	4 028	7 197	7 197
Czech Republic	5 103	9 218	9 117	12 696	20 085	18 437
Denmark	16 948	32 396	31 041	38 043	68 115	64 792
Germany	15 395	26 925	24 507	35 274	58 938	53 851
Estonia	4 567	8 771	7 252	9 957	18 366	17 542
Ireland	15 852	26 758	30 264	33 829	58 875	53 515
Greece	8 047	14 991	11 823	17 672	34 945	32 465
Spain	11 363	19 455	15 515	21 434	39 869	38 910
France	14 546	26 287	20 774	30 038	55 571	52 574
Croatia	.	.	.	.	.	.
Italy	11 205	20 006	18 152	23 546	41 854	40 011
Cyprus	.	.	.	.	.	.
Latvia	3 219	6 245	5 125	7 423	13 367	12 489
Lithuania	2 982	5 635	5 757	6 153	11 426	11 269
Luxembourg	21 535	37 020	37 375	49 955	83 368	75 846
Hungary	3 113	6 178	6 209	8 111	14 289	12 355
Malta	9 220	16 531	13 814	18 432	34 453	33 753
Netherlands	18 319	31 592	30 217	34 962	67 164	63 183
Austria	15 834	26 968	25 349	32 724	59 061	53 936
Poland	3 599	7 009	5 094	7 641	14 549	14 017
Portugal	6 995	12 307	10 158	14 212	24 993	24 613
Romania	2 084	4 004	3 029	4 286	8 273	8 008
Slovenia	6 656	11 531	11 663	15 435	25 292	23 061
Slovakia	4 137	7 582	6 325	9 314	16 203	15 163
Finland	17 043	29 283	25 281	31 915	61 198	58 566
Sweden	17 808	33 422	26 207	36 524	69 947	66 845
United Kingdom	18 170	33 216	29 571	35 383	68 600	66 433
Iceland	15 243	26 696	21 583	31 513	53 392	53 392
Norway	26 558	48 241	40 239	53 054	99 597	96 482
Switzerland	31 853	60 180	48 918	69 344	126 006	118 264
Turkey	4 570	8 579	6 010	8 752	16 917	16 814
Japan	18 943	36 806	27 346	39 828	75 955	73 613
United States	15 388	28 657	24 841	33 226	60 161	57 007

Source: Eurostat (online data code: earn\_nt\_net)

Note. Derived from “Wages and Labour Costs” by Eurostat, 2014. Copyright 2014 by European Commission.

Figure 1.

**Hourly Labour Costs Residents in Selected European Countries in 2012**

(1) Enterprises with 10 or more employees. NACE Rev. 2 Sections B to S excluding O.

(2) Also excluding NACE Rev. 2 Section P.

(3) Based on Eurostat's estimate for the 3rd and 4th quarter of 2013. Only the total level is estimated.

Source: Eurostat (online data code: lc\_lci\_lev)

Figure 1. Derived from “Wages and Labour Costs” by Eurostat, 2014. Copyright 2014 by European Commission.

From the above mentioned, we believe Scandinavian hotel chains will have pressure of competition in medium and long term. If they only focus on the market in Scandinavia, profit choke point will come soon. Nevertheless, a few major Scandinavian hotel chains perhaps have already realized the desirability of expansion their territories. They seem to have ambitions to expand business beyond Scandinavia. For instance, Scandic Hotels has developed its business outside Scandinavia in Finland with 27 hotels, in Germany with 2 hotels, in Netherlands with 1 hotel, in Belgium with 2 hotels, in Poland with 2 hotels (Scandic Hotels, 2014b). Thon Hotels has operated 5 hotels in Belgium and 1 hotel in Netherlands (Thon Hotels, 2014a). But if we look at their expansion history, we can find that their paths of overseas development seem not that smooth. In fact, Scandic Hotels opened its first hotel outside Scandinavia in Germany in 1986 (Scandic Hotels, 2014a); Thon Hotels had its first hotel in Netherlands in 1992 (Thon Hotels, 2014b). It is nearly 30 years since the first Scandinavian brand hotel was launched outside the region. However, these hotel chains haven't developed an outstanding presence elsewhere (Slattery & Clifton, 2003). Scandinavian hotel chains have taken a step into globalization. But we don't know why they look heavy going. And we can find hardly any of researches about Scandinavian hotel chains globalization. As the tide of globalization is irreversible in modern society, whether Scandinavian hotel chains can globally develop or not is worthwhile exploring.

### **2.2.2 China hotel market.**

China, the third biggest country in the world by total territory area (China Government, 2012), is the first most populous country in the world with over 1.3 billion

population (Sheng, 2013). It is the third largest economic entity and the second country with largest GDP (Gross Domestic Product) in the world (NationMaster.com, 2014; The World Bank Group, 2014a). Even though it is still an emerging and developing country, it is a rapidly developing country with one of the fastest growing economies in the world (The World Bank Group, 2014b). China's middle class scale is the second biggest in the world today with 157 million straight after USA. It is predicted to expand explosively to hold the potential to become a new long term source of global aggregate demand and consume more than America's middle class within a decade. It is estimated to rank the second place of the total middle class consumption in global share by 2030 accounting for 18%-20% (Kharas & Gertz, 2010; Rohde, 2012).

Since China has been a member of World Trade Organization (WTO) from 2001, more and more international companies enter into China (C. Li, 2008; The World Trade Organization, 2014). So does international hotel chains. China hotel market is as complicated as some other large countries; that's to say, one story cannot tell the whole tale (Little, 2012). In general speaking, China hotel market has a huge potential to flourish. On one hand, more and more Chinese have strong spending power; on the other hand, domestic tourism market is rapidly developing and inbound tourism market has good performance.

WTO predicts China will be the largest receiving country in the world by 2020 with 130 million annual arrivals, which means China is supposed to have a promising inbound tourism market in medium and long term (Pine & Qi, 2004; World Tourism Organization, 2001). In 2013, China received 26.29 million foreign visitor arrivals (CNTAIC, 2014).

Including inbound visitors from Hong Kong, Macau and Taiwan, inbound arrivals reached 129.1 million in 2013 with total inbound tourism revenue of 51.66 billion USD, increasing by 3.27% over the previous year. And the amount of total stayed overnight inbound visitors was 55.68 million (Travel China Guide. com, 2014a). China's inbound tourism market has been booming developing since 2000 (China National Tourism Administration, 2014) (see [Figure 2](#)). Her international tourist arrivals and international tourism receipts in 2012 made her rank the third and the fourth place respectively in the World's Top Tourism Destination Ranking (World Tourism Organization, 2013).

Figure 2.

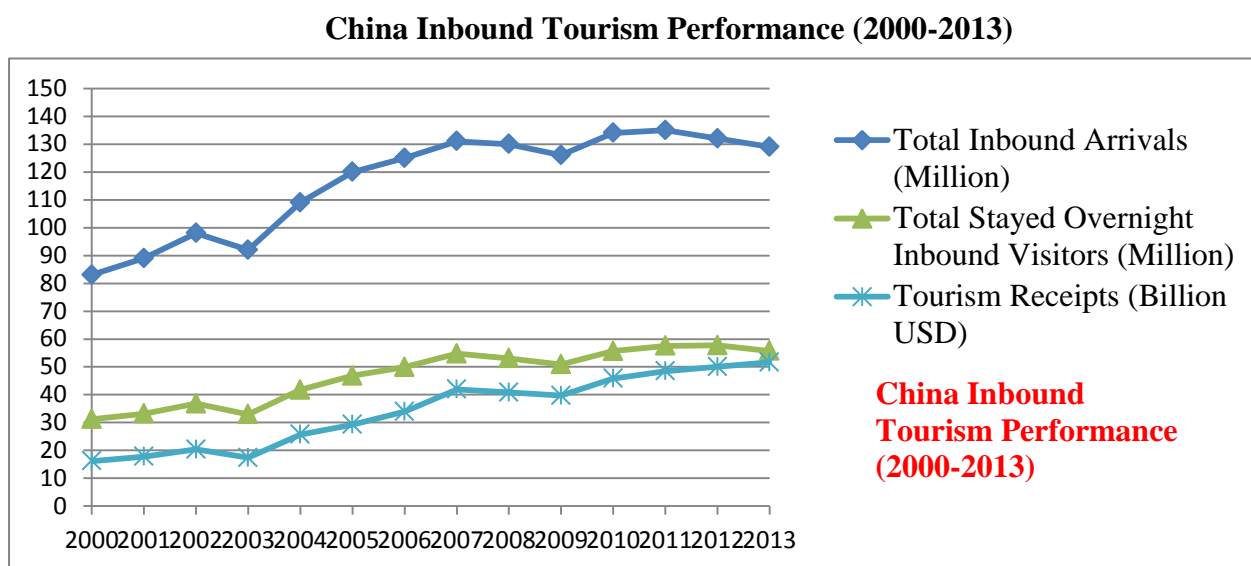
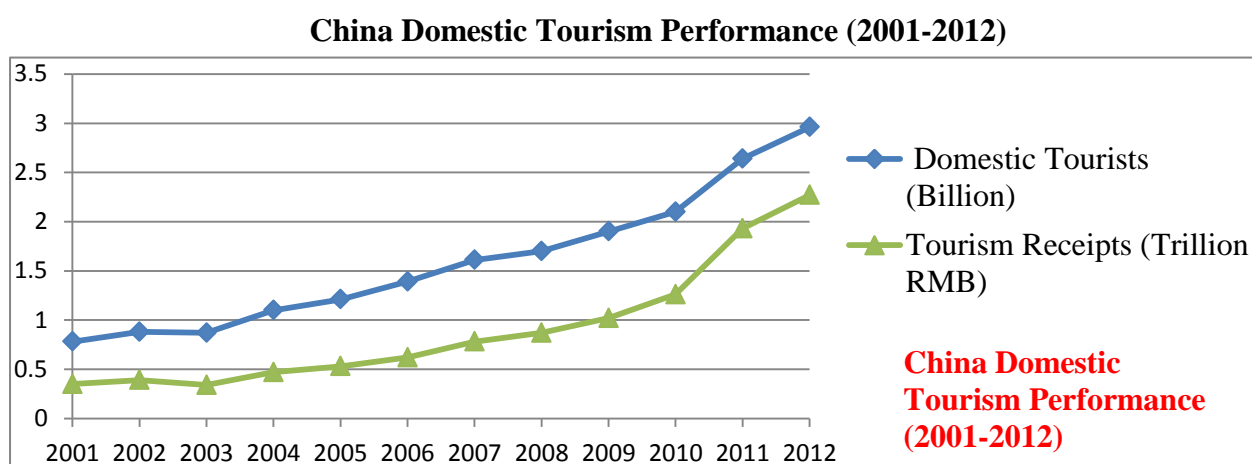


Figure 2. Data are derived from "China Tourism" by TravelChinaGuide.com, 2014. Copyright 2014 by TravelChinaGuide.com. And they are also derived from "Tourism Statistics" by China National Tourism Administration (CNTA), 2014. Copyright 2014 by CNTA. The chart is made by the authors.

By contrast with prosperous inbound tourism market, China's domestic tourism market is the real engine for China's tourism market growth. Thanks to her amazing huge population with over 1.3 billion people, China has an incomparably huge domestic tourism

market in the world, continuously increasing around 10 % each year in the recent decade (Travel China Guide. com, 2014b) (see [Figure 3](#)). In 2012, China's domestic tourists reached 2.96 billion, which brought about 2270.622 billion RMB revenue to the tourism market (CNTAIC, 2012).

*Figure 3.*



*Figure 3.* Data are derived from “China Tourism” by TravelChinaGuide.com, 2014. Copyright 2014 by TravelChinaGuide.com. And they are also derived from “Tourism Statistics” by China National Tourism Administration (CNTA), 2014. Copyright 2014 by CNTA. The chart is made by the authors.

The prosperity of tourism market gives a substantial opportunity to Chinese hotel market. Even though in some regions the hotel markets are becoming saturated, it is believed that many cities still have development opportunities for non-luxury hotel products. It is estimated that over a 2 to 5 year period, those receding hotel markets in some regions will be recovered with substantial demand growth. Average Daily Rate (ADR) is deemed to increase because of people's growing wages and gradually improving living standard, as well as pursuit of intangible enjoyment (Summers, 2013).

International brands have almost dominated the third party hotel management business market for about two decades, while Chinese brands are strengthening to gain ground in the market. It is believed that in the next couple of years, international brands and Chinese brands will have a much more competitive contest in the hotel market (Summers, 2013). In 2012, there were 11,629 tourist hotels, 4,983 inns and 497 other kinds of accommodations which were above designated size registered in China. To sum up, there were 17,109 enterprises existing in hotel and lodging industry, owning 4.397 million rooms with 7.561 million beds; and 12,807 of these 17,109 enterprises belonged to China star-grade hotels. Moreover, 11,367 of these 12,807 star-grade hotels updated their latest supply of 1.5 million rooms with 2.68 million beds in 2012 (Sheng, 2013; 中国国家旅游局政策法规司, 2013).

Since the first hotel with foreign investment was opened in 1979, until 2008 there were 41 international hotel chains with their 67 brands presented in Chinese hotel market (梁志, 2008). From the initial hotel projects of joint ventures during the late 1970s and 1980s, to today management contracts dominating in up-scale and luxury hotels, as well as franchising in mid-scale and budget hotels, more and more international hotel chains have entered into Chinese hotel market, and kept constantly developing and expanding (Gu, Ryan, & Yu, 2012) (see [Table 2](#)).

In the face of increasing fierce competitive environment, international hotel chains don't plan to stop going forward and deeper in the Chinese market. Conversely, they prefer to quicken expansion their business with more diversified brands and products into the region.

They have confidence in achieving success in long range development there. For instance, Choice Hotel International just signed the contract in March, 2014 with a Chinese hotel management group to launch its two more brands of *Clarion* and *Quality* into China (China Tourist Hotel Association, 2014a). Starwood Hotels & Resorts will open 50 hotels in the coming 2 years in China (孟令涛, 2014a). IHG just celebrated its 30 years anniversary in the Chinese market in February, 2014 with a great ambition of 180 hotel projects under construction (China Tourist Hotel Association, 2014b). Although hotel giants are struggling for market share intensely, they can't scare off new entrants. New international hotel chains come constantly. For example, after Aman Resorts, Banyan Tree Hotels & Resorts, another small hotel group named Distinction Hotels NZ Group also has planned to explore Chinese hotel market (孟令涛, 2014b).

Table 2.

**Major International Hotel Groups Operating in China, 2014**

Major International Hotel Groups Operating in China, 2014											
Ranking	Hotel Group	Country of Origin	Hotels Worldwide	Rooms Worldwide	Brands Amount Worldwide	Hotels China	Rooms China	Brands Amount China	Pipeline Hotels China	Pipeline Rooms China	Entry Year in China
1	IHG (InterContinental Hotels Group)	UK	4,704	688,517	9	214	70,050	7	177	N/A	1984
2	Marriott International	US	3,934	679,321	18	73	25,811	6	52	N/A	1997
3	Hilton Worldwide	US	4,115	678,630	10	46	18,437	5	103	36,563	1988
4	Wyndham Hotel Group	US	7,441	638,310	17	657	77,238	5	N/A	N/A	Over 20 years old, not specified
5	Choice Hotels International	US	6,340	506,058	11	3	452	3	50	N/A	2002
6	Accor	France	3,576	461,719	14	128	29,768	8	N/A	27,000	1985
7	Starwood Hotels & Resorts Worldwide	US	1,180	347,285	9	131	48,589	8	100	N/A	1985
8	Best Western International	US	4,019	314,331	3	35	8,050	3	28	N/A	2002
9	Carlson Rezidor Hotel Group	US	1,345	216,000	7	13	4,024	5	27	N/A	2007
10	Hyatt Hotels Corp	US	554	148,239	9	28	10,984	6	22	N/A	1986
Total presences in China						1,328	293,403	56			

Note. Data gathered from company websites accessed on 7<sup>th</sup> and 8<sup>th</sup> May, 2014. The hotel chains in red only presented figures in 2013.

China has 127 cities of over 1 million populations, with 53% urbanization (National Bureau of Statistics of China, 2014b) and above 1% growth rate, which is a great power for hotel business development (赵焕焱, 2012). It is supposed to reach 70% urbanization in 2030 (丁峰, 2013) and 80% urbanization in 2050 (于华鹏, 2013). Comparing with global average with 50%, more developed regions with 75% urbanization and some developed countries and regions such as USA, UK, Denmark, Norway, Sweden, Singapore, etc. with more than 80% urbanization (United Nations Population Fund, 2007), China still has much potential for economic development growth as usually cities accounting for 70% GDP, so Chinese hotel market has basic power to sustainable develop (Urbanization Knowledge Partnership, 2014; 赵焕焱, 2012). In the medium and long term, China's hotel market is supposed to be dominated by mid-scale hotels branding development, products specialization, expansion of quantity and upgrade of quality because there is still a huge void of branded mid-scale hotels in today's Chinese hotel market. About 10,000 mid-scales hotels in China today, while 90% of them are monomer hotels. Due to lacking of sufficient knowledge of management, marketing and branding, most mid-scale hotels in China today are struggling painfully, and many of them lose money. The mid-scale market requires improvement, revolutions and overturns. It is expected in the following 10 to 20 years, it is the golden age for mid-scale hotels development in China (迈点网, 2014; 孟令涛, 2014c; 赵焕焱, 2012).

### **2.3 Country of Origin Effect Cue**

K. P. Roth and Diamantopoulos (2009) noted that as far back as 1930s, the researches on consumers' perception of nations and their stereotype had already appeared,



while the concept of COO hadn't been concerned by marketing scholars until the early 1960s. As they pointed out, Schooler (1965) was the first scholar to demonstrate country of origin effect empirically on consumers' perceptions of products regarding to a specified country (as cited in Luo, 2011). Up to 2006, there were over 1,000 publications on topic relating to COO with more than 400 of them in academic journals (Usunier 2006, as cited in K. P. Roth & Diamantopoulos, 2009). Country of origin effect, which can be used as an extrinsic cue and important informational cue in consumers' product and brand evaluations, has been confirmed by numerous empirical researches (Cordell, 1992; Han, 1989; Hong & Wyer, 1989, as cited in Luo, 2011; K. P. Roth & Diamantopoulos, 2009). In addition, researches also suggest that consumers' attitudes toward a particular country will indirectly affect their purchase intention to the products or brands from this country (Han, 1989; D. Li et al., 2009; Nagashima, 1970; Parameswaran & Yaprak, 1987). Moreover, many researchers also suggest that international marketing strategies should consider country of origin effect as a significant domain (Lin & Chen, 2006; Nagashima, 1970; K. P. Roth & Diamantopoulos, 2009).

### **2.3.1 Country of origin effect.**

Most consumers in the world nowadays can access to massive nonlocal goods and services much easier than at any time in human history. This is an era of economic globalization. This is an era of global competition. Country of origin (COO) effect is one of the significant factors which are believed to impact on international competitiveness and gaining more and more attention today (Al-Sulaiti & Baker, 1998).

With regard to the definition of COO effect, various ways of defining have been found in previous literature. COO effect reflected that businessmen and consumers attached products of a specific country to the stereotype of this country they had (Nagashima, 1970). M. S. Roth and Romeo (1992) concluded that COO effect examined how consumers perceived products emanating from a particular country (Janda & Rao, 1997). Janda and Rao (1995) had a wider perspective on COO effect. As they pointed out, COO effect referred to how consumers perceived products was affected by how they perceived the products' home country. The COO effect could be positive or negative to consumers' choice processes or subsequent behavior (e.g. purchase intention and behavior, etc.) (as cited in C. W. Lee, 1997). Diamantopoulos and Zeugner-Roth (2011) also agreed that COO effect could be deemed as any influence or bias on product evaluation, risk perception and purchase intention, etc. (as cited in Herz & Diamantopoulos, 2013).

However, COO effect is really complicated in reality. COO effect doesn't apply to all kinds of consumers and all kinds of situations. Arguments and opposite perspectives are in researches in all ages (Godey et al., 2012). Many early studies on COO effect, especially consumer goods, involved only a single cue, that was, the COO as the only information supplied to respondents, to ask them to make evaluations, resulting in serious limitations (Bilkey and Nes, 1982; as cited in Johansson, Douglas, & Nonaka, 1985). Johansson et al. (1985) concluded that COO effect research should take into account such as consumers' prior experience or familiarity with a particular product class or brand, and other factors affecting prior knowledge of imported goods (as cited in Knight & Calantone, 2000). They also were

suspicious of the significance of COO effect (C. W. Lee, 1997). Moreover, for example, for those consumers who (1) have little knowledge of COO of the products or brands (Balabanis and Diamantopoulos 2008; Hennebichler 2007); (2) who make light of COO of products or brands (Samiee, Shimp and Sharma, 2005); and (3) who don't deliberately use COO as an information cue in their product or brand evaluations, COO shows insignificant effect on consumers purchase decisions (as cited in Herz & Diamantopoulos, 2013).

Even though country of origin effect has been queried its significance to consumers product or brand judgments and relevant purchase behavior, its existing has been supported by the majority of studies, although the magnitude and the mechanism of influence remains unresolved (Elliott and Cameron, 1994, as cited in C. W. Lee, 1997; Usunier, 2000, as cited in Järveläinen, 2012) and although precise nature of COO effect is unclear because of its variation across product categories, respondents groups, studies employing different methodologies (Anderson and Cunningham, 1972; Han, 1989; Wang and Lamb, 1983; as cited in Niss, 1996; C. W. Lee, 1997), and purchase situations (Li and Monroe, 1992, as cited in Maheswaran, 1994). COO is gradually deemed as a significant cue for evaluating new products in new markets (Paswan & Sharma, 2004).

Indeed, COO effect exists in real world. It is a common phenomenon that most consumers still have their personal well-developed stereotypical beliefs about products originating from which countries (Hong and Wyer, 1989, 1990, as cited in Maheswaran, 1994; Khan & Bamber, 2007), for example, "electronic products from Japan are reliable", "German cars are well-made", "Italian pizza are delicious", "Swiss watch are well manufactured", and

“French wine are best”, etc. (Ghalandari & Norouzi, 2012; Janda & Rao, 1997; Maheswaran, 1994).

With the growing globalization, more and more multinational corporations appear in the business marketplace. Many companies have many places to complete their productive process, for instance, headquarters are in country A, brands are originated in country B, products are designed in country C, manufactured in country D, with using parts from country E, assembled in country F, and so on (Chao, 2001; Chowdhury & Ahmed, 2009; Hamzaoui & Merunka, 2006; Inch & McBride 1998; Quester, Dzever & Chetty, 2000, as cited in Luo, 2011). Although it is not all companies are entirely involved in developing globally, they more or less participate in any link of globalization. One of the more common operations is to manufacture products in less developed countries to save the cost of production (Al-Sulaiti & Baker, 1998; Godey et al., 2012; C. W. Lee, 1997; Luo, 2011).

COO effect research moves forward over time, and has gradually shifted from evaluating the differences in product or brand evaluations and purchase preferences based on their original nations, to a more complicated construct, namely *Country Image*. Hence, more and more studies on COO effect measure *Country Image* as product origin, so called *Country of Origin Image* (COI). To discuss COO effect, firstly it is needed to figure out its relevant constructs and dimensions. COO, COI and its relevant dimensions are crucial concepts (Luo, 2011).

### 2.3.2 Country of origin.

Many early studies on COO effect defined COO as “Made in” concept, derived from “Made in” label which dated back to 1880s. Scholars at that time used to identify product origins with “Made in” label (Al-Sulaiti & Baker, 1998; Morello, 1993; as cited in C. W. Lee, 1997; Schweiger, Haubl and Friederes, 1995; as cited in Kaynak, Kucukemiroglu, & Hyder, 2000). However, as the growth of multinational companies and hybrid products<sup>2</sup> with components from various resource countries, it is a complicated task to define COO today (Al-Sulaiti & Baker, 1998). Jaffe and Nebenzahl (2006) defined COO as “the country which a consumer associate a certain product or brand as being its source, regardless of where the product is actually produced”. (p. 29; as cited in Herz & Diamantopoulos, 2013, p. 400)

Nowadays, business acquisitions and mergers happen occasionally. Companies’ backgrounds are not as simple as those in the past. For example, Volvo Car Group was established in Gothenburg, Sweden in 1927. It had been a Swedish company until 1997, when the American company Ford Motor bought it. Right now, it is owned by Geely Holding of China. Volvo, owned by a Chinese company headquartering in Sweden, is still regarded as a Swedish car brand. A normal car of Volvo with engines, vehicle components, and body components made in Sweden, is assembled in Malaysia or is manufactured in China (Volvo Car Group, 2014). What is the COO of Volvo nowadays? It seems to be still Sweden. Obviously, today’s COO can’t be simply defined as “Made in” label. It seems to be more reasonable that COO is defined as the country or region which the products or brands originating from, regardless of their ownership, manufacture procedure and so on.

Furthermore, products or brands own an array of information cue, both intrinsic and extrinsic. Intrinsic cue contains attributes such as taste, functions, design, materials, performance, and other physical product characteristics, while extrinsic cues contains attribute such as price, brand name, reputation, warranties, COO, and other non-physical product characteristics (Bilkey & Nes, 1982; C. W. Lee, 1997; Godey et al., 2012; Olson & Jacoby, 1972; as cited in Herz & Diamantopoulos, 2013). Research shows that consumers usually rely on intrinsic cues for forming their evaluations of the products, while in certain circumstances, they prefer to take account for extrinsic cue to find them more credible and reliable than their own assessments (Srinivasan, Jain, and Sikand, 2004; as cited in Godey et al., 2012). In fact, consumers are increasing the use of COO, especially when they little else about the product class and/or product brands (Eroglu & Machleit, 1989; Han, 1990; as cited in Kaynak et al., 2000; Han, 1989; as cited in C. W. Lee, 1997).

Research on COO for product evaluations has taken three approaches (i.e., single-cue, multi-cue and conjoint “trade-off” analysis) currently. Single-cue studies are designed to underline COO as the most important factor among intrinsic and extrinsic cues attributes during the process of consumers evaluating products or brands (Keown and Casey, 1995; as cited in Kaynak et al., 2000). In multi-cue studies, COO is no longer emphasized when consumers are making a selection and ultimate purchasing behavior, which is one of the factors amongst a variety of influences (Johansson et al., 1985; Kaynak et al., 2000). Conjoint (trade off) analysis, which overcomes the shortcomings of single-cue and multi-cue analysis, is used to infer the real reasoning behind consumers’ trade-off between domestic and foreign

made products during their decision making process. In addition, there is one more approach in latest research on COO, namely environmental analysis, which looks at the impact of various environmental factors on consumers or buyers purchase-related behaviors (Kaynak et al., 2000).

### **2.3.3 Country of origin image (COI).**

Laroche, Papadopoulos, Heslop, and Mourali (2005) reported that COI's conceptualization and operationalization had not reached consensus, although the importance of COI construct had been acknowledged. In fact, due to no systematic analysis of conceptualizations and relevant measurement scale of the COI, there is little guidance on how to best operationalize the COI construct in empirical research (K. P. Roth & Diamantopoulos, 2009).

In general, there are three distinct groups of definitional domains for the COI construct in current research on COO effect, respectively (1) overall country image (definitions of general image of countries), (2) product-country image (definitions of the images of the countries and their products), (3) product image (definitions of the images of products from a specified country (K. P. Roth & Diamantopoulos, 2009). An review of key definitions of COI construct made by K. P. Roth and Diamantopoulos (2009) reveals differences of these three definitional domains (K. P. Roth & Diamantopoulos, 2009, p. 727; see [Appendix B](#)).

### *2.3.3.1 Country image.*

Overall country image (i.e., country image, CI), is defined as a generic construct consisting of generalized country images formed not only by representative products but also economic level, political status, historical events and relationships, culture and traditions, scientific and technological level, industrialization (Allred, Chakraborty and Miller, 1999; Bannister & Saunders, 1978; Desborde, 1990; as cited in K. P. Roth & Diamantopoulos, 2009) and population quality (Elliot, Papadopoulos, & Kim, 2011; Janda & Rao, 1997; Knight & Calantone, 2000; Laroche et al., 2005; C. W. Lee, 1997; D. Lee & Ganesh, 1999; D. Li et al., 2009; Martin & Eroglu, 1993; Paswan & Sharma, 2004; Pereira, Hsu, & Kundu, 2005). As the development of CI construct, the latest research defines CI as a multidimensional construct, growing from cognitive component, to with both cognitive component and affective component (Askegaard & Ger, 1998; Verlegh, 2001; as cited in K. P. Roth & Diamantopoulos, 2009; Niss, 1996), and to an assembling with cognitive component, affective component and conative component (Laroche et al., 2005; Nagashima, 1970; Parameswaran & Pisharodi, 1994; M. S. Roth & Romeo, 1992; as cited in Pereira et al., 2005; Nicolas Papadopoulos, Heslop, & Bamossy, 1990; as cited in Knight & Calantone, 2000; Scott, 1965; as cited in C. W. Lee, 1997). Despite CI has been assumed to have at least both cognitive and affective components, most definitions of CI rather neglect the affective one (K. P. Roth & Diamantopoulos, 2009). For example, Martin and Eroglu (1993) defined CI as “the total of all descriptive, inferential and informational beliefs one has about a particular country”. (p. 193)



In regard to the definitions of CI entirely consisting of cognition, affection and conation, it is really rare. As Knight and Calantone (2000) and Laroche et al. (2005) pointed out, according to Nicolas Papadopoulos, Marshall, and Heslop (1988), Nicolas Papadopoulos et al. (1990) and N Papadopoulos and Heslop (2000), consumers' perceptions of the CI of a product comprise:

- (1) a cognitive component, which includes consumers' beliefs or knowledge about the country's industrial development, technological advancement, economic level, political status, historical events and relationships, culture and traditions, etc.; the country's objective factors;
- (2) an affective component, which describes consumers' affective response (favorable or unfavorable attitude) to the country's people, products and brands, etc.;
- (3) a conative component, which consists of consumers' desired level of interaction with the country.

Although the conceptualization of CI includes three components of an attitude, most empirical studies on CI haven't considered the multidimensionality of CI when they operate the construct (Han, 1989; Johansson et al., 1985; Knight & Calantone, 2000; as cited in Laroche et al., 2005). Due to some research only test a partial model of CI (Johansson & Nebenzahl, 1986; as cited in Laroche et al., 2005), most prefers product measures rather than country measures (Han, 1989; as cited in Laroche et al., 2005), and some focus on affect-oriented country/people measures rather than cognitive ones (Knight & Calantone,

2000; as cited in Laroche et al., 2005), the well-defined CI measurements are still absent (Laroche et al., 2005).

In this study, we define CI as people's overall attitudes to a specific country on the basis of their beliefs or knowledge on the country's national circumstances, such as industrial development, technological advancement, economic level, political status, historical events and relationships, culture and traditions, etc.; as well as their affective reactions toward the country's people, products and brands, etc.; in addition, their willingness of interaction level with the country is included.

#### ***2.3.3.2 Product country image.***

Product country image (PCI) definitions focus on the images of countries in their roles as origins of products. For example, Li, Fu, and Murray (1997) defined country image as "consumers' images of different countries and of products made in these countries" (p. 166), which can be classified into PCI definitions catalog (K. P. Roth & Diamantopoulos, 2009). However, such definitions just show a rather narrow view of COI's conceptualizations, because they just reflect that the CI affecting the evaluations of products from that country, while in fact the CI might affect other important outcomes such as investments, visits and other ties with that country (Heslop, Papadopoulos, Dowdles, Wall & Compeau, 2004; as cited in K. P. Roth & Diamantopoulos, 2009).

### ***2.3.3.3 Product image.***

Product image (PI) definitions focus on the images of the products from a specific country solely, which can date back to Nagashima (1970). However, despite using the term *country* to specify the image object, country images actually refer to product images of a particular country. From the definitions of Nagashima (1970), CI was tended to be defined as “Made in” image, which was seen as the picture, the reputation, the stereotype that the buyers attached to products of a specific country. In addition, M. S. Roth and Romeo (1992) claimed that CI was consumers’ overall perception of products from a particular country (as cited in K. P. Roth & Diamantopoulos, 2009). Obviously, these kinds of conceptualizations concentrate on product image rather than COI as actually claimed. Alike, Papadopoulos and Heslop's (2003) argued that the vast majority of extant COO studies only focused on product images rather than CI measures (as cited in K. P. Roth & Diamantopoulos, 2009).

### **2.3.4 The role of country image.**

COO as one factor of products’ or brands’ extrinsic cue, which can affect consumers’ evaluations of products, have been described above and investigated in a variety of research. In fact, it is not difficult to understand that the influences from COO on consumers’ judgments are not the country of origin (the name of the country) itself, but the images of this country which is rooted in the consumers’ own minds. The images of a country refer to the CI’s connotations we defined above.

#### *2.3.4.1 Country image affecting on product evaluations.*

According to the previous field surveys and laboratory experiments, the role of CI have been revealed to operate in the following three ways (C. W. Lee, 1997). First, Hong and Wyer (1989) found that consumers may use CI as one of the product's attributes to form impression and comprehension/evaluations of this product from a particular country (as cited in Knight & Calantone, 2000). Alternatively, CI may induce consumers to transfer CI-inspired effect as a halo to other attributes of the product from this country (Han, 1989; Hong & Wyer, 1989, 1990; as cited in Knight & Calantone, 2000; C. W. Lee, 1997). Finally, Bilkey and Nes (1982) reported that consumers may see CI as the stereotyped impression of this country in their own opinions. They may use CI as a cognitive shortcut to "fill in" the missing information which is not supplied to them (as cite in C. W. Lee, 1997; Herz & Diamantopoulos, 2013).

Han (1989) examined the role of CI in consumer evaluations. He developed and tested two alternative causal models: (1) halo construct model (for consumers who are not/lowly familiar with a country's products; (2) summary construct model (for consumers who are familiar with a country's products). His results indicated that CI might serve as a halo for consumers who are unfamiliar with products in a particular country to infer the products' attributes and then their attitudes toward to the products or brands would be affected indirectly. In contrast, as consumers get familiar with a country's product, CI may be used to summarize consumers' beliefs on product attributes and directly affect their attitude toward the products or brands (Han, 1989).

Han's (1989) study revealed the role of CI in product evaluations. In fact, researches also have found that CI does not only influence the evaluations of products in general, but also specific classes of products and specific brands from the specific country (Baughn & Yaprak, 1993; Bilkey & Nes, 1982; Liefeld, 1993; Ozsomer & Cavusgil, 1991; Samiee, 1994; as cited in Knight & Calantone, 2000). Knight and Calantone (2000) proposed a flexible model to provide a comprehensive explanation of consumers' attitude formation, which was affected by CI both directly and indirectly through product beliefs. Their findings suggested that both CI and beliefs simultaneously influence attitudes, no matter the consumers were familiar with the products or not (Knight & Calantone, 2000).

#### ***2.3.4.2 Country image affecting on behavioral intention.***

Some research on COO effect also concludes that CI does affect consumers on product receptivity or product-related/brand-related behavior, for example, willingness to learn about the products or brands in further, purchase intention, purchase behavior, and so on. Some of studies observe that CI have significant impact on consumers product receptivity or product-related/brand-related behavior, while some of them state the impact is insignificant. However, the majority of these previous studies on COO effect agree that CI affects consumers on product receptivity or product-related/brand-related behavior indirectly, moderated by consumers' familiarity or knowledge of the products or brands, consumers involvements, previous affective experience with other products or brands from the same country, ethnocentrism, animosity, other products' or brands' attributes, processing

environments, and so on (Ghalandari & Norouzi, 2012; Godey et al., 2012; Herz & Diamantopoulos, 2013; Kaynak et al., 2000; Knight & Calantone, 2000; C. W. Lee, 1997; D. Li et al., 2009; Lin & Chen, 2006; N Papadopoulos & Heslop, 2000; K. P. Roth & Diamantopoulos, 2009).

#### **2.4 Antecedents of COO evaluations**

COO effect existing has been confirmed by massive previous and current studies, although its significance to product evaluations and purchase-related behavior, as well as its magnitude, mechanism of influence and precise nature of COO effect haven't reached an agreement in academic world. We have tried to describe the outlines of COO effect above, next we is going to discuss the antecedents of COO evaluations.

Pharr (2005) presented a holistic model of COO effects on the basis of a narrative review of empirical studies on COO effect from 1995-2005. His model depicted COO effect as a subject to a number of culturally-derived antecedents and moderated by both product-based and individual-based consumer factors. In addition, he found that brand image also moderated COO effect on product quality evaluations and purchase intentions (Pharr, 2005).

Pharr (2005) concluded that COO antecedents were focused on either *endogenous* or *exogenous* sources. He reported that the endogenous COO antecedents were related to the intersection of culture and values, such as country stereotypes, consumer ethnocentrism, country-specific animosity, demographics and Hofstede's societal dimensions. Exogenous COO antecedents were such as a country's economic level or the information type.

Even though Pharr (2005) presented a holistic antecedents of COO evaluations, some other researches hold other perspectives of these antecedents. For example, Ahmed and d'Astous (2008) stated that endogenous antecedents were demographics and psychological variables (technological sophistication and technological innovativeness), and exogenous antecedents were level of economic development and Hofstede's culture values.

Indeed, scholars have different views on identifying antecedents of COO evaluations. From our review of research on COO effect, we conclude that the most significant antecedents of COO evaluations are CI, consumer ethnocentrism, and country-specific animosity. Actually, we have found a relative comprehensive scale of CI dimensions, which consists of endogenous or exogenous COO antecedents, such as a country's economic level and demographics (Knight & Calantone, 2000; C. W. Lee, 1997; D. Li et al., 2009; Luo, 2011; Parameswaran & Pisharodi, 1994; Parameswaran & Yaprak, 1987; Pereira et al., 2005).

#### **2.4.1 Country image.**

We have introduced above, when consumers lack of a product's or a brand's other attributes, COI is one of the extrinsic cue factors which many consumers use as a shortcut to complete their evaluations of the products or brands. We have also mentioned above, actually consumers don't rely on the country by name; they in fact depend on the information behind the country name, that's to say, the attributes of COI dimensions.

There is no agreement on COI dimensions (C. W. Lee, 1997). To operationalize COO effect in our later empirical study, it is important to figure out the underlying dimensions of COI. COI have presented three groups of definitional domains above. Wherein,

CI shows to be the most representative and comprehensive definitional domain of COI. CI has been deemed to be a multi-dimensional construct and supported by a variety of empirical studies (Al-Sulaiti & Baker, 1998; Batra, Ramaswamy, Alden, Steenkamp, & Ramachander, 2000; Godey et al., 2012; Johansson et al., 1985; Knight & Calantone, 2000; C. W. Lee, 1997; D. Lee & Ganesh, 1999; D. Li et al., 2009; Martin & Eroglu, 1993; Pereira et al., 2005; K. P. Roth & Diamantopoulos, 2009).

From the result of literature review on CI, Parameswaran and Yaprak (1987) seem to be the early researchers, who clearly identified general CI attributes (GCA), as well as general product image attributes (GPA) and specific product attributes (SPA) to examine COO effect. However, they didn't classify the relevant variables into different dimensions. This didn't underline the attributes category. In GPA, they roughly identified (1) technological variables, (2) citizens' variables, and (3) political variables to measure the CI construct. Although in each construct, they didn't obviously define what variables were suitable for measuring the construct, they had built a relative all-encompassing scale to examine COI construct.

Martin and Eroglu (1993) developed a relative comprehensive scale to measure multi-dimensional CI construct. They concluded four dimensions identified by previous studies to define the construct's domain were (1) political, (2) economic, (3) technological, and (4) social desirability. They stated that the first three dimensions were self-explanatory and the fourth dimension, social desirability, included factors such as quality of life, standard of living, and level of urbanization. But they raised a doubt that why culture or culture familiarity didn't be identified as an underlying dimension of the CI construct. However, after



they validate the scale, they found that the fourth dimension, social desirability was indeed captured in the other three dimensions. Therefore, they reported that they used three dimensions, respectively political, economic and technological, to measure CI structure, which could reflect the general CI (Martin & Eroglu, 1993).

M. S. Roth and Romeo (1992) identified four country image dimensions which were (1) innovativeness (use of new technology and engineering advances), (2) design (appearance, style, colors, variety), (3) prestige (exclusivity, status, brand name reputation), and (4) workmanship (reliability, durability, craftsmanship, manufacturing quality) (as cited in C. W. Lee, 1997). However, we believe this dimensions are more accurate to measure product image (PI) rather than country image (CI). In our opinions, this scale is suitable for using as a part in the scale of measuring general CI, because these four dimensions only emphasize on product attributes, but nothing about regular country attributes such as economic status, political situations, etc. Their measuring thinking ways are similar with Nagashima (1970). Nagashima (1970) utilized "Made in" image with dimensions of (1) price and value, (2) service and engineering, (3) advertising and reputation, (4) design and style, and (5) consumers' profile to reflect country product image or say product country image (PCI), which couldn't reflect an entire CI construct.

Parameswaran and Pisharodi (1994) developed and redefined a scale for measuring CI on the basis of the numerous attempts in the first research steam. They concluded that consumers' consumption behavior had been related to the characteristics of the origin country and its people, for example, the economic, political, and cultural characteristics of the

product's country of origin. They still agreed on what Parameswaran and Yaprak (1987) identified in the conceptualization of CI construct, with three facets of GCA, GPA and SPA. On basis of Parameswaran and Yaprak (1987)'s scale of measuring COI construct, they improved and refined some attributes of each dimensions of the COI construct. For example, GCA dimension included (1) political, (2) economic, (3) technological, (4) cultural, (5) people, and (6) relationship with consumers' own countries. The improved and redefined dimensions indeed have more comprehensive attributes reflecting COI construct than Parameswaran and Yaprak (1987).

Knight and Calantone (2000) identified CI as two dimensions construct, with dimensions of general people attributes and general product attributes. However, they neglected dimensions to measure other attributes of a country such as economic, politics, and technology, etc. But D. Li et al. (2009) filled in the gap. They developed a scale to measure COO effect, identifying CI as four dimensions of general country attributes, general people attributes, general product attributes and appraisal of relationship with consumers own countries.

In conclusion, we think the scale to measure CI construct developed by D. Li et al. (2009) is an all-compassing identification of CI construct. Therefore, we agree that CI construct can use four dimensions to measure its characteristics. The four dimensions we redefine are (1) overall country images, (2) overall people images, (3) overall product images, and (4) relationship with consumer home country.

#### **2.4.2 Consumer ethnocentrism.**

Shimp and Sharma (1987) introduced the concept of consumer ethnocentrism and formulated a corresponding validated measure the concept, the CETSCALE (consumers' ethnocentric tendencies scale). They defined consumer ethnocentrism as consumers had perspective of purchasing imported goods was wrong, because they thought this action hurt the domestic economy, caused unemployment, was plainly unpatriotic, and so on. They finally refined a 17-item CETSCALE to understand what purchase behavior was acceptable or unacceptable to the in-group. They thought their concept of consumer ethnocentrism and the CETSCALE contributed to the growing body of COO effect studies. They suggested the potential applications of CETSCALE such as (1) a covariate in experiments that manipulated COO variables, and (2) a predictor variable in correlations studies along with measurements of consumers' demographic, psychographic, attitudes, buying intentions and purchase behavior (Shimp & Sharma, 1987).

Nowadays, indeed many studies on COO effects also conclude consumer ethnocentrism as a variable in experiments (Al-Sulaiti & Baker, 1998; Batra et al., 2000; Brodowsky et al., 2004; Chung & Pysarchik, 2000; Klein, Ettenson, & Morris, 1998). Some of them indicated that both CI and ethnocentrism had significant impact (either positive or negative) on the consumers' intention to buy, or say, receptivity (Baker and Michie, 1995; as cited in Al-Sulaiti & Baker, 1998). Han (1988) found that consumer ethnocentrism did affect cognitive evaluations of goods, while affected more on purchase intention (as cited in Al-Sulaiti & Baker, 1998).

### **2.4.3 Country-specific animosity.**

Klein et al. (1998) provided an initial test of the animosity model of foreign product purchase and found that animosity had a significant impact on consumers' buying decisions and beyond the effect of consumer ethnocentrism. They proposed the animosity construct as the remnants of antipathy related to previous or ongoing military, political, or economic events, which would affect consumers' purchase intention and behavior. They stated that consumer ethnocentrism was different from animosity. For example, consumers who are highly ethnocentric don't purchase foreign goods not only because economic or moral beliefs, but also because they believe the products made in their home country (in-group) are the best. In contrast, consumers might be unwilling to buy the goods from a specific country due to their animosity toward to this country, regardless of the quality or other attributes of the products. Through analysis, they also found that the animosity was independent of product judgments and affected on purchase-related behavior.

In fact, animosity construct is not an inevitable variable in COO evaluations. It depends on the existing of the historical conflicts between the product country of origin and the target market country. However, once these two countries or places have any kind of conflicts, animosity is a useful construct that help evaluate the COO effect on consumers' related behavioral intentions. Along with consumer ethnocentrism construct, animosity belongs to country-related norm, which is not part of COI construct, while they contribute to reveal the extent to which (perceived) characteristics of countries rather than characteristics of

consumers are a stronger driver of behavioral outcomes (K. P. Roth & Diamantopoulos, 2009).

## **2.5 Factors moderating the COO effect**

Chao (1998) found that some product attributes would moderate COO effect, for example product warranty. Chao (1998); Pharr (2005) summarized that COO effect could be moderated by both product-based and individual-based consumer factors on product evaluations. Product-based factors were such as price, brand name, and product type and product complexity. Individual-based factors were such as consumer involvement level, involvement type, product familiarity, and product importance. Ahmed and d'Astous (2008) reported that COO effect moderators were product-country familiarity, and shopping behavior such as involvement, product ownership, ease of purchase, extent of information search. Herz and Diamantopoulos (2013) also put product category involvement, knowledge of product class and consumers' familiarity with COO as covariates to control for differences in consumers' level of expertise. In general, we conclude that the most significant moderators of COO effect are price, brand name, consumer involvement, and product-country familiarity and knowledge (Godey et al., 2012; Johansson et al., 1985; D. Li et al., 2009; K. P. Roth & Diamantopoulos, 2009).

### **2.5.1 Product-based factors.**

#### ***2.5.1.1 Price.***

Price is one of the factors of product's extrinsic cue, which is utilized heavily by consumers when they evaluate products. And many studies have found that strong linkages between price and consumers' perceptions of product quality (Erikson & Johansson, 1985; Monroe, 1982; Veale & Quester, 2009; as cited in Luo, 2011). Cline (1979) believed price effect on product quality evaluations would tend to inter-correlate with their COO (as cited in Bilkey & Nes, 1982). Ahmed and Astous (1995) discovered that if a consumer had higher involvement in product, they would notice other information, such as price and brand, resulting to COO effect would simultaneously decrease (as cited in Lin & Chen, 2006).

#### ***2.5.1.2 Brand name.***

In the context of COO effect, brand name is another significant factor in products extrinsic cue, which may influence the consumers' decision-making process, especially for a novice who has little or no knowledge of the product (D. Li et al., 2009; Han, 1989; Szybillo & Jacoby, 1974 as cited in Luo, 2011). Brand name is recognizable or not, would also influence on consumers' perceptions of the product quality and attitude toward it (D. Li et al., 2009; Nagashima, 1970; Nicolas Papadopoulos et al., 1990).

Ahmed and d'Astous (1993) investigated that for Belgian consumers, brand name was more important information cue than COO (as cited in Al-Sulaiti & Baker, 1998). In addition, Chung and Pysarchik (2000) suggested in further studies on COO effect, brand

name should be associated with the products to know the extent influencing on consumers' beliefs. Similarly, it was also instructive to study the moderating effect of brand names on consumers' attitudes toward the products and their behavior intentions.

## **2.5.2 Individual-based factors.**

### ***2.5.2.1 Consumer involvements.***

The role of the involvement concept has played increasingly important in explaining consumer behavior (J.-N. Kapferer & Laurent, 1985; Laurent & Kapferer, 1985; Lin & Chen, 2006; Mittal & Lee, 1989; Shirin & Kambiz, 2011). The moderate effect of consumer involvement on COO effect, consumers' attitude toward products, and their purchase decisions also have been found by some literature (Arora, 1993; Chin, 2002; as cited in Lin & Chen, 2006; Emmert, 1991; Friedman and Smith, 1993; and Petty, Cacioppo & David, 1983; as cited in Shirin & Kambiz, 2011).

Mittal and Lee (1989) proposed a unifying theoretical framework to conceptualize involvement concept in prior literature. They found several definitions of involvement and one of them identified involvement as: "to reflect the extent of personal relevance of the decision to the individual in terms of her basic values, goals, and self-concept" (Engel & Blackwell, 1982, p. 273; also adopted by Zaichkowsky, 1985; Celsi & Olsen, 1988; as cited in Mittal & Lee, 1989, p. 364).

Mittal and Lee (1989) concluded that several definitions of involvement had a common thread; that was, "involvement is the perceived value of a 'goal-object' manifesting

as interest in that goal-object, which can be product itself (as in product involvement) or a purchase decision (as in brand-decision involvement)". (Mittal & Lee, 1989, p. 365). Mittal and Lee (1989) defined that product involvement referred to consumers' interests in a product class, possessing and using a product, which met their important values and goals. In contrast, purchase involvement or brand-decision involvement referred to consumers' interests in making the brand selection. (J.-N. Kapferer & Laurent, 1985; Krugman, 1965; as cited in Lin & Chen, 2006; Shirin & Kambiz, 2011; J.-N. Kapferer & Laurent, 1985; Laurent & Kapferer, 1985; Mittal & Lee, 1989; Zaichkowsky, 1986). For measuring involvement variable, Zaichkowsky's (1985) personal involvement inventory is popular to be utilized (Lin & Chen, 2006; McQuarrie & Munson, 1987).

#### ***2.5.2.2 Product familiarity and knowledge.***

Consumers' product familiarity influences COO effect on their product evaluations, attitudes and purchase intentions has been confirmed by many studies (Elliot et al., 2011; Godey et al., 2012; Han, 1989; Johansson et al., 1985; D. Li et al., 2009; Peterson & Jolibert, 1995). If a consumer is familiar with a specific product class or brand, they may be less likely to rely on COO as an information cue in evaluating products or brands (Batra et al., 2000; Chao, 1998; Godey et al., 2012; Johansson et al., 1985; D. Lee & Ganesh, 1999; Niss, 1996). Therefore, product familiarity is a significant moderator affecting COO effect and is introductive to be examined as well (Batra et al., 2000; Elliot et al., 2011; Herz &



Diamantopoulos, 2013; Johansson et al., 1985; D. Lee & Ganesh, 1999; Orbaiz & Papadopoulos, 2003).

Similarly, product knowledge as same as consumer involvement, is deemed to play an important role in investigating consumers' behaviors (Ghalandari & Norouzi, 2012; Lin & Chen, 2006; Shirin & Kambiz, 2011). According different perspective, product knowledge is divided into three categories, such as subjective knowledge, objective knowledge, and experience-based knowledge (Brucks, 1985; as cited in Ghalandari & Norouzi, 2012; Shirin & Kambiz, 2011); and brand knowledge, attribute knowledge as well as experience knowledge (Scribner & Seungoog, 2001; as cited in Lin & Chen, 2006; Shirin & Kambiz, 2011). In addition, Alba and Hutchinson (1987) indicated that product knowledge should contained two parts, which were expertise and familiarity with products (as cited in Lin & Chen, 2006; Shirin & Kambiz, 2011). Perhaps because of Alba and Hutchinson's (1989) perspective on product knowledge, today some scholars see product familiarity and product knowledge as the same concept (D. Lee & Ganesh, 1999). In COO effect studies, product knowledge also is utilized as a moderator variable. It shows the similar prediction to product familiarity: consumers with lower product knowledge rely on COO as information cue greater than those with high product knowledge (Ghalandari & Norouzi, 2012).

## **2.6 Models of COO effect evaluations**

One of the purposes in this study is to exam the effect of Scandinavian countries' image and their brand products' image on consumers' likelihood of behavioral intention to Scandinavian hotel brands. The process of evaluation of the effect will involve the constructs

of COI, product beliefs, consumer attitudes and behavioral intention. Many scholars also held experiments to investigate the relationships between COI and consumer behavioral intention, although they manipulated from different aspects.

The popular models to exam consumers' purchase intention usually are adapted from Fishbein and Ajzen's theory of reasoned action model (Fishbein & Ajzen, 1975, see [Figure 4](#)), because their model has strong explanatory power to predict consumers' behavior, which also can be widely used in psychology, sociology, marketing areas, etc. (D. Li et al., 2009). D. Li et al. (2009) incorporated COI into the Fishbein and Ajzen's model to find out how Chinese perceptions of CI effect on their purchase intention. D. Li et al. (2009) explained that consumers' behavioral intention depends on their attitude toward the behavior and subjective norm. Hereinto, attitude referred to overall positive or negative evaluations of behavior; and subjective norm referred to the perception of general social pressure from important people's opinions. On the basis of Ahn and Wu's (2003) survey adapting from Fishbein and Ajzen's model, D. Li et al. (2009) proposed a model integrating CI, product appraisal, brand attitude, subjective norm and purchase intention (see [Figure 5](#)), which could explain how consumers' perceptions of CI effecting on their brand attitudes and purchase intention (D. Li et al., 2009).

Lee (1990) modified Fishbein and Ajzen's model to examine consumers' behavior intention in Confucian culture, the collectivism. He added two new variables: *mianzi* (face saving) and group conformity instead of subjective norm. His study found that face saving and group conformity had significant impact on consumers' behavioral intentions under the Confucian culture context (Chung & Pysarchik, 2000; D. Li et al., 2009). In this study, the

target of consumers is Chinese. Confucian culture originates from China and its core values still influence on Chinese values and standard of behavior (Zhu & Yao, 2008). Therefore, in this study, Lee's revised Fishbein and Ajzen's model has a guiding significance (see [Figure 6](#)).

Figure 4.

#### Fishbein and Ajzen's (1975) Theory of Planned Behavior Model

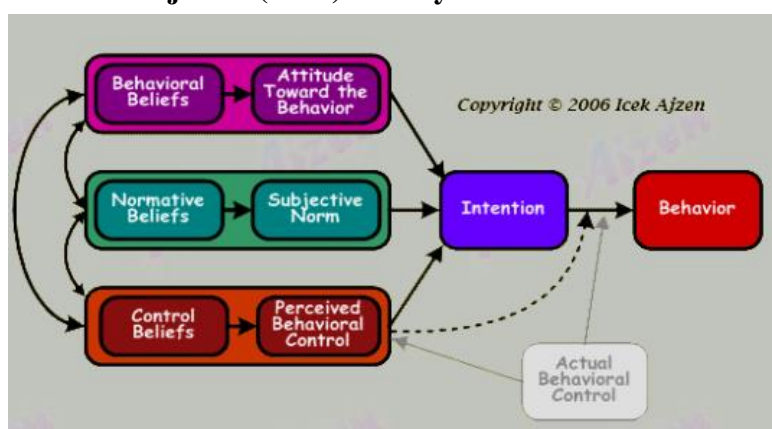


Figure 4. Derived from "Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research" by M., Fishbein & I. Ajzen, 1975. Copyright 1975 by Addison-Wesley Publishing Company, Inc.

Figure 5.

#### The Influence of Country Image on Purchase Intention of Chinese Consumers Based on Fishbein & Ajzen's Model of Reasoned Action

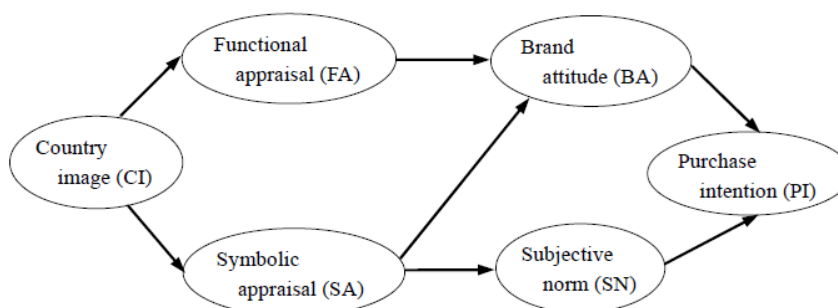


Figure 5. Derived from "A Study on The Influence of Country Image on Purchase Intention of Chinese Consumers Based on Fishbein's Model of Reasoned Action: Focused on USA, Germany, Japan and South Korea" by Dongjin LI, Jongseok Ahn, Ronghai Zhou and Bo Wu, 2009. Copyright 2009 by Higher Education Press and Springer-Verlag.

Figure 6.

### Lee's (1990) Modified Model for Confucian Consumers Based on Fishbein and Ajzen's Behavioral Intention Model

Lee's (1990) revised model for Confucian consumers based on Fishbein's behavioral intention model

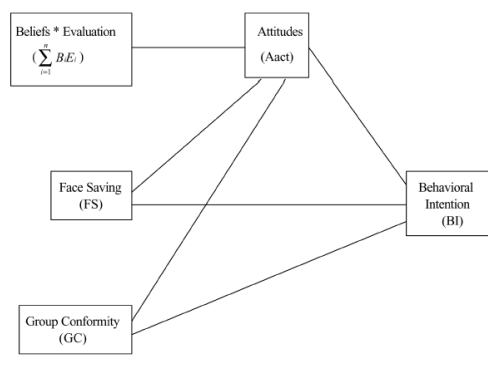


Figure 6. Derived from “A Model of Behavioral Intention to Buy Domestic Versus Imported Products in A Confucian Culture” by Jae-Eun Chung and Dawn Thorndike Pysarchik, 2000. *Marketing Intelligence & Planning*, 18(5), p. 283. Copyright 2000 by MCB University Press.

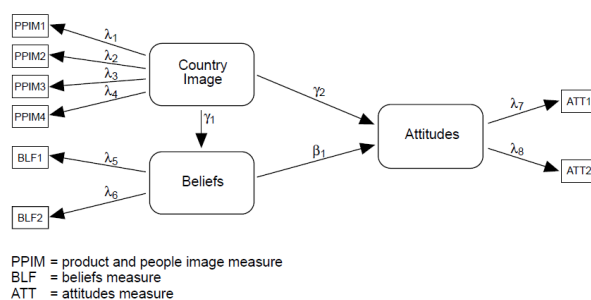
As D. Li et al. (2009) haven't reflected the both effects (halo effect and summary effect) of Han (1989)'s findings regarding to COI, Knight and Calantone (2000) proposed a flexible model to fill the gap, which presented a substantive improvement in cognitive processing regarding to COI. Their flexible model revealed that whether consumers' had high- or low-knowledge of products, COI tended to be a significant antecedent of attitudes and product beliefs; and product beliefs were a significant antecedent of attitudes. In addition, their findings suggested that both COI and product beliefs simultaneously influence attitudes (see [Figure 7](#)).

In addition, Johansson et al. (1985) formed a multiattribute attitudinal model to examine the impacts of COO and other attributes, such as familiarity and knowledge about the product class, on product evaluations (see [Figure 8](#)). Ahmed and d'Astous (2008) also developed a framework to examine how explanatory factors like demographics, familiarity with a country's products, purchase behaviour and psychological variables jointly worked to

explain COO effect on consumers' perceptions (see [Figure 9](#)). Elliot et al. (2011) built a Integrative Model of Place Image combining elements from two areas that had explored place image more than any others: tourism destination image (TDI) and product-country image (PCI), which also contained relationships among constructs of product familiarity, CI, product beliefs, product receptivity (see [Figure 10](#)). The model's product-country image part is also referential to this study.

*Figure 7.*

### A Flexible Model of Consumer Country-of-Origin Perceptions



*Figure 7.* Derived from “A Flexible Model of Consumer Country-of-Origin Perceptions: A Cross-Cultural Investigation” by Gary A Knight and Roger J Calantone, 2000. *International Marketing Review*, 17(2), p. 131. Copyright 2000 by MCB University Press.

As we introduced above, consumer ethnocentrism and animosity were significant antecedents of COO evaluations. Klein et al. (1998) formed The Animosity Model of Foreign Product Purchase to reflect how consumer ethnocentrism and animosity influenced COO effect on consumers' attitudes and consumers' behavioral intention (see [Figure 11](#)).

Figure 8.

### Conceptual Framework of Country-of-Origin Effects in The Belief-Attitude Relationships

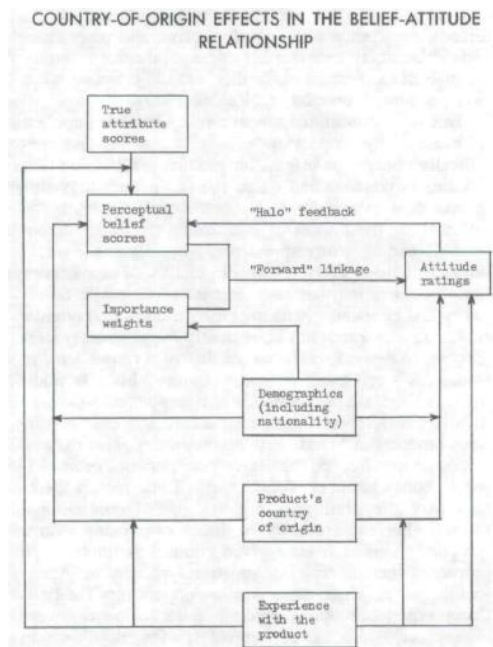


Figure 8. Derived from “Assessing the Impact of Country of Origin on Product Evaluations: A New Methodological Perspective” by Johny K. Johansson, Susan P. Douglas, and Ikujiro Nonaka, 1985. *Journal of Marketing Research*, 22(4), p. 390. Copyright 1985 by American Marketing Association.

Figure 9.

### Conceptual Framework of Country-of-Origin Evaluations

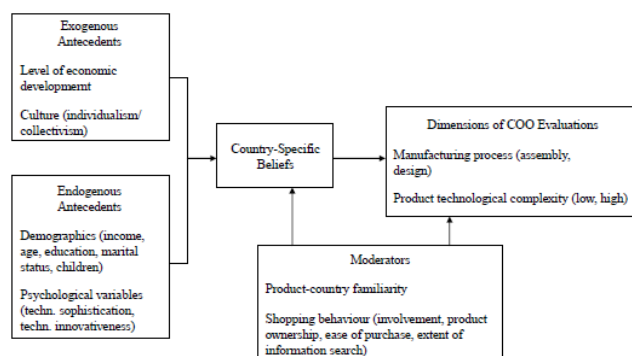


Figure 9. Derived from “Antecedents, Moderators and Dimensions of Country-of-Origin Evaluations” by Sadrudin A. Ahmed and Alain d’Astous, 2008. *International Marketing Review*, 25(1), p. 82. Copyright 2008 by Emerald Group Publishing Limited.

Figure 10.

**An Integrative Model of Place Image**

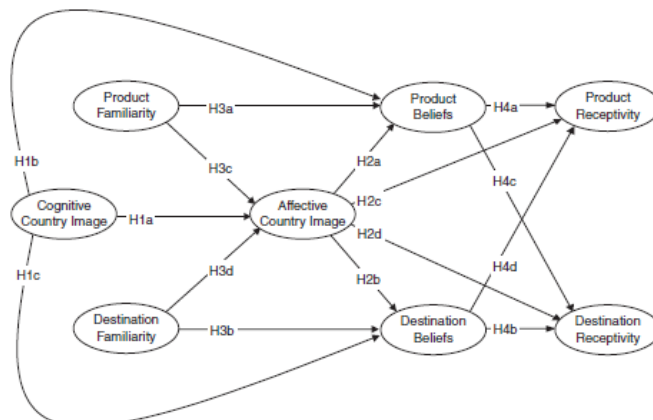


Figure 10. Derived from “An Integrative Model of Place Image Exploring Relationships Between Destination, Product, and Country Images” by Statia Elliot, Nicolas Papadopoulos, and Samuel Seongseop Kim, 2011. *Journal of Travel Research*, 50(5), p. 524. Copyright 2011 by SAGE Publications.

Figure 11.

**The Animosity Model of Foreign Product Purchase**

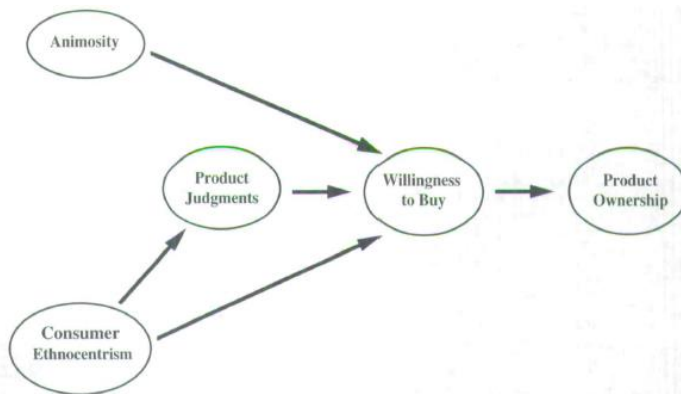


Figure 11. Derived from “The Animosity Model of Foreign Product Purchase: An Empirical Test in the People's Republic of China” by Jill Gabrielle Klein, Richard Ettenson, and Marlene D. Morris, 1998. *Journal of Marketing*, 62(1), p. 92. Copyright 1998 by American Marketing Association.

## 2.7 Proposed Research Model

In last section, we reviewed in-depth literature on COO effect and discussed several models of COO effect. This study aims to investigate COO effect on Chinese consumers' cognitions and affections of Scandinavian countries and their brand products. In addition, their attitudes and behavioral intention to potential Scandinavian brand hotels are expected to explore as well. To achieve the research purposes, we need to develop a rational research model.

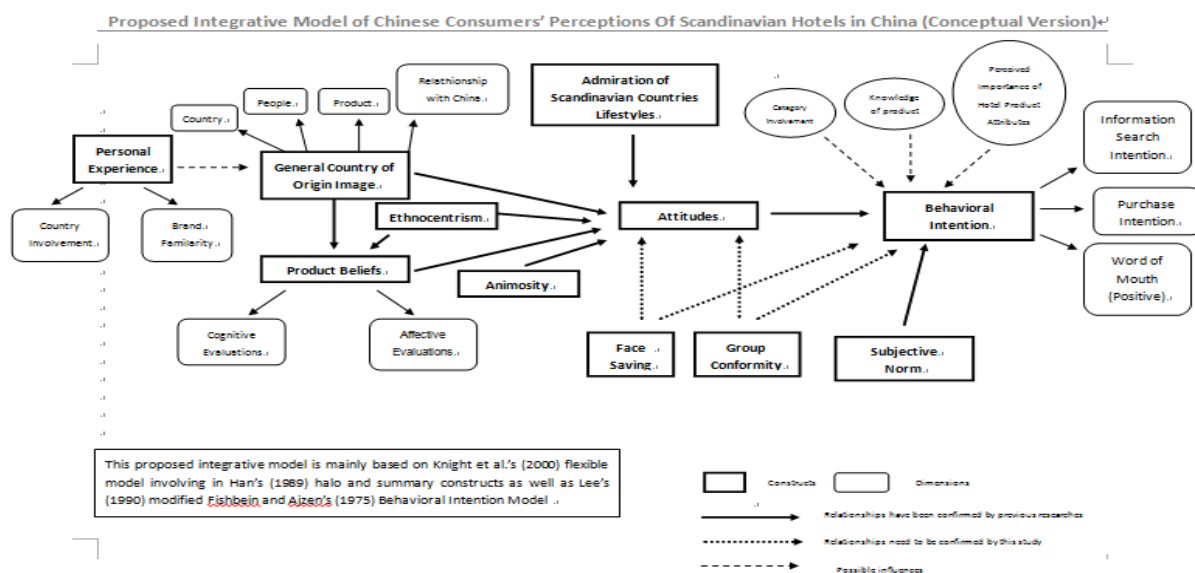
We tried to conceptualize an integrative model of COO effect on Chinese consumers' overall attitudes toward Scandinavian brand hotels in China (see [Figure 12](#)). However, due to its complexity, it is difficult to conduct an empirical survey by using this model. We decided to refine the conceptual integrative model on the basis of our research purposes and develop a more rational research model to explore the following questions:

- (1) What are Scandinavia images in Chinese consumers' minds?
- (2) What are Chinese cognitive and affective evaluations of Scandinavian brand products?
- (3) What are Chinese consumers' attitudes toward a potential Scandinavian brand hotel developing in Chinese hotel market?
- (4) Do Chinese consumers have willingness to receive further the Scandinavian brand hotel?
- (5) Are there any moderators affecting COO effects on Chinese consumers' attitudes and behavior intentions to Scandinavian brand hotels?



- (6) Do COO effect on Chinese consumers' evaluations of Scandinavia and its brand hotels vary depending on demographic of Chinese respondents?

Figure 12.

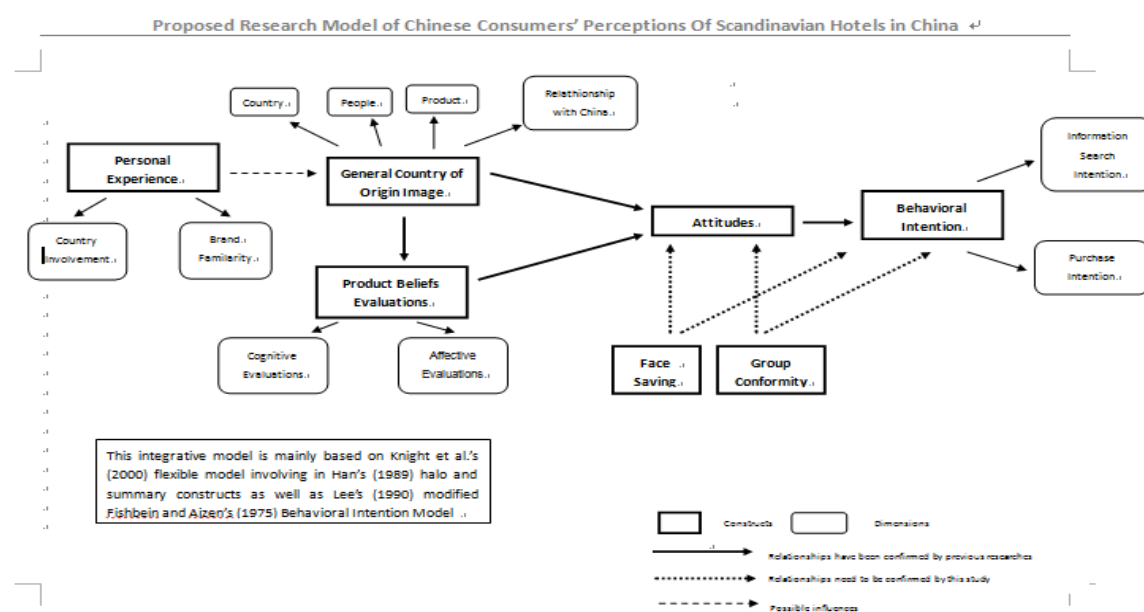


The integrative model we proposed above, is mainly based on Knight and Calantone (2000) flexible model, which considered both of Han (1989) halo and summary construct models, representing CI processing; and Lee's (1990) modified Fishbein and Ajzen (1975)'s behavioral intention model, which incorporated two salient Confucian concepts—face saving and group conformity—to substitute for subjective norm (Chung & Pysarchik, 2000; Lin & Chen, 2006; Son, Jin, & George, 2013). Some other antecedents such as consumer ethnocentrism (Shimp & Sharma, 1987) and animosity (Klein et al., 1998), and some factors moderating COO effects such as consumers involvements (Arora, 1993; Chin, 2002; as cited in Lin & Chen, 2006; Emmert, 1991; Friedman and Smith, 1993; and Petty, Cacioppo & David, 1983; as cited in Shirin & Kambiz, 2011), product familiarity (Elliot et al., 2011; Godey et al., 2012; Han, 1989; Johansson et al., 1985; D. Li et al., 2009; Peterson & Jolibert,

1995) and product knowledge (Ghalandari & Norouzi, 2012; Lin & Chen, 2006; Shirin & Kambiz, 2011), as well as admiration of lifestyle in economically developed countries (Batra et al., 2000) are added in our proposed integrative model.

Indeed, this conceptualized model of COO effect on consumers’ attitudes and behavior intention seems powerful and well-rounded, while it is not practical to be utilized in empirical survey, because it is too complicated and respondents are easy to feel boring and tired when they fill in the questionnaire which is conducted based on this model. Therefore, we have refined and simplified the model, and made it only focusing on the questions we would like to explore through this study. The refined research model which we proposed in the empirical survey just contained constructs of COI, product beliefs, attitude, behavioral intention, and moderators of face saving, group conformity and personal experience (Figure 13).

Figure 13.



## 2.8 Hypotheses

Knight and Calantone (2000) confirmed, during the cognitive processing in COO effects on consumers' purchase decision, that COI was a significant antecedent of attitude, and it was also a significant antecedent of product beliefs. Moreover, product beliefs were a significant antecedent of attitudes. Because our proposed research model partially adopted Knight and Calantone (2000) flexible model, therefore, we suppose the relationships among COI, product beliefs and attitudes confirmed by Knight and Calantone (2000) also work in our model. Moreover, Chung and Pysarchik (2000) found that the positive relationship between product beliefs and attitudes which had been confirmed in Fishbein and Ajzen (1975)'s behavioral model and Lee's (1990) model, as well as many other studies was also retained in their research. In addition, D. Li et al. (2009) concluded that for Chinese consumers, the relationship between COI and product beliefs were positive.

On the basis of previous scholars' findings, we hypothesize, when a product's COO is known by Chinese consumers:

*H1*: COI is a significant antecedent of Chinese consumers' attitudes toward Scandinavian brand hotels;

*H1a*: There is a positive relationship between COI and Chinese consumers' attitudes toward Scandinavian brand hotels;

*H2*: COI is a significant antecedent of product beliefs;

*H2a*: There is a positive relationship between COI and product beliefs;

*H3*: Product beliefs are a significant antecedent of Chinese consumers' attitudes toward Scandinavian brand hotels;

*H3a*: There is a positive relationship between product beliefs and Chinese consumers' attitudes toward Scandinavian brand hotels.

As Chung and Pysarchik (2000) pointed out, the strong relationship between attitudes and behavioral intention in Fishbein and Ajzen (1975)'s behavioral intention model was retained in Lee's model (1990), and many other researches also confirmed associations between attitudes and behavioral intentions (Chung & Pysarchik, 2000; D. Li et al., 2009; Son et al., 2013). Therefore, we hypothesize:

*H4*: There is a positive relationship between Chinese consumers' attitudes toward Scandinavian brand hotels and their behavioral intentions.

Because in the studies of Lin and Chen (2006) as well as Shirin and Kambiz (2011), they found that COI had a significantly positive influence on consumer purchase decision, so we also hypothesize:

*H5*: There is a positive relationship between COI and Chinese consumers' behavioral intentions to Scandinavian brand hotels.

According to the study on the effects of face saving and group conformity on consumers' attitudes and behavioral intentions conducted by Chung and Pysarchik (2000), we hypothesize:

*H6a*: There is a positive relationship between face saving and Chinese consumers' attitude toward Scandinavian brand hotels;

*H6b*: There is a positive relationship between face saving and Chinese consumers' behavioral intentions to Scandinavian brand hotels;

*H7a*: There is a positive relationship between group conformity and Chinese consumers' attitude toward Scandinavian brand hotels;

*H7b*: There is a positive relationship between group conformity and Chinese consumers' behavioral intentions to Scandinavian brand hotels.

At last, regarding to studies of consumers involvements, product familiarity and product knowledge (Ahmed & d'Astous, 2008; J.-N. Kapferer & Laurent, 1985; J. N. Kapferer & Laurent, 1993; Laurent & Kapferer, 1985; Lin & Chen, 2006; Mittal & Lee, 1989; Orbaiz & Papadopoulos, 2003; Schaefer, 1997; Shirin & Kambiz, 2011), in our study, we hypothesize:

*H8a*: There is a positive relationship between consumers' personal experience in Scandinavia as well as its brand products and COI hold by Chinese consumers;

*H8b*: There is a positive relationship between consumers' personal experience in Scandinavia as well as its brand products and their behavioral intentions to Scandinavian brand hotels.

## **2.9 Conclusion**

In this chapter, we have introduced the situations of Scandinavian hotel market and Chinese hotel market. And we have reviewed in-depth literature on COO effect (an overview of key literature of COO effect reviewed by the authors can be referred in [Appendix C](#)). We conclude that COO effect refers to any influence or bias on product evaluation, risk

perception, attitudes and behavioral intention on the basis of consumer' overall perceptions of a specific country. Overall perceptions can be derived from consumers' stereotypical impressions on this country (country here refers to country itself, people, products etc., the overall concept of a country), their cognition of this country, affection of this country, prior experience in contacting this country, familiarity of this country and so on.

Through above in-depth literature review, learning from various scholars' strong points, we have conceptualized an integrative model of COO effect on Chinese consumers' overall attitudes toward Scandinavian brand hotels in China. However, we think this model is difficult to operate and examine in our empirical study. Therefore, we revised and refined the proposed integrative model, and developed a more practical research model for empirical survey. Moreover, hypotheses of relationships among constructs and moderating factors will be examined through the empirical study and discussed in next chapter.

## Chapter 3 Methodology

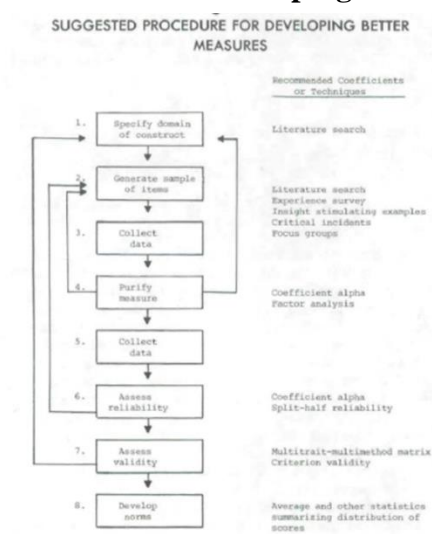
### 3.1 Introduction

This chapter explains the study's methodology. The purposes of this research and how to establish the research model will be introduced. It covers the analysis and the justifications for the research design, including constructions of questionnaire, sampling methods, data collection, measurement, analysis methods, validity and reliability validations.

Churchill Jr (1979) suggested a procedure for developing better measure of marketing constructs (see [Figure 14](#)). According to the proposed procedure of Churchill Jr (1979), we have completed step 1, which refers to specifying domain of construct, in last chapter. The next steps are to generate sample of items, collect data, purify measure, collect data again, assess reliability, assess validity and lastly to develop norms, which is going to introduce in this chapter.

Figure 14.

### Suggested Procedure for Developing Better Measures



*Figure 14.* Derived from “A Paradigm For Developing Better Measures of Marketing Constructs” by Gilbert A. Churchill, JR, 1979. *Journal of Marketing Research*, 16(1), p. 66. Copyright 1979 by American Marketing Association.

### **3.2 Research Design**

There are two phases of our study, the qualitative phase and the quantitative phase. In qualitative phase, individual interviews with four Scandinavian hoteliers, one consultant in Scandinavian hotel industry, and one consultant who engaged in assisting Scandinavian enterprises to enter into Chinese market and one Chinese hotelier were conducted to explore the conceptual meaning and cultural context of the target concepts for our empirical study. COO concept, Chinese consumers’ attitudes toward and their behavioral intentions to potential Scandinavian brand hotels were significant constructs concerned and recommended by above informants in the study. The four Scandinavian hoteliers and the consultant in Scandinavian hotel industry were all interested in knowing about the following three key issues:

- (1) How do Chinese consumers perceive Scandinavian countries, cultures and people there?
- (2) Are Chinese consumers interested in Scandinavian hotel brands?
- (3) Can Scandinavian hotel brands compete against those international brands and domestic brands in Chinese market?

Nonetheless, the consultant who engaged in assisting Scandinavian enterprises to enter into Chinese market, didn’t doubt the Chinese consumers’ receptivity to Scandinavian cultures, lifestyles and brands, while he pointed out Norway as an origin of the enterprises, its



enterprises would be more or less hindered to develop business in Mainland China due to diplomatic crisis with China regarding to Nobel Peace Prize<sup>3</sup>. The resistances for Norwegian companies to develop in Mainland China were not from Chinese consumers, but mainly from the Chinese government.

The Chinese hotelier, who had over 30 years' experience in Chinese hotel industry commented that China's hotel market was open and inclusive to all kinds of hotel chains and products, as long as the products were creative and valuable for the consumers. There were no Scandinavian hotel brands in Chinese hotel market. By contrast, American, UK, French, South Asia hotel chains competed intensively. Chinese luxury hotel market was a homogeneous-product market, while there was a huge development gap in the middle-scale market. Scandinavian hotel brands which were good at mid-scale hotel products had potentials to gain the success in the Chinese mid-scale hotel market.

Information and perspectives collected from the individual interviews helped us determine the research method and guide the development of the quantitative survey instruments. Our study is an exploratory study, while using a non-experimental design. For reaching a large number of potential respondents in a variety of locations in China, we designed to conduct an online survey using self-administered questionnaire in Chinese to collect the Chinese consumers' opinions on Scandinavia data in April, 2014.

### **3.3 Measurement**

The questionnaire for online survey was developed firstly in English by the authors, and then was translated into Chinese by two English-Chinese bilingual students, whose native

language is Chinese. The final version of the questionnaire contained 7 constructs with 47 items, which were respondents' personal experience with Scandinavian countries (3 items), COI perceptions (4 parts with 14 items), product beliefs appraisal (2 parts with 6 items), opinions on face saving pressure (1 item) and group conformity pressure (1 item), attitudes toward a potential Scandinavian brand hotel (11 items), behavioral intentions (2 items) and at last demographic information (9 items). The scale items in the questionnaire some were derived from the previous COO effect studies and some were modifications of the items used in previous relevant studies.

### **3.3.1 Purifying the scale items.**

The initial items pool of the scale were developed in accord with the proposed integrative model, which consisted of 15 constructs, with 14 dimensions, 22 sub-dimensions and 132 items. The authors ourselves argued and discussed three times, and chose the most representative scale items to the first version questionnaire, which contains 15 constructs, with 14 dimensions, 22 sub-dimensions and 87 items. The first version questionnaire was sent to 10 respondents for pre-test, of which two respondents were professors at University of Stavanger and eight respondents were the authors' friends in China, who were normal Chinese consumers. All of them pointed out the items were too much for an online survey, and they gave their own opinions on constructs and items improvements. Therefore, we removed some constructs and items, revised and refined some of them according to their suggestions. After that, the second version questionnaire was sent to the same respondents as the first version to request for opinions. And this time, they all thought the questionnaire was

suitable for going online. The conversations methods between university's professors and the authors were emails and face to face meetings. The conversations method between respondents and the authors was online chat tools.

Based on the second version, we improved the questionnaire one more time to the third version. We believed that the final revised scale items for online survey, which was in the third version questionnaire, had better face validity and content validity than the previous versions.

### **3.3.2 The revised scale items for online survey.**

After a series of actions to purify and constructs and the scale items, the final version of the measurement scale was much shorter than the original version and more rational and practical for empirical studies (full details on final measurements of constructs with references and the final questionnaire can be seen in [Appendix D](#) and [Appendix E](#)). We keep the measurement of personal experience with Scandinavian countries at the beginning of the questionnaire to remind the respondents of Scandinavia in their minds for the foreshadowing to the following questions. Inspired by the concept of product involvement, for knowing respondents' interests in Scandinavian countries, we proposed a dimension of country involvement with a 7-point Likert scale to measure it, referring to Herz and Diamantopoulos (2013), Laurent and Kapferer (1985), Mittal and Lee (1989). Brand familiarity with 2 items was another dimension to reflect respondents' personal experience with Scandinavian countries, of which one item used 7-point Likert scale and the other item used 7-point semantic differentials scale.

The items of COI construct measurement mainly referred to Laroche et al. (2005), D. Li et al. (2009), Lin and Chen (2006), Martin and Eroglu (1993), Nagashima (1970), Parameswaran and Yaprak (1987) and Parameswaran and Pisharodi (1994). The COI construct contained four dimensions, respectively were Overall Country Images (4 items), Overall People Images (5 items), Overall Product Images (4 items) and The Relationship with China (1 item). All items used 7-point semantic differentials scale with bipolar word pairs for measurement, which was the popular measurement scale for COI in current studies on COO.

In product beliefs evaluations construct, we classified it into two dimensions, which were Cognitive Evaluations (4 items) and Affective Evaluations (2 items). The classification and some items were adapted from Herz and Diamantopoulos (2013) and D. Li et al. (2009). 7-point Likert scale and 7-point semantic differentials scale were employed according to the referenced measurements. The product beliefs evaluations items were only for respondents who had tried the Scandinavian brand products before to distinguish and compare the differences between respondents' general impressions on Scandinavia and their perceptions of experience with Scandinavia. As in the part of face saving pressure and group conformity pressure measurement, Lee's (1990) items (as cited in Chung & Pysarchik, 2000; Son et al., 2013) were adapted and 7-point Likert scale was employed.

For testing Chinese consumers' attitudes toward and their behavioral intentions to potential Scandinavian brand hotels in Chinese market, we developed a scenario regarding to an introduction of a leading Scandinavian hotel brand with a fictional name and an adapted story about this hotel chain. The respondents were requested to rate their attitudes toward and

their behavioral intentions to this hotel brand by using 7-point Likert scales. Scale items were mainly referred to Batra et al. (2000); Chung and Pysarchik (2000); Knight and Calantone (2000); D. Lee and Ganesh (1999); Nagashima (1970).

### **3.4 Sampling**

The study population is the whole Chinese consumers in the greater China region, which is around 1 billion (aged 15-64 in 2012 in China, National Bureau of Statistics of China, 2014a). The sampling target is the general consumers above 18 years old. The possible sample for the authors is drawn from the Mainland China. Mainland China covers a huge territory and it is a very large heterogeneous market, because of differences in consumers' income, education level, and even culture across different regions (Euromonitor-International-b, 2008; Zhang, Grigoriou & Li, 2008; Gao et al., 2009; as cited in Luo, 2011). Therefore, it is better to sample in several regions in Mainland China. Four major cities in China were chosen to be the sampling regions, which were Beijing (the capital, in the north China), Shanghai (the first biggest city of China, in the east China), Guangzhou (the third biggest city of China, in the south China) and Chongqing (the biggest city in west China). The big cities were chosen by considering economic progress, sightseeing spots, convenient traffic, and large crowds in these locations (Lin & Chen, 2006). Because the authors were in Norway, for considering recruiting a relative adequate sample size in a short time and complete it more effectively; convenience sampling mixed with snowball sampling of non-probability were employed in the study. The online questionnaire was distributed via emails, online chat tools, and social media to the authors' friends in Mainland China of above

four cities. Because it was allowed to share the links of the questionnaire by the respondents to recruit as many as possible samples, the region item in the questionnaire was added another choice, namely Other, for potential respondents living outside the above four cities.

The inferring effective sample size would be more than 385 (Creative Research Systems, 2014; Lin & Chen, 2006; Raosoft Inc., 2014). The exact amount of distributed questionnaires was impossible to know because distributions were also completed by some respondents voluntarily. The authors distributed 300 questionnaires via emails, online chat tools, and social media and asked the respondents to share the links of the questionnaires if they liked to help.

### **3.5 Data Collection and Analysis Method**

The online questionnaire was open for accessing from 15<sup>th</sup> April to 30<sup>th</sup> April, 2014, 24 hours every day. The respondents clicked the questionnaire links, filled in the questionnaire and submitted it by themselves. The questionnaire was estimated to be completed within 15 minutes. No material rewards were sent to respondents.

The data collected via questionnaire system was entered into SPSS 21 for data analysis and comparison. A descriptive summary of each variable was presented with appropriate tables and graphs. Internal consistency for the entire scale was tested by using Cronbach's  $\alpha$  value; relationship among variables were examined by using correlation, regression analysis, factor analysis, t-tests, and analysis of variance.

## Chapter 4 Results

### 4.1 Description

#### 4.1.1 Sample description

Finally, there were 451 questionnaires collected, of which 15 cases were insincere and needed to be deleted, resulting in 436 usable cases in SPSS system. As shown in [Table 3](#), males and females had similar proportions, which were 48.9% and 51.1% respectively. The respondents were mainly at the age between 25 and 34 (78%), and most of them had higher education, of which 11.5% owned college degree, 63.1% owned bachelor degree and 21.3% owned master degree. 55.3% of respondents had been married, while 64.4% of them hadn't any child yet. Most of respondents were employed for wages (82.3%), and mainly employed as employees (20.2%), junior managers (19.3%), intermediate managers (20%) and professionals (15.6%). Their personal annual incomes were mainly at the range from RMB 60,000 to RMB 240,000 (64%); thereof, 37.4% of respondents had income level from RMB 60,000 to RMB 120,000; 16.5% of them lay on the level from RMB 120,001 to RMB 180,000, and 10.1% of them lay on the level from RMB 180,001 to RMB 240,000. Respondents living in Guangzhou accounted for 46.3%, ranking the first place, and followed by respondents living in other places (20.9%) and Shanghai (20.6%).

*Table 3.*

#### *Demographic Profile of Respondents*

Demographics	Dimensions	Frequency	Percent	Valid Percent	Cumulative Percentage
<b>Sex</b>					

Valid	1 Male	213	48.9	48.9	48.9
	2 Female	223	51.1	51.1	100
	Total	436			
<b>Age</b>					
Valid	1 18-24	31	7.1	7.1	7.1
	2 25-34	340	78	78	85.1
	3 35-44	52	11.9	11.9	97
	4 45-54	11	2.5	2.5	99.5
	5 55 or above	2	0.5	0.5	100
	Total	436			
<b>Education</b>					
Valid	1 Lower than High School	0	0	0	0
	2 High School Graduate or Vocational School Graduate	11	2.5	2.5	2.5
	3 College Degree	50	11.5	11.5	14
	4 Bachelor's Degree	275	63.1	63.1	77.1
	5 Master's Degree	93	21.3	21.3	98.4
	6 Doctorate's Degree or above	6	1.4	1.4	99.8
	7 Other	1	0.2	0.2	100
	Total	436			
<b>Marriage</b>					
Valid	1 Single	137	31.4	31.4	31.4
	2 Married	241	55.3	55.3	86.7
	3 In a relationship	51	11.7	11.7	98.4
	4 Other	7	1.6	1.6	100
	Total	436			
<b>Child</b>					
Valid	1 None	281	64.4	64.4	64.4
	2 One	140	32.1	32.1	96.6
	3 Two or more	15	3.4	3.4	100
	Total	436			
<b>Employment</b>					
Valid	1 Employed for wages and not working at home	359	82.3	82.3	82.3
	2 Self-employed	22	5	5	87.4
	3 Working at home (e.g. homemaker, free-lancer)	9	2.1	2.1	89.4



	4 Student	16	3.7	3.7	93.1
	5 Retired	2	0.5	0.5	93.6
	6 Out of work	10	2.3	2.3	95.9
	7 No need to work for wages or Unable to work	0	0	0	0
	8 Other	18	4.1	4.1	100
	Total	436			
<b>Position</b>					
Valid	1 Intern or Trainee	2	0.5	0.6	0.6
	2 Employee	88	20.2	24.5	25.1
	3 Junior Manager	84	19.3	23.4	48.5
	4 Intermediate Manager	87	20	24.2	72.7
	5 Senior Manager	17	3.9	4.7	77.4
	6 Executive Leader	5	1.1	1.4	78.8
	7 Professional	68	15.6	18.9	97.8
	8 Researcher	3	0.7	0.8	98.6
	9 Other	5	1.1	1.4	100
	Missing	System	77	17.7	Missing value was due to the item was only for respondents who chose the item 1 "Employed for wages" in last question
Total		436			
<b>Income</b>					
Valid	1 Under RMB 60,000	78	17.9	17.9	17.9
	2 RMB 60,000-RMB 120,000	163	37.4	37.4	55.3
	3 RMB 120,001-RMB 180,000	72	16.5	16.5	71.8
	4 RMB 180,001-RMB 240,000	44	10.1	10.1	81.9
	5 RMB 240,001-RMB 300,000	35	8	8	89.9
	6 Over RMB 300,000	44	10.1	10.1	100
	Total	436			
<b>Region</b>					
Valid	1 Beijing	50	11.5	11.5	11.5
	2 Shanghai	90	20.6	20.6	32.1
	3 Guangzhou	190	43.6	43.6	75.7
	4 Chongqing	15	3.4	3.4	79.1



After checking normality, all scores of different constructs distributed reasonably and normally. And outliers didn't affect the scores seriously. From the results of descriptive statistics shown in [Table 4](#), we can conclude that our sample generally were interested in Scandinavia and familiar with Scandinavian brand products ( $M = 14.57$ ,  $SD = 2.95$ ). And they had very positive impression of Scandinavian countries, their people and products ( $M = 78.29$ ,  $SD = 8.53$ ). Respondents who had used products of Scandinavian brands rated the Scandinavian brand products with quite good evaluations ( $M = 31.08$ ,  $SD = 4.67$ ). As for the potential Scandinavian brand hotel in Chinese market, they gave it fairly positive evaluations ( $M = 29.59$ ,  $SD = 4.93$ ), although they just got a very short introduction of this hotel brand. And they preferred Scandinavian brand hotels to hotel brands of other COO regarding to the similar price, location and facilities ( $M = 5.17$ ,  $SD = .98$ ), which had 18.85% higher bias toward Scandinavian brand than the lowest one, hotel brands of Mainland China ( $M = 4.35$ ,  $SD = 1.31$ ). Further behavioral intentions to the potential Scandinavian brand hotel such as information searching and purchase intentions were expressed positively as well ( $M = 10.02$ ,  $SD = 1.74$ )

## **4.2 Reliability and Validity Analysis**

### **4.2.1 Reliability.**

Cronbach's (1951) coefficient alpha is seen as the most commonly accepted formula to assess reliability and know the scale's internal consistency for multi-dimensional scales. (Churchill, Jr, 1995; Jaffe and Nebenzahl, 1984; Peter, 1979; as cited in C. W. Lee, 1997; D. Li et al., 2009; Lin & Chen, 2006; Martin & Eroglu, 1993; Pallant, 2011). It is not meaningful to examine the overall measure of internal consistency, but for each subset of scale items

making up a certain factor. It is commonly believed that the higher the Cronbach's  $\alpha$  is, the higher the internal consistency is. In the early stage of the research, it is thought that .5 or .6 is sufficient, while it may be better to report the mean inter-item correlation for the items with an optimal range between .2 and .4. Over .7 is deemed as reasonable enough and fairly high, while over .8 is unnecessary (Briggs and Cheek, 1986; Devellis, 2003; as cited in Pallant, 2011; Guelford, 1965; as cited in Lin & Chen, 2006; Churchill Jr, 1979; Nunnally, 1978; as cited in Martin & Eroglu, 1993; Peter, 1979). This study adopted Cronbach's  $\alpha$  as a tool for reliability examination.

Each subset of scale items' Cronbach's  $\alpha$  is shown in [Table 5](#), which suggests generally acceptable internal consistency for each subscale, while some of them have high reliability. The Cronbach's  $\alpha$  values of each subscale ranged from .596 to .872 (Personal Experience with  $\alpha$ =.596, Mean inter-item correlation=.34; COI with  $\alpha$ =.853, Mean inter-item correlation=.296; Product Beliefs Evaluations with  $\alpha$ =.872, Mean inter-item correlation=.535; Attitudes with  $\alpha$ =.871, Mean inter-item correlation=.399; Behavioral Intentions with  $\alpha$ =.748, Mean inter-item correlation=.601). Because both Face Saving and Group Conformity had only one item for measurement respectively, these two constructs were not necessary to examine subscale reliability.

*Table 5.*

***Reliability Statistics of the Research Constructs***

No.	Construct	Dimension	Item No.	Cronbach's $\alpha$	Mean Inter-item Correlation
1	Personal Experience	2	3	0.596	0.34

		Country Involvement	1		
		Brand Familiarity	2	0.655	0.501
2	Country of Origin Image	4	14	0.853	0.296
		Overall Country Image	4	0.737	0.419
		Overall People Image	5	0.803	0.455
		Overall Product Image	4	0.692	0.358
		Relationship with China	1		
3	Product Beliefs Evaluations	2	6	0.872	0.535
		Cognitive Evaluations	4	0.858	0.603
		Affective Evaluations	2	0.672	0.508
4	Attitudes	2	11	0.871	0.399
		Specified Attitudes	6	0.914	0.64
		Compared Attitudes	5	0.79	0.447
5	Behavior Intentions	2	2	0.748	0.601
		Information Search Intention	1		
		Purchase Intention	1		
6	Face Saving		1		
7	Group Conformity		1		

#### 4.2.2 Validity.

The validity of a scale refers to the degree to which it truly measures the constructs that it is intended to measure (Churchill Jr, 1979; C. W. Lee, 1997; Lin & Chen, 2006; Pallant, 2011). The face validity, content validity, as well as convergent validity and discriminant validity were used in this study to examine the construct validity of the questionnaire. The face validity and content validity are subcategories or subtypes of translation validity (Trochim, 2006), which can be confirmed by researchers' professional knowledge to judge subjectively whether the scales measure what they are supposed to measure correctly. In our study, the constructs, dimensions and items were developed on the basis of previous relevant studies. Moreover, professional perspectives and revised opinions on questionnaire items

were collected through pre-tests which were mentioned in last chapter. We believe there is no doubt that the questionnaire we developed as a measuring tool used in this study should fulfill face validity and content validity.

However, we can't only rely on translation validity to show evidences of construct validity. Convergent and discriminant are seen as subcategories or subtypes of construct validity as well, and they work together to demonstrate the construct validity (Trochim, 2006).

#### ***4.2.2.1 Convergent validity.***

To check the convergent validity of a scale, it is needed to measure how the items are related in operationalization. Inter-correlations (with range from -1.00 to +1.00, positive sign or negative sign just refers to the direction of relationship, not the strength) between items on a scale are a common reference to demonstrate the convergent validity. (Trochim, 2006). Cohen (1988, pp. 79–81) suggested that correlations between two items had following guidelines: small relationship ( $r=.1$  to  $.29$ ); medium relationship ( $r=.3$  to  $.49$ ) and large relationship ( $r=.5$  to  $1$ ). Convergent validity for subscales of the research model was examined, by utilizing Pearson product-moment correlation coefficient.

[Table 6](#) shows that the inter-correlations between items with the scale of measuring Personal Experience. Item Q3\_FAM and item Q4\_FRE ( $r=.501$ ,  $n = 436$ ,  $p < .0005$ ) show suggesting quite a strong relationship to indicate that they reflect the same dimension supposed to be as the Brand Familiarity. Item Q2\_INS shows smaller relationship either with

Q3\_FAM ( $r=.336$ ,  $n = 436$ ,  $p < .0005$ ) or Q4\_FRE ( $r=.182$ ,  $n = 436$ ,  $p < .0005$ ). And Item Q2\_INS (Country Involvement) shows small relationship with the dimension Brand Familiarity ( $r=.288$ ,  $n = 436$ ,  $p < .0005$ ), which indicates that dimension Country Involvement and dimension Brand Familiarity are not related to the same construct: Personal Experience (see [Table 7](#)). It means the scale to measure the construct Personal Experience has little convergent validity. The items within the construct seem to need refining.

Table 6.

		Q2_INS	Q3_FAM	Q4_FRE
Q2_INS	Pearson Correlation	1	.336**	.182**
Q3_FAM	Pearson Correlation	.336**	1	.501**
Q4_FRE	Pearson Correlation	.182**	.501**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=436.

Table 7.

		Brand Familiarity	Q2_INS
Brand Familiarity	Pearson Correlation	1	.288**
	Pearson Correlation	.288**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=436.

The following paragraphs aim to demonstrate the convergent validity of the scale to measure the construct Country of Origin Image (COI). COI construct was made of 4 dimensions by the authors regarding to previous studies on COO, with respectively Overall Country Images, Overall Product Images, Overall Product Images and Relationship with

China. In Overall Country Images dimension, there are 4 items (Q6\_POL, Q7\_ECO, Q8\_LST, and Q9\_TECH). [Table 8](#) shows items in Overall Country Images dimension have medium to large relationships with each other (r with range of from .357 to .570, n = 436, p < .0005), except small relationship is found between Q6\_POL and Q9\_TECH (r=.277, n = 436, p < .0005). The Overall Country Images dimension scale shows acceptable convergent validity. [Table 9](#) shows in Overall People Images dimension, the 5 items (Q11\_PEO, Q12\_EDU, Q13\_TRUST, Q14\_OPENM, and Q15\_CONS) correlate from the medium to high level with each other (r with range of from .317 to .595, n = 436, p < .0005), which demonstrates reasonable convergent validity. Overall Product Images dimension has 4 items (Q17\_PV, Q18\_QUA, Q19\_EXC, and Q20\_CUS), and their relationships are shown in [Table 10](#). Correlations between items range from .338 to .536 (n = 436, p < .0005), with exceptions of small relationships between Q20\_CUS and Q17\_PV (r=.210, n=436, p < .0005), as well as Q20\_CUS and Q19\_EXC (r=.226, n=436, p < .0005). Item Q20\_CUS seems to weakly correlate with other items, and needs to be refined. The Overall Product Images dimension shows acceptable convergent validity.

*Table 8.*

<i>Correlations Between Items in Overall Country Images Dimension of COI</i>		Q6_POL	Q7_ECO	Q8_LST	Q9_TECH
Q6_POL	Pearson Correlation	1	.449**	.445**	.277**
Q7_ECO	Pearson Correlation	.449**	1	.570**	.415**
Q8_LST	Pearson Correlation	.445**	.570**	1	.357**
Q9_TECH	Pearson Correlation	.277**	.415**	.357**	1



Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=436.

Table 9.

***Correlations Between Items in Overall People Images Dimension of COI***

		Q11_PEO	Q12_EDU	Q13_TRUST	Q14_OPENM	Q15_CONS
Q11_PEO	Pearson Correlation	1	.547**	.595**	.327**	.523**
Q12_EDU	Pearson Correlation	.547**	1	.564**	.317**	.428**
Q13_TRUST	Pearson Correlation	.595**	.564**	1	.348**	.556**
Q14_OPENM	Pearson Correlation	.327**	.317**	.348**	1	.344**
Q15_CONS	Pearson Correlation	.523**	.428**	.556**	.344**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=436.

Table 10.

***Correlations Between Items in Overall Product Images Dimension of COI***

		Q17_PV	Q18_QUA	Q19_EXC	Q20_CUS
Q17_PV	Pearson Correlation	1	.536**	.393**	.210**
Q18_QUA	Pearson Correlation	.536**	1	.443**	.338**
Q19_EXC	Pearson Correlation	.393**	.443**	1	.226**
Q20_CUS	Pearson Correlation	.210**	.338**	.226**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=436.

[Table 11](#) presents the correlations between the 4 dimensions of COI construct.

Medium and large correlations between dimensions are found, whereas the dimension Relationship with China, which has only one item, has very a very small correlation with Overall Country Image ( $r=.131$ ,  $n=436$ ,  $p < .05$ ). In general, the scale of COI construct has fairly reasonable convergent validity; but due to the low correlation between dimension Relationship with China and dimension Overall Country Image, as well as relevant smaller

relationships with Overall People Images and Overall Product Images comparing with the relationships between these two dimensions, dimension Relationship with China needs to be adjusted and considered further. The scale of measuring COI construct can be regarded to have reasonable convergent validity.

Table 11.

***Correlations Between Dimensions in COI Construct***

		Overall Country Image	Overall People Image	Overall Product Image	Q22_RE
Overall Country Image	Pearson Correlation	1	.500**	.363**	.131**
Overall People Image	Pearson Correlation	.500**	1	.471**	.365**
Overall Product Image	Pearson Correlation	.363**	.471**	1	.352**
Q22_RE	Pearson Correlation	.131**	.365**	.352**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=436.

Product Beliefs Evaluations construct contains two dimensions: Cognitive Evaluations and Affective Evaluations. 4 items (Q24\_1WD, Q24\_2TRE, Q24\_3HPRE and Q24\_4SAFE) in Cognitive Evaluation dimension have very strong positive relationships with each other (correlations range from .503 to .708,  $n=426$ ,  $p < .0005$ , see [Table 12](#)). Two items (Q26\_SEN and Q27\_LG) in Affective Evaluation dimension also correlate with each other strongly, with  $r=.515$ ,  $n=426$ ,  $p < .0005$ , see [Table 13](#)). Cognitive Evaluations dimension and Affective Evaluations dimension show very strong correlations with each other ( $r=.682$ ,  $n=420$ ,  $p < .0005$ , see [Table 14](#)). The scale of Product Beliefs Evaluations has very good convergent validity.

Table 12.

**Correlations Between Items in Cognitive Evaluations Dimension of Product Beliefs Evaluations**

		Q24_1WD	Q24_2TRE	Q24_3HPRE	Q24_4SAFE
Q24_1WD	Pearson Correlation	1	.662**	.540**	.530**
Q24_2TRE	Pearson Correlation	.662**	1	.550**	.503**
Q24_3HPR E	Pearson Correlation	.540**	.550**	1	.708**
Q24_4SAFE	Pearson Correlation	.530**	.503**	.708**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=426.

Table 13.

**Correlations Between Items in Affective Evaluations Dimension of Product Beliefs Evaluations**

		Q26_SEN	Q27_LG
Q26_SEN	Pearson Correlation	1	.515**
Q27_LG	Pearson Correlation	.515**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=426.

Table 14.

**Correlations Between Dimensions in Product Beliefs Evaluations Construct**

		Overall Cognitive Evaluations	Overall Affective Evaluations
Overall Cognitive Evaluations	Pearson Correlation	1	.682**
Overall Affective Evaluations	Pearson Correlation	.682**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000). N=420.

Attitudes construct have 11 items, while 6 of them belong to Specified Attitudes dimension and 5 of them belong to Compared Attitudes. Because the 5 items of Compared Attitudes actually are not the items measuring the concept of Compared Attitudes, they are just the items identifying the COO of the hotel brand. Therefore, it isn't meaningful to measure the convergent validity of the Compared Attitudes dimension. [Table 15](#) shows the

correlations between items (Q30\_ATTIM, Q30\_ATTQUA, Q30\_ATTSTY, Q30\_ATTTECH, Q30\_ATTINS, and Q30\_ATTOC) in Specified Attitudes dimension, which presents a very strong relationship, indicating very good convergent validity (correlations range from .545 to .728,  $n=436$ ,  $p < .0005$ ).

Table 15.

**Correlations Between Items in Specified Attitudes Dimension of Attitudes Construct**

		Q30_ATT TIM	Q30_ATT QUA	Q30_ATT STY	Q30_ATT TECH	Q30_ATT INS	Q30_ATT OC
Q30_ATT TIM	Pearson Correlation	1	.728**	.623**	.590**	.552**	.545**
Q30_ATT TQUA	Pearson Correlation	.728**	1	.709**	.671**	.602**	.580**
Q30_ATT TSTY	Pearson Correlation	.623**	.709**	1	.796**	.642**	.599**
Q30_ATT TTECH	Pearson Correlation	.590**	.671**	.796**	1	.658**	.596**
Q30_ATT TINS	Pearson Correlation	.552**	.602**	.642**	.658**	1	.705**
Q30_ATT TOC	Pearson Correlation	.545**	.580**	.599**	.596**	.705**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000).  $N=436$ .

The construct of Behavioral Intentions have 2 items (Q32\_BRBLM and Q32\_BRBTRY), which also have a strong relationship with each other ( $r=.601$ ,  $n=436$ ,  $p < .0005$ , see [Table 16](#)). Convergent validity is demonstrated by the strong correlation between these two items.

Table 16.

**Correlations Between Items in Behavioral Intentions Construct**

		Q32_BRBLM	Q32_BRBTRY
Q32_BRBLM	Pearson Correlation	1	.601**
Q32_BRBTRY	Pearson Correlation	.601**	1

Note. \*\*. Correlation is significant at the 0.01 level (2-tailed), Sig. (2-tailed=.000).  $N=436$ .

In conclusions, generally speaking, each subscale of the research model has acceptable convergent validity, and some of them even have very good convergent validity, such as Product Beliefs Evaluation construct, Attitudes construct and Behavioral Intentions construct. Correlation Coefficients between constructs of the research model also can be seen in [Table 17](#), which indicates that COI construct and Overall Product Beliefs Evaluations construct positively correlate with each other ( $r=.602$ ,  $n=420$ ,  $p < .0005$ ), Overall Product Beliefs construct and Overall Attitudes Toward Scandinavian Hotel positively correlate with each other ( $r=.530$ ,  $n=420$ ,  $p < .0005$ ), and Overall Attitudes Toward Scandinavian Hotel strongly has positive correlation with Behavioral Intentions ( $r=.565$ ,  $n=436$ ,  $p < .0005$ ).

Table 17.

<i>Mean, Standard Deviation, and Correlation Coefficient of Constructs</i>							
	1	2	3	4	5	6	7
1 Overall Personal Experience	1						
2 Overall COI	.277**	1					
3 Overall Product Beliefs Evaluations	.393**	.602**	1				
4 Overall Attitudes Toward Scandinavian Hotel	.333**	.449**	.530**	1			
5 Brand-related Behavior	.324**	.314**	.383**	.565**	1		
6 Q28_FS	.159**	.135**	.227**	.317**	.329**	1	
7 Q28_GC	.218**	.221**	.350**	.443**	.385**	.641**	1
Mean	14.57	78.29	31.08	29.59	10.02	3.78	4.32
SD	2.95	8.53	4.67	4.93	1.74	1.48	1
**. Correlation is significant at the 0.01 level (2-tailed).							

#### 4.2.2.2 Discriminant validity.

In contrast with convergent validity, discriminant validity refers to items measuring theoretically different constructs should not correlate highly with each other in reality. Convergent items correlations should always be higher than the discriminant ones (Trochim, 2006). Therefore, in our study, items belong to different constructs should correlate weakly with each other, or else, they would be too convergent so that they are possible to measure the same construct, which decreases the construct validity of the research model. Comparisons with items in different constructs were conducted to confirm discriminant validity between different constructs.

The first pair of comparison is between items of Personal Experience construct and items of COI construct. [Table 18](#) shows that items of Personal Experience construct and items of COI construct have really low correlations with each other, except item Q22\_RE of COI construct, which has medium relationship with Q2\_INS of Personal Experience construct. Regarding to findings in convergent validity test above, Q22\_RE showed low correlations with other items of COI construct. The finding here in discriminant validity confirms that Q22\_RE should be refined and reconsidered.

Table 18.

#### ***Correlations Coefficients Between Items of Personal Experience Construct and Items of COI construct***

		Q2_INS	Q3_FAM	Q4_FRE
Q6_POL	Pearson Correlation	.189**	.108*	.095*
	Sig. (2-tailed)	.000	.025	.047
Q7_ECO	Pearson Correlation	.149**	.004	-.034

	Sig. (2-tailed)	.002	.928	.473
Q8_LST	Pearson	.088	.029	.072
	Correlation			
	Sig. (2-tailed)	.065	.548	.134
Q9_TECH	Pearson	.153**	.109*	.030
	Correlation			
	Sig. (2-tailed)	.001	.023	.534
Q11_PEO	Pearson	.168**	.135**	.116*
	Correlation			
	Sig. (2-tailed)	.000	.005	.015
Q12_EDU	Pearson	.205**	.088	.090
	Correlation			
	Sig. (2-tailed)	.000	.067	.061
Q13_TRUST	Pearson	.182**	.105*	.149**
	Correlation			
	Sig. (2-tailed)	.000	.028	.002
Q14_OPENM	Pearson	.092	.062	.070
	Correlation			
	Sig. (2-tailed)	.056	.195	.147
Q15_CONS	Pearson	.231**	.098*	.083
	Correlation			
	Sig. (2-tailed)	.000	.041	.083
Q17_PV	Pearson	.136**	.153**	.199**
	Correlation			
	Sig. (2-tailed)	.004	.001	.000
Q18_QUA	Pearson	.145**	.070	.076
	Correlation			
	Sig. (2-tailed)	.002	.145	.113
Q19_EXC	Pearson	.135**	.186**	.222**
	Correlation			
	Sig. (2-tailed)	.005	.000	.000
Q20_CUS	Pearson	.128**	-.022	-.064
	Correlation			
	Sig. (2-tailed)	.007	.640	.186
Q22_RE	Pearson	.350**	.241**	.222**
	Correlation			
	Sig. (2-tailed)	.000	.000	.000

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

The second pair of comparison is between items of COI construct and Product Beliefs Evaluations construct (see [Table 19](#)). As we can see some correlations between items in yellow highlights, they correlate at medium level. Discriminant validity seems to be questioned here. However, because the Product Beliefs Evaluations construct measures the rating by the respondents for specific products, and COI construct has measurements of general product evaluations as well, it is rational that items of these two constructs have some certain correlations. In addition, items of COI construct which seem to be correlated with

items of Product Beliefs Evaluations construct; however, have more correlations with other items which should be convergent (compare [Table 19](#) and [Table 20](#)), except item Q19\_EXC. Therefore, we believe the discriminant validity still can be confirmed between these two constructs.

Table 19.

**Correlation Coefficients Between Items of COI Construct and Items of Product Beliefs Evaluations**

Correlations						
	Q24_1WD	Q24_2TRE	Q24_3HPRE	Q24_4SAFE	Q26_SEN	Q27_LG
Q6_POL	.196**	.165**	.262**	.232**	.261**	.146**
Q7_ECO	.164**	.215**	.216**	.258**	.195**	.143**
Q8_LST	.178**	.187**	.163**	.231**	.214**	.089
Q9_TECH	.207**	.240**	.273**	.243**	.257**	.137**
Q11_PEO	.255**	.327**	.373**	.346**	.335**	.255**
Q12_EDU	.371**	.326**	.319**	.337**	.310**	.243**
Q13_TRUST	.256**	.293**	.362**	.306**	.343**	.295**
Q14_OPENM	.219**	.336**	.226**	.181**	.212**	.225**
Q15_CONS	.282**	.348**	.357**	.354**	.351**	.291**
Q17_PV	.289**	.312**	.311**	.252**	.361**	.301**
Q18_QUA	.316**	.315**	.453**	.465**	.497**	.371**
Q19_EXC	.420**	.419**	.377**	.307**	.455**	.356**
Q20_CUS	.192**	.264**	.277**	.290**	.279**	.422**
Q22_RE	.432**	.402**	.338**	.369**	.326**	.396**

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 20.

**Correlation Coefficients Between Items of COI Construct**

Correlations														
	Q6_POL	Q7_ECO	Q8_LST	Q9_TECH	Q11_PEO	Q12_EDU	Q13_TRUST	Q14_OPE NM	Q15_CO NS	Q17_PV	Q18_QUA	Q19_EXC	Q20_CUS	Q22_RE
Q6_POL	1													
Q7_ECO	.449**	1												
Q8_LST	.445**	.570**	1											
Q9_TECH	.277**	.415**	.357**	1										
Q11_PEO	.253**	.257**	.216**	.331**	1									
Q12_EDU	.395**	.508**	.438**	.431**	.547**	1								
Q13_TRUST	.360**	.327**	.311**	.364**	.595**	.564**	1							
Q14_OPENM	.236**	.248**	.175**	.266**	.327**	.317**	.348**	1						
Q15_CONS	.211**	.238**	.192**	.257**	.523**	.428**	.556**	.344**	1					
Q17_PV	.127**	.182**	.177**	.296**	.273**	.273**	.313**	.081	.261**	1				
Q18_QUA	.271**	.265**	.277**	.342**	.365**	.367**	.306**	.157**	.280**	.536**	1			
Q19_EXC	.268**	.239**	.254**	.258**	.198**	.241**	.238**	.286**	.290**	.393**	.443**	1		
Q20_CUS	.127**	.178**	.164**	.271**	.253**	.255**	.241**	.109*	.312**	.210**	.338**	.226**	1	
Q22_RE	.164**	.139**	.079	.109*	.348**	.267**	.305**	.137**	.327**	.305**	.278**	.256**	.212**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).  
\* . Correlation is significant at the 0.05 level (2-tailed).



The third pair of comparison is between items of Product Beliefs Evaluations construct (6 items) and Face Saving construct (1 item) as well as Group Conformity construct (1 item). As we can see from [Table 21](#), most items of Product Beliefs Evaluations construct have little correlations either with the item of Face Saving or the item of Group Conformity. Nonetheless item Q27\_LG has a certain degree of correlations with Face Saving and Group Conformity; in comparison, it has more relevant relationships with other items of Product Beliefs Evaluations construct. Discriminant validity is confirmed as well.

Table 21.

**Correlation Coefficients Between Items of Product Beliefs Evaluations, Face Saving and Group Conformity**

		Correlations							
		Q24_1WD	Q24_2TRE	Q24_3HPRE	Q24_4SAFE	Q26_SEN	Q27_LG	Q28_FS	Q28_GC
Q24_1WD	Pearson Correlation	1	.662 <sup>**</sup>	.540 <sup>**</sup>	.530 <sup>**</sup>	.499 <sup>**</sup>	.417 <sup>**</sup>	.154 <sup>*</sup>	.215 <sup>*</sup>
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.001	.000
	N	426	426	426	426	426	426	426	426
Q24_2TRE	Pearson Correlation	.662 <sup>**</sup>	1	.550 <sup>**</sup>	.503 <sup>**</sup>	.521 <sup>**</sup>	.462 <sup>**</sup>	.212 <sup>**</sup>	.313 <sup>**</sup>
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000
	N	426	426	426	426	426	426	426	426
Q24_3HPRE	Pearson Correlation	.540 <sup>**</sup>	.550 <sup>**</sup>	1	.708 <sup>**</sup>	.557 <sup>**</sup>	.478 <sup>**</sup>	.185 <sup>**</sup>	.239 <sup>**</sup>
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	426	426	426	426	426	426	426	426
Q24_4SAFE	Pearson Correlation	.530 <sup>**</sup>	.503 <sup>**</sup>	.708 <sup>**</sup>	1	.556 <sup>**</sup>	.461 <sup>**</sup>	.133 <sup>**</sup>	.192 <sup>**</sup>
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.006	.000
	N	426	426	426	426	426	426	426	426
Q26_SEN	Pearson Correlation	.499 <sup>**</sup>	.521 <sup>**</sup>	.557 <sup>**</sup>	.556 <sup>**</sup>	1	.515 <sup>**</sup>	.115 <sup>*</sup>	.241 <sup>**</sup>
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.017	.000
	N	426	426	426	426	426	426	426	426
Q27_LG	Pearson Correlation	.417 <sup>**</sup>	.462 <sup>**</sup>	.478 <sup>**</sup>	.461 <sup>**</sup>	.515 <sup>**</sup>	1	.334 <sup>**</sup>	.496 <sup>**</sup>
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000
	N	426	426	426	426	426	426	426	426
Q28_FS	Pearson Correlation	.154 <sup>*</sup>	.212 <sup>**</sup>	.185 <sup>**</sup>	.133 <sup>**</sup>	.115 <sup>*</sup>	.334 <sup>**</sup>	1	.641 <sup>**</sup>
	Sig. (2-tailed)	.001	.000	.000	.006	.017	.000		.000
	N	426	426	426	426	426	426	436	436
Q28_GC	Pearson Correlation	.215 <sup>*</sup>	.313 <sup>**</sup>	.239 <sup>**</sup>	.192 <sup>**</sup>	.241 <sup>**</sup>	.496 <sup>**</sup>	.641 <sup>**</sup>	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	426	426	426	426	426	426	436	436

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

The fourth pair of comparison is between items of Product Beliefs Evaluations construct (6 items) and Attitudes construct (11 items). [Table 22](#) shows that items of Product Beliefs Evaluations construct have fewer correlations with items of Attitudes construct than with other items of Product Beliefs Evaluations. It means items of each construct correlate

more closely with other items within the same construct. Therefore, discriminant validity is demonstrated by these two constructs as well.

Table 22.

**Correlation Coefficients Between Items of Product Beliefs Evaluations and Items of Attitudes Construct**

		Correlations																		
		Q24_1WD	Q24_2TRE	Q24_3HPRE	Q24_4SAFE	Q26_SEN	Q27_LG	Q30_ATTIM	Q30_ATTQUA	Q30_ATTSTY	Q30_ATTTEC H	Q30_ATTINS	Q30_ATTOC	Q31_MCHINA	Q31_USA	Q31_UK	Q31_HK	Q31_SCANDI		
Q24_1WD	Pearson Correlation	1	.662	.540	.530	.499	.417	.350	.315	.365	.388	.376	.398	.083	.149	.185	.185	.165		
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.086	.002	.000	.000	.001		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q24_2TRE	Pearson Correlation	.662	1	.550	.503	.521	.462	.385	.401	.497	.434	.464	.472	.180	.242	.265	.231	.246		
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q24_3HPRE	Pearson Correlation	.540	.550	1	.708	.557	.478	.345	.426	.402	.362	.409	.372	.087	.162	.273	.145	.303		
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000	.072	.001	.000	.003	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q24_4SAFE	Pearson Correlation	.530	.503	.708	1	.556	.461	.357	.408	.404	.391	.381	.298	.048	.105	.230	.131	.250		
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000	.319	.029	.000	.007	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q26_SEN	Pearson Correlation	.499	.521	.557	.556	1	.515	.359	.315	.368	.328	.288	.336	.150	.248	.263	.218	.296		
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000	.002	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q27_LG	Pearson Correlation	.417	.462	.478	.461	.515	1	.428	.438	.469	.390	.389	.435	.244	.210	.269	.274	.303		
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q30_ATTIM	Pearson Correlation	.350	.385	.345	.357	.359	.428	1	.728	.623	.590	.552	.545	.233	.316	.309	.304	.294		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q30_ATTQUA	Pearson Correlation	.315	.401	.426	.409	.315	.438	.728	1	.709	.671	.602	.580	.159	.255	.298	.239	.361		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.001	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q30_ATTSTY	Pearson Correlation	.365	.497	.402	.404	.368	.469	.623	.709	1	.796	.642	.599	.186	.208	.278	.232	.359		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q30_ATTTECH	Pearson Correlation	.366	.434	.362	.381	.328	.390	.590	.671	.796	1	.656	.596	.115	.231	.286	.236	.366		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.017	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q30_ATTINS	Pearson Correlation	.376	.464	.409	.381	.388	.388	.552	.602	.642	.658	1	.705	.108	.191	.279	.182	.374		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.024	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q30_ATTOC	Pearson Correlation	.398	.472	.372	.298	.336	.435	.545	.580	.599	.596	.705	1	.208	.327	.292	.251	.380		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q31_MCHINA	Pearson Correlation	.083	.180	.087	.048	.150	.244	.233	.159	.188	.115	.108	.208	1	.325	.268	.399	.230		
	Sig. (2-tailed)	.086	.000	.072	.319	.002	.000	.000	.001	.000	.017	.024	.000		.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q31_USA	Pearson Correlation	.149	.242	.162	.106	.248	.210	.316	.255	.208	.231	.191	.327	.325	1	.588	.542	.536		
	Sig. (2-tailed)	.002	.000	.001	.029	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q31_UK	Pearson Correlation	.185	.265	.273	.230	.263	.269	.309	.298	.278	.286	.279	.292	.268	.588	1	.510	.618		
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q31_HK	Pearson Correlation	.185	.231	.145	.131	.218	.274	.304	.239	.232	.236	.182	.251	.399	.542	.510	1	.454		
	Sig. (2-tailed)	.000	.000	.003	.007	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		
Q31_SCANDI	Pearson Correlation	.165	.246	.303	.250	.296	.303	.394	.361	.359	.388	.374	.380	.230	.536	.618	.454	1		
	Sig. (2-tailed)	.001	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		
	N	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426	426		

\*\* Correlation is significant at the 0.01 level (2-tailed).  
\* Correlation is significant at the 0.05 level (2-tailed).

The final pair of comparison is between items of Attitudes construct (11 items) and items of Behavioral Intentions (2 items). As we can see from [Table 23](#), items of Attitudes construct correlate more closely with other items also in Attitudes construct, than those of Behavioral Intentions, except with those 5 items of Compare Attitudes dimension under Attitudes construct. That's quite understandable. Although the 5 items of Compare Attitudes belong to the Attitudes construct as well, they actually refer to the specific COO, not for measuring the concept of attitudes. It is reasonable that items of Specific Attitudes dimensions

have stronger relationships with items of Behavioral Intentions than those of Compare Attitudes dimension. Similarly, the two items of Behavioral Intentions have stronger relationships than those items of Attitudes construct. Discriminant validity is also found between items of these two constructs.

Table 23.

**Correlation Coefficients Between Items of Attitudes Construct**

		Correlations													
		Q30_ATTIM	Q30_ATTQUA	Q30_ATTSTY	Q30_ATTTEC		Q30_ATTINS	Q30_ATTOC	Q31_MCHINA	Q31_USA	Q31_UK	Q31_HK	Q31_SCANDI	Q32_BRBLM	Q32_BRBTRY
					H										
Q30_ATTIM	Pearson Correlation	1	.728	.623	.590	.552	.545	.233	.316	.309	.304	.294	.294	.373	.390
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	436
Q30_ATTQUA	Pearson Correlation	.728	1	.709	.671	.602	.580	.159	.255	.298	.239	.361	.430	.423	
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.001	.000	.000	.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q30_ATTSTY	Pearson Correlation	.623	.709	1	.796	.642	.599	.186	.208	.278	.232	.359	.397	.408	
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q30_ATTTECH	Pearson Correlation	.590	.671	.796	1	.658	.596	.115	.231	.286	.236	.388	.424	.452	
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.017	.000	.000	.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q30_ATTINS	Pearson Correlation	.552	.602	.642	.658	1	.705	.108	.191	.279	.182	.374	.479	.452	
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.024	.000	.000	.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q30_ATTOC	Pearson Correlation	.545	.580	.599	.596	.705	1	.208	.327	.292	.251	.380	.374	.413	
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q31_MCHINA	Pearson Correlation	.233	.159	.186	.115	.108	.208	1	.325	.268	.399	.230	.121	.137	
	Sig. (2-tailed)	.000	.001	.000	.017	.024	.000		.000	.000	.000	.000	.012	.004	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q31_USA	Pearson Correlation	.316	.255	.208	.231	.191	.327	.325	1	.588	.542	.536	.289	.194	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q31_UK	Pearson Correlation	.309	.298	.278	.286	.279	.292	.268	.588	1	.510	.618	.279	.264	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q31_HK	Pearson Correlation	.304	.239	.232	.236	.182	.251	.399	.542	.510	1	.454	.256	.241	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000	.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q31_SCANDI	Pearson Correlation	.294	.361	.359	.388	.374	.380	.230	.536	.618	.454	1	.359	.370	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000		.000	
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q32_BRBLM	Pearson Correlation	.373	.430	.397	.424	.479	.374	.121	.289	.279	.256	.359	1	.601	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.012	.000	.000	.000	.000	.000		
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	
Q32_BRBTRY	Pearson Correlation	.390	.423	.408	.452	.452	.413	.137	.194	.264	.241	.370	.601	1	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.004	.000	.000	.000	.000	.000		
	N	436	436	436	436	436	436	436	436	436	436	436	436	436	

\*\* Correlation is significant at the 0.01 level (2-tailed).  
 \* Correlation is significant at the 0.05 level (2-tailed).

**4.2.2.3 Conclusion.**

Construct validity has been established by above convergent validity and discriminant validity examinations. In general speaking, both convergent validity and discriminant validity are verified of constructs in our research model. Construct validity is demonstrated in our research model. That's to say, our research model can measure what it

supposed to measure. Indeed, this model is not perfect, some items and constructs still need to be modified and refined, such as Personal Experience construct and items as Q6\_POL, Q9\_TECH, Q19\_EXC, Q20\_CUS and Q22\_RE.

### **4.3 Factor Analysis**

There are 47 variables in our research model, wherein 38 of them are continuous variables. We classified these 38 continuous variables into different dimensions under different constructs referring to previous study and our own understandings. Here, we would like to use factor analysis to explore the underlying structure of these set of 38 variables and to confirm whether the dimensions we developed are reasonable or not, so that we can conclude a better scale of measuring COO effect (Pallant, 2011).

First, we need to assess whether our data is suitable for factor analysis. Sample size should be large enough to meet the requirement of factor analysis. For our study, overall 300 or even to 380 cases are needed no matter what calculation method is employed (Pallant, 2011). Our final respondents' amount was 436, which is sufficient enough. The strength of inter-correlations among the items is second issue which needs to be concerned. Tabachnick and Fidell (2007) recommended most items' inter-correlation coefficients should be over .3 (Pallant, 2011). Look back to our previous correlation examinations, most of our items inter-correlation coefficients were greater than .3, therefore, our data is suitable for factor analysis.

In addition, Pallant (2011) suggested another two statistical measures also helped assess the factorability of the data: Bartlett's test of sphericity (Bartlett 1954), and the

Kaiser-Meyer-Olkin (KMO) (ranges from 0-1) measure of sampling adequacy (Kaiser 1970, 1974). Bartlett's test of sphericity should be significant ( $p < .05$ ) and the KMO index ranges should be over .6 (Tabachnick & Fidell 2007).

38 variables were divided into 7 constructs. But we don't think all of them need to have factor analysis. We will conduct factor analysis for constructs of Personal Experience, COI, Product Beliefs Evaluations, Attitudes and Behavioral Intentions. Principal components analysis (PCA) is employed in this study.

#### 4.3.1 Personal experience construct.

[Table 24](#) presents the KMO and Bartlett's Test for Personal Experience construct. The first application of factor analysis was conducted on the measurement of three variables for Personal Experience. KMO index here is only .563, which is lower than .6. Although Bartlett's test of sphericity value is significant ( $p < .05$ ), factor analysis is inappropriate for this construct.

*Table 24.*

#### ***KOM and Bartlett's Test of Personal Experience Construct***

<b>KMO and Bartlett's Test</b>		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.563
Bartlett's Test of Sphericity	Approx. Chi-Square	177.240
	df	3
	Sig.	.000

#### 4.3.2 COI construct.

14 variables were used to measure COI construct. [Table 25](#) presents the KMO and Bartlett's Test for COI construct. KMO index here is .875 and Bartlett's test of sphericity value is significant ( $p < .05$ ). Inspection of the correlation matrix revealed the presence of

many coefficients of .3 and above. Therefore, to sum up, this construct has factorability. Kaiser's criterion is applied to extract the amount of components which have an eigenvalue of 1 or more (Pallant, 2011). From the results shown in [Table 26](#), only the first three components recorded eigenvalues above 1 (4.95, 1.48, 1.27). These three components explain a total of 55.1% of the variance. Three-component solution is suggested. Factor loadings and communities of each variable are shown in [Table 27](#). Communities value for item Q20\_CUS (.283) may indicates that the item does not fit well with other items in its component (lower than .3) (Pallant, 2011). Q20\_CUS needs to consider refining or removing in the future. Item Q22\_RE is suggested being put into Overall People Images dimension instead of being alone as a dimension.

Table 25.

### ***KOM and Bartlett's Test of COI Construct***

<b>KMO and Bartlett's Test</b>		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.875
Bartlett's Test of Sphericity	Approx. Chi-Square	1938.148
	df	91
	Sig.	.000

Table 26.

### ***Total Variance Explained for COI Construct***

<b>Total Variance Explained</b>								
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings <sup>a</sup>	
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %		Total
1	4.952	35.372	35.372	4.952	35.372	35.372	3.770	
2	1.483	10.593	45.964	1.483	10.593	45.964	3.130	
3	1.273	9.091	55.055	1.273	9.091	55.055	3.158	
4	.908	6.486	61.541					
5	.861	6.147	67.688					
6	.785	5.610	73.297					
7	.630	4.497	77.794					
8	.579	4.136	81.930					
9	.524	3.744	85.674					
10	.469	3.347	89.021					
11	.429	3.063	92.083					
12	.415	2.965	95.048					
13	.357	2.550	97.597					
14	.336	2.403	100.000					

Extraction Method: Principal Component Analysis.

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.

Table 27.

**Pattern and Structure Matrix for PCA with Oblimin Rotation of Three Factor Solution of COI Construct Items**

New Dimension	Item	Pattern Coefficients			Structure Coefficients			Communalities
		Component 1	Component 2	Component 3	Component 1	Component 2	Component 3	
Overall People Images	Q11_PEO	0.799			0.817			0.67
	Q15_CONS	0.779			0.786			0.631
	Q13_TRUST	0.754			0.808			0.672
	Q14_OPENM	0.568			0.564			0.356
	Q12_EDU	0.526			0.684			0.636
	Q22_RE	0.411			0.493			0.405
Overall Country Images	Q8_LST		-0.814			-0.812		0.666
	Q7_ECO		-0.79			-0.817		0.672
	Q6_POL		-0.658			-0.697		0.498
	Q9_TECH		-0.474			-0.576		0.423
Overall Product Images	Q17_PV			0.824			0.798	0.64
	Q18_QUA			0.786			0.806	0.67
	Q19_EXC			0.663			0.678	0.486
	Q20_CUS			0.441			0.509	0.283
Eigenvalues		4.95	1.48	1.27				
Variance Explained		35.37	10.59	9.09				

**4.3.3 Product beliefs evaluations construct.**

6 variables were developed to measure Product Beliefs Evaluations construct. The construct is suitable for factor analysis, demonstrated by [Table 28](#), which shows KMO index here is .863 and Bartlett's test of sphericity value is significant ( $p < .05$ ); correlation matrix revealed strong relationships between items. Only one-factor solution is reported, explaining 61.02% of the variance, with eigenvalues of 3.66. All communalities' values are greater than .3, indicating that all items fit well with the others ([Table 29](#)). The dimensions of Cognitive Evaluations and Affective Evaluations in Product Beliefs Evaluations construct were developed referring to Herz and Diamantopoulos (2013) and D. Li et al. (2009). They Herz and Diamantopoulos (2013) reported that factor analysis in their study observed a clear two-factor solution, labeling Cognitive and Affective. D. Li et al. (2009) adopted to use Product Functional Appraisal and Product Symbolic Appraisal, which focused on another perspectives. The results in our study pointed out one-factor solution perhaps due to items' imperfect developments. We still think two dimensions for Product Beliefs Evaluations can make the construct more clearly to understand and more easily to measure.

Table 28.

**KOM and Bartlett's Test of Product Beliefs Evaluations Construct**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.863
Bartlett's Test of Sphericity	Approx. Chi-Square	1162.386
	df	15
	Sig.	.000

Table 29.

**Pattern Matrix for PCA One Factor Solution of Product Beliefs Evaluation Construct**

Item	Pattern Coefficients	Communalities
	Component 1	
Q24_3HPRE	0.825	.681
Q24_4SAFE	0.808	.653
Q24_2TRE	0.791	.626
Q24_1WD	0.781	.609
Q26_SEN	0.778	.605
Q27_LG	0.698	.488
Eigenvalues	3.66	
Variance Explained	61.02	

**4.3.4 Attitudes construct.**

Attitudes construct contains 11 items. [Table 30](#) presents KMO index is .877 and Bartlett's test of sphericity value is significant ( $p < .05$ ). Many items have correlations greater than .3 with each other. The construct has factorability. A clear two-factor solution is presented. Two components recorded eigenvalues above 1 (5.14 and 1.93). These two components explain a total of 64.27% of the variance. All communities' values are greater than .3, indicating that all items fit well with the others. The factor analysis demonstrates the dimensions of Attitudes construct for research model were developed in a correct direction (see [Table 31](#)).



Table 30.

**KOM and Bartlett's Test of Product Attitudes Construct**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.877
Bartlett's Test of Sphericity	Approx. Chi-Square	2622.073
	df	55
	Sig.	.000

Table 31.

**Pattern and Structure Matrix for PCA with Oblimin Rotation of Two Factor Solution of Attitudes Construct Items**

Dimension	Item	Pattern Coefficients		Structure Coefficients		Communalities
		Component 1	Component 2	Component 1	Component 2	
Specific Attitudes	Q30_ATTSTY	.893		.877		.770
	Q30_ATTTECH	.881		.867		.753
	Q30_ATTQUA	.854		.854		.730
	Q30_ATTINS	.854		.832		.695
	Q30_ATTOC	.760		.793		.635
	Q30_ATTIM	.755		.791		.633
Compared Attitudes	Q31_USA		.837		.824	.680
	Q31_HK		.805		.810	.624
	Q31_UK		.794		.789	.657
	Q31_SCANDI		.676		.748	.589
	Q31_MCHINA		.568		.552	.306
Eigenvalues		5.14	1.93			
Variance Explained		46.69	17.57			
Extraction Method: Principal Component Analysis.						
Rotation Method: Oblimin with Kaiser Normalization.						
a. Rotation converged in 4 iterations.						

**4.3.5 Behavioral Intentions.**

[Table 32](#) shows KMO index here is only .500, which is lower than .6. Although Bartlett's test of sphericity value is significant ( $p < .05$ ) and correlations coefficient is over .3, factor analysis is inappropriate for this construct.

Table 32.

**KOM and Bartlett's Test of Product Behavioral Intentions Construct**

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.500
Bartlett's Test of Sphericity	Approx. Chi-Square	194.089
	df	1
	Sig.	.000

#### **4.3.6 Conclusion.**

Factor analysis has been used to find out how to make the data reduction and improvements for the constructs of the research model. Personal Experience construct and Behavioral Intentions construct are not suitable for factor analysis. COI construct is suggested to reduce dimensions from four to three, and the item Q20\_CUS is better to refine in the future to improve the scale. Product Beliefs Evaluations construct is reported that only one-factor solution is suitable. However, this finding doesn't be in accord with the literature we referred to. This makes us to reconsider how to refine the scale of Product Beliefs Evaluations construct in the future. As for Attitudes construct, factor analysis confirms the methods of classification for the dimensions, which means Attitudes construct can be used as a sustainable scale for measuring consumers' attitudes. Revised research model is provided in [Figure 15](#).

#### **4.4 Regression**

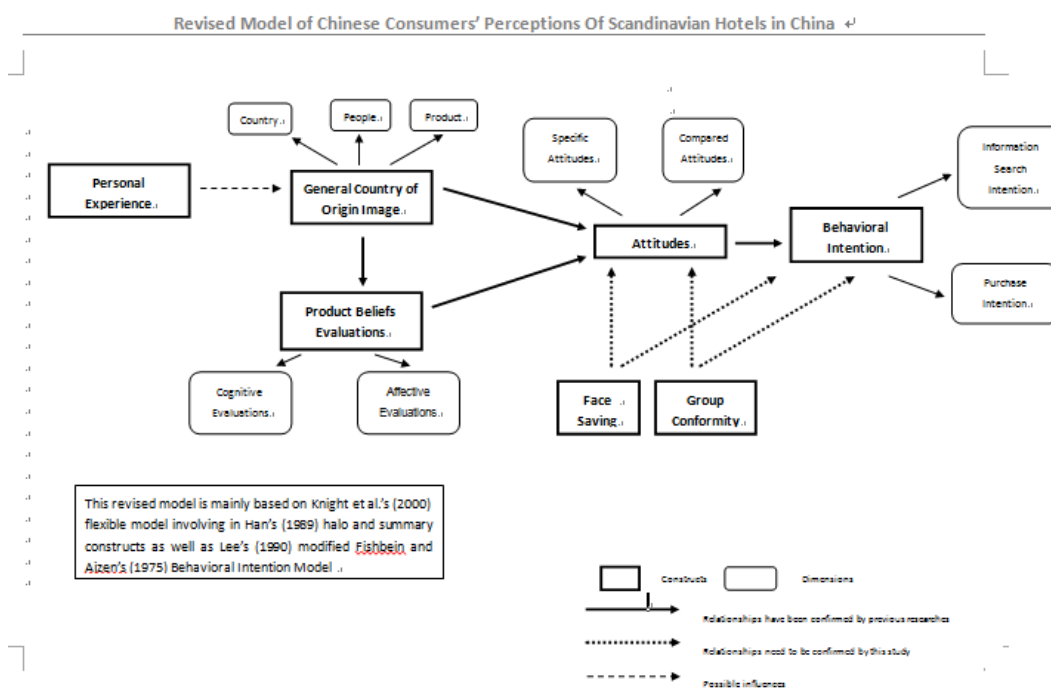
Churchill Jr (1979) suggested that we also needed to show the measure behaved as expected in relation to other constructs. Multiple regression is a tool that good at exploring the predictive ability of a set of independent variables on one continuous dependent measure (Pallant, 2011). Therefore, to examine the predictive ability of independent variables (independent constructs) on the dependent variable (dependent construct) in our research model, multiple regression method is employed, standard multiple regression is adopted.

In our study, we are interested in the questions as:

Group 1: How much of the variance in attitudes scores can be explained by the following set of variables: personal experience, COI, product beliefs evaluations, face saving and group conformity? Which of these variables is a better predictor of attitudes?

Group 2: How much of the variance in behavioral intentions scores can be explained by the following set of variables: personal experience, COI, product beliefs evaluations, attitudes, face saving and group conformity? Which of these variables is a better predictor of behavioral intentions?

Figure 15.



Multiple regression also has some requirements for conducting. Tabachnick and Fidell (2007, p. 123) provided a formula for calculating sample size requirements:  $N > 50 + 8m$  (m=number of independent variables). Our study for multiple regression has five independent variables for each question group, therefore, over 90 cases in our study is suitable for multiple

regression. There are 436 cases in our study; therefore, our data are suitable for multiple regression regarding to sample size.

#### 4.4.1 Group 1.

The first step to interpret the results from standard multiple regression is to check the assumptions. Correlations can be seen in [Table 33](#), which shows every independent variable has preferable relationship ( $r > .3$ ) with dependent variable (with  $r$  ranged from .356 to .518). And these independent variables don't correlate too highly ( $r > .7$ ), with relationship value range from .135 to .641. In addition, each Tolerance value is over .1, and each VIF value is below 10; therefore, we have not violated the multicollinearity assumption (Pallant, 2011). In the Normal P-P Plot, the regression standardized residual points lie in a reasonably straight diagonal line from bottom left to top right (see [Figure 16](#)). This suggests no major deviations from linearity (Pallant, 2011). In the Scatterplot, the standardized residual points are roughly rectangular distributed (between -3.3 and +3.3), with most of scores concentrating in the center (around the point 0, see [Figure 17](#)). This suggests no major deviations from normality (Pallant, 2011). Two outliers have been found (less than 1% of total cases), while Maximum value for Cook's Distance is .393 (which is  $< 1$ ), indicating no major problems (Pallant, 2011).

[Table 33](#) presents that  $R^2$  value is .438 (ANOVA table Sig. = .000;  $p < .0005$ ), indicating our model consisting of five constructs (Personal Experience, COI, Product Beliefs Evaluations, Face Saving and Group Conformity) explains 43.8% of the variance in the construct Attitudes, which is quite a respectable result (Pallant, 2011). Beta under

Standardized Coefficients shows that COI independent (.284) variable makes the strongest unique contribution to explaining the dependent variable Attitudes, when the variance explained by all other variables in the model is controlled for, followed by Overall Product Beliefs Evaluations (.192) and Group Conformity (.180). All variables make statistically significant unique contributions to the prediction of Attributes scores (Sig. value < .05). Part correlation coefficients indicate that COI uniquely explains 5.2% of the variance in Attitudes scores, followed by Overall Product Beliefs Evaluations (2%) and Group Conformity (1.8%).

Table 33.

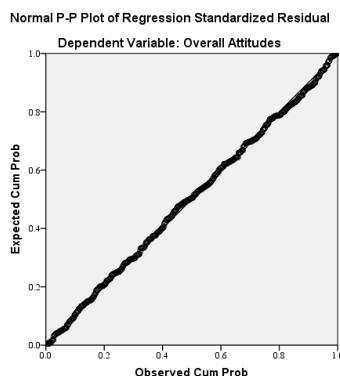
**Standard Regression Analysis (Dependent Variable: Attitudes)**

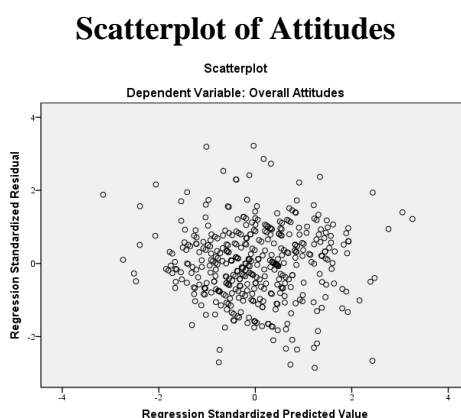
Standard regression analysis (dependent variable: Attitudes)								
	1	2	3	4	5	6	Tolerance	VIF
1 Overall Attitudes		<i>.124</i>	<i>.227</i>	<i>.142</i>	<i>.132</i>	<i>.133</i>		
2 Overall Personal Experience	.356	<i>.135</i> (.001)					.835	1.197
3 Overall COI	.500	.277	<i>.284</i> (.000)				.636	1.573
4 Overall Product Beliefs Evaluations	.518	.393	.602	<i>0.192</i> (.000)			.548	1.825
5 Q28_FS	.390	.159	.135	.227	<i>0.171</i> (.000)		.589	1.698
6 Q28_GC	.450	.218	.221	.350	.641	<i>0.180</i> (.000)	.543	1.841
R Square	.438							

(ANOVA table Sig. = .000; p<.0005).  
 Pearson Correlation Coefficients between variables are shown at their intersection grid  
**Beta** under **Standardised Coefficients** are on the diagonal of the table in red. Brackets for Sig. values  
**Part correlation coefficients** are on the first line, in bold and italics

Figure 16.

**Normal P-P Plot of Regression Standardized Residual of Attributes**



*Figure 17.*

The results of the analyses presented above help us answer the questions we proposed above. Our model, which includes controls of Personal Experience, COI, Product Beliefs Evaluations, Face Saving and Group Conformity, explains 43.8% of the variance in Attitudes (Question 1). Of these five variables, COI makes the largest unique contribution (beta = .284), the better predictor, although all variables also make a statistically significant contribution (Sig. value < .05) (Question 2).

#### 4.4.2 Group 2.

Correlations can be seen in [Table 34](#), which shows every independent variable has a preferable relationship ( $r > .3$ ) with the dependent variable (with  $r$  ranging from .314 to .559). And these independent variables don't correlate too highly ( $r > .7$ ), with relationship values ranging from .135 to .641. In addition, each Tolerance value is over .1, and each VIF value is below 10; therefore, we have not violated the multicollinearity assumption (Pallant, 2011). In the Normal P-P Plot, the regression standardized residual points lie in a reasonably straight diagonal line from bottom left to top right (see [Figure 18](#)). This suggests no major deviations from linearity (Pallant, 2011). In the Scatterplot, the standardized residual points are roughly

rectangular distributed (between -3.3 and +3.3), with most of scores concentrating in the center (around the point 0, see [Figure 19](#)). This suggests no major deviations from normality (Pallant, 2011). Three outliers have been found (less than 1% of total cases), while Maximum value for Cook’s Distance is .213 (which is < 1), indicating no major problems (Pallant, 2011).

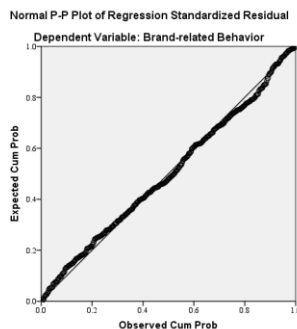
Table 34.

**Standard Regression Analysis (Dependent Variable: Behavioral Intentions)**

Standard regression analysis (dependent variable: Behavioral Intentions)									
	1	2	3	4	5	6	7	Tolerance	VIF
1 Behavioral Intentions		<b>.105</b>	<b>.002</b>	<b>.053</b>	<b>.303</b>	<b>.050</b>	<b>.080</b>		
2 Overall Personal Experience	.324	<b>.117</b> (.008)						.813	1.230
3 Overall COI	.314	.277	<b>.003</b> (.960)					.583	1.716
4 Overall Product Beliefs Evaluations	.383	.393	.602	<b>.073</b> (.181)				.529	1.890
5 Attitudes	.559	.356	.500	.518	<b>.404</b> (.000)			.562	1.779
6 Q28_FS	.329	.159	.135	.227	.390	<b>.066</b> (.208)		.571	1.750
7 Q28_GC	.385	.218	.221	.350	.450	.641	<b>.110</b> (.045)	.527	1.899
R Square	.356								
(ANOVA table Sig. = .000; p<.0005).									
Pearson Correlation Coefficients between variables are shown at their intersection grid									
Beta under <b>Standardised Coefficients</b> are on the diagonal of the table in red. Brackets for Sig. values									
<b>Part correlation coefficients</b> are on the first line, in bold and italics									

Figure 18.

**Normal P-P Plot of Regression Standardized Residual of Behavioral Intentions**

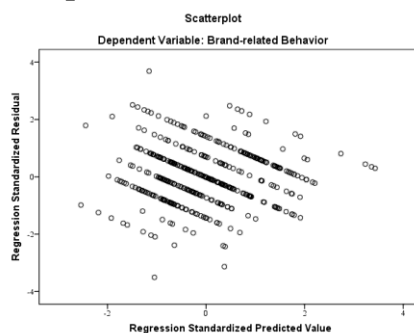


[Table 34](#) presents that R<sup>2</sup> value is .356 (ANOVA table Sig. = .000; p<.0005), indicating our model consisting of six constructs (Personal Experience, COI, Product Beliefs

Evaluations, Attitudes, Face Saving and Group Conformity) explains 35.6% of the variance in the construct Behavioral Intentions (Pallant, 2011). Beta under Standardized Coefficients shows that Attitudes independent (.404) variable makes the strongest unique contribution to explaining the dependent variable Behavioral Intentions, when the variance explained by all other variables in the model is controlled for, followed by Personal Experience (.117) and Group Conformity (.110). Only half variables make statistically significant unique contributions to the prediction of Behavioral Intentions scores (Sig. value < .05), while COI, Product Beliefs Evaluations and Face Saving don't contribute statistically significant unique. Part correlation coefficients indicate that Attitudes uniquely explains 9.2% of the variance in Behavioral Intentions scores, followed by Personal Experience (1.1%) and Group Conformity Evaluations (.6%).

Figure 19.

### Scatterplot of Behavioral Intentions



In conclusion, our model, which includes controls of Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Face Saving and Group Conformity, explains 35.6% of the variance in Behavioral Intentions (Question 1). Of these six variables, Attitudes makes



the largest unique contribution (beta = .404), the better predictor, and only three variables also make a statistically significant contribution (Sig. value < .05) (Question 2).

#### **4.5 Partial Correlations**

Partial Correlations can be used to explore the relationship between two continuous variables whether it is influenced by a third variable to a certain extent (Pallant, 2011). As we have mentioned above, COO effect can be moderated by some factors such as price, brand name, consumer involvement level, involvement type, product familiarity, and product importance, etc. In our study, we would like to explore whether (1) COO effect on Product Beliefs Evaluations will be influenced by Personal Experience; (2) COO effect on Attitudes will be influenced by Product Beliefs Evaluations; and (3) COO effect on Behavioral Intentions will be influenced by Personal Experience; (4) COO effect on Behavioral Intentions will be influenced by Product Beliefs Evaluations.

##### **4.5.1 The moderate effect of Personal Experience between COI and Product**

##### **Beliefs Evaluations.**

Partial correlation was used to explore the relationship between COI and Product Beliefs Evaluations, while controlling for scores on Personal Experience. Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a strong, positive, partial correlation between COI and Product Beliefs Evaluations, controlling for Personal Experience,  $r = .558$ ,  $n = 434$ ,  $p < .0005$ , with higher levels of COI being associated with higher levels of Product Beliefs Evaluations. An inspection of the zero order correlation ( $r = .602$ ) suggested that controlling for Personal

Experience responding had very little effect on the strength of the relationship between these two variables ([Table 35](#)).

Table 35.

***Correlations Coefficients Between COI, Product Beliefs Evaluations and Personal Experience Constructs (Controlling for Personal Experience Constructs)***

Correlations					
Control Variables			Overall COI	Overall Product Beliefs Evaluations	Overall Personal Experience
-none- <sup>a</sup>	Overall COI	Correlation	1.000	.602	.277
		Significance (2-tailed)	.	.000	.000
		df	0	418	434
	Overall Product Beliefs Evaluations	Correlation	.602	1.000	.393
		Significance (2-tailed)	.000	.	.000
		df	418	0	418
	Overall Personal Experience	Correlation	.277	.393	1.000
		Significance (2-tailed)	.000	.000	.
		df	434	418	0
Overall Personal Experience	Overall COI	Correlation	1.000	.558	
		Significance (2-tailed)	.	.000	
		df	0	417	
	Overall Product Beliefs Evaluations	Correlation	.558	1.000	
		Significance (2-tailed)	.000	.	
		df	417	0	

a. Cells contain zero-order (Pearson) correlations.

#### **4.5.2 The moderate effect of Product Beliefs Evaluations between COI and Attitudes.**

Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a weak, positive, partial correlation between COI and Attitudes, controlling for Product Beliefs Evaluations,  $r = .276$ ,  $n = 418$ ,  $p < .0005$ , with higher levels of COI being a little associated with higher levels of Attitudes. An inspection of the zero order correlation ( $r = .500$ ) suggested that controlling for Product Beliefs Evaluations responding had very large effect on the strength of the relationship between these two variables ([Table 36](#)).

#### **4.5.3 The moderate effect of Personal Experience between COI and Behavioral Intentions.**

Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a weak, positive, partial correlation between COI and Behavioral Intentions, controlling for Personal Experience,  $r = .247$ ,  $n = 434$ ,  $p < .0005$ , with higher levels of COI being a little associated with higher levels of Behavioral Intentions. An inspection of the zero order correlation ( $r = .314$ ) suggested that controlling for Personal Experience responding had little effect on the strength of the relationship between these two variables (Table 37).

Table 36.

***Correlations Coefficients Between COI, Product Beliefs Evaluations and Attitudes (Controlling for Product Beliefs Evaluations Constructs)***

		Correlations			
Control Variables		Overall COI	Overall Attitudes	Overall Product Beliefs Evaluations	
-none-	Overall COI	Correlation	1.000	.500	.602
		Significance (2-tailed)	.	.000	.000
		df	0	434	418
	Overall Attitudes	Correlation	.500	1.000	.518
		Significance (2-tailed)	.000	.	.000
		df	434	0	418
	Overall Product Beliefs Evaluations	Correlation	.602	.518	1.000
		Significance (2-tailed)	.000	.000	.
		df	418	418	0
Overall Product Beliefs Evaluations	Overall COI	Correlation	1.000	.276	
		Significance (2-tailed)	.	.000	
		df	0	417	
	Overall Attitudes	Correlation	.276	1.000	
		Significance (2-tailed)	.000	.	
		df	417	0	

a. Cells contain zero-order (Pearson) correlations.

Table 37.

***Correlations Coefficients Between COI, Behavioral Intentions and Personal Experience (Controlling for Personal Experience Constructs)***

		Correlations			
Control Variables		Overall COI	Brand-related Behavior	Overall Personal Experience	
-none-	Overall COI	Correlation	1.000	.314	.277
		Significance (2-tailed)	.	.000	.000
		df	0	434	434
	Brand-related Behavior	Correlation	.314	1.000	.324
		Significance (2-tailed)	.000	.	.000
		df	434	0	434
	Overall Personal Experience	Correlation	.277	.324	1.000
		Significance (2-tailed)	.000	.000	.
		df	434	434	0
Overall Personal Experience	Overall COI	Correlation	1.000	.247	
		Significance (2-tailed)	.	.000	
		df	0	433	
	Brand-related Behavior	Correlation	.247	1.000	
		Significance (2-tailed)	.000	.	
		df	433	0	

a. Cells contain zero-order (Pearson) correlations.

#### 4.5.4 The moderate effect of Product Beliefs Evaluations between COI and Behavioral Intentions.

Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a very weak, positive, partial correlation between COI and Behavioral Intentions, controlling for Product Beliefs Evaluations,  $r = .113$ ,  $n = 418$ ,  $p < .0005$ , with higher levels of COI being very little associated with higher levels of Behavioral Intentions. An inspection of the zero order correlation ( $r = .314$ ) suggested that controlling for Personal Experience responding had very large effect on the strength of the relationship between these two variables ([Table 38](#)).

Table 38.

#### *Correlations Coefficients Between COI, Behavioral Intentions and P (Controlling for Product Beliefs Evaluations)*

Correlations					
Control Variables			Overall COI	Brand-related Behavior	Overall Product Beliefs Evaluations
-none <sup>a</sup>	Overall COI	Correlation	1.000	.314	.602
		Significance (2-tailed)	.	.000	.000
		df	0	434	418
	Brand-related Behavior	Correlation	.314	1.000	.383
		Significance (2-tailed)	.000	.	.000
		df	434	0	418
	Overall Product Beliefs Evaluations	Correlation	.602	.383	1.000
		Significance (2-tailed)	.000	.000	.
		df	418	418	0
Overall Product Beliefs Evaluations	Overall COI	Correlation	1.000	.113	
		Significance (2-tailed)	.	.020	
		df	0	417	
	Brand-related Behavior	Correlation	.113	1.000	
		Significance (2-tailed)	.020	.	
		df	417	0	

a. Cells contain zero-order (Pearson) correlations.

#### 4.5.5 Conclusions

From above Partial Correlations analyses, we've found that in our study, Personal Experience moderates very little of COO effect on Product Beliefs Evaluations and Behavioral Intentions. By contrast, Product Beliefs Evaluations has very significant

moderating influences on the relationships between COI and Attitudes, as well as COI and Behavioral Intentions.

## 4.6 Hypotheses Testing

The data collected in this study adopt simple linear regression analysis to verify the hypotheses. A total of 11 simple linear regression models were developed to test hypotheses. The hypotheses testing result is shown as Table 39, Table 40, Table 41, and Table 42.

### 4.6.1 Testing of Attitudes.

#### 4.6.1.1 *The impact of COI on Attitudes.*

Preliminary analyses were conducted to ensure no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity. Based on the testing result from model 1 in [Table 39](#), simple linear regression analysis revealed a strong, positive relationship between COI and Attitudes. COI significantly predicted Attitudes,  $\beta = .500$ ,  $t(434) = 12.04$ ,  $p < 0.001$ . COI also explained a large and significant proportion of variance in Attitudes,  $R^2 = .250$ ,  $F(1, 434) = 144.955$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Survey respondents who rated higher COI had more positive attitudes toward Scandinavian brand hotels. Therefore, *H1* and *H1a* are strongly supported.

#### 4.6.1.2 *The impact of Product Beliefs on Attitudes.*

On the basis of no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis was conducted.

Model 2 of [Table 39](#) presented that there was a strong and positive relationship between Product Beliefs Evaluations and Attitudes. Product Beliefs Evaluations significant predicted Attitudes,  $\beta = .518$ ,  $t(418) = 12.391$ ,  $p < 0.001$ . Product Beliefs Evaluations also explained a large and significant proportion of variance in Attitudes,  $R^2 = .269$ ,  $F(1, 418) = 153.545$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Survey respondents who rated higher scores of Product Beliefs Evaluations had more positive attitudes toward Scandinavian brand hotels. Therefore,  $H3$  and  $H3a$  are strongly supported.

Table 39.

**Simple Linear Regaression Analysis (Dependent Variable: Attitudes)**

Simple Linear Regression (depedent variable: Attitudes)						
Independent Variables	Model 1		Model 2		Model 3	Model 4
COI	.500					
Product Beliefs Evaluations			.518			
Face Saving					.390	
Group Conformity						.450
<i>F</i> values	144.955		153.545		78.042	110.044
df	434		418		434	434
ANOVA table						
Sig. (p<.0005)	.000		.000		.000	.000
R Square	.250		.269		.152	.202
Adjusted R Squire	.249		.267		.150	.200
B under Unstandardised Coefficients	.439		.831		1.970	2.656
Beta under Standardised Coefficients ( $\beta$ )	.500		.518		.390	.450
<i>t</i> values	12.040		12.391		8.834	10.490
df	434		418		434	434
Sig. value (< .05)	.000		.000		.000	.000
Proposed Hypothesis	H1	H1a	H3	H3a	H6a	H7a
Interpretation of The Results	Supported	Supported	Supported	Supported	Supported	Supported
Pearson Correlation Coefficients between independent variables and depedent variable are shown at the intersection grid of the model and independent variable						

**4.6.1.3 The impact of Face Saving on Attitudes.**

Inspection of no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis revealed that a

medium and positive relationship between Face Saving and Attitudes. Face Saving significantly predicted Attitudes,  $\beta = .390$ ,  $t(434) = 8.834$ ,  $p < 0.001$ ; and explained approximately 15% of variance in Attitudes,  $R^2 = .152$ ,  $F(1, 434) = 78.042$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Face Saving has the same change direction as Attitudes from survey respondents. Therefore, *H6a* is strongly supported (see [Table 39](#)).

#### ***4.6.1.4 The impact of Group Conformity on Attitudes.***

Eliminating violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis was conducted, indicating that Group Conformity correlated positively with Attitudes at a medium level. Group Conformity significantly predicted Attitudes,  $\beta = .450$ ,  $t(434) = 10.49$ ,  $p < 0.001$ ; and explained approximately 20% of variance in Attitudes,  $R^2 = .202$ ,  $F(1, 434) = 110.044$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Therefore, *H7a* is supported (see [Table 39](#)).

### **4.6.2 Testing of Behavioral Intentions.**

#### ***4.6.2.1 Impact of COI on Behavioral Intentions.***

Preliminary analyses were conducted to ensure no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity. Based on the testing result from model 5 in [Table 40](#), simple linear regression analysis revealed a moderate, positive relationship between COI and Behavioral Intentions, with COI significant prediction on Behavioral Intentions,  $\beta = .341$ ,  $t(434) = 6.888$ ,  $p < 0.001$ . COI also explained around 10% of

variance in Behavioral Intentions,  $R^2 = .099$ ,  $F(1, 434) = 47.442$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Therefore, *H5* is supported.

Table 40.

**Simple Linear Regaression Analysis (Dependent Variable: Behavioral Intentions)**

Simple Linear Regression (depedent variable: Behavioral Intentions)					
Independent Variables	Model 5	Model 6	Model 7	Model 8	Model 9
COI	.314				
Attitudes		.559			
Face Saving			.329		
Group Conformity				.385	
Personal Experience					.324
<i>F</i> values	47.442	197.695	52.723	75.505	50.988
df	434	434	434	434	434
ANOVA table					0
Sig. (p<.0005)	.000	.000	.000	.000	
R Square	.099	.313	.108	.148	.105
Adjusted R Squire	.096	.311	.106	.146	.103
B under Unstandardised Coefficients	.064	.130	.388	.529	.191
Beta under Standardised Coefficients ( $\beta$ )	.314	.559	.329	.385	.324
<i>t</i> values	6.888	14.060	7.261	8.689	7.141
df	434	434	434	434	434
Sig. value (< .05)	.000	.000	.000	.000	.000
Proposed Hypothesis	H5	H4	H6b	H7b	H8b
Interpretation of The Results	Supported	Supported	Supported	Supported	Supported
Pearson Correlation Coefficients between independent variables and depedent variable are shown at the intersection grid of the model and independent variable					

**4.6.2.2 Impact of Attitudes on Behavioral Intentions.**

Inspection of no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis revealed that a strong and positive relationship between Attitudes and Behavioral Intentions. Attitudes significantly predicted Behavioral Intentions,  $\beta = .559$ ,  $t(434) = 14.06$ ,  $p < 0.001$ ; and explained approximately 31% of variance in Behavioral Intentions,  $R^2 = .313$ ,  $F(1, 434) =$



197.695,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). As Attitudes were higher, the Behavioral Intentions were higher. Therefore, *H4* is strongly supported (see [Table 40](#)).

#### ***4.6.2.3 Impact Face Saving on Behavioral Intentions.***

Eliminating violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis was conducted, indicating that Face Saving correlated positively with Behavioral Intentions at a medium level. Face Saving significantly predicted Behavioral Intentions,  $\beta = .329$ ,  $t(434) = 7.261$ ,  $p < 0.001$ ; and explained approximately 10% of variance in Behavioral Intentions,  $R^2 = .108$ ,  $F(1, 434) = 52.723$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Therefore, *H6b* is supported (see [Table 40](#)).

#### ***4.6.2.4 Impact of Group Conformity on Behavioral Intentions.***

Inspection of no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis revealed that a medium and positive relationship between Group Conformity and Behavioral Intentions. Group Conformity significantly predicted Behavioral Intentions,  $\beta = .385$ ,  $t(434) = 8.689$ ,  $p < 0.001$ ; and explained approximately 15% of variance in Attitudes,  $R^2 = .148$ ,  $F(1, 434) = 75.505$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Group Conformity has the same change direction as Behavioral Intentions from survey respondents. Therefore, *H7b* is strongly supported (see [Table 40](#)).

#### ***4.6.2.5 Impact of Personal Experience on Behavioral Intentions.***

On the basis of no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis was conducted. Model 9 of [Table 40](#) presented that there was a moderate and positive relationship between Personal Experience and Behavioral Intentions. Personal Experience significant predicted Behavioral Intentions,  $\beta = .324$ ,  $t(434) = 7.141$ ,  $p < 0.001$ . Personal Experience also explained about 10% of variance in Behavioral Intentions,  $R^2 = .105$ ,  $F(1, 434) = 50.988$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Survey respondents who had more personal experience in Scandinavia had higher Behavioral Intentions to Scandinavian brand hotels. Therefore, *H8b* is strongly supported.

#### **4.6.3 Testing of Product Beliefs Evaluations.**

Preliminary analyses were conducted to ensure no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity. Based on the testing result from model 10 in [Table 41](#), simple linear regression analysis revealed a strong, positive relationship between COI and Product Beliefs Evaluations, with COI significant prediction on Product Beliefs Evaluations,  $\beta = .602$ ,  $t(418) = 15.4$ ,  $p < 0.001$ . COI also explained around 36% of variance in Product Beliefs Evaluations,  $R^2 = .362$ ,  $F(1, 418) = 237.148$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Survey respondents who rated higher COI had more positive Product Beliefs Evaluations. Therefore, *H2* and *H2a* are strongly supported.

#### 4.6.4 Testing of COI.

Inspection of no violations of the assumptions of normality, linearity, multicollinearity and homoscedasticity, simple linear regression analysis revealed that a small and positive relationship between Personal Experience and COI. Personal Experience significantly predicted COI,  $\beta = .277$ ,  $t(434) = 6.009$ ,  $p < 0.001$ ; and explained approximately 8% of variance in Attitudes,  $R^2 = .077$ ,  $F(1, 434) = 36.103$ ,  $p < 0.001$  (Cohen, 1988 as cited in Ellis, 2009). Personal Experience has the same change direction as COI from survey respondents, although it is correlated little. Therefore, *H8a* is strongly supported (see [Table 42](#)).

Table 41.

#### *Simple Linear Regaression Analysis (Dependent Variable: Product Beliefs Evaluations)*

Simple Linear Regression (dependent variable: Product Beliefs Evaluations)		
Independent Variables	Model 10	
COI	.602	
F values	237.148	
df	418	
ANOVA table		
Sig.(p<.0005)	.000	
R Square	.362	
Adjusted R Square	.360	
B under Unstandardised Coefficients		
Beta under Standardised Coefficients ( $\beta$ )	.329	
t values	15.400	
df	418	
Sig. value (< .05)	.000	
Proposed Hypothesis	H2	H2a
Interpretation of The Results	Supported	Supported
Pearson Correlation Coefficients between independent variables and depedent variable are shown at the intersection grid of the model and independent variable		

## 4.7 MANOVA

One-way MANOVA is conducted for each independent variable (i.e. sex, age, education level, marital status, children situation, employment situation, position, gross annual income and region) respectively. MANOVA compares the groups of the independent variable and let us know whether the mean differences between the groups on the combination of dependent variables are likely to have occurred by chance (Pallant, 2011).

*Table 42.*

### *Simple Linear Regaression Analysis (Dependent Variable: COI)*

Simple Linear Regression (depedent variable: COI)	
Independent Variables	Model 11
Personal Experience	.277
<i>F</i> values	36.103
df	434
ANOVA table	
Sig. (p<.0005)	.000
R Square	.077
Adjusted R Squre	.075
B under	
Unstandardised Coefficients	.802
Beta under Standardised Coefficients (β)	.277
<i>t</i> values	6.009
df	434
Sig. value (< .05)	.000
Proposed Hypothesis	H8a
Interpretation of The Results	Supported
Pearson Correlation Coefficients between independent variables and depedent variable are shown at the intersection grid of the model and	

### 4.7.1 One-way MANOVA between groups by sex.

A one-way between-groups multivariate analysis of variance was performed to investigate sex differences in COO effect evaluations (see [Table 43](#)). Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was

gender. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, with no serious violations noted. However, there was no statistically significant difference between males and females on the combined dependent variables,  $F(7, 412) = 1.73, p = .100$ , which was  $> .05$ ; Wilks' Lambda = .97; partial eta squared = .029 (Pallant, 2011).

Table 43.

**One-Way Manova Between Groups By Sex**

Dependent Variables	Independent Variable	Box's Test Sig.	Wilks' Lambda					New $\alpha$ (Bonferroni Adjustment)	0.007			
			F	1.73	Hypothesis df	7	Error df			412		
			Value		Sig.		Partial Eta Squared			.029		
	Sex	N	Estimated Marginal Means.	Std. Deviation	Levene's Test a			Tests of Between-Subjects Effects				
					F	df1	df2	Sig.	F	df	Sig.	Partial Eta Squared
Personal Experience	1 Male	206	14.772	2.806								
	2 Female	214	14.467	3.079								
	Total	420	14.617	2.949	2.025	1	418	.155	1.120	1	.291	.003
COI	1 Male	206	78.607	8.251								
	2 Female	214	78.005	8.698								
	Total	420	78.300	8.477	0.361	1	418	.548	.529	1	.467	0.001
Product Beliefs Evaluations	1 Male	206	31.301	4.545								
	2 Female	214	30.864	4.785								
	Total	420	31.079	4.669	0.000	1.000	418	.986	.917	1	.339	0.002
Attitudes	1 Male	206	53.845	7.285								
	2 Female	214	54.145	7.705								
	Total	420	53.998	7.495	0.425	1.000	418	.515	.168	1	.682	0
Behavioral Intentions	1 Male	206	9.995	1.695								
	2 Female	214	10.084	1.704								
	Total	420	10.040	1.698	0.226	1.000	418	.635	.288	1	.592	0.001
Face Saving	1 Male	206	3.927	1.504								
	2 Female	214	3.612	1.412								
	Total	420	3.767	1.465	0.445	1.000	418	.505	4.900	1	.027	0.012
Group Conformity	1 Male	206	4.437	1.239								
	2 Female	214	4.196	1.267								
	Total	420	4.314	1.257	0.132	1.000	418	.716	3.870	1	.050	0.009

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + Q34\_SEX

**4.7.2 One-way MANOVA between groups by age.**

A one-way between-groups multivariate analysis of variance was performed to investigate age differences in COO effect evaluations (see [Table 44](#)). Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was gender. Preliminary assumption testing was conducted to check for normality, linearity,

univariate and multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, while because Product Beliefs Evaluations had sig. value in Levene's Test of Equality of Error Variances table less than .05 (.001), so it violated the assumption of equality of variance. But the sig. value of F-test for Wilik's Lambda was .000, which was less than .025 and .01; therefore, we can omit the violation of the assumption by Product Beliefs Evaluation. Moreover, Sig. value in Wilks' Lambda was .000, which was less than .05: therefore, there should be a statistically significant difference between age groups on the combined dependent variables,  $F(28, 1476) = 2.79, p = .000$ , which was  $< .05$ ; Wilks' Lambda = .831; partial eta squared = .045. However, after we made the Bonferroni adjustment ( $.05/n$ ,  $n$  = number of dependent variables) to reduce the chance of a Type 1 error and got the new adjusted alpha level, which was .007 ( $.05/7 \approx .007$ ), we couldn't find any variable with Sig. value less than .007. Therefore, although we found that there should be a statistically significant difference between age groups on the combined dependent variables, we could not demonstrate which variable had significant difference between the age groups (Pallant, 2011).

#### **4.7.3 One-way MANOVA between groups by education level.**

A one-way between-groups multivariate analysis of variance was performed to investigate educational level differences in COO effect evaluations (see [Table 45](#)). Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was educational level. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance

matrices, and multicollinearity, while because Product Beliefs Evaluations had sig. value in Levene’s Test of Equality of Error Variances table less than .05 (.025), so it violated the assumption of equality of variance. And the sig. value of F-test for Wilik’s Lambda was .049, which was more than .025 and .01; therefore, we can’t omit the violation of the assumption by Product Beliefs Evaluation. There was no statistically significant difference between educational levels on the combined dependent variables,  $F(35, 1719) = 1.43, p = .049$ , which was  $< .05$ , but  $>.025$  and  $>.01$ ; Wilks’ Lambda =.831; partial eta squared = .024 (Pallant, 2011).

Table 44.

**One-Way MANOVA Between Groups By Age**

Dependent Variables	Independent Variable	Box's Test Sig.	Wilks' Lambda								New $\alpha$ (Bonferroni Adjustment)		
			.007	F	2.79	Hypothesis df	28	Error df	1476	.045	.000	.007	
				Value	.831	Sig.	Partial Eta Squared						
		Age	N	Estimated Marginal	Std. Deviation	Levene's Test a				Tests of Between-Subjects Effects			
						F	df1	df2	Sig.	F	df	Sig	Partial Eta
Personal Experience	1 18-24	28	14.64	3.176									
	2 25-34	327	14.57	2.884									
	3 35-44	52	14.88	3.276									
	4 45-54	11	14.73	2.867									
	5 55 or above	2	14.50	4.950									
	Total	420	14.62	2.949		.882	4	415	.475	.133	4	.970	.001
COI	1 18-24	28	75.93	10.026									
	2 25-34	327	78.20	8.355									
	3 35-44	52	80.67	7.748									
	4 45-54	11	76.09	9.833									
	5 55 or above	2	78.00	9.899									
	Total	420	78.30	8.477		.639	4	415	.635	1.778	4	.132	.017
Product Beliefs Evaluations	1 18-24	28	31.39	3.910									
	2 25-34	327	31.08	4.486									
	3 35-44	52	31.54	4.972									
	4 45-54	11	30.45	4.967									
	5 55 or above	2	17.50	16.263									
	Total	420	31.08	4.669		4.885	4	415	.001	4.589	4	.001	.042
Attitudes	1 18-24	28	56.46	7.451									
	2 25-34	327	54.08	7.398									
	3 35-44	52	52.10	7.365									
	4 45-54	11	53.73	9.285									
	5 55 or above	2	57.50	13.435									
	Total	420	54.00	7.495		.893	4	415	.468	1.729	4	.143	.016
Behavioral Intentions	1 18-24	28	10.00	1.440									
	2 25-34	327	10.07	1.682									
	3 35-44	52	10.00	1.692									
	4 45-54	11	9.27	2.453									
	5 55 or above	2	11.50	3.536									
	Total	420	10.04	1.698		1.593	4	415	.175	.963	4	.428	.009
Face Saving	1 18-24	28	4.25	1.206									
	2 25-34	327	3.80	1.481									
	3 35-44	52	3.40	1.445									
	4 45-54	11	3.27	1.421									
	5 55 or above	2	4.50	.707									
	Total	420	3.77	1.465		.681	4	415	.606	2.049	4	.087	.019
Group Conformity	1 18-24	28	4.68	1.124									
	2 25-34	327	4.33	1.227									
	3 35-44	52	4.04	1.414									
	4 45-54	11	4.18	1.662									
	5 55 or above	2	4.00	0.000									
	Total	420	4.31	1.257		1.563	4	415	.183	1.297	4	.270	.012

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.  
a. Design: Intercept + Q35\_AGE

Table 45.

**One-Way MANOVA Between Groups By Education Level**

Dependent Variables	Independent Variable	Box's Test Sig.	.074	Wilks' Lambda					New $\alpha$ (Bonferroni Adjustment)				
				F	1.43	Hypothesis df	35	Error df	1719				
				Value	.831	Sig.	.049	Partial Eta Squared	.024	0.007			
Education Level	N	Estimated Marginal Means.	Std. Deviation	Levene's Test a				Tests of Between-Subjects Effects					
				F	df1	df2	Sig.	F	df	Sig.	Partial Eta Squared		
Personal Experience	2 High School Graduate or Vocational School Graduate	11	13.636	3.171									
	3 College Degree	48	13.875	3.311									
	4 Bachelor's Degree	264	14.727	2.896									
	5 Master's Degree	90	14.844	2.856									
	6 Doctorate's Degree or above	6	14.167	3.125									
	7 Other	1	14.000										
	Total	420	14.617	2.949	.817	5	414	.538	1.070	5	.377	.013	
	COI	2 High School Graduate or Vocational School Graduate	11	74.909	10.435								
3 College Degree		48	76.938	8.784									
4 Bachelor's Degree		264	77.966	8.468									
5 Master's Degree		90	80.156	8.070									
6 Doctorate's Degree or above		6	82.833	2.994									
7 Other		1	75.000										
Total		420	78.300	8.477	1.540	5	414	.176	1.940	5	.087	.023	
Product Beliefs Evaluations		2 High School Graduate or Vocational School Graduate	11	29.909	4.253								
	3 College Degree	48	30.646	4.417									
	4 Bachelor's Degree	264	30.883	4.493									
	5 Master's Degree	90	32.244	4.650									
	6 Doctorate's Degree or above	6	27.833	10.778									
	7 Other	1	31.000										
	Total	420	31.079	4.669	2.593	5	414	.025	2.041	5	.072	.024	
	Attitudes	2 High School Graduate or Vocational School Graduate	11	54.909	7.687								
3 College Degree		48	54.938	6.969									
4 Bachelor's Degree		264	53.538	7.462									
5 Master's Degree		90	54.489	7.850									
6 Doctorate's Degree or above		6	56.667	8.066									
7 Other		1	60.000										
Total		420	53.998	7.495	.525	5	414	.758	.738	5	.596	.009	
Behavioral Intentions		2 High School Graduate or Vocational School Graduate	11	10.818	1.662								
	3 College Degree	48	9.979	1.657									
	4 Bachelor's Degree	264	9.977	1.718									
	5 Master's Degree	90	10.167	1.602									
	6 Doctorate's Degree or above	6	9.833	2.714									
	7 Other	1	11.000										
	Total	420	10.040	1.698	1.185	5	414	.316	.726	5	.604	.009	
	Face Saving	2 High School Graduate or Vocational School Graduate	11	4.364	1.502								
3 College Degree		48	3.521	1.368									
4 Bachelor's Degree		264	3.689	1.449									
5 Master's Degree		90	4.011	1.532									
6 Doctorate's Degree or above		6	4.333	1.506									
7 Other		1	4.000										
Total		420	3.767	1.465	.573	5	414	.721	1.477	5	.196	.018	
Group Conformity		2 High School Graduate or Vocational School Graduate	11	4.545	1.128								
	3 College Degree	48	4.333	1.209									
	4 Bachelor's Degree	264	4.235	1.296									
	5 Master's Degree	90	4.511	1.192									
	6 Doctorate's Degree or above	6	4.333	1.211									
	7 Other	1	4.000										
	Total	420	4.314	1.257	.459	5	414	.806	.739	5	.595	.009	

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.  
a. Design: Intercept + Q36\_EDU



#### **4.7.4 One-way MANOVA between groups by marital status.**

A one-way between-groups multivariate analysis of variance was performed to investigate marital status differences in COO effect evaluations (see [Table 46](#)). Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was marital status. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, while because Product Beliefs Evaluations had sig. value in Levene's Test of Equality of Error Variances table less than .05 (.015), so it violated the assumption of equality of variance. And the sig. value of F-test for Wilik's Lambda was .088, which was more than .025 and .01; therefore, we can't omit the violation of the assumption by Product Beliefs Evaluation. There was no statistically significant difference between educational levels on the combined dependent variables,  $F(21, 1178) = 1.45, p = .088$ , which was  $> .05$ ; Wilks' Lambda = .930; partial eta squared = .024 (Pallant, 2011).

#### **4.7.5 One-way MANOVA between groups by children situation.**

A one-way between-groups multivariate analysis of variance was performed to investigate children situation differences in COO effect evaluations. Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was children situation. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance matrices,

and multicollinearity, while because Sig. value in Box’s Test table was .001 = .001, therefore, our data violated the assumption of homogeneity of variance-covariance matrices. Tabachnick and Fidell (2007, p. 281) warned that Box’s M can tend to be too strict when the sample size was large (as cited in Pallant, 2011), then we looked at the next parameter. All variables had Sig. value more than .05, resulting in no violation of assumption of equality of variance for that variable. However, there was no statistically significant difference between children situation on the combined dependent variables,  $F(14, 822) = 1.14, p = .320$ , which was  $> .05$ ; Wilks’ Lambda = .962; partial eta squared = .019 (Pallant, 2011).

Table 46.

**One-Way MANOVA Between Groups By Marital Status**

Dependent Variables	Independent Variable	Box's Test Sig.	Wilks' Lambda									
			Estimated Marginal Means	Std. Deviation	Hypothesis			Error df	1178	New $\alpha$ (Bonferroni Adjustment)		0.007
					F	df1	df2			Partial Eta Squared	F	
	Marital Status	N			F	df1	df2	Sig.	F	df	Sig	Effects Partial Eta Squared
Personal Experience	1 Single	131	14.160	3.145	1.385	3	416	.247	2.878	3	.036	.020
	2 Married	236	14.678	2.789								
	3 In a relationship/Engaged	47										
	4 Other	6	15.340	3.052								
	Total	420	14.617	2.949								
COI	1 Single	131	77.962	9.304	2.114	3	416	.098	.162	3	.922	.001
	2 Married	236	78.500	8.319								
	3 In a relationship/Engaged	47										
	4 Other	6	78.085	7.235								
	Total	420	78.300	8.477								
Product Beliefs Evaluations	1 Single	131	30.969	4.547	3.521	3	416	.015	1.915	3	.126	.014
	2 Married	236	31.000	4.566								
	3 In a relationship/Engaged	47										
	4 Other	6	32.191	4.121								
	Total	420	31.079	4.669								
Attitudes	1 Single	131	53.679	7.159	0.803	3	416	.493	1.003	3	.391	.007
	2 Married	236	53.826	7.480								
	3 In a relationship/Engaged	47										
	4 Other	6	55.319	8.429								
	Total	420	53.998	7.495								
Behavioral Intentions	1 Single	131	10.092	1.619	0.856	3	416	.464	.229	3	.876	.002
	2 Married	236	10.000	1.733								
	3 In a relationship/Engaged	47										
	4 Other	6	10.043	1.641								
	Total	420	10.040	1.698								
Face Saving	1 Single	131	3.870	1.475	0.987	3	416	.399	.590	3	.622	.004
	2 Married	236	3.691	1.448								
	3 In a relationship/Engaged	47										
	4 Other	6	3.809	1.583								
	Total	420	3.767	1.465								
Group Conformity	1 Single	131	4.290	1.280	0.165	3	416	.920	.179	3	.911	.001
	2 Married	236	4.314	1.256								
	3 In a relationship/Engaged	47										
	4 Other	6	4.340	1.256								
	Total	420	4.314	1.257								

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.  
a. Design: Intercept + Q37\_MARRIAGE

#### **4.7.6 One-way MANOVA between groups by employment situation.**

A one-way between-groups multivariate analysis of variance was performed to investigate employment situation differences in COO effect evaluations. Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was employment situation. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, while because Sig. value in Box's Test table was  $.000 < .001$ , therefore, our data violated the assumption of homogeneity of variance-covariance matrices. Tabachnick and Fidell (2007, p. 281) warned that Box's M can tend to be too strict when the sample size was large (as cited in Pallant, 2011), then we looked at the next parameter. All variables had Sig. value more than .05, resulting in no violation of assumption of equality of variance for that variable. However, there was no statistically significant difference between children situation on the combined dependent variables,  $F(42, 1912) = 1.04, p = .401$ , which was  $> .05$ ; Wilks' Lambda = .899; partial eta squared = .018 (Pallant, 2011).

#### **4.7.7 One-way MANOVA between groups by position.**

A one-way between-groups multivariate analysis of variance was performed to investigate position differences in COO effect evaluations. Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was position. Preliminary assumption testing was conducted to check for normality, linearity, univariate and

multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, with no serious violations noted. However, there was no statistically significant difference between positions on the combined dependent variables,  $F(56, 1793) = 1.26, p = .092$ , which was  $> .05$ ; Wilks' Lambda = .812; partial eta squared = .029 (Pallant, 2011).

#### **4.7.8 One-way MANOVA between groups by gross annual income.**

A one-way between-groups multivariate analysis of variance was performed to investigate gross annual income differences in COO effect evaluations. Seven dependent variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was gross annual income. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, while because Group Conformity had sig. value in Levene's Test of Equality of Error Variances table less than .05 (.001), so it violated the assumption of equality of variance. And the sig. value of F-test for Wilik's Lambda was .274, which was more than .025 and .01; therefore, we can't omit the violation of the assumption by Product Beliefs Evaluation. There was no statistically significant difference between different gross annual income on the combined dependent variables,  $F(35, 1719) = 1.13, p = .274$ , which was  $> .05$ ; Wilks' Lambda = .909; partial eta squared = .019 (Pallant, 2011).

#### **4.7.9 One-way MANOVA between groups by region.**

A one-way between-groups multivariate analysis of variance was performed to investigate region differences in COO effect evaluations ([Table 47](#)). Seven dependent

variables were used: Personal Experience, COI, Product Beliefs Evaluations, Attitudes, Behavioral Intentions, Face Saving and Group Conformity. The independent variable was region. Preliminary assumption testing was conducted to check for normality, linearity, univariate and multivariate outliers, homogeneity of variance covariance matrices, and multicollinearity, while because Sig. value in Box's Test table was  $.000 < .001$ , therefore, our data violated the assumption of homogeneity of variance-covariance matrices. Tabachnick and Fidell (2007, p. 281) warned that Box's M can tend to be too strict when the sample size was large (as cited in Pallant, 2011), then we looked at the next parameter. All variables had Sig. value more than  $.05$ , resulting in no violation of assumption of equality of variance for that variable. There was a statistically significant difference between region (Beijing, Shanghai, Guangzhou, Chongqing and Other) on the combined dependent variables,  $F(28, 1476) = 3.69, p = .000$ ; Wilks' Lambda = .784; partial eta squared = .059. When the results for the dependent variables were considered separately, the differences to reach statistical significance, using a Bonferroni adjusted alpha level of  $.007$ , were Personal Experience,  $F(4, 415) = 9.19, p = .000$ , partial eta squared = .081, indicating 8.1% of the variance in Personal Experience that can be explained by region, which is considered a medium effect size according to generally accepted criteria (Cohen 1988, pp. 284–7; as cited in Pallant, 2011); Attitudes,  $F(4, 415) = 4.82, p = .001$ , partial eta squared = .044, indicating 4.4% of the variance in Attitudes that can be explained by region, which is considered a small effect size according to generally accepted criteria (Cohen 1988, pp. 284–7; as cited in Pallant, 2011); Face Saving,  $F(4, 415) = 8.37, p = .000$ , partial eta squared = .075, indicating 7.5% of the

variance in Face Saving that can be explained by region, which is considered a medium effect size according to generally accepted criteria (Cohen 1988, pp. 284–7; as cited in Pallant, 2011); and the last one was Group Conformity,  $F(4, 415) = 5.15, p = .000$ , partial eta squared = .047, indicating 4.7% of the variance in Group Conformity that can be explained by region, which is considered a small effect size according to generally accepted criteria (Cohen 1988, pp. 284–7; as cited in Pallant, 2011).

Table 47.

**One-Way MANOVA Between Groups By Region**

Dependent Variables	Independent Variable	Box's Test Sig.	.000	Wilks' Lambda							New $\alpha$ (Bonferroni Adjustment)	.007	
				F	3.69	Hypothesis df	28	Error df	1476	Partial Eta Squared			.059
				Value	.784	Sig.	.000	Partial Eta Squared	Tests of Between-Subjects Effects				
Region	N	Estimated Marginal Means.	Std. Deviation	F	df1	df2	Sig.	F	df	Sig.	Partial Eta Squared		
Personal Experience	1 Beijing	47	16.45	2.788									
	2 Shanghai	86	15.29	2.922									
	3 Guangzhou	184	14.33	2.890									
	4 Chongqing	15	14.27	2.915									
	5 Other	88	13.65	2.661									
	Total	420	14.62	2.949	.181	4	415	.948	9.191	4	.000	.081	
COI	1 Beijing	47	80.83	6.712									
	2 Shanghai	86	78.98	9.018									
	3 Guangzhou	184	77.95	8.120									
	4 Chongqing	15	76.87	11.237									
	5 Other	88	77.27	8.841									
	Total	420	78.30	8.477	1.485	4	415	.206	1.706	4	.148	.016	
Product Beliefs Evaluations	1 Beijing	47	31.30	5.532									
	2 Shanghai	86	31.07	4.939									
	3 Guangzhou	184	31.46	4.221									
	4 Chongqing	15	29.60	5.207									
	5 Other	88	30.42	4.687									
	Total	420	31.08	4.669	.528	4	415	.715	1.151	4	.332	.011	
Attitudes	1 Beijing	47	57.91	7.460									
	2 Shanghai	86	54.45	7.905									
	3 Guangzhou	184	53.49	7.285									
	4 Chongqing	15	55.07	9.138									
	5 Other	88	52.34	6.556									
	Total	420	54.00	7.495	1.250	4	415	.289	4.822	4	.001	.044	
Behavioral Intentions	1 Beijing	47	10.45	1.791									
	2 Shanghai	86	9.87	1.714									
	3 Guangzhou	184	10.04	1.648									
	4 Chongqing	15	10.00	1.852									
	5 Other	88	10.00	1.715									
	Total	420	10.04	1.698	.875	4	415	.479	.898	4	.465	.009	
Face Saving	1 Beijing	47	4.79	1.301									
	2 Shanghai	86	3.51	1.469									
	3 Guangzhou	184	3.77	1.360									
	4 Chongqing	15	4.07	1.580									
	5 Other	88	3.41	1.506									
	Total	420	3.77	1.465	.867	4	415	.484	8.374	4	.000	.075	
Group Conformity	1 Beijing	47	4.94	1.111									
	2 Shanghai	86	4.16	1.345									
	3 Guangzhou	184	4.40	1.169									
	4 Chongqing	15	3.87	1.356									
	5 Other	88	4.03	1.291									
	Total	420	4.31	1.257	.738	4	415	.566	5.147	4	.000	.047	

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.  
a. Design: Intercept + Q42\_REGION

An inspection of the mean scores indicated that Beijing respondents reported slightly higher levels of Personal Experience ( $M = 16.45, SD = 2.79$ ) than other regions. And they also showed a little higher level of Attitudes ( $M = 57.92, SD = 7.46$ ) than other regions. Moreover,

in Face Saving and Group Conformity, Beijing respondents also showed higher level than other regions, with  $M = 4.79$ ,  $SD = 1.30$ , and  $M = 4.94$ ,  $SD = 1.11$ , respectively.

#### **4.7.10 Conclusions**

A series of one-way between-groups multivariate analysis of variance (MANOVA) were conducted to investigate different dependent variables in COO effect evaluations. Seven dependent variables were used, and nine independent variables were examined. However, only two independent variables: age groups and regions, reached statistically significant differences between groups on the combined dependent variables. But we couldn't find which variable had significant difference between the age groups, while in region independent variable, Personal experience, Attitudes, Face Saving and Group Conformity these four dependent variables, showed statistically significant difference between groups in region.

#### **4.8 Discussions**

This study has found that our proposed research model has high explanatory power for predicting Chinese consumers' behavioral intentions to accept Scandinavian brand hotels in Chinese market based on the goodness of model fit. COI and Product Beliefs Evaluations simultaneously influencing attitudes suggested by Knight and Calantone (2000)'s flexible model has been confirmed by our study.

The study also has found that COI is a better predictor of Attitudes, followed by Product Beliefs Evaluations and Group Conformity, while it doesn't has statistically significant unique contribution to predict Behavioral Intentions. For predicting Behavioral Intentions, Attitudes contributes most significant unique, followed by Personal Experience

and Group Conformity. Group Conformity is one of the three better predictors for both Attitudes model and Behavioral Intentions model, but it doesn't contribute the most significant unique to predict Attitudes and Behavioral Intentions. This finding is partially consistent with Chung and Pysarchik (2000), who also examined Lee's (1990) modified Fishbein and Ajzen's (1975) Behavioral Intention Model in their study. Alike with their study, our study has found that Face Saving and Group Conformity don't present as the more important determinants of Chinese consumers' behavioral intention than attitudes. By contrast, Lee and Green (1991) stated that consumers like Koreans, who generally were collectivists and influenced by Confucian culture, were more influenced in their consumer behavior by subjective norms than by attitudes (Chung & Pysarchik, 2000).

We supposed the same situation would apply to Chinese consumers. However, our study revealed that of the six antecedents, Attitudes was the most influential predictor of Behavioral Intention. This is not surprising. A few recent studies conducted in developing countries (i.e. China) have found an insignificant connection between subjective norm and purchase intention (Shen et al., 2003; Wang, 2006; Wu and Jang, 2008; as cited in Son et al., 2013). We adapted Lee's modified model and used Face Saving and Group Conformity instead of Subjective norm to see whether Chinese consumers would be significantly influenced by these two social norms pressure when they purchase Scandinavian brand products, but the results showed no significant affects as well. As the developing countries economic develop, urbanize, and integrate with Western culture, consumers in developing countries, such as China, perhaps become more individualistic in their life styles than before.



This phenomenon seems to widely spread in the younger populations as the economic develops and the country enters into the tide of globalization (Chung & Pysarchik, 2000; Son et al., 2013).

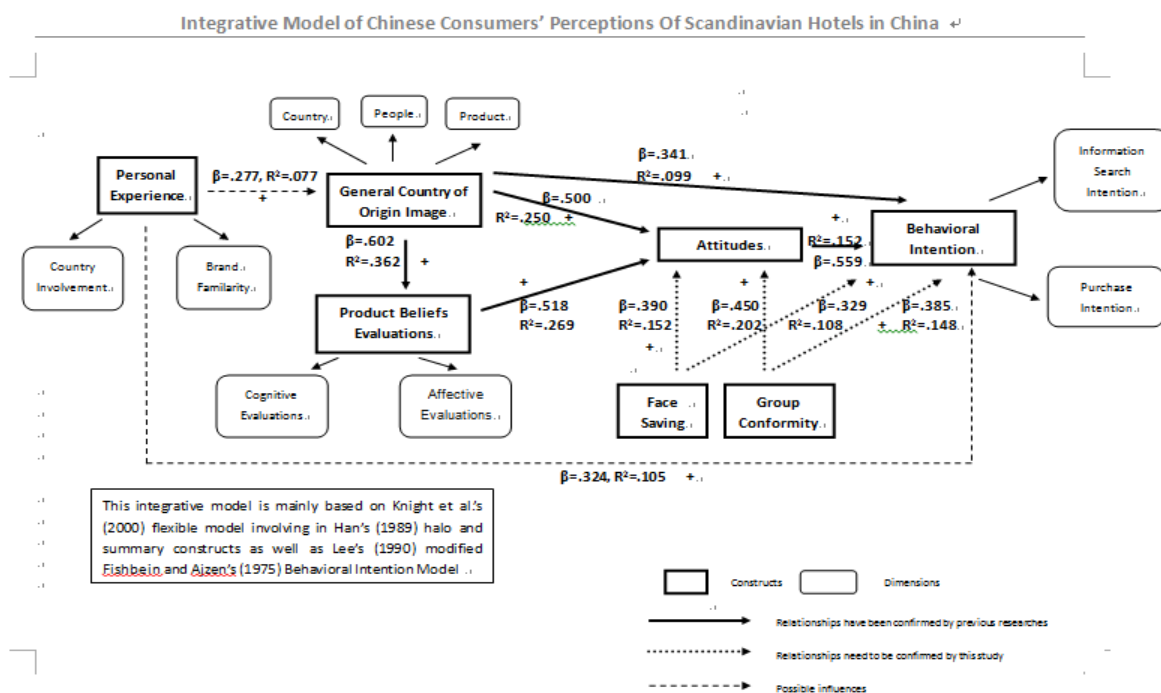
Although COI was the most influential predictor of Attitudes, when controlling for other five predictors, including Personal Experience, Product Beliefs Evaluations, Attitudes, Face Saving and Group Conformity, COI showed least impacts on Chinese consumers' Behavioral Intentions. Therefore, in our study, for Chinese consumers, COI is the most important factor for determining their attitudes toward a potential Scandinavian brand hotel in Chinese market, while their behavioral intentions to the Scandinavian brand hotels will be mostly influenced by their Attitudes, Personal Experience and Group Conformity pressure, rather than only relying on COI. And COO effects on Attitudes and Behavioral Intentions will be largely moderated by Product Beliefs Evaluations for the Scandinavian brand products they used before. These findings in our study are in accordance with D. Li et al. (2009)'s.

Overall then, COI does influence behavioral intentions (Knight & Calantone, 2000). Even though our findings revealed that COI predicted little directly to Chinese consumers' behavioral intentions, we believe because their attitudes were mainly influenced by COI, COI actually indirectly impacted on their behavioral intentions to Scandinavian brand hotels. This is consistent with the conclusions of D. Li et al. (2009).

Correlations between constructs in our research model also have been examined by testing hypotheses. We proposed 14 hypotheses, and examined 11 models to demonstrate the relationships between these constructs. All hypotheses have been confirmed and supported by

the data (see [Figure 20](#)). The verification of the hypotheses in this paper leads to the following five conclusions:

Figure 20.



- (1) COI and Product Beliefs Evaluations are two significant antecedents of Chinese consumers' attitudes toward Scandinavian brand hotels. They positively and simultaneously correlate with Attitudes. As either COI or either Product Beliefs Evaluations are perceived positive, Attitudes is going to positive as well. COI is also Product Beliefs Evaluations construct's significant antecedent, with positive correlations.
- (2) COI has a positive influence on Chinese consumer's behavioral intentions to Scandinavian brand hotels.

- (3) As the Chinese consumers' attitudes toward the potential Scandinavian brand hotel go higher, their behavioral intentions to it go higher as well.
- (4) Both Face Saving and Group Conformity have positive influences on Chinese consumers' attitudes toward and behavioral intentions to the potential Scandinavian brand hotels.
- (5) Personal Experience impacts on both COI and Behavioral Intentions positively. As the more Personal Experience in Scandinavia is, the higher Chinese consumers rate COI of Scandinavia and the higher they have behavioral intentions to Scandinavian brand hotels.

## Chapter 5 Conclusions and Limitations

### 5.1 Conclusions

This study has examined the underlying structure of Chinese consumers' behavioral intentions to accept Scandinavian brand hotels in Chinese market, based on Knight and Calantone (2000)'s flexible model involving in Han (1989)'s halo and summary constructs as well as Lee's (1990) revised Fishbein and Ajzen (1975)'s behavioral intention model. We have completed an in-depth literature review on massive studies of COO effect on consumers' product evaluations, attitudes toward products and their behavioral intentions. Because there are few studies on Scandinavian hotel brands globalization and expansion, and there are few studies on COO effect by using Scandinavia as the COO, we can't adopt an existing well-developed research model for our study. On the basis of different perspectives on COO effect, we tried to conceptualize an integrative model for investigating Chinese consumers' behavioral intentions to Scandinavian brand hotels in China. However, due to this integrative model's complexity, we predicted it was not practical to be utilized in our empirical study. A simplified research model was proposed to be used in our survey in China.

In general, our research model has an acceptable goodness of fit for Chinese consumers' behavioral intentions to accept Scandinavian brand hotels. Chinese consumers who hold positive attitudes toward the potential Scandinavian brand hotel have a greater intention to try it. Similarly, Chinese consumers who evaluate the Scandinavian brand products they have tried more positively also have more positive attitudes toward the potential

Scandinavian brand hotel. The components of social (cultural) pressure, face saving and group conformity, have a weaker influence either on attitudes and behavioral intentions than other predictors, such as COI, Product Beliefs Evaluations, and Personal Experience. Although COI has a great impact on Chinese consumers' attitudes, when they make the behavioral decisions, COO effect will be moderated by some other factors, such as Attitudes, Personal Experience, and Group Conformity. But we find that Attitudes are mainly influenced by COI; therefore, COI does impact on Chinese consumers' behavioral intentions to Scandinavian brand hotel indirectly. In addition, our samples show that Age groups and Regions, reached statistically significant differences between groups on the combined dependent variables.

## **5.2 Limitations**

There are several limitations that are inherent in this study. First, in the research model, construct and dimensions design was exposed weakness and faults in the process of extracting factors. Some construct, dimensions and items are needed to be removed or refined. Second, our samples come from the capital cities and municipalities in China; and we adopted convenient sample mixed snow-ball sample; therefore, the generalizability of our findings is doubted in other Chinese cities or different demographic structure, such as people from medium and small size cities. Third, demographic structure is not balanced, respondents from Guangzhou (the South China) accounted for the biggest portion. One-way MANOVA revealed that Age Group and Regions reached statistically significant differences between groups on the combined dependent variables, but we haven't gone deeper in conducting the

follow-up univariate analyses to identify where the significant differences lay. Forth, there are also many other possible factors that impact behavioral intentions, and there are also some more other kinds of behavioral intentions except for information search intention and purchase intention. However, the study does not control these factors and situations, which may affect the stability of research findings. Finally, the scenario depiction given to the respondents was very short, and there was no concrete introduction of the potential Scandinavian brand hotel, such as service, facilities, locations, price level, etc. The attitudes and behavioral intentions showed by the respondents were really general and superficial.

## Chapter 6 Implications and Recommendations

### 6.1 Implications

#### 6.1.1 Implications for theory.

First, the study utilized Scandinavia as COO and China as Country of Target (COT)<sup>4</sup> market, developing a COO effect scale in the context between Scandinavia and China, focusing on overall perspectives, consisting of consumers' personal experience, COI, Product Beliefs Evaluations, Attitudes and Behavioral Intentions. The scale is verified that it is acceptable for predicting Chinese consumers' attitudes and behavioral intentions to Scandinavian brand hotels. In addition, our study confirms that COO effect is common in the global business context. It is an essential factor that scholars need to consider when they study consumer purchase decision phenomenon. In Scandinavia, there are almost no studies on COO effect based on Scandinavia as COO and China as COT, our study and the research model can provide examine instruments for further studies of COO effect in the context between Scandinavian countries and China.

Second, the study examined two social (cultural) pressure, face saving and group conformity to verify their impacts on Chinese consumers' attitudes and behavioral intentions, which was reported by Lee and Green (1991) that people under Confucian culture (i.e. Chinese, Korean and Japanese) who generally were collectivists, were more influenced in their consumer behavior by subjective norms (face saving and group conformity) than by attitudes, not like Westerners (Chung & Pysarchik, 2000). However, our findings are in

accordance with Chung and Pysarchik (2000), which verified that face saving and group conformity had less impacts on Chinese young generations consumers' behavioral intentions than attitudes, just like most of Westerners. Our study perhaps confirms the change and consumption value Westernization of Chinese younger consumers.

At last, our research model incorporated with Knight and Calantone (2000)'s flexible model involving in Han (1989)'s halo and summary constructs as well as Lee's (1990) revised Fishbein and Ajzen (1975)'s behavioral intention model, demonstrating good integrations between COO effect and Fishbein and Ajzen (1975)'s behavioral intention model, and verifying COI having no direct impacts on consumers' behavioral intentions, but indirect impacts on it through product beliefs evaluations, attitudes, personal experience and social culture pressures (such as face saving and group conformity), which is in line with the findings of previous studies (D. Li et al., 2009).

### **6.1.2 Implications for management.**

#### ***6.1.2.1 Implications for Scandinavian hotel chains.***

China right now today is much more open to global business than before, especially in hotel industry. The Chinese hotel market is very inclusive to both domestic hotel brands and international hotel brands, as long as they can contribute valuable products to the consumers. In view of the pressures of Scandinavian hotel chains from limited market scale, highly cost human resources, narrow profiles of market level, and other development obstacles in the future, and in consideration of the advantages in mid-scale hotel market that



Scandinavian hotel chains have, perhaps Chinese hotel market is a considerable market for Scandinavian hotel chains to explore and develop there.

Our study suggests that Scandinavian hotel chains should learn about the Chinese consumers' perceptions of their country image before they enter into Chinese market. If Chinese consumers have positive COI on the company's COO, then it is possible to highlight the COO clearly in the market entry strategy. If it is opposite, downplaying the COO and utilizing corporate reputations, brand image and product beliefs to improve consumers' attitudes and behavioral intentions are better approaches for marketing strategy.

Fortunately, our study finds a positive impression by Chinese consumers of Scandinavia, their people and their brand products. They are also interested in trying Scandinavian brand hotels in China. The possibility for Scandinavia hotel chains to expand in China is positively evaluated. At least, it seems Chinese consumers who are young and middle class welcome Scandinavian brand hotels and they expect Scandinavian brand hotels most highly compared with hotels of other COO (such as Mainland China, USA, UK and Hong Kong) regarding to the similar price, facilities and locations in the same city in China. It is strongly proved that Scandinavian brand hotels which are good at middle level hotel products have a huge potential market in China.

#### ***6.1.2.2 Implications for other Scandinavian companies.***

COO effect is an essential factor in international business strategy. And COO effect is found in our study, indicating that Chinese consumers are also sensitive to COI, which is

the most significant determining factor when Chinese consumers form their attitudes toward Scandinavian brand hotels. For those Scandinavian companies which plan to enter into Chinese market, our study implicates that it is very important to investigate COI perceived by Chinese consumers before exploring China. It is crucial to know whether COI can be the advantages for marketing strategy. For those already developing in Chinese market, COI is not the only attraction for Chinese consumers. Their attitudes are also can be influenced by Product Beliefs Evaluations, social culture pressure and their own personal experience. The business success is actually resulting from the products themselves and effective sales and marketing strategies.

## **6.2 Recommendations**

### **6.2.1 Recommendations for Scandinavian hotel chains.**

To further investigation on Chinese consumers' perceptions of Scandinavian hotel brands, hotel brands' profiles are necessary to present with more details so that it can find out a more concrete opinions from Chinese consumers. Involving in other hotels attributes except for COO, is a more comprehensive approach to conduct a market research before entering into Chinese market. To cooperate with other corporates which have already been developing in Chinese market, can enlarge the effect of publicity. In addition, the entry mode of expansion in China is another significant research direction for globalization strategy.

### **6.2.2 Recommendations for further research.**

COO effect in Scandinavian academic marketing research is really rare. The research setting Scandinavia as COO and China as COT is barely found. As China is become a more

significant economic entity in the world, Scandinavian companies are estimated to have more and more chances to cooperate with China. However, no matter either in academic field research or in practical world reports, there is still a huge gap to be filled in. We appeal to the scholars in Scandinavia to contribute more findings for the marketing concentrating on COO effect so that it can help Scandinavian companies develop globally.

This study focused on the COO effect on Chinese consumers' attitudes toward and behavioral intentions to Scandinavian brand hotels. It would be challenging for future research to establish whether the findings in the study can apply to a wider category of Scandinavian brand products and services in China market, or in other COT. It is also needed to examine the effects from other factors, such as consumers' involvements, product knowledge, brand familiarity, product category familiarity, familiarity of COO, consumers' ethnocentrism, and animosity.

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**Footnote**

<sup>1</sup>Country of origin effect are being defined in Chapter 2.

<sup>2</sup>Hybird products are products that contain components or ingredients made in various countries (Baughn and Yapark, 1993, p. 90; as cited in Al-Sulaiti & Baker, 1998).

<sup>3</sup>Diplomatic crisis between China and Norway due to the Nobel committee's decision to award the Nobel Peace Prize to Chinese dissident Liu Xiaobo in 2010 that provoked the Chinese government. Chinese government blamed the Norwegian government for awarding the prize to someone the Chinese leaders viewed as a criminal. From that moment all top level contacts ceased between China and Norway. Although it is believed the new leadership in Chinese government seems to be interested in easing relations, it still takes time to heal (Berglund, 2011; Carlson, 2012; Håkonsen & Sandvik, 2014; Magnus, Lote, & Senel, 2014; Thomsen, 2013; TNP.no, 2013).

<sup>4</sup>The Country of Target (COT) is identified as the consumers' origin in the study of COO effect (C. W. Lee, 1997).

## Appendixes

## Appendix A: Some Scandinavian Brands Developing in China

Brand	COO	Product	The year entry into China	Offices in China	Website
Ericsson	Sweden	A world leader in the rapidly-changing environment of communications technology – providing equipment, software and services to mobile and fixed network operators all over the globe.	1892	Beijing	<a href="http://www.ericsson.com/">http://www.ericsson.com/</a> <a href="http://www.ericsson.com/cn">http://www.ericsson.com/cn</a>
Tetra Pak	Sweden	The world's leading food processing and packaging solutions company	1972	Shanghai	<a href="http://www.tetrapak.com/">http://www.tetrapak.com/</a> <a href="http://www.tetrapak.com/cn">http://www.tetrapak.com/cn</a>
Kjeldsens	Danmark	The world's number one premium butter cookie bakery	1977	Hong Kong	<a href="http://www.kjeldsens.com/en/home.html">http://www.kjeldsens.com/en/home.html</a> <a href="http://kjeldsens.tmall.com/">http://kjeldsens.tmall.com/</a>
Carlsberg	Danmark	The flagship brand in Carlsberg Group's portfolio of beers.	1978	Guangzhou	<a href="http://carlsberg.com/flash.html">http://carlsberg.com/flash.html</a> <a href="http://www.carlsberg.com/cn/">http://www.carlsberg.com/cn/</a>
Electrolux	Sweden	A global leader in household appliances and appliances for professional use	1987	Shanghai	<a href="http://www.electrolux.com/?redirect=no">http://www.electrolux.com/?redirect=no</a> <a href="http://www.electrolux.com/cn/">http://www.electrolux.com/cn/</a>
Volvo	Sweden	One of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Group also provides complete solutions for financing and service.	1992	Beijing	<a href="http://www.volvo.com/group/volvosplash-global/en-gb/Pages/volvosplash.aspx">http://www.volvo.com/group/volvosplash-global/en-gb/Pages/volvosplash.aspx</a> <a href="http://www.volvo.com/group/volvosplash-china/zh-cn/Pages/volvosplash.aspx">http://www.volvo.com/group/volvosplash-china/zh-cn/Pages/volvosplash.aspx</a>
Jotun	Norway	Various paint systems and products to protect and decorate surfaces in the residential, shipping and industrial markets.	1993	Guangzhou	<a href="http://www.jotun.com/">http://www.jotun.com/</a> <a href="http://www.jotun.com/cn/">http://www.jotun.com/cn/</a>
Only	Danmark	A fashion brand with a broad and international approach	1996	Beijing	<a href="http://www.only.com/">http://www.only.com/</a> <a href="http://www.only.cn/">http://www.only.cn/</a>
IKEA	Sweden	Designs and sells ready-to-assemble furniture (such as beds, chairs and desks), appliances and home accessories.	1997	Beijing	<a href="http://www.ikea.com/">http://www.ikea.com/</a> <a href="http://www.ikea.com/cn/zh/">http://www.ikea.com/cn/zh/</a>
ECCO	Danmark	A global family of shoemakers	1997	Shanghai	<a href="http://global.ecco.com/">http://global.ecco.com/</a> <a href="http://cn.ecco.com/">http://cn.ecco.com/</a>
Jack & Jones	Danmark	One of Europe's leading producers of menswear	2000	Tianjin	<a href="http://jackjones.com/">http://jackjones.com/</a> <a href="https://www.jackjones.com/cn/">https://www.jackjones.com/cn/</a>
VERO MODA	Danmark	The brand of choice for the fashion-conscious, independent young woman who wants to dress well and pay less	2001	Tianjin	<a href="http://www.veromoda.com/">http://www.veromoda.com/</a> <a href="http://veromoda.tmall.com/">http://veromoda.tmall.com/</a>
SAAB	Sweden	Cars	2004	Beijing	<a href="http://www.saabcars.com/">http://www.saabcars.com/</a> <a href="http://www.saabcars.com/zh/products/campaign/">http://www.saabcars.com/zh/products/campaign/</a>
Oriflame	Sweden	An international beauty company selling direct in more than 60 countries worldwide.	2004	Beijing	<a href="http://global.oriflame.com/landing.html?landing=V3">http://global.oriflame.com/landing.html?landing=V3</a> <a href="http://cn.oriflame.com/?WT.mc_id=lp_v3">http://cn.oriflame.com/?WT.mc_id=lp_v3</a>
Fjällräven	Sweden	To develop products that make it easier for people to enjoy the countryside.	2008	Beijing	<a href="http://www.fjallraven.com/?_ga=1.184811049.1879102969.1399637011">http://www.fjallraven.com/?_ga=1.184811049.1879102969.1399637011</a> <a href="http://www.fjallraven.cn/">http://www.fjallraven.cn/</a>
H & M	Sweden	Creates sustainable fashion for all, always at the best price.	2009	Shanghai	<a href="http://www.hm.com/entrance.ahm">http://www.hm.com/entrance.ahm</a> <a href="http://www.hm.com/cn/">http://www.hm.com/cn/</a>
Helly Hansen /HH	Norway	Producing oilskin jackets, trousers, sou'westers and tarpaulins, made from coarse linen soaked in linseed oil.	2009	Hong Kong	<a href="http://www.hellyhansen.com/">http://www.hellyhansen.com/</a>
Tuborg	Danmark	International brand enjoyed in more than 70 countries around the world.	2012	Chongqing	<a href="http://www.tuborg.dk/alderscheck">http://www.tuborg.dk/alderscheck</a> <a href="http://www.chongqingbeer.com/pr/0/fsb/20120906/094531.aspx">http://www.chongqingbeer.com/pr/0/fsb/20120906/094531.aspx</a>
Stokke	Norway	Provides worldwide distribution of premium children's furniture and equipment within the highchair, stroller, baby carrier, home textiles and nursery market segments.	2013	Shanghai	<a href="http://www.stokke.com/en_MT/home">http://www.stokke.com/en_MT/home</a> <a href="http://www.stokke.com/zh_CN/home">http://www.stokke.com/zh_CN/home</a>
Absolut Vodka	Sweden	One of the most well-known vodkas in the world.	Unspecified	Distributors	<a href="http://www.absolut.com/">http://www.absolut.com/</a> <a href="http://www.absolut.com/cn/">http://www.absolut.com/cn/</a>
Pergo	Sweden	Synonymous with floors to live with	Unspecified	Distributors	<a href="http://www.pergo.com/">http://www.pergo.com/</a> <a href="http://www.pergo.com/zh-cn/2/Home/">http://www.pergo.com/zh-cn/2/Home/</a>
Lego	Danmark	The world's third-largest manufacturer of toys.	Unspecified	Distributors	<a href="http://www.lego.com/">http://www.lego.com/</a> <a href="http://www.lego.com/zh-cn/">http://www.lego.com/zh-cn/</a>

## Appendix B: Review of Key Definitions of Country Image

Review of key definitions of country image.

<i>Definitions on (overall) country image (Col)</i>	
Bannister and Saunders (1978, p. 562)	"Generalized images, created by variables such as representative products, economic and political maturity, historical events and relationships, traditions, industrialization and the degree of technological virtuosity."
Desborde (1990, p. 44)	"Country-of-origin image refers to the overall impression of a country present in a consumer's mind as conveyed by its culture, political system and level of economic and technological development."
Martin and Eroglu (1993, p. 193)	"Accordingly, country image was defined as the total of all descriptive, inferential and informational beliefs one has about a particular country."
Kotler et al. (1993, p. 141)	"The sum of beliefs and impressions people hold about places. Images represent a simplification of a large number of associations and pieces of information connected with a place. They are a product of the mind trying to process and pick out essential information from huge amounts of data about a place."
Askegaard and Ger (1998, p. 52)	"Schema, or a network of interrelated elements that define the country, a knowledge structure that synthesises what we know of a country, together with its evaluative significance or schema-triggered affect."
Allred et al. (1999, p. 36)	"The perception or impression that organizations and consumers have about a country. This impression or perception of a country is based on the country's economic condition, political structure, culture, conflict with other countries, labor conditions, and stand on environmental issues."
Verlegh and Steenkamp (1999, p. 525)	"Mental representations of a country's people, products, culture and national symbols. Product-country images contain widely shared cultural stereotypes."
Verlegh (2001, p. 25)	"A mental network of affective and cognitive associations connected to the country."
<i>Definitions on product-country image (PCI)</i>	
Hookey et al. (1988, p. 67)	"Stereotype images of countries and/or their outputs [...] that [...] impact on behaviour."
Li et al. (1997, p. 116)	"Consumers' images of different countries and of products made in these countries."
Knight and Calantone (2000, p. 127)	"Country-of-origin image (COI) reflects a consumer's perceptions about the quality of products made in a particular country and the nature of people from that country."
Jaffe and Nebenzahl (2001, p. 13)	"Brand and country images are similarly defined as the mental pictures of brands and countries, respectively."
Nebenzahl et al. (2003, p. 388)	"Consumers' perceptions about the attributes of products made in a certain country; emotions toward the country and resulted perceptions about the social desirability of owning products made in the country."
Papadopoulos and Heslop (2003, p. 404)	"Product-country images (PCIs), or the place-related images with which buyers and/or sellers may associate a product"
<i>Definitions on (country-related) product image (PI)</i>	
Nagashima (1970, p. 68)	"'Image' means ideas, emotional background, and connotation associated with a concept. Thus, the 'made in' image is the picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country."
Narayana (1981, p. 32)	"The aggregate image for any particular country's product refers to the entire connotative field associated with that country's product offerings, as perceived by consumers."
Han (1989, p. 222)	"Consumers' general perceptions of quality for products made in a given country."
Roth and Romeo (1992, p. 480)	"Country image is the overall perception consumers' form of products from a particular country, based on their prior perceptions of the country's production and marketing strengths and weaknesses."
Bilkey (1993, p. xix)	"Buyers' opinions regarding the relative qualities of goods and services produced in various countries"
Strutton et al. (1995, p. 79)	"Composite 'made in' image consisting of the mental facsimiles, reputations and stereotypes associated with goods originating from each country of interest."

*Note.* Derived from "Advancing The Country Image Construct" by Katharina P Roth and Adamantios Diamantopoulos, 2009. *Journal of Business Research*, 62 (7), p. 727. Copyright 2008 by Elsevier Inc.

**Appendix C: Key Literature Review List of COO Effect Studies by Authors**

No.	Article	Publish Year	Author(s)	Theory	Construct /Concept	Dimension(s)	Related Item No.	Sample Collection	Brand COO	Brand Type	Measurement Scales
1.	A flexible model of consumer country of origin perceptions (A cross-cultural investigation)	2000	Knight, Gary A; Calantone, Roger J	Country of origin; Based on Han's (1989) Halo Model	Country image	COI-People	9	310 Japan university students and 349 households; 255 USA university students	Germany Japan USA	Motomobile	7-point Likert Scale
					COI-Product	5					
					Beliefs	Evaluation of a specified product	5				
					Attitudes	Willingness to purchase the product	6				
2.	A study on the influence of country image on purchase intention of Chinese consumers based on Fishbein's model of reasoned action: Focused on USA, Germany, Japan and South Korea	2009	Li, Dongjin Et al.	Country of origin; country image; Purchase Intension Based on Fishbein's (1975) model and An's (2003) model	Country Image	COO-Country	11	1,257 Residents In Shanghai, Beijing, Wuhan, Qingdao of China	USA Germany Japan South Korea	Car, Cell Phone, Athletic Apparel	5-point Likert Scale
					COO-People	11					
					COO-Product	7					
					Functional Appraisal	Product functional appraisal	7				
					Symbolic Appraisal	Product symbolic appraisal	7				
					Brand Attitude	Evaluation of brand	2				
					Subjective Norm	Relatives & Friends attitudes	1				
					Purchase intention	Willingness to buy	3				
3.	Activation of	2013	Marc	Country	Cognitive	Utilitarian	5	E1: 270	Germany	Juice	7-point



	country stereotypes: automaticity, consonance, and impact		Florian Herz & Adamantios Diamantopoulos	Stereotypes; Country of Origin Effects; Cognitive Dissonance	brand evaluations	attitude toward the brand		E2:180 E3:306 Austrian consumers	Italy Switzerland Brazil	Car	Likert Scale
						Quality of the brand	7				
						Brand trust	4				
				Affective brand evaluations		Hedonic attitude toward the brand	5				
						Love toward the brand	3				
						Brand affect	3				
						Overall affective response	3				
				Brand-related behavior		Purchase intention	5				
						Word-of-mouth (Positive)	3				
				Covariates/controls		Category involvement	6				
						Knowledge of the product	3				
						Familiarity with the COO	1				
						Country image	4				
						Overall country perception and liking	3				
					Perceived importance of the COO	1					

					Manipulation check variables	Authenticity	1					
							Country stereotype	1				
							Advertising execution format	1				
4.	An Integrative Model of Place Image: Exploring Relationships between Destination, Product, and Country Images	2010	Statia Elliot, Nicolas Papadopoulos, & Samuel Seongseop Kim	Place Image; Tourism destination image; product-country image Based on structural equation modeling	Cognitive country image	Quality of life		349 Korean consumers	USA Japan	Travel Destination Overall product	7-point bipolar adjective scales	
						Wealth						
						Technology level						
						Education level						
					Affective country image	Pleasant						
						Friendly						
						Safe						
						Trustworthy						
					Product familiarity	Use products						
						Easy to find						
						Satisfaction						
					Destination familiarity	Country knowledge						
					Product beliefs	Quality						
						Workmanship						
						Innovativeness						
Value for money												
Destination Beliefs	Scenery											
	Attractions											
	Activities											
	Value for money											
Product receptivity	Welcome more imports											
	Willing to buy											
	Proud to own											

					Destination receptivity	Willing to travel					
						Ideal country					
5.	Brand-country of origin (COO) knowledge and COO image: investigation in an emerging franchise market	2004	Audhesh K. Paswan and Dheeraj Sharma	Internationa l marketing, Franchising, Brand managemen t, Country of origin	General Country Attributes	Public at large	5	695 Indian consumers from 5 major cities in India	USA Germany, Japan, South Korea	Internationa l Franchised fast-food restaurants; Beverage	5-point Likert Scale
						Similarity	3				
					General Product Attributes	Product-negati ve	4				
						Product-charac ter	4				
						Product-value	3				
Product-marke t	3										
6.	Consumers’ purchase intention toward foreign brand goods	2013	Junghwa Son & ByoungHo Jin; Bobby George	Purchase behavior, Lee’s (1990) modified Fishbein behavioral intention model, Foreign brand goods, Brands, Consumer behavior	Actual purchase		2	210 Indian colleage students	Czech Republic UK Germany Spain USA France Italy Switzerlan d Netherlan ds Canada Hong Kong Mainland China Belgium	Jeans	7-point Likert Scale
					Importance of product attributes		8				
					Belief toward foreign brand products		8				
					Subjective norm		4				
					Perceived behavioral control		2				
					Purchase intention		2				
					Face saving		2				

					Group conformity		2				
7.	Country of Origin (COO) effect on Chinese consumers' Evaluation of New Zealand Milk Powder	2011	MM Luo	Country Image; Country of Origin Effect; Country Stereotype; Etc.	Country Image		1	200 females from 4 regions in China	Australia Holland USA New Zealand France China	Milk Powder	Open-ended text answers; 7-point Likert Scale
					Country Stereotype		1				
					Personal Belief		1				
					Consumer ethnocentrism		10				
					Country-specific animosity		6				
					Importance of product attributes		8				
					Country-specific product attributes		9				
					Purchase intention		3				
8.	Effects of Brand Local and Nonlocal Origin on Consumer Attitudes in Developing Countries	2000	Rajeev Batra; Venkatram Ramaswamy; Dana L. Alden; Jan-Benedict E. M. Steenkamp; S. Ramachander	Country of Origin; Developing countries; Quality Halo	Perceived Brand Characteristics	Perceived brand local/nonlocal origin	4	508 urban residents in two largest cities in India	Non-specified Foreign countries	laundry detergents, wristwatches, soft drinks, light bulbs, toothpaste, washing machines, tea, and TV sets	7-point Likert Scale
						Brand quality	3				
						Brand image	1				
						Brand availability	2				
						Brand familiarity	3				
						Prior experience with brand	1				

					Individual Difference Variables	Consumer ethnocentrism	4				
						Susceptibility to normative influence	3				
						Admiration of economically developed countries lifestyles	2				
						Brand attitudes	2				
					Perceived Category Characteristics	Category familiarity	1				
						Category perceived risk	2				
						Category social signaling value	1				
9.	Market entry using country-of-origin intelligence in an emerging market	2007	Hina Khan & David Bamber	Market entry, Consumer behavior, Country of origin, Emerging markets	Country of origin		5	322 Pakistani respondents from elite families	Non-specified Foreign countries	General expensive products and less expensive product	5 point Likert Scale
					Quality		5				
					Luxury purchase		2				
					Inexpensive purchase		1				
10.	People's Perceptions of Foreign Hotel Chains in China's Market: An Empirical Study of the Effects of Country-of-	2002	Lianxi Zhou, Lain Murray & Brian Zhang	Country-of-origin, Corporate identity, foreign hotels, Service perception		Hong Kong Hotel	4	96 university students in China	Hong Kong USA Japan	Hotel Service	7-point Likert Scale
					Employee Competence	USA Hotel					
						Japan Hotel					
					Comfortablen	Hong Kong	3				

	Origin and Corporate Identity				ess of Stay	Hotel						
						USA Hotel						
						Japan Hotel						
					Service Reliability	Hong Kong Hotel	2					
						USA Hotel						
						Japan Hotel						
11.	Pioneering advantage and product-country image: evidence from an exploratory study in China	2007	Hongzhi Gao & John Knight	Emerging economies, COO, Buyer behavior	Country Beliefs			5 decision makers in super market chains (2 local, 3 international); 7 importers and distributors; 2 executive chefs in 5 star hotels; 1 western food provider; two provided government policy comments in 3 major cities in China	New Zealand and such as Japan, USA, Australia, France, etc.	Food, wine & beverage	In-depth personal interview; open-ended questionnaire	
					People affect							
					Desired interaction							
					Country image							
					Product beliefs	Price						
						Brand						
Pioneering status												
Product evaluation												
12.	Product-country images the role of country image in consumers' prototype product	1997	Chan Woo Lee	Country image; Country of Origin; Product Image; Attitude	Country Image	Political	3	320 undergraduate students in UK, USA, Hong Kong and Australia	Germany, Italy, South Korea; Malaysia	Car	Nagashima's 7-point semantic differential scales	
						Economic	4					
						Technological Advancement	3					
						Social Desirability	4					
					Product	Quality	1					

	evaluations				Image	Design	2				
						Prestige	3				
						Price	1				
						Technical Advancedness	4				
					Attitude	Purchase Willingness	1				
13.	The Animosity Model of Foreign Product Purchase: An Empirical Test in the People's Republic of China	1998	Jill Gabrielle Klein, Richard Ettenson, & Marlene D. Morris	Animosity model of foreign product purchase, Consumers' Attitudes	Product Quality Judgement		6	244 consumers in Nanjing, China	Japan	Non-specified products	7-point Likert Scales
					Willingness to buy		6				
					Consumer Ethnocentrism		6				
					Animosity	General	1				
						War	3				
Economic	5										
14.	Consumer knowledge and country of origin effects	1995	Anja Schaefer	Country of Origin; Consumer knowledge	Brand Familiarity		3	100 consumers in south-east England	Australia Belgium Czech Republic Denmark Germany Netherlands UK	Alcoholic beverage: Lager	7-point Semantic-Differential scales
					Objective product-country knowledge		3				
					Subjective product class knowledge		1				
15.	A Comparison of Japanese and U.S. Attitudes Toward	1970	Akira Nagashima	Consumer Attitude; Purchase Behavior; Country of	Price & Value		6	Survey 1: 230 Minnesota businessmen in USA;	USA Japan English Germany Italy	Made-in Lable products	7-point Semantic differential scales
					Service & Engineering		5				
					Advertising & Reputation		3				

	Foreign Products			Origin;	Design & Style		3	Survey 2:100 Tokyo businessmen in Japan	France		
					Consumers' Profile		3				
16.	Measuring a Multi-Dimensional Construct: Country Image	1993	Ingrid M. Martin & Sevgin Eroglu	Country Image	Political Dimension		5	Test 1: 230 undergraduate students in USA; Test 2: 160 students in USA; Test 3: 158 students in USA	USA West Germany India	General Country Image; General Product Image	7 point scale bipolar items
					Economic Dimension		5				
					Technological Dimension		4				
17.	The Choice of Image Studies Survey Mode in Country Image Studies	1994	C. Min Han, Byoung-Wo Lee & Byoung-Wo Lee	Country Image, Consumer Attitude, Purchase Intention	Product Attributes	Technical Advancement Prestige Value Workmanship Price Reliability	14	360 individuals in a Midwestern U.S. city	Japan Brazil USA	Camera Automobile	7-point semantic differential scales
					Subject's Attitudes		1				7-point scale
					Subject's purchase intention		1				5-point scale
18.	Country-of-origin image: measurement and cross-national testing	2005	Arun Pereiraa, Chin-Chun Hsub, & Sumit K. Kundub	Country of Origin, Consumer Choice Behavior, Country	General Country Attributes		12	135 graduate business students in Taiwan, 129 in Mainland China and	USA Germany	Automobile	10-point Likert Scale
					General Product Attributes		18				



				Image	Specific Product Attributes			111 in India			
19.	The influence of the country-of-origin in image, product knowledge and product involvement on consumer purchase decisions: an empirical study of insurance and catering services in Taiwan	2006	Long-Yi Lin and Chun-Shuo Chen	Country-of-Origin, Consumer Behavior	Country of Origin Image		8	369 consumers from Taiwan	Taiwan China USA	Insurance Catering Service	7-point Likert Scale
					Product Knowledge		5				
					Product involvement		6				
					Consumer purchase decision		6				
20.	The interactive influence of country of origin of brand and product involvement on purchase intention	2010	Gerard P. Prendergast and Alex S.L. Tsang & Cherry N.W. Chan	Country of Origin, Brand, Consumer Behavior	Purchase intention		3	168 young adults in Hong Kong	South Korea Japan	Computer	7-point Semantic differential scale
					Personal involvement		10				
21.	Towards an integrative	2011	Oscar Marti'n	Brand Awareness,	Consumer and brand	Consumer characteristics	2	891 responses	19 countries	15 product categories	7-point Likert Scale

	framework of brand country of origin recognition determinants A cross-classified hierarchical model		Marti'n, & Julio Cervin~o	Country of Origin	characteristic s	Consumer-bran d characteristics	2	from 60 countries; retained 349 respondents			
						Brand characteristics	2				
					Product category and country characteristic s	Product category characteristics	2				
						Country characteristics	1				
22.	Effects of partitioned country image in the context of brand image and familiarity A categorization theory perspective	1999	Dongdae Lee & Gopala Ganesh	Brand Image, Consumer Behavior, Country of Origin, Internationa l market	Country Image	Country	4	1536 USA households	Canada Mexico	TV VCR	9-point Likert Scale
						People	7				
					Specified Product Evaluation	15					
					Overall Attitude	5					
23.	Facets of Country of Origin Image: An Empirical Assessment	1994	Ravi Parameswar an and R. Mohan Pisharodi	Country of Origin; Country Image	General Country Attributes		12	678 adults in Midwestern large metropolitan area in USA	German South Korea	Car Blender	10-point scale
					General Product Attributes		18				
					Specified Product Attributes		10				

## Appendix D: Constructs and Dimensions for Online Survey with References

Constructs	Dimensions	Sub-dimensions	Items	Measurements	References
<b>Independent Variables</b>					
<b>Personal Experience</b>	Country Involvement		1) I have a strong interest in Scandinavian countries	7-point Likert Scale	Laurent & Kapferer (1985b); Mittal & Lee (1989); Herz & Diamantopoulos (2013)
	Brand Familiarity		1) The following brands are Scandinavian famous brands which are also well developing in China: (1) Ericsson (2) Volvo (3) SAAB (4) Electrolux (5) IKEA (6) Tetra Pak (7) H & M (8) Absolut Vodka (9) Fjällräven (10) Orflame (11) Pergo (12) Lego (13) ECCO (14) Only (15) Jack & Jones (16) VERO MODA (17) Kjeldsens (18) Carlsberg (19) Tuborg (20) Jotun (21) Helly Hansen /HH (22) Stokke I am familiar with the Scandinavian brands above.	7-point Likert Scale	Batra, Ramaswamy, Alden, Steenkamp & Ramachander (2000); Schaefer (1997)
			2) How often do you use any brand's products above?	7-point semantic differentials	Shim, Eastlick, Lotz & Warrington (2001)
<b>Country Image</b>	Overall Country	Political	1) Dictatorial vs. Democratic System	7-point semantic differentials	Martin & Eroglu (1993); Parameswaran & Pisharodi (1994); Lee (1997)
		Economic	1) Economically Underdeveloped vs. Economically Developed 2) Low Standard of Living vs. High Standard of Living		
		Technological Advancement	1) Low Level of Technological Research vs. High Level of Technological Research		
	Overall People		1) Unfriendly vs. Friendly	7-point semantic	Parameswaran &

Constructs	Dimensions	Sub-dimensions	Items	Measurements	References
	Overall Product		2) Uneducated vs. Well-Educated 3) Untrustworthy vs. Trustworthy 4) Conservative vs. Creative 5) Inconsiderate vs. Considerate	differentials	Pisharodi (1994); Laroche, Papadopoulos, Heslop & Mourali (2005);
		Price & Value	1) Bad Value For Money vs. Good Value For Money 2) Unreliable vs. Reliable 3) Common vs. Exclusive	7-point semantic differentials	Nagashima (1970); Parameswaran & Parameswaran & Yaprak (1987); Pisharodi (1994); Lee (1997);
		Consumers' Profile	1) Lower Class vs. Upper Class	7-point semantic differentials	Nagashima (1970); Parameswaran & Yaprak (1987); Parameswaran & Pisharodi (1994);
	Relationship with China	Scandinavian countries	1) Friendly to us	7-point Likert Scale	Lee & Ganesh (1999); Li, Ahn, Zhou & Wu (2009);
<b>Product Beliefs (Based on personal experience)</b>	Cognitive Evaluations	Product Functional Appraisal	1) Well-Designed	7-point Likert Scale	Nagashima (1970); Lee (1997); Knight & Calantone (2000);
		Product Symbolic Appraisal	1) Trendy 2) Highly Prestigious 3) The brand(s) is (are) safe	7-point Likert Scale	Parameswaran & Yaprak (1987); Lee (1997); Li, Murray & Scott (2000); Li, Ahn, Zhou & Wu (2009) Chaudhuri &

Constructs	Dimensions	Sub-dimensions	Items	Measurements	References
					Holbrook (2001); Herz & Diamantopoulos (2013)
	Affective Evaluations	Hedonic Attitude toward the Brand(s)	1) Unenjoyable/Enjoyable	7-point semantic differentials	Voss, Spangenberg & Grohmann (2003); Herz & Diamantopoulos (2013)
		Brand Affect	1) The brands really make(s) me look good in front of my friends.	7-point Likert Scale	Chaudhuri & Holbrook (2001); Batra, Ramaswamy, Alden, Steenkamp & Ramachander (2000); Herz & Diamantopoulos (2013)
<b>Face Saving</b>			1) My decision to buy the Scandinavian brands would be influenced by whether owning them would hurt my reputation with the people who are important to me	7-point Likert Scale	Lee (1990); Chung & Pysarchik (2000); Son, Jin & George (2013)
<b>Group Conformity</b>			1) The decision to buy the Scandinavian brands would be influenced by whether owning them would make me fit in with other people	7-point Likert Scale	Lee (1990); Chung & Pysarchik (2000); Son, Jin & George (2013)
<b><i>Dependent Variables</i></b>					

Constructs	Dimensions	Sub-dimensions	Items	Measurements	References
<b>Attitudes</b>	Scenario: An introduction of a Scandinavian hotel chain (fictitious name)		1) I think my general impression of this brand would be good 2) I think the overall quality of this brand would be high 3) I think the style of this brand would be trendy 4) I think the technical design of the hotel would be innovative 5) I think I would be interested in this brand 6) I think many other Chinese consumers would like this brand	7-point Likert Scale	Nagashima (1970);s Lee (1997); Lee & Ganesh (1999); Batra, Ramaswamy, Alden, Steenkamp & Ramachander (2000); Chung & Pysarchik (2000); Knight & Calantone (2000)
			7) Suppose hotel brands (all are unknown brands) of mainland China, USA, UK, Hong Kong and Scandinavian countries had their operating hotels in the same city in China with equal facilities, price and locations, what would be your attitude toward purchasing a hotel service from each of the above countries if you needed to stay in this city?	7-point semantic differentials	
<b>Product Receptivity</b>	Information Search Intention		1) I would be interested in learning more about this hotel brand	7-point Likert Scale	McQuarrie and Muson (1992); Lin & Chen (2006)
	Purchase Intention		1) I am willing to try this brand	7-point Likert Scale	Orbaiz & Papadopoulos (2003); Elliot, Papadopoulos & Kim (2011); Herz & Diamantopoulos (2013)

**Appendix E: Online Survey Questionnaire**

**Chinese Consumers' Perceptions of Scandinavian Countries Questionnaire (English Version)**

Dear Madam or Sir,

Thanks so much for participating in this survey.

We are surveying Chinese consumers' perceptions of Scandinavian countries (Denmark, Norway and Sweden), their products and services. This survey needs your opinions and feelings about Scandinavian countries images, evaluations of brand products and services, attitudes towards them, as well as purchase intention. In addition, we are also interested in your attitudes to potential a Scandinavian hotel chain in Chinese market.

Your answers are anonymous and no individual response will be identifiable. And there is no right or wrong answer. We are only interested in your perceptions and give us your first assessment on each item. The questionnaire will take around 10 minutes to complete.

*\*This survey is a part of the master dissertation of Yuyu Zheng and Zhi Zhang, who are from Norwegian School of Hotel Management in University of Stavanger. The purpose of the research is to understand Chinese consumers' evaluation of Scandinavian brand products. Feel free to contact [yuyu.taobao@163.com](mailto:yuyu.taobao@163.com) for any question about the survey.*

Thanks for your support again!

Q1. What is your personal experience with Scandinavian countries? (If you thought you neither disagree nor agree with the statement, please select 4. If your feeling were stronger in either direction, you might use a 1, 2 or 3, or a 5, 6 or 7).	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
A1. I have a strong interest in Scandinavian countries	①	②	③	④	⑤	⑥	⑦
A2. The following brands are Scandinavian famous brands which are also well developing in China: (1) Ericsson (2) Volvo (3) SAAB (4) Electrolux (5) IKEA (6) Tetra Pak (7) H & M (8) Absolut Vodka (9) Fjällräven (10) Oriflame (11) Pergo (12) Lego (13) ECCO (14) Only (15) Jack & Jones (16) VERO MODA (17) Kjeldsens (18) Carlsberg (19) Tuborg (20) Jotun (21) Helly Hansen /HH (22) Stokke I am familiar with the Scandinavian brands above.	① Strongly	② Quite	③ Slightly	④ Neither Nor	⑤ Slightly	⑥ Quite	⑦ Strongly
A3. How often do you use any brand's products above?	① Never	②	③	④	⑤	⑥	⑦ Frequently





Q3. What are your evaluations of products from Scandinavian countries based on your personal experience? (If you haven't tried any of Scandinavian brand products before, you can skip this part).	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
C1. The products I have tried from Scandinavian countries are well-designed.	①	②	③	④	⑤	⑥	⑦
C2. The products I have tried from Scandinavian countries are very trendy.	①	②	③	④	⑤	⑥	⑦
C3. The products I have tried from Scandinavian countries are highly prestigious.	①	②	③	④	⑤	⑥	⑦
C4. The brand(s) is (are) safe.	①	②	③	④	⑤	⑥	⑦
<b>Part 2 Affective Evaluations</b>	<b>Strongly</b> ←	<b>Quite</b>	<b>Slightly</b>	<b>Neither</b>	<b>Slightly</b>	<b>Quite</b>	<b>Strongly</b> →
C5. What are your sensations of products you have tried from Scandinavian countries?	① Unenjoyable	②	③	④	⑤	⑥	⑦ Enjoyable
C6. The Scandinavian brands really make(s) me look good in front of my friends.	①	②	③	④	⑤	⑥	⑦

Q4. Please give your opinion on each of the following statements	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
F1. My decision to buy the Scandinavian brands would be influenced by whether owning them would hurt my reputation with the people who are important to me	①	②	③	④	⑤	⑥	⑦
G1. The decision to buy the Scandinavian brands would be influenced by whether owning them would make me fit in with other people	①	②	③	④	⑤	⑥	⑦

Q5. What are your attitudes towards a potential Scandinavian hotel in Chinese market?	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
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**Scenario:**

Rooted in Scandinavian culture and lifestyle, Scandinavian Choice is one of the leading hotel chains in Nordic region. With an over 50 years' history, today Scandinavian Choice has hotels in operation or under development all across the Nordic region, as well as in some European destinations, totally with over 200 hotels in 8 countries. Its commitment to offering quality assurance has earned a high reputation in Nordic region. Scandinavian Choice is enthusiastic about public benefits and communities. She currently sponsors for sports associations and sports events, as well as a breast cancer campaign and with donating money to a child support center. In addition, she aims to contribute to a socially and ecologically sustainable society. She collaborates with The Natural Step on sustainability and environmental issues.

Scandinavian Choice is going to manage several smart hotels in major cities of China in the near future. She wants to introduce a concept of Scandinavian lifestyle to consumers in China, and she look forward to contributing to an ecologically sustainable society in Chinese hotel market.

J1. I think my general impression of this brand would be good	①	②	③	④	⑤	⑥	⑦
---	---	---	---	---	---	---	---

Q5. What are your attitudes towards a potential Scandinavian hotel in Chinese market?	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
J2. I think the overall quality of this brand would be high	①	②	③	④	⑤	⑥	⑦
J3. I think the style of this brand would be trendy	①	②	③	④	⑤	⑥	⑦
J4. I think the technical design of the hotel would be innovative	①	②	③	④	⑤	⑥	⑦
J5. I think I would be interested in this brand	①	②	③	④	⑤	⑥	⑦
J6. I think many other Chinese consumers would like this brand	①	②	③	④	⑤	⑥	⑦
J7. Suppose hotel brands (all are unknown brands) of mainland China, USA, UK, Hong Kong and Scandinavian countries had their operating hotels in the same city in China with equal facilities, price and locations, what would be your attitude toward purchasing a hotel service from each of the above regions if you needed to stay in this city?	<b>Strongly Unfavorable</b>	<b>Unfavorable</b>	<b>Somewhat Unfavorable</b>	<b>Neutral</b>	<b>Somewhat Favorable</b>	<b>Favorable</b>	<b>Strongly Favorable</b>
(1) Mainland China	①	②	③	④	⑤	⑥	⑦
(2) USA	①	②	③	④	⑤	⑥	⑦
(3) UK	①	②	③	④	⑤	⑥	⑦
(4) Hong Kong	①	②	③	④	⑤	⑥	⑦
(5) Scandinavian countries	①	②	③	④	⑤	⑥	⑦

Q6. What are your brand-related behaviors towards this Scandinavian hotel in Chinese market?	Strongly Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Strongly Agree
K1. I would be interested in learning more about this hotel brand	①	②	③	④	⑤	⑥	⑦
K2. I am willing to try this brand	①	②	③	④	⑤	⑥	⑦

Q7. Demographic Information (Single-Choice)
O1. Gender
(1) Male
(2) Female
O2. Age
(1) 18-24
(2) 25-34
(3) 35-44
(4) 45-54
(5) 55 or above
O3. Education Level
(1) Less than High School
(2) High School Graduate or Vocational School Graduate
(3) College Degree

**Q7. Demographic Information (Single-Choice)**

- (4) Bachelor's Degree
  - (5) Master's Degree
  - (6) Doctorate's Degree or above
  - (7) Other
- O4. Marital Status
- (1) Single
  - (2) Married
  - (3) In a relationship/Engaged
  - (4) Other
- O5. Children Situation
- (1) None
  - (2) One
  - (3) Two or more
- O6. Employment Situation
- (1) Employed for wages and not working at home (If you choose this item, it is needed to fill in O7 as well)
  - (2) Self-employed
  - (3) Working at home (e.g. homemaker, free-lancer)
  - (4) Student
  - (5) Retired
  - (6) Out of work
  - (7) No need to work for wages or Unable to work
  - (8) Other
- O7. Position
- (1) Intern or Trainee
  - (2) Employee
  - (3) Junior Manager
  - (4) Intermediate Manager
  - (5) Senior Manager
  - (6) Executive Leader
  - (7) Professional (e.g. teacher, lecturer, medical worker, lawyer, administrative officer in government sector, military, engineer, technical worker, etc.)
  - (8) Researcher (e.g. university professor, institute researcher, consultant, etc.)
  - (9) Other
- O8. Gross Annual Income
- (1) Under RMB 60,000

**Q7. Demographic Information (Single-Choice)**

- (2) RMB 60,000-RMB 120,000
- (3) RMB 120,001-RMB 180,000
- (4) RMB 180,001-RMB 240,000
- (5) RMB 240,001-RMB 300,000
- (6) Over RMB 300,000

**O9. Living Region**

- (1) Beijing
- (2) Shanghai
- (3) Guangzhou
- (4) Chongqing
- (5) Other

**Chinese Consumers' Perceptions of Scandinavian Countries Questionnaire****中国消费者对于斯堪的纳维亚国家的感知度调查问卷 (Chinese Version)**

尊敬的女士或先生，

您好！十分感谢您抽空参与此份调查。

这是一份针对中国消费者对**斯堪的纳维亚国家**（即**丹麦，挪威及瑞典，下称北欧三国**）的感知度调查，包括对于它们的国家形象、产品及服务印象的看法。此问卷需要征求您对于这些国家的总体形象、它们的产品以及服务的总体评价。另外，我们同时也希望获知到您对某一潜在于中国发展的斯堪的纳维亚酒店集团的态度以及购买其服务的意向。

您的回复是匿名的，并且不会因此识别到您的个人身份。答案不分对错，我们只对您的个人感知有兴趣。请根据您的第一感知选择能反映您意见的陈述。此份问卷大约需要 **10** 分钟完成。

*\* 此份调查是挪威斯塔万格大学酒店管理学院学生郑钰瑜及张智硕士学位毕业论文的一部分。此份调查的目的是了解中国消费者对斯堪的纳维亚国家品牌产品的消费评估。如果您对此调查有任何疑问，欢迎随时联系以下邮箱：[yuyu.taobao@163.com](mailto:yuyu.taobao@163.com)*

再次感谢您同意参加此次调查！

Q1. 您对于北欧三国有哪些个人体验? (如果您既不同意也不反对以下的陈述, 请选择相对应的④。如果您感到任何一边的描述更符合您的意见, 您则可以选择①, ②,③ 或者⑤, ⑥, ⑦)	非常不同意	不同意	比较不同意	既不同意也不反对	比较同意	同意	非常同意
A1. 我对北欧三国很感兴趣。	①	②	③	④	⑤	⑥	⑦
A2. 以下为北欧三国在华发展的著名品牌: (1) Ericsson 爱立信 (2) Volvo 沃尔沃 (3) SAAB 萨博 (4) Electrolux 伊莱克斯 (5) IKEA 宜家 (6)Tetra Pak 利乐 (7) H & M海恩斯莫里斯(8) Absolut Vodka 绝对伏特加 (9) Fjällräven 北极狐 (10) Oriflame 欧瑞莲 (11) Pergo 柏丽地板 (12) Lego 乐高 (13) ECCO 爱步 (14) Only (15) Jack & Jones 杰克.琼斯(16) VERO MODA (17) Kjeldsens 丹麦蓝罐 (18) Carlsberg 嘉士伯 (19) Tuborg 乐堡 (20) Jotun 佐敦漆 (21) Helly Hansen /HH 海丽汉森 (22) Stokke 思多嘉儿 我对以上来自北欧三国的品牌熟悉。	① 非常	② 相当	③ 比较	④ 既不 也不	⑤ 比较	⑥ 相当	⑦ 非常
A3. 我使用以上任意一种品牌的产品频率为	①从不	②	③	④	⑤	⑥	⑦频繁地

Q2. 您对于北欧三国有哪些感知? (如果您感到两端的形容词/短语无法反映出您对问题的回答, 请选择相对应的④。如果您感到任何一边的形容词/短语符合您对问题的回答, 您则可以选择①非常, ②相当,③比较 或者⑤比较, ⑥相当, ⑦非常)	非常	相当	比较	既不 也不	比较	相当	非常
<b>第一节 国家的总体印象</b>							
B1. 您觉得北欧三国是偏独裁主义国家还是偏民主主义国家?	①独裁的	②	③	④	⑤	⑥	⑦民主的
B2. 您觉得北欧三国的经济发展水平如何?	①经济不发达	②	③	④	⑤	⑥	⑦经济发达
B3. 您觉得北欧三国的生活标准水平如何?	①低生活标准	②	③	④	⑤	⑥	⑦高生活标准
B4. 您觉得北欧三国的科学技术研究水平如何?	①低水平的科学技术研究	②	③	④	⑤	⑥	⑦高水平的科学技术研究
<b>第二节 人民的总体印象</b>							
B5. 您觉得北欧三国的人民是否友善?	①不友善的	②	③	④	⑤	⑥	⑦友善的
B6. 您觉得北欧三国的人民的教育水平如何?	①未受教育的	②	③	④	⑤	⑥	⑦受过良好教育的
B7. 您觉得北欧三国的人民可信程度如何?	①不能信赖的	②	③	④	⑤	⑥	⑦可信赖的
B8. 您觉得北欧三国的人民的思维开放程度如何?	①保守的	②	③	④	⑤	⑥	⑦富有创造性的
B9. 您觉得北欧三国的人民是否懂得体贴他人?	①不顾及他人的	②	③	④	⑤	⑥	⑦体贴的
<b>第三节 产品的总体印象</b>							
B10. 您觉得北欧三国的品牌产品性价比如何?	①性价比低的	②	③	④	⑤	⑥	
B11. 您觉得北欧三国的品牌产品质量如何?	①不可靠的	②	③	④	⑤	⑥	⑦性价比高的
B12. 您觉得北欧三国的品牌产品独特性如何?	①普通的	②	③	④	⑤	⑥	⑦可靠的

Q2. 您对于北欧三国有哪些感知? (如果您感到两端的形容词/短语无法反映出您对问题的回答, 请选择相对应的④。如果您感到任何一边的形容词/短语符合您对问题的回答, 您则可以选择①非常, ②相当, ③比较 或者⑤比较, ⑥相当, ⑦非常)	非常	← 相当	比较	既不 也不	比较	相当	非常
B13. 您觉得北欧三国的品牌产品主要客源为?	①下层社会人群	②	③	④	⑤	⑥	⑦独特的 ⑦上层社会人群
	非常不同意	不同意	比较 不同意	既不 同意 也不 反对	比较 同意	同意	非常同意
<b>第四节 与中国的关系</b>							
B14. 我觉得北欧三国对我国很友好。	①	②	③	④	⑤	⑥	⑦

Q3. 基于您的使用体验, 您对来自北欧三国的品牌产品评价如何? (如果您从来没有使用过该类产 品, 您则不需要回答此部分问题。)	非常不同意	不同意	比较 不同意	既不 同意 也不 反对	比较 同意	同意	非常同意
<b>第一节 认知评价</b>							
C1. 我认为我所使用过的来自北欧三国品牌产品的设计是巧妙的。	①	②	③	④	⑤	⑥	⑦
C2. 我认为我所使用过的来自北欧三国品牌产品非常时尚。	①	②	③	④	⑤	⑥	⑦
C3. 我认为我所使用过的来自北欧三国品牌产品声誉很好。	①	②	③	④	⑤	⑥	⑦
C4. 我认为这些品牌是安全可靠的。	①	②	③	④	⑤	⑥	⑦
<b>第二节 情感的评价</b>	非常	← 相当	比较	既不 也不	比较	相当	非常
C5. 您对所使用过的来自北欧三国品牌的产品感觉如何?	①令人无趣的 非常不同意	② 不同意	③ 比较 不同意	④ 既不 同意 也不 反对	⑤ 比较 同意	⑥ 同意	⑦令人愉快的 非常同意
C6. 我认为使用来自北欧三国的品牌会令我在朋友们面前看起来很不错。	①	②	③	④	⑤	⑥	⑦
<b>Q4. 请对以下的陈述给出您的意见。</b>	非常不同意	不同意	比较 不同意	既不 同意 也不 反对	比较 同意	同意	非常同意
F1. 对于我购买来自北欧三国品牌的决定会受到: 假如我拥有它们的话, 是否会在我看重的人面前	①	②	③	④	⑤	⑥	⑦

Q4. 请对以下的陈述给出您的意见。	非常不同意	不同意	比较不同意	既不同意也不反对	比较同意	同意	非常同意
G1. 对于我购买来自北欧三国品牌的决定会受到：假如我拥有它们的话，是否能让我更好融入到其它人而影响。	①	②	③	④	⑤	⑥	⑦

Q5. 您对于某一潜在于中国发展的北欧三国酒店集团的态度是什么？	非常不同意	不同意	比较不同意	既不同意也不反对	比较同意	同意	非常同意
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**背景：**

根源于斯堪的纳维亚文化与生活方式，Scandinavian Choice 是在北欧地区具有领先地位的酒店管理集团之一。超过 50 年的深耕，今天 Scandinavian Choice 足迹遍布北欧地区及某些欧洲城市，在 8 个国家拥有超过 200 家营运及发展中的酒店。她提供质量保证的承诺令她在北欧地区享负盛名。Scandinavian Choice 热心于公益事业及社区福祉。最近她更大力赞助各种体育协会及各项体育赛事，并且对乳腺癌基金会及儿童支援中心给予捐款。另外，她立志于对社会及生态的可持续发展作贡献。现在，她与 The Natural Step 紧密合作致力于可持续发展和环保事业。

Scandinavian Choice 在不久的将来打算在中国的一些重要城市营运管理智能酒店。她期盼将斯堪的纳维亚的生活概念及风尚介绍给中国消费者，并希望对中国酒店市场的可持续发展及生态社区作贡献。

J1. 我感觉我对这一品牌的总体印象挺好的。							
J2. 我感觉这一品牌的总体质量会高。	①	②	③	④	⑤	⑥	⑦
J3. 我感觉这一品牌的风格是时尚的。	①	②	③	④	⑤	⑥	⑦
J4. 我感觉这一品牌的酒店所使用的技术设计会是创新的。	①	②	③	④	⑤	⑥	⑦
J5. 我感觉我会对此品牌感兴趣。	①	②	③	④	⑤	⑥	⑦
J6. 我感觉其他中国的消费者也会对这一品牌感兴趣。	①	②	③	④	⑤	⑥	⑦
J7. 假设来自中国内地、美国、英国、香港及北欧三国的酒店集团在中国同一城市都拥有您不认识的酒店品牌，但它们都提供同等的设备设施、价位及地理位置，那么您在这一城市打算购买酒店服务的时候对于来自以上地区的不同品牌将会有什么样的态度呢？	非常不喜欢的	相当	比较	无所谓	比较	相当	非常喜欢的
(6) 中国内地	①	②	③	④	⑤	⑥	⑦
(7) 美国	①	②	③	④	⑤	⑥	⑦
(8) 英国	①	②	③	④	⑤	⑥	⑦
(9) 香港	①	②	③	④	⑤	⑥	⑦
(10) 北欧三国	①	②	③	④	⑤	⑥	⑦

Q6. 您对于这一来自北欧三国的酒店品牌会有哪些行为意向?	非常不同意	不同意	比较不同意	既不同意也不反对	比较同意	同意	非常同意
K1. 我应该会有兴趣去了解关于这一酒店品牌的更多资讯。	①	②	③	④	⑤	⑥	⑦
K2. 我乐意去尝试这一酒店品牌。	①	②	③	④	⑤	⑥	⑦

#### Q7. 背景资料 (单选题)

- O1. 性别
- (3) 男性
  - (4) 女性
- O2. 年龄组别
- (6) 18-24
  - (7) 25-34
  - (8) 35-44
  - (9) 45-54
  - (10) 55 或以上
- O3. 受教育程度
- (8) 高中以下
  - (9) 高中或技术学校
  - (10) 大专
  - (11) 本科
  - (12) 硕士
  - (13) 博士或以上
  - (14) 其它
- O4. 婚姻状态
- (5) 单身
  - (6) 已婚
  - (7) 处于恋爱关系中/已订婚
  - (8) 其它
- O5. 子女情况
- (4) 没有
  - (5) 一个
  - (6) 两个或更多
- O6. 就职情况
- (1) 受雇人员并不居家工作 (选此项则需要填写 O7 问题)



**Q7. 背景资料 (单选题)**

- (2) 自雇人员
- (3) 居家工作人员 (如主妇、自由工作者等)
- (4) 学生
- (5) 退休人员
- (6) 待业中
- (7) 无需要受雇工作或无法工作者
- (8) 其它

**07. 岗位角色**

- (1) 实习生或培训生
- (2) 普通职员
- (3) 基层管理人员
- (4) 中层管理人员
- (5) 高层管理人员
- (6) 行政级执行领导
- (7) 专业人士 (如教师, 医护人员, 律师, 行政机关人员, 事业单位人员, 军人, 工程师, 技术工人等)
- (8) 研究人员 (如大学教授, 研究所人员, 顾问等)
- (9) 其它

**08. 年度总收入所处组别**

- (7) 低于人民币 60,000
- (8) 人民币 60,000-120,000
- (9) 人民币 120,001-180,000
- (10) 人民币 180,001- 240,000
- (11) 人民币 240,001-300,000
- (12) 高于人民币 300,000

**09. 生活所处的区域**

- (6) 北京
- (7) 上海
- (8) 广州
- (9) 重庆
- (10) 其它