

Asymmetrical Roles of Macro and Micro Country Images
on Saudi Consumers' Purchase Intention

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Background and Research Purpose: Country image is “the total of all descriptive, inferential and informational beliefs one has about a particular country” (Martin & Eroglu, 1993, p. 193); thus, clearly different from county of origin (COO) that mainly refers to “made-in” country. Country image is a multidimensional construct and viewed with macro/micro (Pappu, Quester, & Cooksey, 2007) or cognitive/affective/conative country image (Laroche et al., 2005). Macro country image is related to consumers' total beliefs of a country largely measured by the country's economic, political, and technological aspects. In contrast, micro country image is one's total of beliefs for a *product* from a country (Pappu et. al., 2007). According to cue theory, country image serves as an important external cue, like brand name and price, for consumers to infer product quality when other information is lacking (Bilkey & Nes, 1982). However, despite a significant amount of studies on country image, three questions remain unclear: i) does the effect of macro and micro country image on purchase intention differ? If so, are they different by ii) product categories, and iii) a country's economic development status? To answer these questions, the purpose of this study is to examine the impact of macro and micro country images of four countries (US, Italy, Korea, and Malaysia) on Saudi consumers' purchase intentions of two product categories (cell phones and handbags). Saudi consumers were chosen given the country's significant growth potential in the Middle East.

Theoretical Background & Hypotheses: Product category influence: Previous studies suggest that the influence of country image is product-specific (Roth & Romeo, 1992). In case of symbolic goods such as apparel and handbag, image and affective aspects drives product evaluation (Kumar & Steenkamp, 2013). Country image not only serves as a cognitive cue for quality, but also as an affective cue in product evaluations (Roth & Diamantopoulos, 2009). That is, overall a country's favorable image (i.e., macro country image) is transferred more to symbolic products than to functional products. In addition, country of design is more critical to publicly consumed-products and high involvement products (Hamzaoui-Essoussi & Merunka, 2007). Based on this, *H1a. In case of symbolic product category, macro country image has a greater effect on purchase intentions than micro country image.*

In contrast, in case of functional goods such as cell phones, specific product functions are more critical in product evaluation (Kumar & Steenkamp, 2013). Thus, micro country image (i.e., product-specific country image) will be more influential to functional products than to symbolic products. Thus, *H1b. In case of functional product category, micro country image has a greater effect on purchase intentions of cellphones than macro country image.*

Country moderating effect: The effect of macro country image on purchase intention was found to be different for developing countries and developed countries (Pappu et al., 2007). Since more information is available for a highly developed nation, perceived risks for products made in developed country is lower (Bilkey & Nes, 1982). Thus, *H2a. In both product categories, the effect of macro country image on purchase intention will be moderated by the*

countries such that the positive relationship will be the strongest in an economically developed country.

Micro country image is product-specific, and a country has a certain product category for which the country is known for, such as German automobiles. Such product-country match occurs when perceived strengths of a country match important dimensions of a product category (Usunier & Cestre, 2007). Thus, the impact of micro country image on purchase intention will be the strongest by the level of country-product match such as Italy for handbags category and US and Korea for cell phones, rather than by a country's economic status. *H2b. In both product categories, the effect of micro country image on purchase intention will be moderated by the countries that the positive relationship will be the strongest in a country with high product-country match.*

Method: Data were collected from shoppers older than 20 years of age at several shopping malls in Riyadh, Saudi Arabia via a mall intercept method over a three-month period. Among the total of 550 questionnaires administered, 496 completed samples (Korea 138, Malaysia 124, Italy 119, USA 115) were analyzed. The measurement items for this study were developed based on prior research studies. Respondents were asked to evaluate macro and micro images of one country among four countries (USA, Italy, Korea, and Malaysia) and purchase intention of two product categories (cell phone and handbag) from the country.

Results: Findings from regression analyses after controlling for income, gender, and age revealed that in case of handbags, the influence of macro and micro country image were found to be the same; hence H1a is not supported. For cell phone, however, the influence of micro country image was higher than macro image, so H1b is accepted. In the effect of macro country image on purchase intention, no country moderating effect was found, thus H2a was rejected. In case of micro country image, a moderating effect was found only in handbags, thus H2b was partially supported. Further subgroup analyses revealed that micro country image had an effect on purchase intention of handbags only from Italy.

Discussion and Implications: This study discovered differing roles of macro and micro country image on consumers' purchase intention by product category and by country. This discovery contributes to the literature since it clearly uncovers less known areas and explains why such differing roles occur. Managerially, the findings suggest which aspect of country image (i.e., macro vs. micro) should be further communicated in marketing of symbolic and functional goods. In particular, in case of functional goods, micro country image was found to be more critical and no country moderating effect was found. This suggests that high micro country image will help in functional goods, regardless of country's overall image (i.e., developed country vs. developing country). However, in case of symbolic goods such as apparel and handbags, both macro and micro country images should be managed for consumers' purchase intention. Further detailed discussion, theoretical/managerial implications were suggested.

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More references are available upon request.