

# Effect of Country of Manufacture and Brand Image on Iranian Customers' Purchase Intention

## Case Study: Foreign Made Home Appliances

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### Abstract

With the removal of trade barriers between countries and spread of network mechanisms, today's world is witness to globalization of international trade which, in a sense, is equivalent to establishment of multinational companies and consumers' direct encounter with the products of these companies. As a result, facing a large volume of products manufactured in various countries around the world, consumers would have to turn to important information sources and symbols in an effort to simplify their buying decisions and to ensure they have made correct decisions. Country of manufacture (COM) and product brand image are among the established information symbols which customers have come to rely on. In other words, country of manufacture and brand image can play a significant role in the acceptance of a product by consumers. Moreover, international producers are well aware that country of manufacture and brand image are counted on as distinctive features of products. For this reason, they take sufficient care in selecting the country which is to manufacture their products and, thus, try to create a favorable mental image of their brand in their customers. A theoretical framework was proposed in the present study to describe the effects of country of manufacture and brand image on customers' decision to buy. Although the influencing factors of "country of manufacture" and "brand image" depend on the specific product type, the findings in this study showed that, in general, brand image had a stronger influence than country of manufacture on Iranian customers as far as hybrid products were concerned.

**Keywords:** Country of manufacture (COM), brand image, quality dimensions, purchase attitude, purchase intention

### 1. Introduction

The significant technological and communication progress of recent decades as well as participation of companies in the global market development has enabled these companies to develop their own brands. Today, a global brand is no longer related to its country of origin alone. Moreover, by transferring their manufacturing and assembly processes to developing countries, companies can lower their costs. As a result, new roles are assumed for the country of manufacture (COM), country of design (COD), country of brand (COB), and country of parts (COP), each of which explains efficiently the growing complexities of the country of origin (COO). These roles have created new questions in relation to brand management for hybrid products such as: Is the perceived quality of prestigious global brands weakened as a result of transferring manufacturing processes to developing countries?<sup>[9]</sup>

The relation between brand image and COO components, and the collective effect of the two on consumers' decision making regarding hybrid products is almost unknown. Different results can be found in the current literature. Some studies conclude that brand name is of less importance than COO<sup>[11, 13]</sup>. Other studies show that brand name is a more important index than COO in terms of the perceived quality and value of consumer purchasing. Therefore, more research would be required to express a more definitive opinion in this respect<sup>[4, 14]</sup>.

Numerous studies in the field have referred to quality or its various features as dependent variable(s). Although some researchers have concluded that COO has a quality-oriented influence, other studies on hybrid products involving the relative significance of brand and COO point out that no comprehensive investigation has been conducted on quality dimensions yet. As a result, it is necessary to determine quality dimensions for different groups of products in order to develop the above theory<sup>[5]</sup>.

To eliminate the mentioned errors, we have to conduct research on the global brands of hybrid products. First, a comprehensive model is presented of the relative significance of brand image and COM for hybrid products. Then, a structural equations model (SEM) is presented for product evaluation (cognitive component), attitude towards the product (emotional component), and purchase intention (behavioral component). Subsequently, those quality dimensions used for different product groups are determined, and,

finally, the behavior of buyers is studied. Thus, the effect of brand image and COM on the consumers' purchase intention can be investigated.

## 2. Theoretical Fundamentals

In most studies conducted on hybrid products regarding the relative significance of brand and COM, the emphasis is on the general perceived quality. These studies measure quality based on a single index<sup>[2, 3, 14]</sup>. However, such studies fail to provide a consistent pattern for the relative significance of brand and COM where hybrid products are concerned. For example, Heslop, Liefeld, and Wahl (1987) and Ulgado and Lee (1993) compared the influence of COM on product quality assessment where only one information symbol existed with that where several information symbols were involved. These studies confirmed that the influence of COM was greater in the former case where only one information symbol was involved. However, upon consideration of other symbols (price, brand, etc.), the influence of COM declined. Heslop et al. (1987) found that no considerable interaction could be detected between COM and brand, i.e., brand name could not compensate for the negative effect created by a specific COM. However, Ulgado and Lee (1993) concluded that in cases where other internal information symbols were involved, only brand had a significant influence on quality perception. These results show that in the presence of additional information about the product, a well known brand can counteract the negative impression created by COM.

### 2.1. Quality Dimensions

The quality dimensions identified in COM literature are based on the following criteria<sup>[12]</sup>:

1. They can be found in previous research.
2. They are related to people's perception of the strengths and weaknesses of a country's products and marketing approaches.
3. Conceptually and operationally, they are regarded as distinctive and specific entities.
4. They can be used in a wide variety of products.

Based on these characteristics, Chung et al. (2009) identified five dimensions, namely, aesthetics, performance, services, brand prestige, and Technical prestige. The definitions of these are given in Table 1.

### 2.2. Classification of Quality Dimensions

Consumers might select a product due to its function/performance<sup>[5]</sup>. Accordingly, quality dimensions can be divided into two categories: namely, symbolic and functional. As shown in Table 2, though COM researchers have repeatedly studied these two aspects of quality, they have not distinguished between them explicitly. Chang et al. 2009 argue that consumers perceive and evaluate product quality in two ways: operationally and symbolically. These are detailed in Table 2.

## 3. The Conceptual Model

Due to the consistency of its main indexes with the purpose of the present study, the conceptual model implemented by Chang et al. (2009) was adopted as the basis of this study. As compared with other similar models, this model is more comprehensive and measures more indexes. Moreover, through this model, it is possible to measure the effects of both MOC and brand image on customers' purchase intention. In this model, COM and brand image are considered as exogenous (independent) variables and product quality dimensions (aesthetics, performance/function, services, brand prestige, and Technical prestige) as endogenous (dependent) variables. The conceptual model is shown in Figure 1.

## 4. Research Hypotheses

As pointed out in the previous sections, the main purpose of the present research is to investigate the effects of COM and brand image on the purchase intention of foreign-made home appliances by Iranian customers. In line with this purpose, the following hypotheses can be presented:

- 1.1. COM has a positive effect on aesthetics.
- 1.2. Brand image has a positive effect on aesthetics.
- 2.1. COM has a positive effect on performance.
- 2.2. Brand image has a positive effect on performance.
- 2.3. Brand image has a greater effect on performance than COM does.
- 3.1. COM has a positive effect on Serviceability.
- 3.2. Brand image has a positive effect on Serviceability.
- 3.3. Brand image has a greater effect on Serviceability than COM does.
- 4.1. COM has a positive effect on product brand prestige.
- 4.2. Brand image has a positive effect on product brand prestige.
- 4.3. Brand image has a greater effect on brand prestige than COM does.

- 5.1. COM has a positive effect on product Technical prestige.
- 5.2. Brand image has a positive effect on product Technical prestige.
- 5.3. COM has a greater effect on product Technical prestige than brand image does.
- 6.1. Aesthetics has a positive effect on consumers' purchase attitude.
- 6.2. Performance/function has a positive effect on consumers' purchase attitude.
- 6.3. Serviceability has a positive effect on consumers' purchase attitude.
- 6.4. Brand prestige has a positive effect on consumers' purchase attitude.
- 6.5. Product Technical prestige has a positive effect on consumers' purchase attitude.
- 7.1. COM has a positive effect on consumers' purchase attitude.
- 7.2. Brand image has a positive effect on consumers' purchase attitude.
- 8.1. Consumers' purchase attitude has a positive effect on consumers' purchase intention.
- 8.2. COM has a positive effect on consumers' purchase intention.
- 8.3. Brand image has a positive effect on consumers' purchase intention.

## 5. Methodology

Regarding its purpose, this research can be classified as an applied study. Since the author intends to investigate an existing problem by collecting data or describing the data related to an existing statistical population in order to test research hypotheses, this study can be classified as descriptive also. The research obtains its required data through the sample survey method (questionnaire); therefore, it is also a survey study. Finally, as the relation between independent and dependent variables is also investigated, this study can be referred to as a correlational study.

The statistical population comprises those citizens of Tehran who use Bosch washing machines. Since the author intended to determine the effect of COM on these customers' purchase intention, and since the number of consumers is not known, the research population was divided into two groups consisting of equal numbers of customers who used two types of Bosch products: 1) German-made washing machines (Sample Germany), and 2) Turkish-made washing machines (Sample Turkey).

Moreover, as the statistical population studied here is limitless, the Jersey-Morgan Table was implemented to evaluate the sample, and 384 persons were thus determined as members of the sample population. Since the studied population comprised two groups, the sample population was also divided into two equal groups. The cluster sampling method was implemented, and the studied population was divided into 5 clusters based on Tehran's 22 municipal districts.

The research questionnaire included a number of general and 42 specialized questions. The Likert 7-scale spectrum was employed to design this questionnaire. The questionnaire validity was checked by resorting to experts' views on the subject. To finalize the questionnaire, two preliminary pre-tests were conducted on two groups selected from the studied sample: one group comprised 50 owners of German-made washing machines and the other, 50 owners of Turkish-made washing machines. Upon inspection of the results and elimination of incomplete questionnaires, the 50 remaining questionnaires (from each group) were used for data analysis and drawing conclusions with regard to the validity of the applied measurement instruments.

The Cronbach's alpha was used to measure the reliability of the questionnaire via the SPSS. An alpha value greater than 0.7 would mean that the questions were suitable and that the deployed measurement instruments possessed the required reliability over time. The obtained results are presented in Table 3.

## 6. Demographic Characteristics of samples

Demographic Characteristics of samples are presented in Table 4.

As can be seen, the sample of 384 persons mostly consists of women in the age group 41-50 years who hold a B.S. degree. Most are married, and earn an income in excess of 1,000,000 tomans (1 toman is 10 Iranian rials). Such results were to be expected from the outset since only consumers with higher income could afford Bosch washing machines. Moreover, due to the established positive mindset towards the Bosch brand among older people, in particular among married women who operate home appliances more frequently, most consumers and buyers of Bosch washing machines are married middle aged ladies.

## 7. Inferential Statistics Results

### 7.1. Measurement Model for Standard Estimation

Fig. 2 shows the influence of each effective factor regarding its coefficient of determination. In this figure, the load factor for each observer is given along with its associated priority. As can be seen, all load factors lie in the reliable interval. Therefore, they can reliably express the exogenous and the endogenous variables.

### 7.2. Measurement Model for Significance Coefficients

This model determines whether a research hypothesis is accepted (confirmed) or rejected. If the significance T-

value is greater than 1.96 or less than -1.96, then the hypothesis is confirmed. Table 5 shows the separate results obtained for each hypothesis.

### 7.3. Measurement Model for Standard Estimation

Fig. 4 shows the results obtained for load factors attributed to various indexes and the measurement model used for Sample Germany in the standard estimation method.

Hypothesis test results for Samples Turkey and Germany are shown in Table 5.

Examining the determination factors obtained from LISREL revealed the more influential factors in the study. Table 6 shows the results of this investigation for Samples Germany and Turkey.

### 7.4. T-Test for Two Independent Samples based on Variables used for Samples Germany and Turkey

To conduct the mean equality test for two populations, it is first necessary to determine if the variances of these populations are equal. To this end, the variance equality test must be conducted (Levine's Test 9). Then, the mean values are obtained and compared for two cases: 1) equal variances, and 2) unequal variances.

The assumptions for the variance equality test in the two populations are:

$$\begin{cases} \delta^2_2 = H_0: \delta^2_1 \\ H_1: \delta^2_1 \neq \delta^2_2 \end{cases}$$

In Levine's test, if the value of Sig. is equal to zero and less than the 5% significance level, then the variance equality assumption is rejected. Therefore, the information on the second row, i.e., inequality of variances, can be investigated. Table 7 shows the results obtained from variance equality and mean quality tests for the two studied populations in the following cases: 1) equal variances, and 2) unequal variances. As can be seen, the value obtained for Sig. in the variance equality test is greater than 5% for some factors and less than 5% for other factors (Table 7).

The results in Table 7 show that, except for brand image, attitude, Technical prestige, brand prestige, and purchase intention, there are no significant differences, based on the investigated factors, between the corresponding information obtained from Sample Germany and Sample Turkey.

## 8. Conclusion

The purpose of this study was to propose a model for describing the effects of COM and brand image on hybrid products through search, experiment, and image mechanisms. These mechanisms were adopted from Nelson's (1970, 1974) and Thakor's (1997) views as well as Fishbein's and Aizen's theory of reasoned action. The results obtained for Sample Turkey indicated that brand image influenced the experience (performance) mechanism, and that COM had no effect on the experience mechanism. Moreover, COM and brand image both influenced the image dimensions, i.e. brand prestige and Technical prestige, whereas COM had no effect on services dimension (the experience mechanism). In the case of Iranian customers, brand image had a considerable influence on the following product dimensions: aesthetics, services, brand prestige, and Technical prestige. However, the effect of COM proved to be weaker than expected.

With regard to Bosch washing machine, although brand image had a greater effect on quality dimensions than COM, the influence of COM on performance in Sample Germany, and on brand prestige and Technical prestige in both samples (Germany and Turkey) could not be ignored. This indicated that brand image alone cannot change the influence of COM. Therefore, it is necessary for manufacturers to do extensive research before selecting their COM. Moreover, the obtained results showed that brand image had a greater effect than COM on Technical prestige of products. This indicates the great mental impression the Bosch brand has had on Iranian consumers.

According to the obtained results, brand image had a greater effect than COM on purchase attitude. This indicates that manufacturers or importers of Bosch washing machines must endeavor to create a favorable image of their brand in consumers' minds to enhance customers' attitude towards buying their products. This can be done via highlighting the advantages of Bosch products and by establishing a positive attitude in customers' minds towards Bosch products through effective marketing strategies.

The influence of COM and brand image on purchase intention was found to be considerably different in Sample Germany and Sample Turkey: whereas COM had no effect on purchase intention among consumers in Sample Germany (who had bought German-made washing machines), the opposite was true for Sample Turkey. Here, the price factor probably plays a role. Thus, the lower price offered by Turkish manufacturers for Bosch washing machines influenced consumers' purchase intention. Therefore, Bosch can take advantage of COM as a promotional factor for attracting price-based Iranian consumers.

As a result, the international marketing managers at Bosch Company are to be aware that creating a favorable brand image can influence Iranian consumers' assessment of the performance, services, brand prestige,

Technical prestige, and aesthetics of their product. Moreover, the managers must consider that transferring their manufacturing process to a developing country can harm the Technical prestige of their products. As a result, they must exert greater care when selecting a COM for their products. In this way, they can lower costs and increase sales.

## 9. Recommendations

1. A similar study conducted for other product groups might reveal different results from those of the current study. Therefore, it is recommended that such a study be carried out for other products also.
2. Product price and technological level can be considered as effective factors on the obtained results.
3. The role of people's subjective norms towards a specific COM can play a significant role in consumers' decision making, and this point must be considered in future studies.
4. People's degree of familiarity with a product can affect their decision to buy that product, i.e., consumers might attribute to an unfamiliar product a COM from among developed countries, and thus, make logical deductions regarding the general quality of that product.
5. In this study, people's ethnicity acted as an effective factor on beliefs and subjective norms which, in turn, can affect their purchase behavior. In order to measure the role of nationality on consumers' beliefs and purchase attitude, a similar study can be conducted in a different country from Iran and its results compared with those obtained from this study.
6. Selecting two products, one with a low mental involvement and the other with a high mental involvement, and comparing the results obtained for them can provide a more elaborate picture regarding the influence of COM and brand image on various products.

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### Tables and Figures

Table 1: Quality dimensions definitions and the equivalent meanings presented for them in country-of-origin (COO) studies [5]

Quality Dimension	Definition	Equivalent Meaning in Manufacturing Country Studies
Aesthetics	Product style, color, diversity, and features	Design (Nagashima, 1977 and Romeo, 1992)
Performance	Superiority and reliability of a product's operational characteristics	Skill and performance, reliability and durability (Cattin et al., 1982; Han and Terpestra, 1988; Roth and Romeo, 1992; Li and Dent, 1997)
Serviceability	Quick access to service centers and offering expert and skillful repair and maintenance services by pleasant personnel	Services (Cattin et al., 1982; Li and Dant, 1997)
Brand prestige	The credible image created by a brand	Reputation (Nagashima, 1977); credibility (Han and Terpestra, 1988; Roth and Romeo, 1992); dignity of brand (Johanson and Nebenzal, 1986), and credible image of brand (Li and Dent, 1997)
Technical prestige	The image created by the product due to implementation of advanced technologies in its manufacturing	Innovation and technicality (Cattin et al., 1982; Han and Terpestra, 1988; Roth and Romeo, 1992; Johanson and Nebenzal, 1986)

Table 2: Definitions of quality assessment mechanisms and the related quality dimensions [5]

Quality Assessment Mechanism	Definition	Quality Dimension
Functional Mechanism/ Search	The process of quality assessment by the consumer before purchasing a product.	Aesthetics
Functional Mechanism/ Experience	The process of quality assessment by the consumer after purchasing and using a product.	Performance, Services
Symbolic Mechanism/ Image	The process of quality assessment by the consumer for the purpose of evaluating image credibility with due regard to brand name and advanced technology applications	Brand prestige and Technical prestige

Table 3: Values of Cronbach's Alpha for Research Variables

Variable	No. of Questions	Cronbach's Alpha for Germany		Cronbach's Alpha for Turkey	
		Pre-Test	Sample	Pre-Test	Sample
Country of Manufacture	7	0.762	0.961	0.889	0.961
Brand Image	8	0.681	0.759	0.694	0.862
Aesthetics	3	0.740	0.860	0.702	0.774
Performance	3	0.593	0.721	0.7001	0.725
Serviceability	3	0.796	0.802	0.747	0.853
Brand prestige	4	0.598	0.754	0.884	0.931
Technical prestige	3	0.785	0.966	0.759	0.833
Attitude	5	0.723	0.799	0.860	0.937
Purchase Intention	6	0.837	0.955	0.945	0.972
Total Alpha	42	0.784	0.897	0.868	0.955

Table 4: Sample demographic information for owners of Bosch washing machines manufactured in Turkey and Germany

Country	Gender		Age					
	Women	Men	Below 20	21-30	31-40	41-50	51-60	Over 60
Turkey (%)	68.3	31.7	1.7	16.1	30	41.7	10	5
Germany (%)	55	45	3.3	16.7	28.3	38.3	8.3	5
Country	Education					Marital Status		
	Below High School Diploma	High School Diploma	Bachelor of Science or Bachelor of Arts	Master of Science or Master of Arts	Doctoral Degree (Ph.D.)	Single	Married	
Turkey	8.3%	13.3%	40%	26.7%	11.7%	25%	75%	
Germany	5%	16.7%	48.3%	18.3%	11.7%	35%	65%	
Country	Income (Tomans)							
	<500,000	500,000 to 1,000,000		>1,000,000				
Turkey	0	23.3%		76.7%				
Germany	0	13.3%		86.7%				

Table 5: Hypothesis test results for Samples Turkey and Germany

Country of Manufacture	Hypothesis	Direct Effect ( $\beta$ )	Significance Effect (t)	Coefficient of Determination ( $R^2$ )	Hypothesis Test Result
Turkey	1.1. Country of manufacture has a positive effect on aesthetics.	0.04	0.87	0.0016	Rejected
Germany		0.03	0.97	0.0009	Rejected
Turkey	1.2. Brand image has a positive effect on aesthetics.	0.49	2.58	0.24	Confirmed
Germany		0.64	6.71	0.41	Confirmed
Turkey	2.1. Country of manufacture has a positive effect on performance.	0.15	1.56	0.023	Rejected
Germany		0.6	7.51	0.36	Confirmed
Turkey	2.2. Brand image has a positive effect on performance.	0.73	4.29	0.53	Confirmed
Germany		0.71	9.27	0.5	Confirmed
Turkey	2.3. Brand image has a greater effect on performance than country of manufacture does				Confirmed
Germany					Confirmed
Turkey	3.1. Country of manufacture has a positive effect on serviceability.	-0.09	-0.79	0.008	Rejected
Germany		0.07	0.9	0.005	Rejected
Turkey	3.2. Brand image has a positive effect on serviceability.	0.67	5.27	0.45	Confirmed
Germany		0.68	3.31	0.46	Confirmed
Turkey	3.3. Brand image has a greater effect on performance than country of manufacture does				Confirmed
Germany					Confirmed
Turkey	4.1. Country of manufacture has a positive effect on brand prestige.	0.77	-2.02	0.6	Confirmed
Germany		0.8	2.05	0.64	Confirmed
Turkey	4.2. Brand image has a positive effect on brand prestige.	0.87	5.96	0.76	Confirmed
Germany		0.85	2.57	0.72	Confirmed
Turkey	4.3. Brand image has a more positive effect on brand prestige				Confirmed
Germany					Confirmed

	than country of manufacture does.				
Turkey	4.2. Country of manufacture has a positive effect on brand prestige.	0.68	4.47	0.46	Confirmed
Germany		0.65	4.98	0.42	Confirmed
Turkey	5.2. Brand image has a positive effect on Technical prestige.	0.68	4.47	0.46	Confirmed
Germany		0.65	4.98	0.42	Confirmed
Turkey	5.3. Brand image has a positive effect on Technical prestige than does country of manufacture				Confirmed
Germany					Confirmed
Turkey	6.1. Aesthetics has a positive effect on consumer's purchase attitude the product.	0.07	0.93	0.005	Rejected
Germany		0.06	0.48	0.004	Rejected
Turkey	6.2. Performance has a positive effect on consumer's purchase attitude the product.	0.74	-2.42	0.55	Confirmed
Germany		0.72	3.65	0.52	Confirmed
Turkey	6.3. Serviceability has a positive effect on consumer's purchase attitude.	-0.01	-0.29	0.0001	Rejected
Germany		0.87	5.38	0.76	Confirmed
Turkey	6.4. Brand prestige has a positive effect on consumer's purchase attitude.	0.92	6.01	0.85	Confirmed
Germany		0.93	8.27	0.86	Confirmed
Turkey	6.5. Technical prestige has a positive effect on consumer's purchase attitude.	0.86	3.27	0.73	Confirmed
Germany		0.85	5.47	0.72	Confirmed
Turkey	7.1. Country of manufacture has a positive effect on consumer's purchase attitude.	0.87	3.87	0.76	Confirmed
Germany		0.90	4.56	0.81	Confirmed
Turkey	7.2. Brand image has a positive effect on consumer's purchase attitude.	0.97	2.23	0.94	Confirmed
Germany		0.92	4.56	0.85	Confirmed
Turkey	8.1. Consumer's attitude has a positive effect on consumer's purchase intention.	0.54	3.22	0.29	Confirmed
Germany		0.54	7.31	0.29	Confirmed
Turkey	8.2. Country of manufacture has a positive effect on consumer's purchase intention.	0.80	-5.14	0.64	Confirmed
Germany		0.001	0.1	0.0001	Rejected
Turkey	8.3. Brand image has a positive effect on consumer's purchase intention.	0.83	2.38	0.69	Confirmed
Germany		0.98	3.51	0.96	Confirmed

Table 6: Priority of Influencing Factors

Dependent/Independent Variable	Dependent/Independent Variable	Influencing Priority in the Sample (Turkey)	Influencing Priority in the Sample (Germany)
Country of Manufacture influence on:	Aesthetics	Consumer's purchase attitude	Consumer's purchase attitude
	Performance	Purchase intention	Brand prestige
	Serviceability	Brand prestige	Technical prestige
	Brand prestige	Technical prestige	Performance
	Technical prestige		
	Consumer's purchase attitude		
Brand's influence on:	Aesthetics	Consumer's purchase attitude	Consumer's purchase intention
	Performance	Brand prestige	Consumer's purchase attitude
	Serviceability	Consumer's purchase intention	Brand prestige
	Brand prestige	Technical prestige	Technical prestige
	Technical prestige	Performance	Performance
	Consumer's purchase attitude	Serviceability	Serviceability
Influence on attitude by:	Aesthetics	Brand image	Brand prestige
	Performance	Brand prestige	Brand image
	Serviceability	Country of manufacture	Country of manufacture
	Brand prestige	Technical prestige	Serviceability
	Technical prestige	Performance	Technical prestige
	Country of manufacture		Performance
Effect on aesthetics by:	Country of manufacture	Brand image	Brand image
	Brand image		
Effect on performance	Country of manufacture	Brand image	Brand image
	Brand image		Country of manufacture
Effect on Serviceability	Country of manufacture	Brand image	Brand image
	Brand image		
Effect on brand prestige	Country of manufacture	Brand image	Brand image
	Brand image	Country of manufacture	Country of manufacture
Effect on Technical prestige	Country of manufacture	Brand image	Brand image
	Brand image	Country of manufacture	Country of manufacture
Effect on consumer's purchase attitude	Country of manufacture	Brand image	Brand image
	Brand image	Country of manufacture	Country of manufacture
Effect on consumer's purchase intention	Country of manufacture	Brand image	Brand image
	Brand image	Country of manufacture	

Table 7: Levin's Tests and Comparison of the Means of the Two Populations

Variable		Levine' Test		T-Statistic				Comparison Results
		F	Sig.	t	Sig. (2-tailed)	95% Confidence Interval of the Difference		
						Lower Limit	Upper Limit	
Country of Manufacture	Assumption of equal Variances	0.000	1.000	0.000	1.000	-0.17391	0.17391	Equal
	Assumption of unequal Variances			0.000	1.000	-0.17391	0.17391	
Brand image	Assumption of equal Variances	36.598	0.000	-3.893	0.000	-0.54375	-0.17708	Brand image of Germany is more important than that of Turkey and attracts more attention.
	Assumption of unequal Variances			-3.893	0.000	-0.54467	-0.17616	
Aesthetics	Assumption of equal Variances	1.207	0.274	1.736	0.085	-0.03050	0.46383	Equal
	Assumption of unequal Variances			1.736	0.085	-0.03056	0.46390	
Performance	Assumption of equal Variances	12.769	0.001	1.197	0.234	-0.05454	0.22121	Equal
	Assumption of unequal Variances			1.197	0.234	-0.05470	0.22137	
Services	Assumption of equal variances	11.096	0.001	-1.010	0.314	-0.36180	0.11736	Equal
	Assumption of unequal variances			-1.010	0.315	-0.36229	0.11785	
Brand prestige	Assumption of equal variances	59.234	0.000	-1.831	0.070	-0.33821	-0.01321	Germany enjoys a higher brand prestige than Turkey does
	Assumption of unequal variances			-1.831	0.071	-0.33910	0.01410	
Technical prestige	Assumption of equal variances	0.005	0.946	5.151	0.000	-0.32144	-0.72301	
	Assumption of unequal variances			5.151	0.000	-0.32143	-0.72301	
Attitude	Assumption of equal variances	48.865	0.000	-3.420	0.001	-0.59477	-0.15857	
	Assumption of unequal variances			-3.420	0.001	-0.59563	-0.15770	
Purchase intention	Assumption of equal variances	55.534	0.000	2.605	0.010	-0.07925	-0.58186	
	Assumption of unequal variances			2.605	0.011	-0.07788	-0.58323	

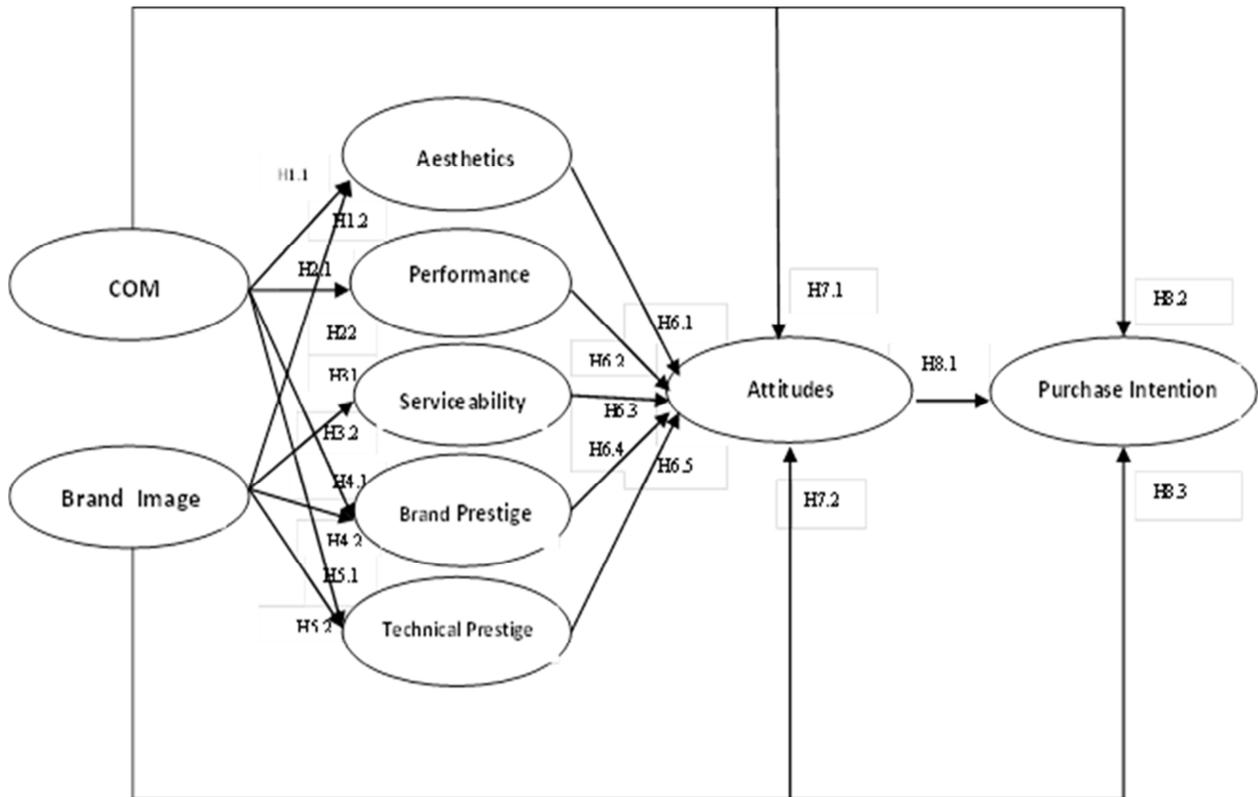


Fig. 1: The Conceptual Model [5]

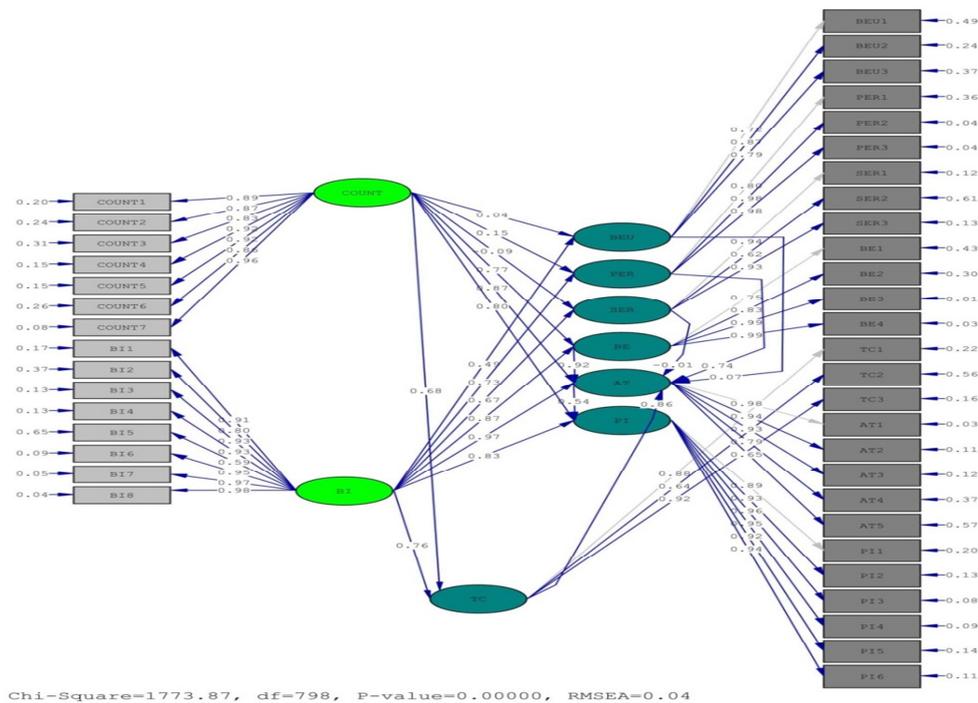


Fig. 2: Measurement model for standard approximation (Sample Turkey)

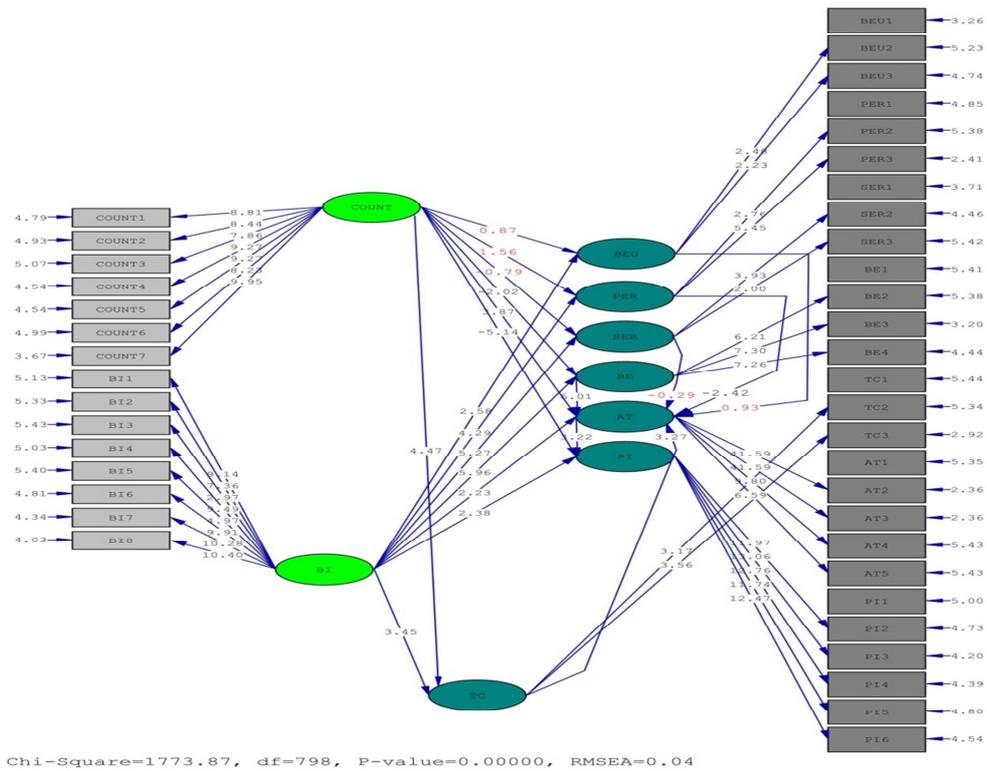


Fig. 3: Measurement model for significance coefficients (Sample Turkey)

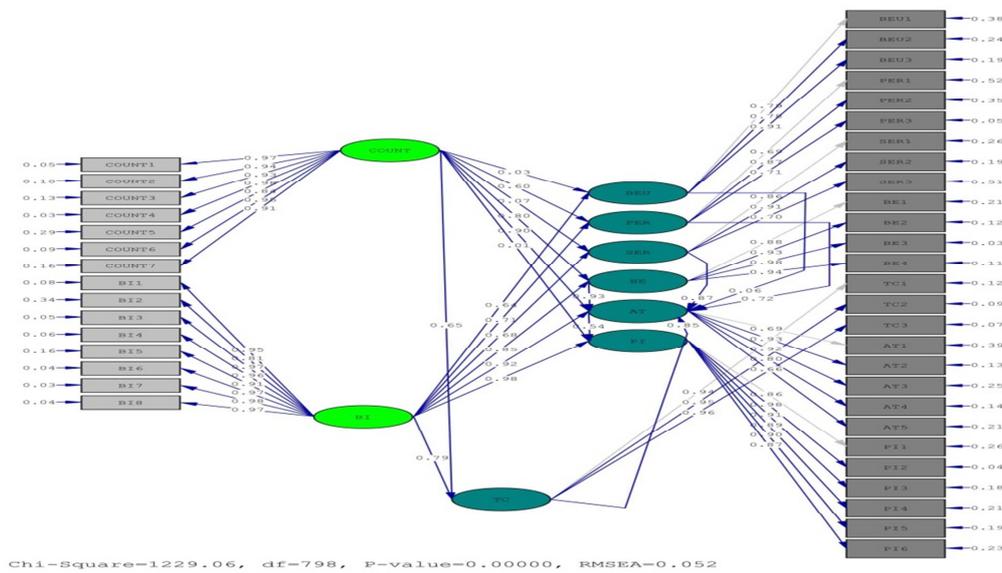


Fig. 4: Measurement model for standard approximation (Sample Germany)

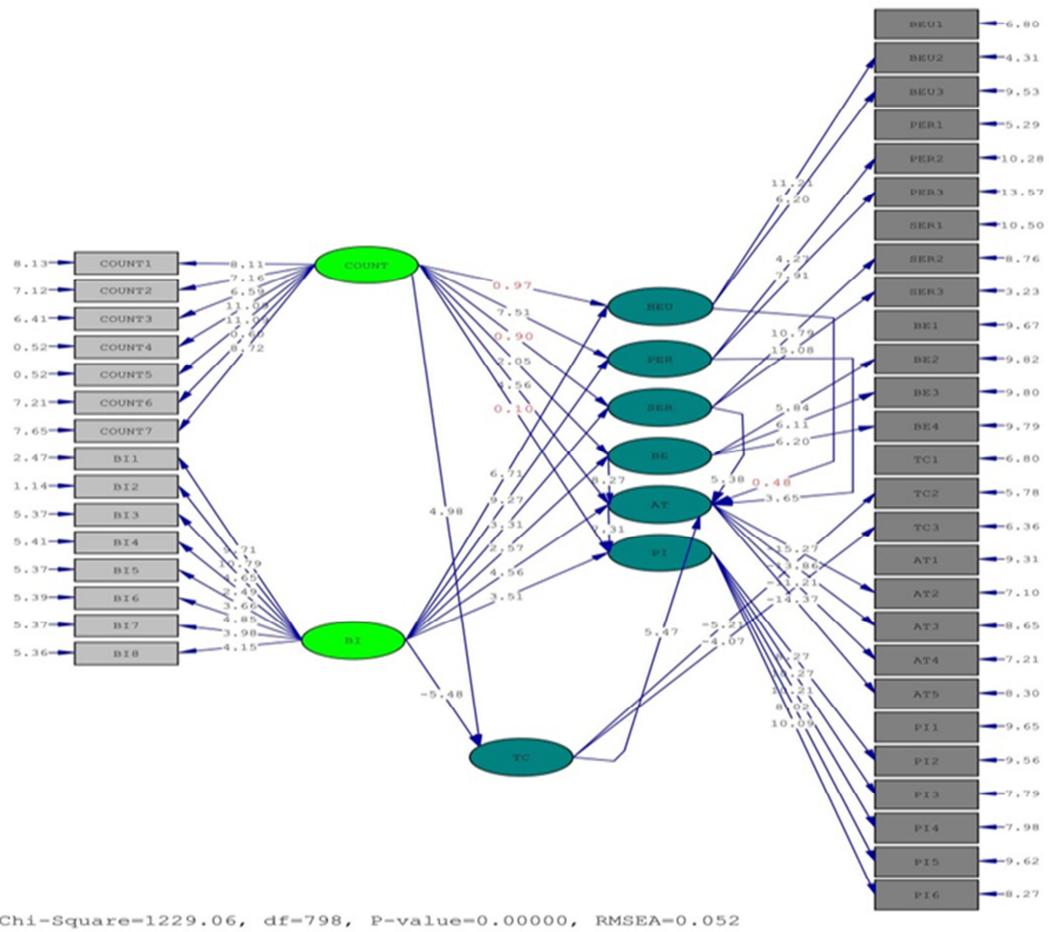


Fig. 5: Measurement model for obtaining significance coefficients (Sample Germany)

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