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Where's that brand from?
Broadening the concept of foreign branding

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Thesis title: "Where's that brand from? Broadening the concept of foreign branding"

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Reseach question: Can foreign branding be advised as a strategy for companies, which compete with a geographic provenance in its brand name, and can foreign branding contribute to a better understanding of geographic provenance within marketing theory.

Purpose: The purpose of this thesis is to investigate the debate of geographic provenance within marketing theory, increase the awareness of foreign branding as a theory as well as a strategy, and investigate the possibilities of increasing the understanding of foreign branding.

Method: Through a thorough study of foreign branding and branding in general, this thesis is trying to redefine the concept of foreign branding and how it may be used as a strategy. The thesis is of exploratory research design, meaning it tries to investigate the studied topic by taking part of expertise knowledge on the matter of foreign branding. By doing so information may be derived from secondary sources of data as well as personnel with an expert knowledge of the current situation. Information may also be derived from mini-samples and small-scale experiments. The qualitative data was gathered through in-dept and e-mail interviews based on non-probability sampling and a so-called judgement technique. We then processed the interview data by reading the data material before we integrated and compared it with the available theoretical notion.

Abstract: This thesis explores a new theory within branding based on geographic provenance. The reader will gain insight into what foreign branding is and how it may work as a marketing strategy for companies that possess a certain origin in their brand name. The thesis also discusses how foreign branding way be a way of illuminating the ongoing discussion of branding and geographic provenance within marketing literature. An attempt is made to investigate and redefine foreign branding based on three different approaches namely, (1) stereotypes, (2) linguistic and (3) product country image.

Keywords: Foreign branding
Branding
Product country image (PCI)
Stereotypes
Linguistic

------------Preface-----------

When deciding upon what we would like to investigate in this thesis we have never thought that we would end up investigating the chosen topic. Our intention was from the beginning to write a master thesis about marketing related to the entertainment industry like film or music. Today there are no regrets concerning the choice of subject since we believe it has been an educating and stimulating process to gain more thorough understanding of how a geographic provenance may be used in order to create efficient branding strategies.

We would like to give thanks to all the respondents who participated in our interviews. Special thanks goes to Anna Sitterstad at "Lloyd Ferguson Hawkins" and professor Harold F. Schiffman at University of Pennsylvania for their never ending dedication in our effort to redefine the investigated topic.

We would also like to express our special thanks to family and close friend for all support and encouragement.

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1.   Introduction

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In the first chapter, an introductory discussion of the research topic is presented as well as the thesis purpose and the research question. To avoid misinterpretations, the reader will be presented with concepts and shortenings which are not of common use within general marketing literature. The chapter ends with an outlined structure of the thesis in order to give the reader a general view.

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1.1   Introductory discussion

In current marketing literature there is an emerging stream of research which provides what can be seen as a new way of defining a much to diffuse and broad theory, where companies use geographic provenance to build strong brands. The origin of a brand, which can influence consumer perception of price, quality or even image (Anholt 2000), can be elaborated through a range of strategies, regulated by law or not. Through legislation of European Union law, companies can secure the right of a certain brand name through what has been referred to as geographic indicators. On the other hand, this does only apply for companies that are from a certain region and which have a long sustained inheritance of producing a certain product and consequently have built up strong brand names. Through commercial forces, these brand names have been exploited and are, in the eyes of the European Union, in need of protection by law. But this is only one way of which companies can gain competitive advantages from strategies built on geographic provenance. Most strategies derive from one broad theory, the theory of Country-of-Origin, and that is where this thesis takes its beginning.

Every country has an image and this image is built on people beliefs of the country's political, economical or social context, consequently its culture (Roth and Romeo 1992). Globalisation of marketing efforts, the relationship between country, brand and product images and effect on consumer purchasing behaviour becomes more important (Jaffe and Nebenzahl 2001). The idea that countries have a "brand" or "image" is not new. Corporations have images or identities, stores have an image and so does individuals, especially actors and politicians. All of these entities are concerned about their identities and they try to shape and improve them, if needed. A positive brand or image can be a valuable asset when interfacing with audiences and stakeholders in a congruent way. What is true for corporations, stores and individuals is also true for nations. Every nation has an image, favourable or unfavourable, positive or negative. Some nations are viewed as benevolent and progressive, others as contemptible and regressive. Some are noted for engineering prowess, others for design skills. Whatever these views are, they do colour both investors' and consumers' perception of a country's brand (ibid.). Just like commercial brands, country brands are well understood by consumers around the world. They also have long established identities and can therefore work just as effectively as an indicator of product quality, a definer of image or targeted markets, as the manufacturers name on the package can (Anholt 2000). "Brand USA" has the worlds best advertising agency, Hollywood, and this has a strong influence on the stereotyped culture of the so-called free world (ibid.).

The influence that cultural stereotypes have on consumer perception and evaluation has been demonstrated in numerous studies (Eagly et al. 1991 and 1992; Gardner 1973; Katz 1981).

National and cultural stereotypes are broad, common shared beliefs and judgements related to a country, its citizens and their culture (Leclerc et al. 1994). There are many, true or false, more or less universal beliefs about other. England is for instance often perceived as class oriented and strongly aware of the social heritage, France as fashionable or chic, Italy as style or sexiness, Sweden as diplomatic and efficient and Japan as a country where authority and efficiency is of great concern (Anholt 2000). This has led to consumers using stereotypes as heuristics. Products with french names are for example often considered more hedonic and English named products more utilitarian (Leclerc et.al. 1994). Companies have used stereotypes like these since common beliefs were established. This is part of what is referred to as Country-of-Origin theory (COO) (O''Shaughnessy &. O''Shaughnessy 2000).

The theory of COO is a complex and sometimes confusing theory where components such as country of manufacturer (COM), country of assembly (COA) and country of developing (COD) has its own effect on how a Country-of-Origin strategy is compound. The theory of COO, where the origin of a brand may have as strong positive effect on consumer associations as the use of a celebrity, is one way of creating a certain brand image (Thakor and Lavack 2003). But origin, or provenance, is such a powerful element of a brand's equity that it is common for a company to imply a false provenance if it creates better, or more natural associations than the true country of origin (Anholt 2000). For example, Brooklyn, Italy's leading brand of chewing gum, is manufactured near Milan by its company called Perfetti, but in its long history has never been anywhere near the United States (ibid.). Another company within the same industry and country, Ferrero, uses similar false provenance to create a preferable association. By naming one of its chocolate bars Kinder and producing the chocolate in Switzerland it is associated with a strong, but once again false, provenance. This marketing effort has been discussed as one of the most well chosen brand names that is derived from false provenance. The English word for "kinder" means child and consequently this piece of chocolate is considered to be a chocolate for children. The product and packaging reinforces this consumer perception through a chocolate shaped as an egg with a toy attached inside. However, the strongest element, the element of provenance, is a great stroke of genius and it is achieved through the creation of false provenance.

Since the middle of the 1990´s the strategy of false provenance has led to a new way of discussing the concept of country of origin. There has been an increasing debate outside the COO theory, the classic theory of geographic provenance. The theory, which has been growing for the last ten years, is of greater range, at least from a geographical point of view. Prominent professors and writers, such as France Leclerc and Mrugank Thakor, on the subject of COO theory, have identified new trends which suggest that the absolute geographical extraction does no longer matter. Companies today adopt strategies which apply different images in different countries in order to stregthen the brand equity. Such strategies have been labelled 'Foreign Branding'.

1.2   Research question

"Can linguistic, stereotypes and product country image (PCI) contribute to a better understanding of foreign branding as a theory and can foreign branding be advised as a branding strategy for companies that compete with a geographic provenance in its brand name?"

1.3   Purpose

In this thesis we will focus on increasing the understanding of foreign branding and thus illuminate the debate of geographic provenance within marketing literature. The reason for writing about foreign branding is twofold, (1) It seems to be a lack of research on the matter, and (2) a trend has emerged where one company after another chooses to go international with their products and their provenance are often questioned.

The theories that discuss geographic provenance have, in some cases, been regarded as too diffuse or too broad. This reflects theories that cultivate geographic provenance in general and the COO theory in particular. Therefore it is our intention to investigate and illuminate the debate of geographic provenance. This is done by investigating foreign branding, a different way of debating geographic provenance within marketing literature. Consequently we are searching for a distinct and more applicable definition of foreign branding. Thus we intend to: (1) illuminate and investigate the current debate of geographic provenance within marketing theory, (2) give better understanding for foreign branding as a theory within the literature of marketing and (3) investigate if foreign branding is a relevant strategy for companies which have geographic provenance in their brand name.

"The purpose of this thesis is to investigate the debate of geographic provenance within marketing theory, increase the awareness of foreign branding as a theory as well as a strategy, and investigate the possibilities of increasing the understanding of foreign branding."

1.4   Demarcations

As the study was proceeded three levels within the subject emerged:

Concept level: This concerns how foreign branding is investigated as a theory. The concept of foreign branding is, as mentioned before, not thoroughly investigated at the time of this thesis. By broadening the theory of foreign branding, it is easier to investigate the debate of geographic provenance. Although we are well aware of the fact that foreign branding may not fulfil certain criterions needed in order to define it as a theory, we will still refer to it as a theory within this level. This decision was twofold. (1) First of all, reflecting the above outlined purpose we needed to find a way of separating this level from company level. (2) Second of all, since our purpose also reflects the importance of an increasing understanding of foreign branding, we hope that foreign branding one day may fulfil the criteria that exist when defining something as an actual theory.

Company level: This concerns how companies with a geographic provenance in its brand name can or can not use foreign branding. Since our intentions are an investigation of foreign branding as a strategy, as well as a theory, the company level will be discussed, but recommendations to specific companies will not be given. This level will be referred to as, foreign branding as a strategy.

Consumer level: This concerns how foreign branding effects consumers. Theories such as consumer behaviour are of interest. This will partly influence the chapter concerning foreign branding. Since the subject has been of little investigation and research, all relevant information was needed in order to conduct a broader and more applicable definition. On the other hand it is not our intentions to investigate and analyse how consumers are affected or how they perceive foreign branding. Consequently no conclusions will be done concerning the consumer side of foreign branding

Regarding the three different ways of investigating foreign branding, outlined above, some choices were made. The choice of not investigating the consumer side of foreign branding was twofold. (1) Since the subject is relatively new, a qualitative methodological approach is more applicable (See chapter 4.1). An empirical study of the consumer level within foreign branding would have a tendency to derive more or better information if pursued as quantitative, but might end up measuring the wrong variables and thus end up with deficient validity, and (2) in the trade-off between writing something about all three levels or investigate more deeply on two levels, the later choice was made.

The theory where companies use a false provenance in order to gain a competitive advantage might seem unethical for some readers. This ethical perspective is something that is hard to disregard when debating the concept of foreign branding. But whether we feel it is actually wrong or even unethical to pursue a foreign branding strategy, is something that goes beyond the purpose this thesis.

1.5   Formulation of scientific concepts

To avoid confusions and in the effort of giving the reader the ability to understand concepts that are not used on a regular basis within marketing literature, such shortenings and concepts used in this thesis are explained below.

COO: In general marketing literature and in this thesis, this shortening stands for Country-of-Origin and it is a theory of how geographic provenance can influence consumer perception and evaluation of a product. It is defined by Roth and Romeo (1992) as: "*the overall perceptions consumers form of products from a particular country, based on their prior perceptions of that country's production and marketing strengths and weaknesses*". This should not be mixed up with country of origin (see below).

Country of origin: Meaning the provenance of something. This should not be mixed up with the Country-of-Origin theory, COO (see above).

PCI:	Shortening for product country image. Defined by Roth and Romeo (1992) as: *"the relationship between consumer preferences for a country's products and the perceptions of a country's culture, economy and politics, and that consumers' evaluation of a specific product from country X are based on the match between product and country"*.
COM:	Shortening for country of manufacturer. A component within the Country-of-Origin theory.
COD:	Shortening for country of developing. A component within the Country-of-Origin theory.
COA:	Shortening for country of assembly. A component within the Country-of-Origin theory.
Provenance:	A place (country, city etc.) where an object/product originates.

1.6   The thesis structure

The limited research within foreign branding has influenced the methodological approach and purpose of this thesis as well as how it has been structured. The limited research material available, makes it difficult to structure the thesis with a chapter concerning the theoretical frame of reference. The purpose of this thesis is to explain the concept of foreign branding, and in a better way define the theory behind it. Therefore, the decision was made to discuss relevant approaches to foreign branding in order to reach a better definition. A similar choice was made within the theory of branding. This well documented and discussed subject within marketing literature is also structured as a discussion. Different authors explanations of how branding components such as brand awareness, brand image and brand equity can be perceived from the brands geographic provenance point of view are presented. The chosen structure of this thesis has also been made on the basis of making it interesting and as easy as possible for the reader to understand. Therefore, the decision was made to present the empirical study after reviewing foreign branding and branding. By doing so, the reader gains the advantage of understanding the subject before it is empirically investigated. This has also influenced the decision of presenting a discussion of foreign branding before brands and branding are discussed. By doing so, the reader will gain insight into the concept of foreign branding before branding is discussed through a foreign branding perspective.

To give the reader an general view of this thesis, a review of following chapters can be structured as seen below.

Chapter 2:	In this section of our thesis we will present our general reflections on the methodological approach. This includes the overall pattern of thinking, which methods one may chose and what makes one method more applicable than the other. Consequently, the chapter discusses the matter of research design, sampling selection technique and a general reflection upon the methods we used and the information we have gathered.

Chapter 3: In this chapter we intent to discuss different approaches to foreign branding. Approaches made by leading authors on the subject will be explained as well as new ideas. Stereotypes, linguistic, and PCI are three approaches used in order to redefining this topic. The chapter will be summed up with an attempt to give a new and broader definition of foreign branding, perceived from more than one approach.

Chapter 4: In the fourth chapter of the thesis, the reader will be able to take part of theories on the matter of brands and branding. This has commonly been referred to as a broad and well-published matter. The chapter does in a general matter discuss branding out of a geographical point of view and in more specific matter the components that are of importance when companies use geographic provenance as part of their branding strategy.

Chapter 5: This part of the thesis constitutes a more specific outlook on the methodological approach of the empirical study. The reader will be presented with more specific information on the methodological approach we used when conducting the empirical study. Thus, information about how the empirical study was performed, why it was performed that way, who participated and also why they participated, will be discussed. The chapter is summed up with some reflection on the empirical study and what relevant alternative methods could look like.

Chapter 6: When the reader has gain insight into the methodological thinking and the chosen methodological approach, the reader will have the opportunity to better understand and take part of the analysis presented in this chapter. The data presented in chapter five will be analysed based on presented literature and theories concerning foreign branding and branding in general. Thus, the empirical facts we found will be integrated with the previous theoretical findings in order to reach conclusions later on. The analyse is also based on the three approaches presented earlier. By doing so, we intend to investigate how relevant and important stereotypes, linguistics and PCI are when redefining foreign branding.

Chapter 7: In the final chapter of our thesis we will present the conclusions we have reached concerning foreign branding as a theory as well as a strategy. The chapter will also discuss how relevant the three presented approaches are, when it comes to redefining foreign branding.

2.   Methodology

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Method is the way a research study is pursued in general. It gives a base for the systematic research work concerning questions such as, who, what, how and why. In this chapter, we will first describe some research methods in order to choose and explain why the chosen methodological approach is relevant. We will also present important variables we had in mind when designing and performing the empirical study, such as the sample selection technique and decisions when gathering data.

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Purpose is the controlling force in research. Decisions about design, measurement, analysis and reporting all flow from the purpose (Patton 1990). Therefore it is most relevant to discuss appropriate approaches to how foreign branding can be investigated perceived from the purpose laid down in the beginning of this thesis. The research question will determine the character of the empirical study. For example, is the study going to be of a qualitative and/or of a quantitative nature (Patel and Tebelius 1987)? The research question and the extent to how well the subject has been dealt with is also of interest for the relevance of an empirical study of foreign branding. Purpose, strategies and trade-offs all go together. A discussion on designed strategies and trade-offs is necessitated by the fact that there is no perfect research designs (Patton 1990). The collection of relevant data as well as design, measurement, analysis and reporting of an empirical study, all involves decisions of how to investigate the actual problem. These methodological decisions does not only include questions such as what, how, when, and why a certain methodological approach may be decided upon but also why other, alternative methods, may not be as relevant as the research method of choice. The chosen methodological approach depend on several questions like, who is the information meant for and who will use the findings? What kind of information is needed? How is the information to be used and for what purpose is evaluation being done? (ibid.) These are some questions that are of importance when deciding on methodological approach. Since we have decided to present a chapter concerning methodology this early in the thesis, the methodological discussion will naturally continue in chapter five. We will there present the empirical study we have conducted and discuss relevant approaches on a more thorough level.

2.1   Research Approach

Considering evaluation of design alternatives leads directly to consideration of the relative strengths and weaknesses of qualitative versus quantitative data (ibid.). But before we can decide upon what kind of information is needed, qualitative or quantitative data, it is relevant for us to ask the question of who is going to use the finding. Consequently who is the information for and what kind of research is appropriate. According to Michael Patton one may participate in four different kind of researches, basic, applied, evaluation and action research (ibid.).

Applied Research

Applied research work on human problems. The purpose of the research is to contribute knowledge that will help people understand the nature of a problem so that they can control their environment more effectively. The purpose of applied research, is therefore to generate

potential solutions to human and societal problems (ibid.). This type of research may be more applicable on social and humanitarian investigation where economical forces are smaller or of less importance, than on the concept of foreign branding that we are investigating and thus the situations we will try to describe.

Basic Research

The purpose of basic research is knowledge for the sake of knowledge. Researchers who engaged in basic research want to understand how the world operates. This may have some correlation to expertise knowledge, something we will discuss later on. Researchers are interested in investigating a phenomenon in order to get to the nature of reality with regard to that phenomenon. So the basic researcher's purpose is to understand and explain (ibid.), something that is relevant to the purpose of this thesis. This might be seen as closely related to an exploratory method (which will be discusses later on). Since we are discussing foreign branding and its effect on the geographic provenance within marketing theory as disregarded in previous research, the knowledge and effects are limited and therefore this methodological approach of basic research seem to be relevant for us to conduct.

Evaluation Research

Once solutions to problems are identified, policies and programs are design to intervene in society and contribute to change. However, the effectiveness of any given human intervention is a matter of subject to study. Thus the next step on the research continuum is the conduct of evaluation and policy research to test out the effectiveness of specific solutions and human intervention (ibid.). We find this research method more applicable when a subject is of general definition or common knowledge. Since foreign branding, according to the experts we have taken part of, is not, we will not apply this type of research but it is nevertheless important to be aware of it.

Active Research

This is the final point of the continuum of research. Action research aims at solving specific problems within a program, organisation, or community. Action researches, explicitly and purposefully, becomes part of a transformation process by engaging the people within a program or organisation and by studying their problems in order to solve these. As a result, the distinction between research and action becomes quite blurred. The research methods tend to be less systematic, more informal and quite specific to the problem, people and organisation for which the research is undertaken (ibid.). Therefore we find this kind of research less applicable to the concept investigated in this thesis

Basic research is most commonly published in scholarly books, journals and dissertations (ibid.) and therefore the choice of this research approach might not come as a surprise. Furthermore, the qualitative inquiry contributes to basic research through "grounded theory" (Glaser and Strauss 1967)[1], essentially an inductive strategy for generating and confirming theories that emerges from close involvement and direct contact with the empirical world (Patton 1990). In new fields of studies, little work has been done within these studies and few definite hypotheses therefore exist. Thus little is known about the nature of the phenomenon and a qualitative inquiry might be a reasonable beginning within the research (ibid.).

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[1] This means that the finding are grounded in specific context; theories that result from the findings will be grounded in real-world patterns (Glaser and Strauss 1967)

2.1.1   A qualitative research model

The evaluation design of a qualitative research method involves considering its strengths and weaknesses. Qualitative methods permit the evaluator to study selected issues in depth and detail. Approaching fieldwork without being constrained by predetermined categories of analysis contributes to the depth, openness and detail of qualitative inquiry (ibid.). The qualitative research is principally used for answering the "how", the "why" and the "what" types of questions. It is not used for the "how many" questions (Webb 1922). This is something that has to be considered in association to purpose and research problem before choosing upon a qualitative research approach. Qualitative research is used optimally for situations which will increase understanding, expand knowledge, clarify the real issue, and provide an input to a future state of research or development, (ibid.) something which is coherent with the purpose and research question of this thesis.

A qualitative study may be of better design since the subject of foreign branding has not been investigated to a point where there exists a common known definition or wider knowledge of the subject. Furthermore, conducting a quantitative research might end up measuring the wrong thing and thus end up with deficient validity. The essence of qualitative research is that it is diagnostic; it seeks to discover what may account for certain kinds of behaviour. It seeks deeper understanding of factors, something covert, which influence i.e. buying decisions. Furthermore, qualitative research is impressionistic rather than conclusive, it probes rather than counts and it observes and reflects on the complexity of human activities in satisfying many needs. Intrinsically, it is subjective. On the other hand, from its findings it can not produce statistical evidence based on probability sampling (Chisnall 2001). Consequently statistical proof of how foreign branding may influence a consumers perception can not be given, like wise no statistical proof of the efficiency of a company using a foreign branding strategy can be given.

A qualitative research is particularly valuable in the early stages of market studies and when concepts are being explored (ibid.). This is something we have found within foreign branding. Not only did it influence the decision upon a qualitative research model, but it also generated some access problems that will be discussed later on in chapter five. This is the main reason for choosing a qualitative research method and why this research approach is more appropriate for investigating the notion of foreign branding. Furthermore, the chances of measuring the wrong thing and end up with deficient validity are also limited. Validity in qualitative research is dependent on careful instrument construction to be sure that the instrument measures what it is supposed to measure. In a qualitative inquiry the researcher is the instrument. The instrument must then be administrated in an appropriate, standardised manner according to prescribed procedures. Validity in qualitative methods, therefore, hinges to a great extent to the skill and competence of the person doing the fieldwork (Patton 1990). This will be discussed later on in chapter 2.4.4.

2.2   Sample selection techniques

There are different methods of sampling qualitative data, each and every one dependent on aspects derived from purpose and research question. The three most common research designs are exploratory, descriptive and casual research. Each has its advantages and disadvantages and in marketing research terms and each might find its optimal use within certain situation. We will describe them all shortly to better make the reader understand why we have chosen the technique that we have, and in order to show what techniques that are not at all applicable within our thesis. As the spectrum of research category is traversed from exploratory, trough descriptive, to casual, there tend to be an increasing degree of formality, and a decreasing degree of flexibility, in the way which the research can be carried out (Webb1992). This is something we find important and it will therefore be explained before discussing specific sampling selection techniques in this chapter.

Exploratory research

Exploratory designs are concerned with identifying the real nature of research problems and to some extend formulating relevant hypotheses for later tests (Chisnall 2001). It is most useful in the preliminary stages of a research projects when the level of uncertainty and the general ignorance of the subject in question are at their highest. Exploratory research is characterised by a large degree of flexibility as well as a lack of formal structure. This flexibility arises from a need to avoid being biased by any preconceived notions. The lack of formal structure permits researchers to "follow their noses" and their instincts (Webb 1992). Chisnall recommends that these early exploratory interviews should be tape recorded and listened to later on by the research team. In this way the interviewer may be able to derive full value from the views expressed by respondents. This includes noting any limitations to the scope of specific enquire (Chisnall 2001). This recommendation is something we used during the interviews we conducted, but we will describe this procedure in chapter five.

In exploratory research information may be derived from secondary sources of data and from personnel with an expert knowledge of the situation. Information may also be derived from mini-samples and small-scale experiments (Webb 1992). Thus in some cases exploratory research based on published data (see later discussion of secondary data) may give adequate knowledge for particular marketing decisions to be made (Chisnall 2001). Consequently, the main aim of the exploratory research is to uncover the boundaries of the environment in which problem, opportunities and situations of interest are likely to reside. By doing so, we hope to uncover some salient variables that can be explored and might be relevant when redefining foreign branding (Webb 1992).

Descriptive research

If the main purpose of exploratory research is to uncover the salient variables that are at play in the situation of interest, the purpose of descriptive research is to provide an accurate and valid description of such variables (ibid.). Descriptive studies, in contrast to exploratory research, stem from substantial prior knowledge of marketing variables. As mentioned previously, this is not the case when discussing foreign branding. Therefor, among other things, is this method difficult for us to apply. For this kind of research to be productive, questions should be designed to secure specific kinds of information, perhaps related to product performance, market share, competitive strategies or distribution (Chisnall 2001).

Since part of our purpose is to redefine foreign branding, it would be hard to correlate such an approach to specific marketing activities like mentioned above.

Descriptive research does not try to uncover any casual links between variables. It just describes them. Data may be obtained from many sources, but usually the bulk of the information will come from secondary sources of data or from surveys (Webb1992). Typical descriptive studies contain public-opinion polls and various industrial, commercial and public-sector surveys (Chisnall 2001). All these may be seen as a extension to our study.

Causal research

A descriptive research can only provide a photograph of, for example, two variables A and B. This results in a static representation and does not contain a dynamic component that would enable the researcher to say what the nature of that relationship might be (Webb 1992). Causal research attempts to identify factors that predict market behaviour and therefore evaluates their relationships and interactions. Causal research could be used for instance, when determining the relationship between sales and advertising, market shares and price or between packaging and repeat purchase (ibid.).

The general awareness of foreign branding is, as mentioned above, not of common knowledge at the time when this thesis was written. Since the theory of foreign branding and its effect on the geographic provenance within marketing theory has been disregarded in previous research, the knowledge and its effects are limited. As mentioned above, this has a profound effect on what kind of research and sampling technique that is more appropriate. If knowledge of foreign branding were of greater range, a descriptive research could be conducted with the continuum of a causal research. On the other hand, with lacking knowledge of foreign branding comes the risk of measuring or describing wrong variables and consequently create causal relationships with deficient validity. A survey such as public-opinion polls and various industrial, commercial and public-sector surveys, recommended within descriptive research, is not interesting for us to use at this point of progress on the notion. With the concern of purpose and research question it would be more appropriate to conduct an exploratory research to be able to further investigate and also illuminate the debate of geographic provenance within marketing theory. Consequently through this investigation the understanding of foreign branding may increase.

The sampling of data, in this case qualitative data, is dependent on four factors: cost, time, accuracy and the destructive nature of measurement (Webb 1992). The fact that time and cost are of the essence is common knowledge. It is vital that the chosen sample selection technique has the ability to gather data in an efficient way, both time wise and cost wise. The gathered data is also dependent on accuracy, meaning that researchers gather relevant information in order to pursue the purpose and later on have the ability to reflect upon the research question. Consequently the data gathered need to be reliable and valid. The destructive nature of measurement reflects the trade of between census and sample, where each situation must be judged on its own merits (ibid.).

The decision of sampling and the process by which a certain number of units are selected from the population can be divided into two different sample selection techniques. These two basic methods of sampling are called probability and non-probability sampling techniques. With probability sampling, each unit of the population has a known chance of being included in the sample. When talking about non-probability sampling, individual units in the

population do not have a chance of selection. The selection of sample is therefor dependent on human choice (Chisnall 2001). Since the information that was sought and investigated are of limited research and specific in character, the probability technique would not serve this research as well as a non-probability techniques. The sample is therefore collected from the researchers' judgement, a so-called judgement technique.

The judgement techniques are an attempt to sample from human choice and at the same time ensure that the sample is more representative than if conducted on the basis of convenience. If the judgement of those making the selection of the sampling units is precise and if the population is small, as suggested by mini-samples in exploratory research, this method can result in a sample which has less variable errors than a sample chosen by simple random sampling techniques (Webb 1992).

On the other hand, the judgement that guided the sample selection had to reflect the purpose of this thesis and somehow investigate the research question. It was therefore based on the criteria of: (1) people that have worked with branding strategies and preferable with brands which reflect some kind of geographic provenance, and (2) people who have showed some kind of interest for the debate of geographic provenance within marketing, through papers, internet publications or articles.

2.3   Design of research instrument

So far we have decided upon a qualitative research though the sample selection technique of an exploratory design and non-probability sampling. What has nor been considered and reflected upon is in what manner the qualitative data should be gathered. By not choosing descriptive research design we also decided on the exclusion of survey techniques. In order to collect reliable qualitative data the design of research interment have to be efficient, but at the same time gather information of essential width as well as depth. If conducted inefficient, it may be effected by trade-offs because of the time constrains, which comes with the territory when writing a thesis. The basic techniques of qualitative research include, among others, in-depth interviews and focus groups (Chisnall 2001). Since the exploratory research design emphasise the importance of information derived from personnel with an expert knowledge and since the personnel that posses this knowledge (knowledge of foreign branding) are of limited source the technique of in-dept interviews seem more applicable. By conducting in-debt interviews one may avoid the case of "follow the leader" which may occur when a person find their knowledge to be of limited range and thus do not want to be perceived as being one with less knowledge on the discussed subject. There are different techniques and different way of conducting in-dept interviews. In what way one should act and react to respondent in order to ensure valid and reliable data will be discussed later on.

Furthermore, because of the importance of expertise knowledge and the situation that time constrain contributes to the research design, we have also decided to conduct e-mail interviews. The limited numbers of people that can relate to the subject of foreign branding, as well as the global aspect of the research question, have influenced chosen methodological approach. In order to gain information with both width and depth, a decision was made to supplement in-depth interviews with e-mail interviews. This way it may be a better chance of gaining insight into expertise knowledge, knowledge that might have been lost if only in-depth interviews were conducted. In-depth interviews and e-mail interviews should be seen as supplements of gathering relevant qualitative data and not as competitors. Through both in-

depth interviews and e-mail interviews the ability of gathering wider and more detailed information increases. If conducted in an orderly fashion this may increase the ability to achieve reliability and validity in the empirical study (Patton 1990). How in-dept and e-mail interviews should be carried out, as well as the thoughts we had, will be descried in collaboration with the empirical study in chapter five.

2.4 Reflections on gathering data

Collecting data means gathering information needed in order to answer the problem set by the researcher. The challenge lies within finding data that says as much as possible about the research problem. One method can only be viewed as better that another when reflecting upon the research problem (Webb 1992).

2.4.1 Primary data

Primary data is data collected by studying people or groups in given situations using field studies or laboratory studies such as observations. The reason for collecting this kind of data could be the fact that there are no previous data on the subject available or that the data at hand may be incorrect or insufficient (Lekvall and Wahlbin 1993). Once again, this is the case that exists within publications regarding foreign branding. This limited research on the matter of foreign branding and the incoherency between different professors and writers, makes gathering of primary data vital within this thesis. This is mostly done within the empirical study of this thesis and consequently further discussed in chapter five.

There are several ways of gathering primary data. Normally a questionnaire is used as a data collection instrument. The three most common ways of questioning are through in-depth interviews, telephone interviews and mail interviews. The uses of e-mail interviews have started to increase as more and more people realise its advantages (ibid.). On the other hand, the weakness of primary data is the problem of first finding the information and then to register the data collected, something that is reduced when using secondary data (ibid.). Furthermore, finding relevant primary data within foreign branding, as well as people who possessed knowledge about it, turned out to be more difficult than we thought. Consequently we found ourselves facing a classic situation of problem with access concerning primary data.

Even though one may receive important information from secondary data alone, it is sometimes necessary to collect primary data (ibid.). Since the research problem in question is not of common knowledge, the collections of primary data was needed in order to define and broaden the concept of foreign branding and consequently illuminate the debate of geographic provenance. The collection of primary data was gathered through in-depth and e-mail interviews, and these methods of gathering such data will be discussed within the empirical study.

2.4.2 Secondary data

Secondary data can be defined as data that has already been collected for some purpose other than the one under consideration (Webb 1992). The data may lie within the company (internal data) or outside the company's boundaries (external data). The first mentioned might involve

gathering advertising, sales or research reports and the later include i.e. publications or trade association reports (ibid.).

The main advantage of secondary data is the efficiency of cost and time if compared to primary data. The desired primary data might also be too wide ranging and/or so sophisticated that collecting it would be beyond the means of an average organisation (Lekvall and Wahlbin), or in this case a researcher. The major disadvantage of secondary data, especially within the subject treated in this thesis, is the extent to which the gathered data should fit the information needed for the research question. The problem of finding relevant and not biased secondary data regarding foreign branding is not as easy as for example conducting a literature search on branding. Most books that discuss geographic provenance are concerned with COO and until today there has only been publications as articles made on the subject. Consequently, most secondary data has been collected through publications from what has been referred to as leading authors on the matter. These publications were found in databases of marketing journals and in reports.

The problem with access that we faced concerning relevant primary data, made the gathering of secondary data even more important. Not only did we have to chose how to collect it, but we also needed to fill the void that occurred. The secondary data was first of all used in order to discuss the matter of foreign branding and give the reader an understanding of the subject. Second of all, it was also used in order to reach a broader definition of foreign branding from more than one point of view. We hope these different approaches might help to redefine the theory of foreign branding and consequently gain a better definition of how a foreign branding strategy might be used. We also hope that a broader as well as a deeper definition may be empirically studied. This investigation and its result may give reason for legitimacy behind the three different approaches presented in chapter three. If so, the understanding of foreign branding may be increased.

2.4.3 Breadth and depth

As our purpose may indicate, broadening foreign branding also means that the investigation is dependent on gathering as much information as possible and it is therefore vital that the information gathered consists of both breadth as depth. Because of this, the choice was made to gather information both through in-depth interviews as well as e-mail interviews. Conducting both types of interviews also tributed to decrease the potential problem with access.

By gathering data from experienced personnel on branding as well as people who seem to possess general knowledge of geographic provenance within marketing, specifically foreign branding, the data gathered would be more applicable and easier to analyse. Consequently, the collected data might give the breadth as well as depth needed in order to investigate foreign branding as a theory as well as strategy.

2.4.4 Reliability and validity

Reliability refers to the stability and consistency of the result derived from the research. This means that the same result could be obtained if the measures used in the research were

replicated (Chisnall 2001). However perfect coincidence of such measures would not be likely and acceptability could therefore range over specified limits.

When conduction a non-probability sampling technique, such as judgement sampling, the information gathered will be dependent on the source. But since the subject is of such unique matter, the ability to obtain more reliable information through a probability sampling technique would have been left to pure coincidence. As mentioned above, if the population is small and judgement of those making the selection of the sampling units is precise, judgement sampling can result in a sample which has less variable errors than a sample chosen by simple random sampling techniques (Webb 1992).

When discussing reliability it is not enough that the research is reliable. If the gathered information is measuring something else than it is supposed to, it is of less use. This is referred to as validity and it may be defined as a scale of measurement that is capable of measuring what it is supposed to (ibid.). Since validity is a vaguely defined concept, it is also a much-discussed one. Furthermore validity can be divided into as many as seven subcategories (content, predictive, concurrent, construct, convergent, discriminant and nomological validity by Webb 1992), but it is more commonly divided into three main types of validity:

Internal validity: This refers to measures related to a specific research rather than to the ability of generalising the findings (Chisnall 2001).

Face validity: Refers to the result from a specific research that appears generally plausible or fair in the lack of supporting evidence. It often appeals to the so called common sense (ibid.).

External validity: Distinct from internal validity, since it refers to the degree of specific research results, and how these may be generalised to other research situations (ibid.).

The ability to gain an secure validity has been derived both from purpose as well as research question of the thesis. Through previously explained methodology, internal validity is based on the ability of gaining qualitative information which can redefine the concept of foreign branding and broaden the subject in theory as well as in strategy. This has partly been achieved through face validity. However, the external validity is much harder to secure. This depends on the fact that no similar discussion has been done before. Therefore, the empirical study in this thesis is not made on the basis of generalising its results to previous studies. To be able to achieve external validity one would first have to answer the question of why there have not been extended studies on the subject in the first place.

2.5   A reflection on collected information.

In the beginning of this thesis, the intent to analyse the concept of geographic provenance within marketing literature was outlined and the COO-theory was seen as the only known researched subject. But as time went by, literature on the matter started to show a different pattern then was expected. Geographic provenance became a more intricate notion and foreign branding seemed to be a different theory. This meant there was no prior knowledge about the subject before this thesis started. The approach based on no pre-understanding on

the matter of foreign branding meant that some choices had to be made. One way of searching for relevant information was to conduct research under the concept of COO. Another way was searching for information that could build some kind of pattern within the subject itself. Since foreign branding is a new and relatively little research has been conducted on the matter, there was not much information to be found on the subject of foreign branding within articles and books that cultivate COO. Therefore, searching for literature had to be done on the basis of foreign branding as a secluded topic within geographic provenance, thus something isolated from the COO theory.

A clear-cut definition of foreign branding has not been stated, thus there does not seem to be a easy way to define it. The only pattern that emerged as research continued was a pattern where some authors seemed to return with articles on the matter and where a theory of foreign branding was widened and advised as a strategy for companies that possessed a brand name withholding a geographic provenance. Especially two writers have been eager to define foreign branding as a theory secluded from COO, but within the topic of geographic provenance in marketing literature. A marketing professor at Massachusetts Institute of Technology (MIT) named France Leclerc, wrote, with some help of his colleagues, articles published in *Advances in Marketing Research* and *Journal of Marketing research*. This professor has suggested a definition but it has not been used in further publication, nor by other researchers. Leclerc has mostly been interested at the core concept of how he perceives foreign branding. In different articles outside of his involvement with exploring foreign branding, this MIT professor has published articles concerning consumer behaviour.

A broader approach to the theory has been conducted by Mrugank Thakor a professor at John Molson School of Business at Concordia University in Canada. This professor is more interested in the broader picture of foreign branding and its seclusion from the COO theory. He claims that a redefinition of the COO theory needs to be done in order to resolve the methodological problems of COO studies. Some of his articles have been published in articles such as *Journal of Consumer Marketing* and *Journal of Product & Brand Management*. His contributions outside of the foreign branding debate reflect his interest in the concept of service, generally perceived from the company's point of view.

These two professors are what we decided to refer to as leading authors on the matter of foreign branding. The theories laid down by Leclerc and Thakor have been investigated from a critical point of view and other writers have emerged as the thesis took shape. On the other hand, their contribution, content and recurrent writing has been of less significance for the debate.

Branding has been referred to as a relatively broad subject. With hundreds of authors to chose from in order to gain basic branding information, the amount of literature one may gather on the topic may seem as endless. What we intended to investigate in this thesis, concerning branding, was the history of brands origin. The intention was to get an idea about the meaning of brands throughout the history and thus to be able to understand the position brands have today when companies design marketing plans. In order to do this, it seemed relevant to find, or produce, a clear-cut definition of what brands are. We suspected that there could be more than one definition.

In the beginning of the thesis, there was an intention to understand which factors that may influence a brand when it comes to consumers perception and evaluation. Furthermore, these factors could be used in order to illuminate the subject perceived from a company's point of

view. Since brand and branding is a broad concept, we found it irrelevant to thoroughly investigate all factors that may influence a branding strategy. Reflecting the thesis purpose, we found it more relevant to discuss the concept of branding from a geographical point of view. This different approach of defining and investigating brands started from an author who have discussed foreign branding in a reiterate matter, namely France Leclerc. The decision was therefore made to focus on brand identity, brand image, brand equity, brand knowledge and brand awareness, the five factors that this MIT professor considers as most important regarding the influence of brands. Deciding in what order to discuss them, was done randomly. On the other hand, there was also a strong need for supplementing thoughts and explanations, other inputs than Leclercs, in order to define a fair illustration of these five factors. David A. Aaker, professor of marketing at Berkley University, California and Jean-Noël Kapferer, professor of marketing at Hautes Etudes de Commerce, Paris, have illustrated and clarified the importance of how brands may be built and what factors that may influences them. These authors have also been used in order to broaden the concept of the five factors.

In order to get a historical background on brands and branding we turned to Frans Melin, a matter that this professor discusses in a thoroughly matter in his book "Varumärket som strategiskt konkurrensmedel".

In order to gain depth as well as breadth on the concept of brands and branding, information was gathered from published articles within marketing journals as well as literature published in books. Besides a deeper and broader understanding, this technique of gathered information also gave more reliable secondary data since authors of articles have a tendency to criticise and investigate matters in a different way than is done in books. Consequently, gathering information from many sources was made in order to gain more than one point of view. And thus gain more valid and more reliable secondary data.

3.   Foreign Branding

In this chapter we are going discuss the theory of foreign branding and try to give an account of why foreign branding is relevant for the debate of geographic provenance within marketing literature. Different professors and writers opinion on the subject will be discussed and three different approaches to foreign branding will lead to how foreign branding it can be defined as a strategy.

3.1   Investigating the COO-theory from a foreign branding perspective

The influence that cultural stereotypes have on consumer perception and evaluation has been demonstrated in numerous studies (Eagly et al. 1991 and 1992; Gardner 1973; Katz 1981). These are often based on national and cultural stereotypes, which may be seen as common shared beliefs and judgements related to a country, its citizens and their culture (Leclerc et al 1994.). These more or less universal beliefs of other countries can be seen as for instance England as class oriented which places much emphasis on heritage, France as fashionable or chic, Italy as style or sexiness, Sweden as diplomatic and efficient and Japan as a country where authority and efficiency are of great concern (Anholt 2000). Corporations and companies have used stereotypes like these since common beliefs were established and this is part of what is called Country-of-Origin (COO).

The theory of COO is a complex and sometimes confusing theory where components such as Country-of-Manufacturer (COM), Country-of-Assembly (COA) and Country-of-Developing (COD) have their own effects on how a COO strategy is compound. The number of ways to define this theory has been defined are far too numerous to analyse in this thesis. However, one leading definition states as follows:

> *"The overall perceptions which consumers form of products*
> *from a particular country, are based on their prior perceptions*
> *of that country's production and marketing strengths and*
> *weaknesses"*
> *(Roth and Romeo 1992).*

Consumer perceptions may change over time as political, economical and social factors are not static (Jaffe & Nebenzahl 2001). One example of how COO can be characterised and how it may change over time, is the sudden change in British consumers' view of the French brand Renault Clio. Research conducted by "Puclics" in the UK investigated how it was possible for Renault to go from being none existent in the British consumers mind, to reaching a top ten ranking between 1990 and 1998. Research found that the British consumers perceived the French people as having a more desirable way of life. This theme was integrated into the marketing campaign, which ran during the 1990´s. As a result Renault succeeded for the first time to enter the top ten best selling cars in the UK (Jaffe & Nebenzahl 2001).

In recent years the practice of adapting stereotypes to different geographical markets as a means to enhance foreign consumer perception and evaluation has been frequently debated.

This practice deviates from the COO theory. A redefinition of the broad COO theory has therefore been at the centre of the debate.

3.1.1 Leading authors on the matter of foreign branding

One of the most important decisions a company makes when establishing a new brand is giving the product a name. A name that may evoke strong associations can be of great strategic competitive advantage (Schiffman 2002). Strategies that enhance a brand and thus influence consumer's evaluations are often based on congruence between the brand name and the product being utilitarian or hedonic (Leclerc et al. 1989).

Since the middle of the 1990´s the discussions have started to deviate from the classic COO theory. The theory of COO suggests that the origin of a brand may have as strong positive effect on consumer associations as the use of a celebrity, (Thakor and Lavack 2003). Over the last years, a new practice has been evolving which suggests that it does not need to matter where a brand originates geographically. Leading professors and writers on the subject of COO have investigated this new practice and concluded that a company really could build a stronger brand image and brand equity by applying different country images on different geographical markets. This practice has been labeled *foreign branding*.

With the assistance of two colleagues, France Leclerc published an article on this topic named, *Foreign Branding and its Effect on Product Perception and Attitudes* in May 1994 in *Journal of Marketing Research*. The article explained the competitive advantages that a foreign branding strategy might have. In this article Leclerc states:

> *"By spelling or pronouncing a brand name in a foreign language*
> *the marketers may trigger cultural stereotypes and thus influence*
> *the product perceptions and attitudes. The result of this well*
> *calculated strategy is greater brand equity"* (Leclerc et al. 1994).

By improving the brand equity a different effect is also established in terms of the added value of brand knowledge. The influence of brand knowledge is said to be two-dimensional. First of all, greater knowledge of a brand increases the awareness and second of all, it may also increases the brands image (Leclerc et al. 1994).

The theory of foreign branding laid down by Leclerc et al. is one that suggest the use of a strategy that trigger cultural stereotypes which are in collaboration with the product, may increase brand equity and create greater brand knowledge. The knowledge of the brand has a positive secondary effect, brand image and brand awareness, and so the strategy is in order to increase its chances of evoking stronger consumer association.

From a strategic perspective the customer's desirability of a brand name is judged from two perspectives. First of all, the inherent ease with which the name can be encoded into and retrieved from memory and second of all, the extent to which the name supports or enhances the strategic positioning of the product (Leclerc et. al. 1994). According to Leclerc et al., this effect has nothing to do with the ability of pronouncing the brand name. An unfamiliar word that is hard to pronounce may be less memorable than names derived from English (or in our case Swedish). None the less, it may carry positive associations that can be encoded into, and

retrieved from, memory. Thereby the name may effect how consumers perceive and evaluate a brand (Leclerc et al. 1994).

The second leading author on the matter of illuminating the COO theory and redefining this much too wide theory is Mrugank Thakor. In an article published in *Journal of Consumer Marketing* in 1996, this professor claimed that the COO theory needs to be redefined in order to resolve the methodological problems of COO studies.The COO research has perhaps not had the managerial impact that it ought to and this is why it continues to be disputed and poorly regarded by some practitioners and consultants. Further research is needed in order to investigate the effect of original variables of a brand (Thakor 1996). In the article *"Brand Origin: Conceptualisation and review"*, Thakor lays down the theory of brand origin and the article has contributed to a further understanding of consumer brand perception and evaluation. The concept of branding is considered by Thakor to be a cue just like price, packaging or store image, but it can also be manipulated by COO information. The brand origin can be defined as the place, region or country that the brand is perceived to belong to by its targeted consumers. This may differ from the location where the product is actually manufactured, or perceived to be manufactured by the consumers (ibid.). The main point of this theory arises from the conceptualisation of brand origin in terms of consumer perceptions. This being the case, brand origin should not differ with a change in manufacturing location. The theory of brand origin offers a straightforward way of dealing with COO components such as COM, COD and COA and is part of the new perspective that has been brought into the classic COO theory.

3.2   Approach 1: The notion of the nation

Selecting a brand name is, as previously mentioned, one of the most important decisions a company makes when establishing a new brand. A brand name that may evoke strong associations for the product can create a great competitive advantage (Schiffman 2000). The brand name can be a mixture of a great number of attributes, but one attribute is particularly important to international brands. This is the influence the brand's country of origin, or the country that people believe the brand comes from, has on the consumers' perception of the brand. The fact that Coca Cola, Levi's or Nike are known to come from America is a fundamental part of their success and a reason why their advertising message have always stressed their sheer of American origin (Anholt 2000).

When countries have an international presence it is common to talk about stereotyping a brand with respect to the nation's image. When used in sociology, the word stereotype means a biased view of a group or class of people and a view that is resistant to change or correction from countervailing evidence (O''Shaughnessy &. O''Shaughnessy 2000). Examples of national stereotypes have been discussed earlier, such as: England as class oriented with a great matter of heritage, France as fashionable or chic, and so forth.

This is something Simon Anholt discusses in the article *The Nation as Brand* published in *Across the Board* in December 2000. What is interesting is that he stresses stereotypes like these to be more or less universal beliefs of other countries. Through the cognition of words marketers can evoke associations between stereotypes and countries such as, women's clothing and France, powerful automobiles and Germany, Vodka and Russia and thereby create strong brand names (Anholt 2000). This linguistic approach will be discussed on a more thorough basis later on in this chapter.

Any nation can be viewed as a brand, as well as it can be viewed as a compound of contemporary and historical associations that have relevance for marketing. (O"Shaughnessy & O"Shaughnessy 2000). The benefit of using a foreign branding strategy rather than a "traditional" branding strategy is the added dimension of a country image since people often already have a relationship to, or opinion about, different countries (Thakor and Lavack 2003). The country image of a marketing strategy is something Ingeborg Kleppe, a marketing professor at the Norwegian School of Economics and business Administration, investigates in an article published in *Journal of Brand Management* in 2002. A country image can be defined as the total of all descriptive, inferential and informational beliefs one has about a particular country (Kleppe et. al. 2002), and is built on people beliefs of the country's political, economical or social context, consequently its culture (Roth and Romeo1992). However, using country of origin within marketing entails far more than just putting a "made in label" on the products, particularly when the international knowledge of the country is limited (Kleppe et. al. 2002).

The problem when the knowledge of a country, or rather a product from this country, is limited, may be illustrated through USA and Canada. Many people regard these two countries, on the North American continent, as fairly similar but the knowledge about their products are completely different. (Papadopoulos and Heslop 2000). The average consumer will associate a great number of products as American, i.e. technological products, cars and even drinks such as Coca-Cola. This is what Kleppe et. al. refers to as a country with multifaceted images. Canada on the other hand is known as a vast country with great scenery and endless woodland. But when asked if they can mention one Canadian product the response was less than impressive by European consumers (ibid.). Based on this these facts, one may say that the knowledge of USA and existing stereotypes around their culture are as well known as some American products. Canada on the other hand is to a certain level known as a country but the ability to associate products as Canadian are not made by consumers. This lack of association for Canadian products, but at the same time knowledge of Canada as a vast and beautiful country, can be explained as a lack of product country image (PCI). To create a PCI in the minds of consumers one has to match the country image association of that country with specific product categories and consequently PCI can be seen as the image of a country within specific brand (Roth and Romeo 1992).

The effect of a country image is something Min Han discussed in an article published as early as 1989 in *Journal of Marketing Research*. According to Han, there are two different effects that a provenance can achieve. First of all, the consumer can use a country image for product evaluation when they are unable to evaluate the true quality of a country's product before purchase. This means that the country image indirectly affects product attitudes through inferential beliefs and this is referred to as the "halo-effect" (Han 1989). Second of all, the consumer can create associations based on accumulated experience with products from a country over time. This is what Han refers to as the summary-effect. The theory laid down by Han is one way of explaining the Canadian problem illustrated above. The collaboration between country image and product knowledge is incoherent. Consequently there is a lack of halo-effect, which explains a poor Canadian PCI. The concept of the "halo-effect" and its applicability to foreign branding is something we will come back to later on.

Han's description of summary and halo-effect is one of the leading theories within the COO theory. The idea of a country image working as a heuristic for consumer evaluation was based on the beliefs of true country origin for a company. On the other hand, a positive image can

activate heuristics, and factors such as constraints in time and resources forces the consumer to use these heuristics as shortcuts in their product evaluation. Brand image is one such shortcut (O"Shaughnessy & O"Shaughnessy 2000). It is quite obvious that a manipulated, or false, provenance has problem creating new consumer associations between country image and specific product categories, new PCI, but one can't help asking if the halo-effect can be applied by companies with a false provenance which have copied existing PCI. The summery effect, where consumer evaluation is created from a country-accumulated experience and strong PCI over time, is on the other hand harder for a manipulated provenance to achieve.

3.3   Approach 2: Foreign branding – a matter of linguistic

It is a well-known fact in marketing research that the success of a product depends largely on how it will be perceived by the customers. One of the numerous factors that influence this perception is the country category of the product (Onkvisit and Shaw 1997). The perceived origin associations are evident within many brand names and created either through the language associated with the brand name or through advertising (Thakor and Lavack 2003).
On the subject of foreign branding, a number of published articles seem to point out the profound effect a linguistic approach has on consumer perception and evaluation. The knowledge of using stereotypes or cultural affiliation in a marketing strategy has previously been investigated and discussed as well in theory as in practise. What has not been discussed on a more thorough basis is the concept of a linguistic approach. This is, according to Leclerc et al., one of the strongest contributing factors to the success of a foreign branding strategy. Whether by accident or design, advertising and marketers strive to give some punch and evocative capacity to their brand names. Of course this is done, as much as possible, in line with the symbolic connotation that they intended to communicate to product attributes (Usunier 1996).

In *Marketing Across Cultures,* Jean-Claude Usunier presents four main categories of linguistic devices: phonetic devices (i.e. sound, perceived by the ears), orthographic devices (funny writing, perceived by the eyes), morphological devices (adding morphemes to brand name root) and semantic devices (the figure problem meaning, perceived through culture-based interpretations). All four are created to change a words connotation and consequently create brand image that can evoke certain associations by consumers.

For as long as cultural stereotypes have existed, companies have taken advantage of this by marketing products in such a way that it somehow connects them with the country that is positively stereotyped (Onkvisit and Shaw 1997). As indicated above, this type of halo-effect does not apply to every product a country produces but rather to specific industries. One of the most convenient ways to create the association without actually claiming the right of the halo-country is by means of foreign branding. This is, according to a pilot study carried out by Albina Shayevich in 2002, achieved by manipulating a foreign sounding name in a linguistic manner so it sounds more like a name, phrase or word from the desirable halo-country. Thorough a small quantitative study on American consumers, a linguistic influence of a French sounding brand name was studied and two possible linguistic approaches were stated.

According to the author it does not matter if the word is French or English, real or fabricated, as long as the linguistic structure looks French, thus what Usunier calls a semantic device. The first linguistic approach is created through certain words ending with "age", "igue", "ais" or "ait", as in the American beauty company Clinique or the German "Nivea Visage"

(Shayevich 2002). A second approach to make a product radiate more French is the use of accent marks, i.e. Lancôme. While word structure is something shared among languages, accent marks are a clear and very noticeable sign of a word being foreign, it never appear in words of English origins (ibid.). By using three different names for beauty products (hedonic product), (1) an English name, (2) a French name through structure and (3) another French name through structure and the use of accent marks, Shayevich could study the influence that the linguistic approach had on consumer perception. The uses of one brand name more French than the other should confirm the hypothesis of: "the more French the greater appeal". The result was conducted as a trend were the lower affiliated French brand name appealed more than the English and the more extreme French name, the one through structure and the use of accent marks, appealed more to the respondents then the lower affiliated French brand name.

This linguistic approach is of great interest since it shines a new light on the theory of halo-effect presented by Han. Through a witty linguistic structure of a brand name, foreign branding may benefit from the halo-effect, a factor which has been regarded to exclusive belong to the COO theory.

Another author who has discussed the linguistic approach is Leclerc. In the article, "Foreign branding and its effect on product perceptions and attitudes", Leclerc et al. investigated what effect an English versus a French sounding brand name has on consumer perception. The products that carried the band names were either of hedonic, utilitarian or hybrid kind (a product which posses a balance of hedonic and utilitarian features). By exploring the associations that consumers made with each brand name, on the basis of hedonic, utilitarian and hybrid product, a linguistic approach that triggers cultural stereotypes could be accepted or discarded. Three hypotheses were drawn up. Because of the stronger collaboration that exists between hedonic products and French brand names, the first hypothesis is more interesting then the two later ones.

> H_1 A French name with hedonic associations should provide a better perceptual fit for hedonic products than an English name and thus result in more positive brand attitudes.
>
> H_2 A utilitarian product with a French brand name should be linked less than a product with an English brand name because of a poorer fit between the features triggered by the cultural stereotypes and the product features.
>
> H_3 For hybrid products a French or English name should lead to equally positive brand attitudes.

The effect of this linguistic approach was conducted on forty undergraduate students at an American university. Only the first hypothesis was confirmed when the respondents were confronted with the brand name as the only variable of information. When more country of origin information was presented the same hypothesis was confirmed but now even stronger and when the respondents were confronted with the actual product, the hypothesis could still be confirmed. This scenario can, according to Leclerc et al., give a view of connotation as a stronger cue than any other presented country of origin information. The linguistic approach and the collaboration between a French brand name and a hedonic product based on a false origin, is something that arguments in favour of the need for a different theory than the broad concept of COO.

3.4   Approach 3: Foreign branding – an intricate notion

The concept of foreign branding is, in the process of this thesis, still not known to be of general and theoretical significance. There is not a wide field of literature on the matter but there is without a doubt a number of leading writers on the subject and the theoretical discussions have a strong sense of trying to redefine the broad designation of COO theory. (G. Zhan 2003)

Leclerc et al. tried to emphasise the importance of cultural stereotyping and the comparative advantages companies have which use the collaboration between product and stereotype in a coherent way. In this approach they refer to country of origin information as a way of examine the advantages of the strategy and therefore there is a joint impact of foreign branding and country of origin information. It is important to stress that this is not the same as COO theory. The two theories, foreign branding and COO, are of two different meanings from a geographical point of view. The collaboration between a product from a particular country and consumers' perception about the country's marketing abilities is of vital conformation for COO. The essence of foreign branding is not the absolute collaboration between where the product is developed, manufactured or assembled. It is rather the matter of collaboration between cultural stereotypes and the product in question. This is something that may be used when designing brand names and it is part of what makes the brand increase its brand equity and so forth (Leclerc et.al 1989).

To make matters more confusing Mrugank Thakor has yet another view on the subject. Although brand origin is defined as "the place, region or country where a brand is perceived to belong by its targeted consumers", there is a distinction between brand origin and foreign branding. In addition to cues inherent in the brand name through connotation, thus the linguistic approach, a brand origin construct also takes into account cues convoyed through advertising (Thakor and Lavack 2003). This represents what Thakor sees as the important distinction between foreign branding and a brand origin. Despite the fact that some brand names do not succeed in evoking any specific origin, for some consumers they are still strongly associated with a particular origin as a consequence of promotional efforts such as advertising (ibid.). According to Thakor, the subject of foreign branding does therefore have more to do with brand naming as a way of evoking desirable association built on PCI and stereotypes, than it does with promotional efforts (such as advertising) of a brand.

3.5   From theory to strategy - a definition of foreign branding

Literature that discusses COO theory has been criticised for being primarily concerned with determining what effect the country of origin information have on consumer perceptions and ratings of the product quality. While COO studies rely on the "made in" information, such information is not expected to be the only factor that determines the perception of a brand origin. Nor is it expected to be the most important one (Thakor and Lavack 2003). This can be illustrated by an investigation made by Ratliff in 1989, where 66 percent thought that the Volkswagen Fox was made in Germany and only eight percent knew it was actually manufactured in Brazil (Ratliff 1989).

While brand name studies have been included in many studies, most of the COO literature to date has focused on product level as opposed to brand level. For this reason it is possible that

brand name has been considered as a purely extrinsic variable and consumer perception of origin have been manipulated almost solely through the "made in" label information (Thakor and Lavack 2003). It is therefore important that new light is shed upon understanding the influence of foreign branding.

The product oriented problem within geographic provenance in marketing literature is one of the reasons why theories by Leclerc and Thakor are interesting. Their focus is not on country but on **brand**, or more specific the **brand equity**. Focus on the country as an exogenous variable leads to analysis being conducted at the product, **not brand level** (Thakor 1996). Remember the definition of foreign branding by Leclerc: **"**by spelling or **pronouncing** a brand name in a foreign language the marketers may trigger cultural stereotypes and thus influence the product perceptions and attitudes**".** According to Leclerc this may result in greater **brand equity** or **brand knowledge** and consequently increase **brand awareness** and **brand image**.

Thakor made another approach to foreign branding, where the perceived origin association was made from the eyes of the consumer. An important distinction between foreign branding and brand origin was made and according to Thakor, the subject of foreign branding had more to do with brand naming as a way of evoking desirable association built on **PCI and stereotypes**, than the promotional efforts of a brand. This is something that different authors on the matter suggested as a linguistic approach to the theory of foreign branding. Usunier presented four main categories of **linguistic devices** in his book **"***Marketing Across Cultures"* that may effect the **connotation** of a word. Different studies have been made where the spelling or pronunciation of a word has influenced consumer perception. Leclerc study would certainly be classified as a phonetic or orthographic device, while Shayevich theory would be semantic. Either way a linguistic approach seems to be of great matter within a theory of foreign branding.

The **creation of PCI** in the minds of consumers is important since the collaboration between country image and product knowledge must be coherent. According to Han, this was called the halo-effect and it was discussed as part of the COO. On the other hand, an origin is such a powerful element of a brand's equity that a company may imply a **false provenance** if it creates better or more natural associations than the true country of origin. This illustrates a case where companies may be tempted to copy **existing PCI** in order to create **competitive advantages**.

Countries with international presence is said to lead to stereotyping based on the nation's image and **through the cognition of words, marketers can evoke associations between stereotypes and these countries**. A strategy where a company might use different country images and stereotypes for different brands, in order to build stronger brand equity, was the starting point when creating a clear and distinct definition of foreign branding.

To summarise this chapter, the theory of foreign branding laid down by Leclerc is strongly focusing on customers' perception and his or her evaluation of the brand. But different approaches have been unfolded. A linguistic point of view emphasises the relevance of how a connotation of a brand name can influence consumer evaluation. The concept of PCI, its halo-effect and the fact that it only should be applicable within the COO theory have been questioned. These different approaches to foreign branding have generated a need of a wider definition, defined from the different approaches, which in some way may influence the consumers' perception and evaluation. Through cultivating of different approaches of how

foreign branding may be perceived and explained, a wider definition of this strategy can be explained as:

> "A strategy where companies are using a **false provenance** in order to gain **greater brand equity, awareness or image** through a **linguistic device, and** where **connotation or pronunciation** of a **brand name evokes associations between stereotypes and countries**, effect existing **PCI** and consequently **contribute to a competitive advantage**."

4. Branding

In this chapter, we will present a clear-cut definition of what a brand really is by discussing both the history behind brands as well as what brands mean for marketers. We are also going to illuminate factors within branding namely, brand identity, brand image, brand awareness, brand equity brand and knowledge. These factors are discussed since they are considered to have strong influence on a branding strategy, especially if perceived from a foreign branding perspective.

4.1   Defining brands

There is no doubt over the fact that branding is an tremendously old occurrence, but exactly when or why it arose, are questions nobody to this day has been able to answer. (Melin, 1997) Marking of cattle has been confirmed upon wall paintings in caves, both from the bronze age in Europe and on Egyptian wall paintings from about 4000 B.C. Furthermore, the stone carvers in Egypt marked there stones with both the carvers signature and the quarries own mark which identifies the geographic origin of the stone.

Around the year 0 a need arose for marking of origin on products in the Mediterranean region, above all concerning earthenware. For the first time, a chain of distribution of merchandise to far away markets started and with such with an extent that had not been seen before. This occurred because the buyers did not have any direct contact with the craftsman and a need of getting the origin confirmed arose. Of course this type of branding has few similarities with branding of today. The that purpose it served was not of a commercial nature and in fact not until the nineteenth century can we start to identify brands that refer to the functions they have today. (Melin, 1997)

During the second half of the nineteenth century, United States and Great Britain's industrial revolution led to mass production and mass distribution. Importance of being recognised before the competitors grew and it became very important for manufacturers. The manufactures did not only use their name on the products, but many companies constructed new brand names to an extent never seen before. The fact that brands, both as a concept and as a field of use for the companies, have exploded and been further developed both practical and theoretical during the twentieth century (and especially its second half) can be confirmed in most brand related literature (Kotler et al, 2001). What is even more interesting is what took place before the twentieth century on a fundamental basis. Pots and other earthenware was for about 2000 years ago marked to point out origin, compared with products in the nineteenth century which was marked to separate them from competing products. Kapferers definition on the function of branding of today shows an interesting point on this matter:

> *"Globally, a brand has two functions:*
> *To distinguish different products from each other.*
> *To indicate a products origin."* (Kapferer, 1997)

This may be interpreted as a bit odd. Has nothing happened since the birth of branding? Of course it has. With the function of marking from 4000 B.C in fresh memory, we will examine two more definitions. First one definition, which from its context is described by Frans Melin, comes from the Swedish law of brands, first paragraph. This is a brand defined from a legal point of view. The second definition, one from Philip Kotler, shows a brand from a marketing management perspective. Some difference in formulation can be seen, but we will return later to their essential similarities.

> *"A brand can consist of all signs that can be reproduced graphically, especially words, personal names included, as well as figures, letters, numbers and the shape or outfit of a commodity or its packaging, assuming that the signs can separate commodities supplied in one business from commodities supplied in another"* (own translation of 1§ varumärkeslagen, by Brolin, Nilsson, this paragraph can be found in Swedish in appendix 3)

and:

> *" A brand is a name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors"* (Kotler et al, 2001)

What can be seen in both these definitions is that the absolute first historical reason of branding, the importance of marking the products origin, seems to substantially have lost its importance. One of the brands most important functions are no longer to indicate its providence and definitely not its geographic origin. But is this really the case or is it just an aspect that has been disregarded in these definitions?

Besides perceiving brands as just a way to define products and services, brands can be perceived as personalities. Aaker defines this subject in his book "Building strong brands" (1996). A brand is, according to Aaker, not only described and recognised by symbols and attributes, but it can also be described on a more emotional level. In the prolongation of that approach the consumer can describe brands from the perceived quality of the product (Aaker, 1996). The brand is thus an important part of a product and it therefore has the ability to give the product an extended value. The brand name helps in its turn the consumer to identify products at the same time as it says something about the quality that is being offered (ibid.).

Brands are, as exemplified by Kotler, not only letters or numbers, but slogans, pictures and/or the design packaging can also serve as brands (Kotler 2001). Good examples of the last-mentioned factor is for instance *Coca-Cola* and the *Absolute vodka* bottle that most consumers recognise even if being exposed only to the silhouette of the bottle.

As we mentioned before in the chapter of foreign branding there is one author, France Leclerc, which distinguishes him from other authors in the field of foreign branding. This is done by his research on the matter of foreign branding. In his article "Foreign Branding and its effects on product perceptions and attitudes" Leclerc discusses foreign branding and how he perceives it to be related to general branding theory. His view of how different factors affect foreign branding differs in several cases from other authors. We will return to this matter later on in the thesis. We have however chosen to use Leclercs view as a starting-point,

partly because we have to consider him as the most published author on the field and partly because he illustrates a wide base of concepts for us to start to discuss and analyse the concept. It is also because other researchers, even if they discuss the actual factors, doesn't combine these with foreign branding, or even with country of origin, as France Leclerc does.

This statement may be illustrated in the picture below which outlines Leclercs point of view. Brand knowledge consists of two dimensions, brand awareness and brand image. Brand equity works as a tool that in the end points out the effects that brand knowledge has on the consumers. Leclerc claims that foreign branding seems to completely have the purpose of affecting the image within brand equity (Leclerc et al, 1994)
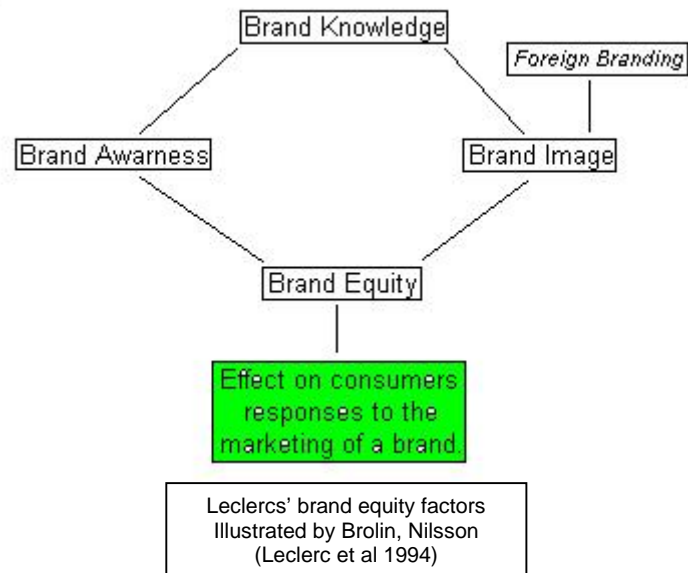
We will discuss these four factors as well as brand identity more thoroughly later on. Due to the fact that brand identity is not included within the definition of foreign branding, laid down by Leclerc, we will start by explaining this concept. This will be followed with the clarification of brand image, brand awareness, brand equity and brand knowledge and in an order chosen randomly.

Leclercs' brand equity factors
Illustrated by Brolin, Nilsson
(Leclerc et al 1994)

4.2   Brand identity

> *"Brand Identity is a unique set of brand associations that the brand*
> *strategist aspires to create or maintain. These associations represent*
> *what the brand stands for and imply a promise to customers*
> *from the organisations members."* (Aaker 1996)

What Aaker refers to with this explanation is that the company creates the identity of a brand, meaning customers are either aware of it or not. This means that the company can, and in many cases needs, to sacrifice a lot of time and money to influence their products identity in order to maintain and gain new customers and competitive advantages (ibid.).

Does this mean that companies can change and develop an identity from any favourable point of view or however they feel like? Well, maybe it is not really that easy. Aaker believes that brand identity consists of two parts. First of all, the "core identity" consists of factors that most likely will remain constant over time, and second of all the "extended identity" that consists of parts that the company are able to influence and work with in order to improve and change their image. Aaker compare the core identity with the "soul" of the brand and points out that the company not only can not change it, but it is also not affected when problems or setbacks occur (ibid.). Should it for instance become common knowledge that Disney Corporation uses child labour to produce their cartoons, then the image and the identity of Disney would obviously be affected. The "core" fact that does not change is that Disney

produces quality cartoons that are loved by children all over the world. These facts can therefore be seen as Disney's core identity (ibid.). Aaker continues by saying that the extended identity works as a complement of the core identity. It adds details that will help the consumer to understand what the brand stands for, for instance slogans, sub-brands and possible spokesmen for the company. (Ibid.)

An interesting characteristic that an identity possesses is that it somehow lives its own life. When a new brand enters the market, the possibilities are open for the company to influence their brand identity almost as they please. But as time goes by the consumers can, often unaware of it themselves, put stress on brand qualities that the company has not thought of from the beginning (Aaker, 1996). Consequently it may be within the extended identity that foreign branding takes place. In most cases the companies are probably well aware of how they want the consumer to respond regarding for instance a name that suggests a foreign origin, but the main purpose must be that the consumer makes his or her associations without having to analyse it to deep. This discussion of consumer's beliefs leads to the next concept of current interest.

4.3 Brand image

Another factor that is relevant to discuss when investigating branding strategies is brand image. In the book S*trategic brand management, Kapferer* distinguish brand image from brand identity as:

> *"Brand image is on the receiver's side. Identity is on the sender's side"* (Kapferer, 1997)

Philip Kotler writes in his book "*Marketing Management*" that brand image is a set of convictions that the consumer develops regarding a specific brand. This conviction works in co-operation with the attributes of the brand. Furthermore, the consumer's conviction may vary depending on his or her experiences with the brand. What is also important to consider is the effects that selective thinking contributes with, i.e. the perception of the brand, or the distortion of given facts and persistence.

Kevin Lane Keller lays down a rather similar definition. He claims that brand image is the opinion a consumer has of a brand, influenced by the brand associations the customer makes with the brand. These associations combined with the information the consumer receives gives a personal meaning of the brand for the person in question. (Keller, 2003)

Both definitions are related by the importance they place on the consumer's experiences. The difference consists in Kotlers explanation of the importance attributes has, and he also uses more depth when explaining the affective factors.

Regarding the importance of image within marketing, Kapferer makes an interesting statement. According to this French author investigation of the brands image belongs, as a primary foundation for marketing of the brand, to the past. It is not up to the consumer to try to define the brand or what it contains. That responsibility lays on the company. The company should know and therefore try to control how the consumers perceive their brands. (Kapferer, 1997)

Furthermore, Aaker investigates in a straight matter how the two concepts can be separated. First of all, brand image may be perceived as passive and it has a tendency to indicate the past. Second of all, brand identity should be strategic and active and thus see to the future. (Aaker, 1996)

Referring to Kapferers quotation from the beginning of the chapter, above explanations illustrates the reasons that brand identity is what the company should try to improve, not brand image. This depends on the fact that the company controls the identity and the consumer controls the image.

4.4   Brand awareness

Brand awareness was the one of the five concepts regarding branding that we strongly suspected to be a problem for us and this thesis. However, the suspected problem of finding relevant, published opinions about brand awareness, never occurred. Kapferer discusses brand awareness very thoroughly and he discusses matters such as, what causes it, what may effect it and what different types of brand awareness do exists. Regarding a clear definition of the concept, Kapferer claims that brand awareness measures the number of people who knows what the brand stands for, as well as the number of people who are aware of what promise the signal from the brand has given them. He states:

"Brand power is partly measured by awareness" (Kapferer, 1997)

He continues by saying that there are three types of awareness that may strengthen the brand. Which type of awareness a company should choose, depends on the way the consumer makes his or her decision. It also depends on his or her degree of involvement. (Kapferer, 1997) As outlined above, Kapferer is of the belief that the strength of a brand depends on a high awareness, which can seem contradictory to foreign branding, but we will return to this matter later on.

Aaker also brings up brand awareness in his book *Building strong brands*, but his definition is clearly different. He claims that brand awareness reflects the existence of the brand in the consumer's memory, and because it increases the customer's awareness it thereby provides conditions for a greater market share for the company. (Aaker, 1996) It might therefore be accurate to say that Aaker does not interpret awareness as a knowledge the consumer posses, but only that they recognise the brand. This is what distinguishes him from Kapferers who regards it to be a knowledge. These different definitions are rather important when it comes to foreign branding since knowledge about the brand can mean that the consumer is aware about the products true origin and this may eliminate the effect that the foreign branding strategy may have.

In short, Keller defines brand awareness as the needs that are satisfied by the brand. This means that brand awareness does not only consist of what is in the nature of the word, which refers to that the consumer has an awareness of the brand and its background. It also means that the consumer believes to be aware of the needs that he or she can satisfy by consuming the product, and in the prolongation; the brand. Keller continues by briefly discussing that country of origin may affects the brand knowledge depending on the consumers opinion of the current country. But he does not relate this discussion to foreign branding and he does not mention the significance that country of origin has on brand awareness. As stated above, this

underlines the shortage that exists regarding published authors who connect country of origin on brand level and the effect it may have on the consumers.
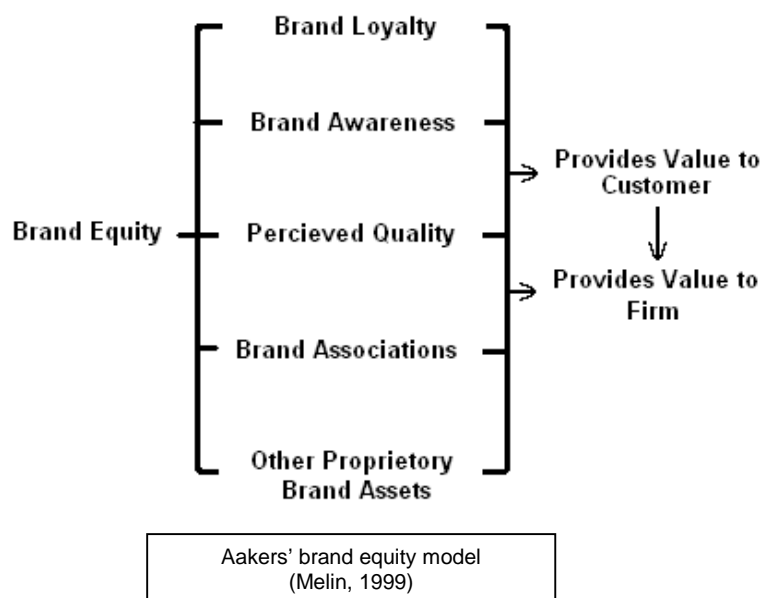
4.5   Brand equity

Brand equity is a rather comprehensive conception that tries to show the position of a brand, both compared to competitors but also to non-competing brands. Whereas Frans Melin claims that a generally accepted definition of the concept does not exist (Melin, 1997), Philip Kotler states the opposite and give the reader a clear definition:

> *"Brand Equity is the value of a brand, based on the extent to which it has high brand loyalty, name awareness, perceived quality, strong brand associations, and other assets such as patents, trademarks and channel relationships" (Kotler, 1997)*

Peter H. Farquhar also displays a definition of brand equity by explaining:

> *"Brand equity is the "added value" with which a given brand endows a product"* (Peter H. Farquhar, 1990)

Brand equity is quite simply referring to how "strong" a company's brand is. Unlike brand image and brand identity, brand equity can be seen from both the companies as well as the consumer's point of view. This is what most strongly contributes to the focus on this concept. (Melin, 1999). Melin tries, by the illustration of a simplified model showed below, to cover the importance of brand equity. The model, originally maid by Aaker, illustrate how a strong brand equity may be established:

Aakers' brand equity model
(Melin, 1999)

If we try to connect this picture to the subject of our interest, foreign branding, an interesting contradiction appears. When interpreting the factors that influence brand equity according to Aaker, the factor affecting foreign branding the most is brand associations. This may be interpreted as, the company wants the consumer to associate the brand with a country chosen by the company, a choice maid on the basis of achieving desired halo effect.

On the other hand, Aaker states (based on the direction of the arrow between consumer and firm) with the illustration that a high brand awareness is just as relevant for the consumer as for the company. But one may ask will this be the case regarding foreign branding? The company wants the consumer to be aware of the brands existence, but the brand awareness should not be strong enough to reveal the brands origin. If the consumer know where the

brand originates from, the impact of the strategy is lost and the strategy collapse. Since Aaker does not mention neither foreign branding nor COO, it would be very interesting to take a closer look at this perspective applied on Aakers theories. Since this is not the purpose of the thesis, we will have to be content with establishing the fact that foreign branding is an intricate notion that few authors have discussed or even considered.

4.6   Brand knowledge

Brand knowledge is, like we mentioned earlier, the starting-point of Leclerc when it comes to explaining consumers reaction to brands, and how brands are perceived and evaluated. This MIT professor divides brand knowledge into two dimensions, brand awareness and brand image. When explaining brand knowledge he refers to a professor in marketing named Kevin Lane Keller. The method Keller divides brand knowledge is clearly different from Leclercs statement. This depends rather on the fact that Keller is not using foreign branding as a starting-point, but also that he wants to describe knowledge in a more thorough manner. In Kellers categorisation of brand knowledge, Keller uses eight sub-factors:

Awareness
Attitudes
Benefits
Images
Thoughts
Feelings
Attitudes
Experiences
(Keller, 2003)

Without using too much dept in explaining each factor, Keller claims that brand knowledge is defined as the personal meaning a brand might have for a consumer. This includes both describing as well as evaluative information. In his article, *Brand Synthesis: the multidimensionality of brand knowledge,* Kellers underlines the importance of the psychological aspects that every consumer is being influenced by. Furthermore, Leclerc combines the last seven factors and call them brand image, in the effort to apply them on foreign branding. Although this rather summarised description might not be a totally misleading simplification, it would be very interesting to see how Keller reacts to Leclercs interpretation of his thoughts.

Yet another interesting article that claims to bring up the definition of brand knowledge is Ian Richards et al's *Brand Knowledge management: Growing brand equity* (1988). The author points out the importance of brand knowledge and the fact that its significance has increased during the last ten years. Richards et al's also mean that the basis of brand knowledge lays within a continuous dialog with the consumers.

Interesting to emphasise here, regarding written literature, is that we had no problems to find articles that discussed the concept of brand knowledge, but when we searched among books written by established authors on the concept of marketing we came up with nothing. None of the authors that we have referred to under the other brand related factors did not even mention the concept of brand knowledge. What we could see, is that this most likely depends on the fact that it is too big of a concept. Brand knowledge is often already divided into sub-concepts

such as brand loyalty, brand recognition etc. This does not mean that Leclercs choices of names are wrong, it rather means that he has chosen a different approach.

5.   The empirical study

This chapter constitutes a practical outlook on the subject of this thesis. The empirical study is presented and the reader is given an insight into how the in-depth interviews and e-mail interviews were conducted. The chapter also constitutes a presentation of what kind of data we found in these interviews. The chapter is finally summed up with alternative research methods.

5.1   Reflection on the empirical study

As mentioned before, it is essential that there is a logical relation between the research question, chosen methodology and the research approach (Knutsson 1998) In other words, the methodology for finding what you seek depends on what you are seeking to find.

The question guide for the in-depth interview and the questionnaire for the e-mail interview constitute the theoretical discussion of foreign branding and branding which has been presented in the two previous chapters. Through these theoretical presentations, a further understanding of the studied concept and an insight into the purpose and research question of this thesis have been given. On the other hand, we have also realised that there are some blank spots of knowledge within certain fields and concepts. This lack of knowledge and thus the awareness of the studied topic is what we intent to clarify through this empirical study.

When we discussed what have been said about foreign branding, previous to this thesis, we summed up the chapter with a definition derived from three discussions related to the topic. These three approaches, stereotypes, linguistic and PCI, were based on how the factors might influence foreign branding, which we defined it as:

> *"A strategy where companies are using a false provenance in order to*
> *gain greater brand equity, awareness or image through a linguistic*
> *device, and where connotation or pronunciation of a brand name*
> *evokes associations between stereotypes and countries, effect existing*
> *PCI and consequently contribute to a competitive advantage."*

The approaches discussed the relevance that PCI, stereotypes and linguistic might have when redefining foreign branding as a theory and thus how it may be executed as a strategy. These three approaches are what we refer to as "lack of knowledge" and it is what we intend to further investigate within this empirical study. The study is based on a number of in-dept as well as electronically performed interviews. The questions within these interviews are somewhat different because of the purpose that they posses. The questions are based on the ability of gaining information about foreign branding as a theory as well as a strategy. We also put a lot of effort into making the questions as short and as easy to understand as possible. This decision was made on the basis of prevent scaring the respondents. If they would experience any problem understanding what we mean, it would be most likely that they could get a feeling of being stupid and as a consequence not answering our questions. We found it most relevant to, as mentioned before, reduce the problem of access as much as possible.

In the in-depth interview foreign branding is not mention. The questions are instead related to the topic of geographic provenance and branding. The respondent was questioned on this subject and he/she also had the opportunity to grade the importance of PCI, stereotypes and linguistic when it comes to brand names and branding strategies. When we asked the respondent to grade these factors, our intentions were to take part of their attitudes towards the three studied approaches to foreign branding. We also hoped to find out how wide the knowledge and recognition are among consultants and other personnel working with designing brand names, when it comes to geographic provenance and branding strategies. By doing so, some kind of trend might be seen and it might be possible to compare attitudes based on their knowledge.

The e-mail interviews, which are constructed as a questionnaire, were made with the intention of gaining some kind of insight into expertise knowledge that people who have discussed foreign branding before may posses. We also intended to see if some kind of feedback might be given on how relevant different professors think that PCI, stereotypes and linguistic are when defining foreign branding. A reoccurring question that we asked ourselves was, *is the relevance of these three approaches something that is shared or will it be disregarded?* To achieve some answers to this question, the questionnaire were design in purpose of retaining knowledge as well as attitudes towards foreign branding based on PCI, stereotypes and linguistic.

5.2   In-depth interviews

An interview has been defined as, "*a conversation directed to a definite purpose other than satisfaction in the conversation itself*". It is concerned with a purposeful exchange of meanings and it is this interaction between the interviewer and the respondent, which contributes to the success of the interview (Chisnall 2001).

An in-depth interview is a technique, which tries to understand, search out and explore. One of its main requirements is its flexibility and thus the ability to alter and respond to different and changing circumstances (Webb 1992). A great advantage of interview methods is this flexibility. A skilled interviewer can follow up on ideas, probe answers and focus on motives and feelings in such a way that is impossible in surveys. How a response is made (intonation, facial expressions and pauses) can give information that written answers does not show (Bell 1995).

Basically, in-depth interviews can also be explained as non-directive interviews in which the respondent is encouraged to talk about the subject rather than to answer "yes" or "no" to specific questions. It endeavours to understand the nature and make-up of the area being researched, rather than to measure the size and shape of it (Chisnall 2001). Consequently it is a convenient way of getting information for an exploratory research, a research method we conduct in this thesis. The purpose of interviewing is to find out what is in and on someone else's mind (Patton 1990). Our intentions were therefore to gain as much information as possible about some kind of expertise knowledge the respondent possessed. More implicit on the matter, are the depth and richness of data that can be obtained and the ability to ascribe or direct a response to a single individual without any peer pressure (Webb 1992).

The decision to conduct in-depth interviews was made in order to obtain qualitative data with satisfying dept in the empirical study. The particular kind of interviews we decided upon, was an unstructured, free-flowing discussion on a one-to-one basis. By doing this we intended to generate reliable and valid data, in an atmosphere free from peer pressure and free from cases of "follow the leader".

Early on we decided to get in touch with marketing consultant, who on a daily basis work with branding strategies, and thereby take advantage of the knowledge they posses. The choice of interviewing consultants was twofold. First of all, they obviously know a lot about branding strategies and second of all, we considered the risk of them knowing about foreign branding as rather limited and that was precisely what we wanted. If the consultants had a general knowledge about branding strategies, but a more limited knowledge about foreign branding, we hoped to gain more unbiased answers on how PCI, stereotypes and linguistic may be coherent with branding strategies based on geographic provenance. To find potential respondents, we decided to search the Internet for consulting firms that somehow advertised their competence about branding strategies. They search was performed on search sites and on the yellow pages. When a handfold of potential respondents were found, we e-mailed an inquiry regarding the possibility of conducting an in-depth interview. Out of the eight e-mails we sent out we were hoping to get at least three responses, something we achieved. Two of the respondents were based in Malmö and one in London, but with work related to the Scandinavian region. Therefore we were able to conduct an interview during one of her visits in Skåne.

In an in-depth interviews the question is often followed by an unstructured answer, since the respondent has the ability to reply using any word they so wish. The interviewer then has to record the response (Webb 1992). Chisnall recommends that these early exploratory interviews should be audio recorded and listened to later on by the research team, so that all involvement in the programme are able to derive full value from the views expressed by respondents, including noting any limitations to the scope of specific enquires (Chisnall 2001). In order to secure valid and reliable data, the interviews were recorded and the respondents were informed on this matter before the interview took place. By recording the conversation, the ability to observe non-communicated language increased, less information were written down and therefore the ability to concentrate on the response increased in order to probe answers and thus gain deeper responses. (Patton 1990).

Very little can be described in advance, as to the way in which an interview must be conducted. It is largely dependent upon respondent, subject and the abilities of the interviewer (Webb1992). It is impossible to say that someone can be infallible as an interviewer after four years at university, but we do however believe that studies and experience of both qualitative and quantitative research before have helped us in performing this research to the best of our ability. Furthermore, we do realise that our limited experience may result in misinterpreting respondent's intentions or we might disturbed the respondent's willingness to participate, but by being aware of these dangers we attempt to limit the risks of it occurring.

The quality of the interview depends largely on the interviewer developing a relationship with the respondent. This is a two-way process to which both interviewer and respondent subscribe in fulfilling their particular roles (Chisnall 2001). Therefore, it is important to think of some stimulating factors, such as a calm and creative environment for the respondent. In order to maintain a more creative environment, the interview took place in a familiar place, e.g. the respondents office. Furthermore a small number of people were involved, often only the two

interviewers and the respondent. This probably generated a higher level of involvement as well as a more calm and secure environment.

Since we decided not to inform the respondent on the concept of foreign branding, but instead provided the insight that the interview would concern branding and geographic provenance, most questions were relatively open-ended and the respondent could answer in an unstructured way. Probing were therefore very important in order to deepen the response and increase the richness of required data. The choice of not informing the respondent on specifically the notion of foreign branding was made on the basis that respondents could have felt nervous or humiliated. Thus the respondent could have got a feeling, even before the interview started, that he or she did not know what foreign branding was and therefore did not posses any knowledge. Just because a person can do something, does not mean that the will do it. Similarly, just because a respondent is able to provide an answer, does not mean there is a law that he or she must (Webb 1992). Once again, we found it most relevant to reduce any problems of access that may occur. In order to create a relaxed environment with as little pressure as possible, the respondent were informed that the interview would be on the matter of branding and geographic provenance but foreign branding were not mentioned before or within the questions. Thus there was a great necessity of probing.

5.3   Electronically performed interviews

In order to obtain qualitative data in an amount that would be satisfying for the depth of this thesis, we also decided to conduct e-mail interviews. The purpose of these electronically performed interviews was gaining more insight into expertise knowledge on the matter of foreign branding. These interviews were conducted through a questionnaire. Since the respondents were chosen on the basis that they have contributed to the subject before, the word foreign branding could be mentioned in the questionnaire. The case of the in-depth interviews, where the respondent could feel frightened or humiliated, was left aside and more specific questions were asked.

Because of the impersonal nature of collecting information by e-mail, the drafting of effective questions is more important than ever. Questions must be clearly worded and easy to understand. (Chisnall 2001) Thus, the characteristics of e-mail interviews are almost opposite of the characteristics of in-depth interviews. The questions need to be straightforwardly formulated with little or no possibility to misinterpret since there are limited possibilities to consult with the respondent if he or she is uncertain of what we mean (ibid.). Thus the problem of access is present and did exist within the e-mail questionnaires as well as within the in-depth interviews. We are well aware that this may influence the empirical facts found and thus, if the empirical study might seem slightly thin, it is because of the problems with access that we encountered and described earlier. It is also relevant to understand that the possibility of sending a second mail should be used to receive more information, not to explain questions that where unclear to the respondent. Doing so does not give a serious impression and can affect the answers that the respondent delivers.

Another problem when designing an e-mail questionnaire is the temptation of adding a few extra questions since the marginal cost of doing so is minimal. One should however be very restrictive in this sense, in respect of not loosing the clarity and essence of the questionnaire. Since there are no possibilities to give the respondent any cues by probing, the purpose as well as the questions has to be clear cut in order to prevent misinterpretation. The

questionnaire had to be well balanced since too few questions would not gather enough relevant data and too many questions could mean that the respondent would loose interest in an early stage or maybe not respond to the interview at all. It is also important to build the questionnaire in a way where the questions follow a thought through plan. This gives the respondent good flow when reading it and contributes to a more serious impression. Questions about the same topic are thus not intended to come first and last in the form, but to follow after each other (Webb 1992).

To enable the respondent to get affiliated with the questionnaire and why the interview was conducted, the potential respondents received an e-mail where this introduction was presented. Since there was a strong possibility of respondents not participating, more e-mails than responses needed was sent out. Later on this intuition was to be proved right. When conducting these interviews we were looking for expertise knowledge and thereby turned to some of the authors we encountered earlier. We knew that they possessed great knowledge about foreign branding and this way crucial in order to gain valid and reliable answers. We sent out six e-mails with the hope of receiving at least two, which we also did. One respondent was a professor at University of Pennsylvania, Philadelphia, and one respondent was a doctoral student at Cambridge University in England.

One of the great advantages of information gathered by e-mail, is its elimination of physical distances between interviewer and respondent. You can just as easily carry out an interview with a person located on an other continent, as with a person next-door. Another advantage is the ability to send our questions at the time it suits us and the interviewee could answer the questions at his or her convenience. The possibility of following up given answers also exists even if it can not be measured with the advantage of probing, received during an in-depth interview (ibid.). When compared with an interview carried out by regular mail, the time benefit is striking, both regarding getting answers fast, and to be able to do a follow up in reasonable time (Chisnall 2001). The ability of conducting e-mail interviews also meant that information could be gathered regardless or geographical distances. The ability to create a pleasant and relaxed environment was left up to the respondent, as well as the depth of the response. Therefore, the possible lack of such variables was of course a result of us never actually meeting the respondent.

5.4 Qualitative data from the empirical study

As mentioned above, purpose is the controlling force in research. Decisions about design, measurement, analysis and reporting all flow from purse (Patton 1990). In the attempt to further investigate foreign branding as theory as well as strategy, the decision was made to pursue a qualitative empirical study. By doing this, the intention of the empirical research is twofold. First of all, investigate the relevant factors that influence the thesis definition of foreign branding, factors such as stereotypes, linguistic and PCI, consequently investigate foreign branding as a theory. Second of all, investigate how well companies may be aware of foreign branding and what attitudes can be found to given factors within the theory when it comes to a branding strategy. Consequently investigate foreign branding as a strategy.

This was done through in-dept interviews as well as electronically performed questionnaires. The two questionnaires had to be differently designed in order to gain more expertise knowledge from the e-mail interviews and more general knowledge and attitudes from the in-depth interviews. The decision to design the interviews in different ways was made on the

same basis as the decision of conducting both in-depth and e-mail interviews, this was, in order to gain as much relevant data as possible to investigate foreign branding.

5.4.1   Empirical facts from the in-depth interview

The empirical data was gathered from three consultants, which represented different marketing and management consulting agencies. Two originated from agencies based in the Malmö region and one respondent was based in London. One consultant differed in his competence since his work within the consultant agency was focused on business to business. This is something that we thought could influence the response, but this matter will be discussed later on within the analysis.

In order to give the reader the ability to better follow the analysis, presented in the next chapter, key data is presented below. The responses on the twelve questions presented below are derived from appendix 8.4, an appendix that contains key statement from each respondent.

Question 1:   Strength of a Brand name

In beginning of an interview it is important to get the respondent to talk. Therefore, we opened the interview with a rather easy question to discuss. We also hoped to get answers on general branding strategies. The received responses where fairly similar. All of the respondents claimed it to be very important that the brand name is recognisable. Pronunciation and keeping the names short where other factors that the respondents claimed to be important.

Question 2:   Recent trends within brand names

With this question we intended to get some answers on previously stated facts that foreign branding has been seen to develop during the last ten years. The importance of short names where also seen as a trend. Other trends were made-up brand names in order to be more recognisable.

Question 3:   Respondents preferences regarding characteristics

When we approached foreign branding from three different ways, namely stereotypes, PCI and linguistics, when discussing foreign branding as a potential strategy, we also knew that this was something that would influence our empirical study to a great extend. Even though there was no possibility of gaining a statistical certainty we still wanted to receive feedback on how important stereotypes, linguistic and PCI might be seen when designing brand names. If adding the numbers, in which the respondent placed each factor, one may perceive each factors relevance from its total figure. Without knowing about foreign branding, or the intentions we had with the interview, factors B, C and E where ranked as following. Linguistic (E) was seen as the overall most important factor when designing brand names. Image built on stereotypes (B) was seen of moderate importance. PCI (C) was the least important of the three studied factors.

Question 4:   Respondents attitudes regarding the three relevant approaches

In order to evaluate the factor we were focussing on, we felt a neo of gaining a more thorough insight into the respondents perception of stereotypes, PCI and linguistic. The way our respondents would use these three factors in their branding strategy differed. All three gave us

different answers. When using the linguistic approach a brand name should be able to function on multiple markets. The brand name should mean the same thing independent of different geographical markets and cultures. PCI and images built on stereotypes were regarded as supportive factors that communicate the origin of the brand. These three factors would be further investigated in question five to seven.

Question 5:   Knowledge concerning stereotypes and branding

All three respondents were very positive to the possibility of using a strategy where a company may use stereotypes that reflect a certain origin. Several examples of lines of business were given, as well as specific companies like BMW and Mercedes.

Question 6:   Knowledge concerning PCI and branding

This question contained a positive response as well. The respondents referred to the same lines of business and companies as they mentioned in the answer above.

Question 7:   Knowledge concerning linguistic and branding

The respondents answer to the linguistic approach were as well met with the belief that it was not only possible to carry out, but the respondents also thought it was commonly used when designing brand names.

Question 8:   Attitudes towards stereotypes and branding

We found it not only relevant to receive response on the respondents knowledge about our three chosen factors, but we also wanted to gain information on their attitudes. Therefore the respondents were asked, in an indirect way, to reflect upon the possibility of using stereotypes, PCI and linguistic, in a branding strategy and if this was something that they would consider. Thus, this was the intention of question eight to ten.

The attitudes towards using images built on stereotypes were not as strong as their knowledge about stereotypes within brand names. One respondent could see himself using it since it is not according to him, a matter of duplication. The other two respondents were more hesitant but based on totally different reasons. These will be analysed later on.

Question 9:   Attitudes towards PCI and branding

Only one respondent would not consider using this approach since he claimed it to be dishonest. The other respondents had no problems at all with the thought of creating a false origin in order to evoke a certain origin. Again several examples of industries came up, but the food and beverage as well as the wine industry were considered as most common regarding this approach.

Question 10:   Attitudes towards linguistic and branding

The respondents had the exact same opinions toward the linguistic approach as they had towards the approach discussed in question nine. The same lines of business were also given as examples.

Question 11:   French origin exemplification

When discussing geographic provenance earlier, we mentioned that a true country of origin could be duplicated by a company that implies a false one. In order to gain some empirical facts on this statement we asked the respondents to discuss companies possibilities to reflect a certain origin, either true or false and this was done in the last two questions of the in-depth interview. The respondents claimed it to be possible for a company to take advantage of its French origin by making the brand name easy to spell or pronounce or by using stereotypes and he referred to this as "hot buttons". It was also possible to promote a brand r product that has a coherency to the country in question.

Question 12:   French origin exemplification

All three respondents were convinced that this is possible to carry out, as long as the company in question is aware of the risks involved and if the brand name can not be misinterpreted.

5.4.2   Empirical facts from the e-mail interview

The empirical data received in this part was given to us from two different e-mail interviews. The first respondent were a professor in marketing based in University of Pennsylvania, USA, and the other a doctoral student based in Cambridge, England. We knew in advance that both respondents had studied the subject previously, since we have taken part of earlier studies or articles. This meant that the questions they were asked differed in depth from the question given to the marketing consultants. The purpose of e-mail questionnaire was, as mentioned previously, to gain more expertise knowledge in order to redefine the theory of foreign branding.

The response on the eight questions presented below is derived from appendix 8.5 that contains key statement from each respondent.

Question 1:   Describing foreign branding

The answers received to question one were almost identical. Our purpose with this question was to find out if they really regarded foreign branding in the same way as we did. Since they so obviously did, we could without hesitation continue to interpret the rest of the answers given to us, knowing that they had the desired knowledge about the subject.

Question 2:   Recent trends within foreign branding

As mentioned previously foreign branding has been seen to develop during the last ten years. Not only did we find it relevant to get feedback on this statement from the consultant we interviewed, but we also found it important to see how people with expertise knowledge reflected on this fact. Both respondents have an apprehension that the use of this strategy has increased in the last decade. One respondent perceived the cosmetic and fashion industries as most common within the field of foreign branding. The other respondent had an impression that the theory might still be fairly unknown to the general public.

Question 3:   Exemplification of foreign branding (companies)

As stated above, purpose is the controlling force in research. Therefore, in order to fulfil our purpose we needed to gain insight into which companies or lines of business that the respondents would correlate to foreign branding. This was the intention of question three and four. When asked if they knew any specific companies, which uses foreign branding is their marketing strategy, both respondents refers to companies within the cosmetic industry. Furthermore both respondents named companies which may be perceived as French

Question 4:   Exemplification of foreign branding (lines of business)

When the respondents were questioned if foreign branding were more common in any specific line of businesses they replied coherent to line of business given in question three. Respondent number one also mentioned cars, wines and liqueur as more applicable when using a foreign branding strategy.

Question 5:   Reasons for foreign branding

The methodology for finding what you seek depends on what you are seeking to find. Thus in order to truly understand what foreign branding is, it is relevant to understand how it started to develop. Furthermore, the reason why companies are using a marketing strategy, which enhances an origin that are not there in the first place, is something this thesis tries to investigate. When we asked the question if their might be a reason why companies are using a false perceived origin in their marketing strategy, the respondents gave similar reflections but with different purposes. Respondent number one simply thought that if a false origin is a way to improve sales, why not use it? Respondent number two gave a more thorough answer, and claimed that the branding concept in itself has become blurred.

Question 6:   Relevancy of stereotype and PCI

We found it not only relevant to receive response on the consultants knowledge about our three chosen factors, but we also wanted to gain information from persons who we have decided to refer to people with expertise knowledge. Therefore the respondents were asked, in a direct way, to reflect upon the possibility of using stereotypes, PCI and linguistic, in a branding strategy and if it could make a foreign branding strategy more efficient. This was the intention of question six and seven.

Both respondents agreed that PCI and stereotypes might play an important role within a foreign branding strategy. These positive attitudes were exemplified with companies such as Haagen-Dazs and Frusen Gladje and why these brands might be under the influence of stereotypes.

Question 7:   Relevancy of linguistic

For one respondent, this question was hard to understand. On the other hand, extensive answers to previous questions have given some information, which can be analysed later on. The other respondent answered in a similar way to question one. It is obvious that this respondent has a positive attitude toward a linguistic approach.

Question 8:   Percieved risks

Even though the ethical perspective of foreign branding is not the purpose of this thesis we still wanted to gain more knowledge about potential risks involved within a foreign branding strategy. If this was the case our intentions were to analyse if these risks could be related to any of the presented approaches in the thesis. Unfortunately, potential risks involved with this strategy will be hard to analyse since the respondents gave short and less meaningful answers.

5.5   Alternative methods for the empirical study

The choice of in-depth and e-mail interviews were the two methods of gathering data that felt most relevant for this empirical study. But there are other methodological approaches that under different circumstances could have been applicable. If foreign branding will be further investigated in the future and if the subject is of more common knowledge at this time, one could consider conducting interviews in smaller focus groups as an alternative methodological approach. In our case this was ignored because we felt there was a lack of people who could relate to the issue and because we fear there could be a scenario of "follow the leader".

Another methodological approach could have been observing or studying specific cases. By doing so one might be able to gain insight into how different companies design a foreign branding strategy. The knowledge and insight into a company's strategic thinking would be of great interest when further investigating foreign branding. On the other hand, since insight into theoretical expertise knowledge would have been, one would have to rely on his or hers own knowledge on the subject. Because of the thesis purpose and research question we decided not to choose such an approach. Our intention was, at this preliminary stage, to redefine the existing definition of foreign branding and thereby further investigate and increase the knowledge of this marketing theory. This lead to the choice of conducting in-depth and e-mail interviews instead. We felt there was a synergy between these methods of collecting data and we also believed that the result at this point depended on using the methodological approach we found most applicable.
Consequently if purpose or research question were different, or if the knowledge of foreign branding were greater, then case studies would have be an alternative methodological approach to consider.

6.   The analysis

In this chapter, the analysis will be presented. The foundation of the analysis is the empirical data collected within the empirical study. The data presented in chapter five will be discussed through an analysis based on presented literature and theories on the matter of foreign branding and branding. Thus, the empirical facts we found will be integrated with the previous theoretical findings in order to reach conclusions later on. The analysis is also based on the three approaches presented earlier. By doing so, we intend to investigate how relevant and important stereotypes, linguistic and PCI are when redefining foreign branding.

In this chapter we hope to widen the view of how foreign branding may be perceived as a theory as well as a strategy. The empirical data, presented in chapter 5 and appendix 8.4 to 8.5, is the foundation of the analysis. Gathered data from the empirical study will also be connected to previous discussions about foreign branding and branding in order to examine if there might be any coherency or not between the empirical facts we encountered and what has been presented earlier, regarding this topic. The broadening of the theory of foreign branding and if it may be relevant to describe it through the different approaches as laid down in chapter three, will be discussed through analysing the respondents knowledge and attitudes towards the three factors stereotypes, PCI and linguistic. By analysing the results of the gathered empirical data and connecting this to the previous discussion of foreign branding and branding, we hope to gain better insight into how foreign branding may be described as a theory as well as how it may be executed as a strategy.

6.1   The in-depth interviews: Knowledge among marketers

In order to gain a better understanding when reading the analysis we decided to analyse the answers to each question separately. This analysis will form the groundwork when stereotypes, linguistic and PCI are analysed. If the reader does not remember the questions or there is a need brush up on what was said by each respondent, key empirical facts as well as the questionnaire are presented in appendix 8.1 and appendix 8.4.

Question 1:   Strength of a Brand name

The interview was started of with a general question concerning branding, something we knew the respondents had great knowledge about. This was done in order to get the respondent to talk more freely and to avoid nervousness. What we found interesting was the response concerning a linguistic approach to branding strategies this early on in the interview. One respondent mentioned that a brand name should be constructed with few letters. Another respondent claimed the pronunciation of a brand name as an important factor when designing brand names. These answers may be perceived as a linguistic approach to branding strategies and was something we did not expect to encounter at this early stage in the in-depth interviews. The uniqueness of the brand was also of importance. One respondent mentioned that a brand name should "stand out" from competitors in order to be recognised and remembered by consumers. This is of importance since Kotler claim that one factor of brand equity is brand awareness. On the other hand, Leclerc claims that brand awareness is one of two factors that influences brand knowledge, and thereby leads to greater brand equity.

Question 2:   Recent trends within brand names

When asked if there were any trends within branding strategies in the last ten years, one respondent returned to the linguistic approach. The respondent mentioned short brand names or so called made up, or "funky", brand name. Both can be regarded as a linguistic approach to branding. This linguistic approach does not only seem to be of relevance today, but such branding strategies may have been used longer that we thought. To confirm its relevance, this case would be an interesting matter to investigate further in a quantitative research.

Question 3:   Respondents preferences regarding characteristics

Knowing that statistic certainty would not be possible to gain, we still wanted to receive feedback on how important stereotypes, linguistic and PCI is when designing brand names. If adding the numbers, in which the respondent placed each factor, one may perceive each factors relevance from its total figure. By doing so, the six mentioned factors will be placed in the total preference by all respondent as: (1) Linguistic, (2) packaging and design, (3) image built on stereotypes, (4) PCI and (5) use of specific logotypes. As mentioned above, this is not a measurement of statistical certainty neither a way that most statistics would use. We used this way of letting the respondent place each factor in order of preference, to gain a more general perspective of each factors relevance, before studying three of them on a more thorough basis. The respondents choices did not come as a surprise, knowing how relevant they perceived this matter when asked the first two questions. A linguistic approach to foreign branding strategies seems to be of great importance. The second most relevant factors were discussed quite intensively, since the respondent did not quite know what it meant. This may have influenced the respondent to process its relevance in a more thorough matter. The importance of using stereotypes built on images was perceived as more important by some respondents than by others. This might depend on the cognitive process where some respondents compared it with cultural stereotypes and at least one perceived it as more product oriented stereotypes. By product oriented we mean for instance Armani as expensive and not as a piece of clothing that has been influenced by the Italian fashion house. The difference in preference between use of stereotypes and PCI seemed to be limited. On the other hand, PCI were not, in this phase of the interviewed, discussed as much as stereotypes. Last placed, in order of preference was the use of specific logotypes. Nether respondent seemed to perceive this factor as particularly relevant.

Question 4:   Respondents attitudes regarding the three relevant approaches

In order to gain more insight into the perception of stereotypes, linguistic and PCI, the respondents were asked to explain how they would use (B), (C) and (E) when designing brand names. There seemed to be a lack of creativity when it actually came to explaining how these factors would be used in a branding strategy. Most respondents returned to the matter of linguistic and this approach to foreign branding was exemplified as a method where the linguistic should influence the brand name so that the brand could work on international markets. Linguistic should support this by naming a brand in such a way that it does not mean different thing on different markets. One example is the launch of an Ericsson mobile phone in the late eighties, which was small enough to fit in your pocket. But the English word for pocked was not used. The marketers used the Swedish word "ficktelefon" and not mobile phone and we all know that this would not be viewed in positive way on the German market, since ficken in German means something completely different than pocket (Sitterstad2004).

Only one respondent discussed all three factors (B), (C) and (E). Probing the respondent for more information was something we tried to avoid in this early stage of the interview, since we did not want to lead the respondent into thinking that one factor was more important then the others. Therefore, linguistic can still be seen as the most relevant approach to a branding strategy before each factor were discussed and the link between branding and geographic provenance were brought into the interview.

Question 5:   Knowledge concerning stereotypes and branding

When the interview turned to knowledge about the studied factors, the respondents could gain insight to the relevance that geographic origin had within the answers. The knowledge about stereotypes within a branding strategy seemed to be good. The respondents could not see any problems using images built on stereotypes in a branding strategy in order to evoke a certain origin. They all gave several examples of lines of business or specific companies. One respondent were more concerned that this was a relevant strategy for the high-tech industry or the automobile industry, while the others respondents named food and beverages as relevant lines of business. This may depend on what kind of branding strategies each respondent worked with. Respondent number two, who mentioned other line of businesses than the everyday commodity business, may have been influenced by working within a consulting agency that focuses on business to business solutions. The impact of this factor may also depend on the consumer being aware of the actual stereotype and the country in question. Thus the discussion of the nation as a notion and the argument made by Anholt regarding the importance of stereotypes, may give relevance for using stereotypes as a way of evoking a certain origin. One should keep in mind that this does not reflect the perspective of a false origin, as a foreign branding strategy may be perceived, at this level of the interview. The answers may only be compared to how the respondent perceive this factor within a branding strategy when using geographic provenance as a desirable feature.

Question 6:   Knowledge concerning PCI and branding

When the respondents were asked if it is possible for a company to use certain national characteristics in a brand name, in order to reflect a certain origin, the answers were only positive. The knowledge of PCI seemed to be rather good. The respondents could mention lines of business and certain companies that may use certain national characteristics in order reflect a certain origin for a brand name. On the other hand, only one respondent gave new examples of businesses. The other respondents answered with similar lines of business and companies as in question five. This may be viewed as the respondents could not separate the two questions, or a lack of cognitive ability to find new angles to the approach of PCI. The respondent who referred to Vodka as coherent with Russia or Sweden had an interesting input. The origin of Sweden or Russia may both create strong brand names. There is a correlation between Russians as people who drink vodka that contains a high percentage of alcohol. This may be perceived as a stereotype discussed in question five. On the other hand, the respondent continued by claiming that Russian vodka could be perceived as less reliable than Swedish when it comes to quality. He referred to Absolut Vodka as high-tech vodka with high levels of alcohol but safer to drink than Russian vodka. This last statement is on the other hand coherent with the image he has of Sweden as a well industrialised and highly technologist country, thus a statement concerning PCI. Once again, the respondents seem to have problems separating stereotypes and PCI.

Question 7:   Knowledge concerning linguistic and branding

The linguistic approach was something that all three respondents viewed positively. The importance of the linguistic matter, when designing brand names, was discussed intensively and the discussion returned throughout the whole interview. This may be seen as coherent to the grading of the six factors in question three. The fairly high importance that the linguistic approach received in question three may therefore be confirmed when the respondents started to talk more freely and again positively about this approach. Respondent three gave some examples of how he would exemplify this approach. What was interesting about the companies that he mentioned (like Haagen-Dazs) was the correlation to previous theoretical discussion. Here Usunier mentioned among others the ice-cream producing company Haagen-Dazs. The respondent also mentioned the ability that high tech Japanese companies can gain not just a high tech image, but also a quality image by using a linguistic approach when naming the brand and make it sound more German. This was, according to respondent three, fairly common in the seventies when Japan was known as a country that produces high-tech products, but with sometimes failing quality. The image of Germany as a country that produces, among other product, cars with high quality may be viewed as a PCI factor. But according to the statement from respondent three there might also be a correlation between PCI and the ability to use the PCI factor in order to enhance a linguistic approach.

Question 8:   Attitudes towards stereotypes and branding

The previously discussed correlation between theorists in branding and geographic provenance as well as these theorists correlation to the empirical fact found does to some extent also correlate to two of the three respondent attitudes towards the approach concerning stereotypes. Respondent number two had a knowledge about stereotypes but in question eight, his attitude towards using stereotypes build on national images was rather negative. This may be a case of personal reflection. Since respondent number two worked in a consulting agency within business to business. His attitude reflects the risks of losing brand equity, something that Farquhar defines as "added value to a brand". The risk of losing brand equity is greater than the possible reinforcement that may be achieved. Thus, according to this respondent, one should be careful when using this kind of reinforcement of a brand. Another respondent mentioned different risk. According to the first respondent, it is hard to protect a stereotype within brand legislation. Consequently, if one company succeeds in their reinforcement from a national stereotype, there is nothing that says that a competitor will not act the same way. This does not illiminate the ability of using such an approach when building strong brand names, but on the other hand it does not seem to be a strategy that may reinforce the brand appearance in the long run.

Question 9 & 10: Attitudes towards PCI, linguistic and branding

Since the respondents answered question 10 in the exact same way as they answered question nine, we have decided to analyse the answers together. Two of the three respondents had positive attitudes towards the PCI and linguistic approach. One respondent thought that the use of a false provenance was something that was up to the consumer to find out. This is one obstacle that differs the foreign branding theory from the COO theory. Since the consumer might not find out where the brand originates from the company, which imply a false provenance, might be able to gain part of what is associated with a country and the product in question (the PCI). Furthermore, the so-called "halo effect" presenter by Han may, in this case, also be applicable on a foreign branding strategy. If the consumer is not aware of the

brand origin, positive PCI might reinforce consumer perception and create greater brand equity. On the other hand using a provenance, true or false one, is barely one way of reinforcing the value of a brand. As Kleppe et. al. explains, there might be more ways to increase the brand equity and one way of doing so my be spelling or pronouncing the brand in a certain way. Two of the three respondents reacted positively to the fact that a company might reinforce brand equity by using this approach.

Question 11 & 12: French origin exemplification

Since the two questions which sums up the in-depth interviews are related, these questions will be discussed together. The reaction and attitudes on questions concerning true (question 11) and false origin (question 12) might be coherent with previous attitudes. One respondent, who emphasised the linguistic approach throughout the interview, claimed that a company could take advantage of its French origin though spelling or pronouncing a brand name in a certain way. Respond number two emphasised the influence of stereotypes. He saw an opportunity to achieve greater brand identity, identity as a French brand, by looking at the targeted market and finding "hot buttons" based on stereotypes. This respondent was the only one who had a negative attitude towards a foreign branding strategy throughout the second part of the interview. On the other hand he did think it was possible for a company that is not from France to take advantage of a French origin. As mentioned before, this respondent may have been influenced by an ethical factor that may be more prominent in business to business firms than business to consumer firms.

Respondent number three was also positive towards the use of provenance as a factor in order to gain greater brand. What was even more interesting with his response is the fact that he mentioned French brands in coherent way to how Simon Anholt sees universal stereotypes in progress. Leclerc reflects upon stereotypes and the use of it in branding strategies as more or less universal believes and judgements related to a country, their citizens and their culture. This was illustrated by Anholts statement where most consumers would perceive French brands as fashionable or chich, something respondent number three related to without any previous knowledge about Anholts statement.

6.2 The e-mail interviews: Expertise knowledge

Question 1: Describing foreign branding

The e-mail questionnaire was introduced with an open-ended question about how the respondent considered foreign branding in general. This was made in order to get the respondents attention and thereby make them focus on the theory in question. This early on in the questionnaire, one respondent showed a strong influence from the theory of foreign branding laid down by Leclerc. She defined foreign branding *as "a strategy that involves pronouncing or spelling a brand name in either a true foreign language or a pseudo-foreign language."* This came as no surprise, since the respondent has published an article concerning foreign branding. On the other hand, Leclerc has been one of the leading authors within the debate concerning geographic provenance and marketing strategies. Consequently the theory laid down by Leclerc should not be disregarded as heavily as we did in the beginning of this thesis. From the response given by this respondent, Leclercs linguistic approach to foreign branding may be seen as important when redefining this branding theory. The other respondent answered in a similar way since he referred to foreign branding as a theory were companies design brand names in order to evoke a certain origin. What was even more interesting was the fact that this respondent connected the theory of foreign branding to branding theories in general. According to this respondent, a company can increase its brand value, thus brand equity, an idea that is stated throughout this thesis.

Question 2: Recent trends within foreign branding

By questioning the respondents about if, how, or where, foreign branding has developed during the last ten years, we hoped to gain insight into more expertise knowledge and thereby analyse the theory and its diffusion. The information we received was not as informative as we had hoped. What can be said about the diffusion of this theory is that during the last ten years it has not just become more common in general, but also more concentrated to specific lines of business. The examples of industries and companies given earlier in this thesis may be relevant, if this theory should be used as a strategy when designing brand names. This includes foremost brands that compete within the cosmetic and fashion industry. What can also be said is that the strategy seems to be used more compared to the general knowledge of it as a theory. This may indicate that the theory of this branding strategy is in need of further investigation in order to understand what kind of marketing message is being used in order to enhance the brand's appeal. Previous statement also indicates that the use of such a branding strategy is more common than the research on it as a theory. It has also been stated, perceived from Thakor articles, that this theory might be one way of redefining the more common COO theory.

Question 3 & 4: Exemplification of foreign branding

Since the answers to question three and four are rather similar, we decided to analyse the received information in relation to each other. When the respondents were asked to mention a company and a line of business that according to them uses foreign branding in their marketing strategy, the answers were rather coherent to the ones given in question two. One respondent was rather focused on the fact that foreign branding seems to be more applicable within the beauty industry, i.e. within fashion and cosmetics. The statement was exemplified by her perception that the cosmetic industry with companies such as, Nivea Visage, Clinique

and Estée Lauder are more likely the line of businesses that enhance a brands equity by using an origin that is congruent with the product (PCI). The other respondent gave the same indication and foreign branding could be strongly associated with a French appeal and cosmetic products. It should be mentioned that this respondent gave a broader picture of lines of business where foreign branding might be used. What we would like to stress, based on the information we received, was the fact that both respondents referred to companies that may be perceived as French, even though we did not give any hints about possible origins. The answers were also strongly concentrated towards the cosmetic industry and thus the theory of foreign branding seems to be strongly coherent with a French origin as well as the discussed beauty industry.

The fact that the respondents were focused to a great extend on companies being French and selling products that may be enhanced by a French origin, did not come as a surprise. When the respondents were asked to define foreign branding earlier in the questionnaire, the second respondents gave a definition that seemed to be rather influenced by the definition given by Leclerc. Furthermore, this MIT professor investigated foreign branding, from our point of view, from a less objective perspective. His research is strongly focused on products as hedonic or utilitarian and thus the brand may be enhanced through its origin and on the basis of being one or the other. This being the case, it is not strange that this respondent has given an impression of foreign branding from the approach that Leclerc gave. There is less effort put into strategies that enhances origins which are less known as being associated to fashion, cosmetic or even cars for that matter. What seems to be the foundation on the correlation between the beauty industry (hedonic products) and France may simply be the case of stereotypes. With this in mind, Anholt might be right when stating the fact that internationalisation within many industries has been dependent on stereotypes in order to enhance the awareness of brands that are less associated with a certain origin. Consequently, stereotypes and PCI seem to be of importance when redefining foreign branding.

Question 5:   Reasons for foreign branding

The reason why companies are using a marketing strategy, which enhances an origin that are not there in the first place, is something this thesis tries to investigate. By doing so we hope to redefine the concept of foreign branding and see how it may be characterised. Based on the answers given to this question we can say that using a false origin may increase sale and consequently influence the consumers perception and evaluation. We would also like to point out that it might only be some products that may be coherent with the chosen origin. This decision has to be made on the basis on PCI and as mentioned before, brands within the beauty industry seem to have a strong correlation to French origin. The second respondent also mentioned that the branding concept has become blurred and one way to compete more effective might therefore be a question of origin. Whether this origin is a true or false can be questioned. This allows the company to make up name in order to enhance the origin that the brand is supposed to reflect. Through this strategy a company might take advantage of the linguistic approach as well as the halo-effect presented by Han and whether this is done in order to enhance the brand equity, or if the purpose is to build a stronger image, the company might increase its sale.

Question 6:   Relevancy of stereotype and PCI

In order to gain insight into how relevant PCI and stereotypes might be when redefining foreign branding, we needed to ask the respondents how they would perceive these

approaches towards the theory. The respondents were, as mentioned above, people who have previously showed interest in developing this theory. By asking them how relevant they found stereotypes and PCI when discussing a foreign branding strategy, we hoped to find some kind of legitimacy to how relevant these approaches may be when companies use foreign branding. Both respondents agreed that PCI and stereotypes might play an important role within a foreign branding strategy. The respondents exemplified these approaches (PCI and stereotypes) by mentioning brand names that evoke a false origin. Furthermore, the origin seem to be strongly associated to the product and the brand name may therefore increase its. One respondent mentioned Haagen-Dazs and Frusen Gladje. These are ice creams that, according to the respondent, are good examples of stereotypes. He stated:

Americans thinks "Swedish" ice cream and milk products are of good, pure and healthy, so they'll buy something that "sounds" Swedish, or vaguely Scandinavian. Haagen-Dazs even sued Frusen Gladje because they perceived Frusen Gladje as to similar and thus was infringing on their copyright. In court Haagen-Dazs made an attempt to keep the competitor from using features of its packaging which evoked a fresh, Scandinavian image of the product as well the composition of two word which sounds Swedish."

Based on this statement we may be able to give legitimacy to the fact that PCI might be relevant when redefining foreign branding. The other respondent were more focused on why PCI might influence a foreign branding strategy. According to this respondent the halo-effect and its theory laid down by Han, might be a convenient way to create associations without actually claiming that the product is manufactured by the halo-country,
consequently foreign branding. She continues by stating:

*This theory is now recognised as far more complex and multi-facetted than originally presumed. Stereotypes might be more applicable within the beauty-industry than any other industries. Anyhow, stereotypes are often triggered by the spelling or pronunciation of the brand name and must therefore be related
to foreign branding."*

Based on this respondent, both PCI and stereotypes might be one way of investigating how foreign branding is composed. Furthermore, she also states that a linguistic. This did not come as a surprise since we though she might have been influenced by Leclercs way of defining foreign branding. None the less, the three approaches used to redefine foreign branding, PCI, linguistic and stereotypes, seem to have some relevance if this theory is to be further investigated.

Question 7:   Relevancy of linguistic

Foreign branding has been strongly influenced by Leclerc, but as mentioned before his view of defining this theory has been strongly influenced by products being hedonic or utilitarian as well as the brand name being spelled or pronounced in order to evoke certain consumer preferences. This linguistic approach to foreign branding is one of the three approaches we decided to base this thesis on. Linguistic, or connotation of a brand name, was something the respondents have showed positive attitudes towards throughout the questionnaire. When asked if they would consider connotation of a brand name as an efficient way of designing a foreign branding strategy, we came across unexpected problems. One of the respondents was uncertain about the question, and therefore decided not to answer it. On the other hand his definition of foreign branding in question one gives us a strong sense that he regards

connotation to be one important aspect when discussing this theory. In question six this respondent also mentioned "Frusen Gladje" as a way of using PCI and stereotypes to enhance positive consumer association, and thus brand equity. Furthermore this brand name is also a well-calculated marketing strategy, with strong resemblance to the earlier mentioned example Kinder chocolate egg. Both these marketing strategies and their brand names are influenced by the linguistic approach.

The other respondent gave an answer that was easier to interpret. She was positive and claimed connotation to be one of the most important aspects within foreign branding. She exemplified this with French beauty products and suffixes of brand names that could be perceived as French, but in reality are far from a French origin. Whether by accident or design, marketers do this in order to give some punch and evocative capacity to their brand name. Of course this is done in a coherent way with the symbolic connotation that the brand intend to communicate. In *"Marketing across cultures"* Jean-Claude Usunier presents four main categories of linguistic devises that may be used in order to give the brand name its desirable edges. The answer given by the second respondent would be classified as a phonetic devise, consequently connotation seem to be most relevant when discussing foreign branding.

Question 8:   Percieved risks

Just as any other marketing strategy, foreign branding might be associated with some risks. One of the most obvious risks is the question of how unethical it might be to state a false origin and the strategy were companies uses a false origin in the effort of creating greater brand equity might seem as unethical for some readers. As we mentioned before, the question concerning "if" or "how" unethical this strategy might be, is not the purpose of this thesis. On the other hand, it is interesting to emphasise the fact that the respondents did associate possible risks based on their perception of foreign branding. One respondent mentioned that being dishonest is associated with taking risks. The risk that we regard as the most threatening to this strategy is the fact that high brand awareness may decrease the trusted value of the brand, consequently result in lower brand equity. As mentioned previously, Aaker claims brand awareness as the reflection a brand has in a consumers memory. Since brand image and brand awareness is to the greater part controlled by the consumer, these two factors might be more associated to, or influenced by, risks.

7.   Conclusions

In this final part of the thesis we are going to summarise the empirical facts found as well as try to illumunate the findings we found concerning knowledge and attitudes about foreign branding as a theory and how it may be executed as a strategy. We are also going to reflect upon the three approaches, linguistic, PCI and stereotypes, which have been suggested as a way of redefining this branding strategy.

In the beginning of this thesis we stated a research question which reflected the possibilities of investigating foreign branding in such a way that it could be possible to increase the understanding of it. To do so we decided to investigate three approaches, namely stereotypes, linguistic and PCI and see if there were any correlation between these factors and foreign branding. By asking consultants as well as people with expertise knowledge we hoped to gain insight into how relevant the three studied approaches might be. Furthermore, we also intended to investigate if there were any possibilities of executing this theory as a strategy and thereby give examples of some lines of business where this might be applicable.

Linguistic approach

In the effort of redefining foreign branding, Leclercs linguistic approach has been confirmed in most cases. Some respondents have even been so strongly influenced that his or her responses have reflected the linguistic approach throughout most of the interview. When we asked people who are more conversant on the matter of foreign branding, none of the respondent disregarded the approach. When we interviewed the consultants there were no negative attitudes towards this approach either. Consequently, the theory of foreign branding might be defined as a branding strategy where companies use e.g. linguistic devices in order to spell or pronounce a brand name in a certain way and thus increase brand equity. With this in mind we would like to emphasise that our scepticism towards Leclerc in the beginning of this thesis has proven to be somewhat misdirected. Furthermore, when taking part of general branding theories we found that Jean- Claude Usunier even bases categorisation of linguistic devices on how it may evoke associations. Given the fact that consumer associations might be based on a certain origin we do believe that pronouncing or spelling a brand name in such a way that it might sound more trustworthy can evoke stronger consumer association and thus result in greater brand equity.

With this in mind, an linguistic approach seems to be relevant if foreign branding should be redefined. Our empirical findings are coherent to previously discussed theorists. One respondent within the e-mail interview was not only influenced by Leclerc but her responses were, from our point of view, closely related to Usuniers definition of phonetic and orthographic devices. This exemplification is just one of many occurrences that influenced the discussions held in the interviews. Consequently, based on what we have found in this thesis, we would like to stress the importance on this approach when redefining foreign branding.

Stereotypes and PCI

The theory of foreign branding has, in this thesis, also been investigated as a way of evoking certain origin based on stereotypes that the brand name implies. Stereotypes in general were defined and discussed earlier as broad and common shared beliefs and judgements related to a country, its citizens and their culture. This was suggested as part of why Coca Cola, Levi's or Nike have experienced such an impressive success. It is of common knowledge that these companies are known to stress their American origin through stereotypes. We would like to stress that cultural and national stereotypes were harder to investigate in the interviews and questionnaires than we first thought. Some respondents were confused in what way the brand name would be stereotyped. What we did found was the fact that stereotypes seemed to be closely related to PCI. On the other hand this does not come as a surprise since Han discusses the halo-effect as a correlation between a country's image and specific product categories. The image of a country is today more than ever under the influence of stereotypes. It is therefore relevant to imply that PCI may be based on the legitimacy of the stereotype in question and thus, how strongly it may be in coherency with the product. This is something the respondents discussed fairly intensively and all respondents mentioned certain origins or lines of business that may be relevant when using these two approaches.

Stereotypes are now more than ever being used in order reinforce consumer awareness and thus increase the possibility of reaching stronger consumer perception or evaluation. The respondents answers, presented above, have also indicated that such stereotypes can be based on how products might be perceived as being more less coherent with a certain origin. Since the origin of a brand, a term Thakor closely related to foreign branding, were defined as "*the place region or country where a brand is perceived to belong by its targeted consumers,* PCI can be used in order to reinforce a foreign branding strategy.

The approaches which discusses the relevancy that stereotypes and PCI might have when redefining foreign branding were not as easy to confirm as the linguistic approach. We do belive this occurred because of the fact that leading authors on the topic in question could not be disregarded as easily as we first thought. Furthermore, the respondents tendency to return to the linguistic approach during the interviews, gave less empirical fact from which we can discuss the two later approaches. What can be stated about PCI, is the fact that it does not work as a descriptive approach in itself, when redefining foreign branding. Instead we would like to imply the possibility that it may be closely related to stereotypes and thus reinforce this approach.

Possible implementation of foreign branding

When it came to exemplification, what seemed to be more applicable were the coherency between beauty or fashion industry and a French origin. Respondents who reflected over this matter in the e-mail questionnaire gave similar answers and agreed to such a strategy. Furthermore, high quality dairy products were presented as a line of business that may be consistent with Sweden or Scandinavia and might thus create stronger PCI. Sweden was also mentioned as a country that has the ability to produce "safe high-tech" vodka with a high percentage of alcohol, once again something that reflect a positive case of PCI. The only case where stereotypes were not working as a base for PCI were the case of Russia as a vodka producing country but with failing quality. This reflected a general stereotype of Russians as vodka drinkers rather than a case of PCI based on such stereotypes. High quality cars were also mentioned as a product that German companies are rather good at producing.

Thus based on the statements found in the empirical study in this thesis, as well as previous discussion concerning stereotypes, PCI and linguistic, we find it more relevant for companies that tries to market hedonic products to chose a French origin. A French sounding brand name for a hedonic product, a product related to the fashion and beauty industry has according to our study the ability to gain greater brand equity as a result of using all three approaches. Some facts also indicate that companies that are marketing dairy product and vodka could gain competitive advantages from being perceived as Swedish or Scandinavian.

Knowledge and attitudes

The knowledge about linguistic, stereotypes and PCI in correlation to branding strategies seems to be rather good among the consultants that were interviewed. The respondents were not only aware of the possibilities of making a brand name radiate a certain origin by using linguistic devices, but they also had a positive attitude towards actually using such an approach. The linguistic approach were also the approach that were discussed most intensively and in a positive manner throughout the e-mail questionnaire. This indicates that there are some knowledge about foreign branding and the linguistic approach, but even more important, there also seem to be a positive attitude towards using such an approach. On the other hand, the respondents within the in-depth interview did not get the opportunity to relate this to the studied theory.

What can also be said about the general knowledge about foreign branding is the fact that there seem to be a larger degree of it being used as a strategy than there are of it as an existing or accepted theory within marketing literature. This might not come as a surprise considering the problems we faced when trying to find relevant information on the subject. What is interesting to stress is the fact that most respondents saw few ethical problems related to the fact that a company might "cheat" their customers on the actual provenance. This may indicate that it might be relevant to discuss a different theory within marketing strategies, a theory that can be discussed outside the previous mention COO theory. With this in mind, it might also be relevant stress the respondents reflections upon perceived risks. As mentioned previously, companies' should be aware of potential risks like overdoing either one of the approaches.

Redefining foreign branding

Finally we find it most relevant to mention that if some industries should be more applicable to foreign branding, there seem to be great comparative advantage if there are some consistency between the product and the country in question. Furthermore how the brand name is spelled or pronounced seem to be most relevant. We also believe that stereotypes are one way of reinforcing a foreign branding strategy and thus redefine foreign branding as a concept, but what should be stated is the fact that its primary task might be more as an explicit cue. With this in mind we would like to end this investigation by redefining foreign branding as followed:

> *"A strategy where a company imply a false origin to improve brand awareness or equity by spelling or pronouncing a brand name in order to reflect a positive correlation between the product and the implied origin."*

8. Appendix

8.1 Appendix 1: Question guide for in-depth interviews

1. What qualities/characteristics does a strong brand name possess?

2. Trends of how brand names have been built or been used during the last 10 years?

3. Which characteristics are important when designing brand names? Place in order of preference by numbers 1 to 6. One is being the most important.
(a) Packaging
(b) Image built on stereotypes (not image in general)
(c) PCI (as i.e. perfume and France, cars and Germany, coffee and Brazil, and so on)
(d) Design
(e) Linguistic (Spelling and pronunciation of a brand name)
(f) Use of specific logotypes

4. In what way would you (as a company) use (b), (c) and (e) when designing a brand name?

5. When building brand names, is it possible for a company to use stereotypes that reflect a certain origin in order to take advantage of positive reinforcement?
Probing: How, When, Certain companies, Certain line of business?

6. When building brand names, is it possible for a company to use certain national characteristics in a brand name, in order to reflect a certain origin?
Probing: How, When, Certain companies, Certain line of business?

7. When building brand names, is it possible for a company to take evoke a certain origin by spelling or pronouncing the brand name in certain ways?
Probing: How, When, Certain companies, Certain line of business?

8. When building brand names, would you as a company consider using stereotypes that reflect a certain origin in order to take advantage of positive reinforcement?
Probing: What would this look like, Which stereotypes, What origin?

9. When building brand names, would you as a company be tempted to use a false origin in order to evoke a certain origin?
Probing: Which origin, How could this strengthen your brand name?

10. When building brand names, would you as a company consider spelling or pronouncing the brand in a way that may perceive the brand as being from a certain origin?
Probing: What would this look like, Which origin?

11. How is it possible for a company to take advantage of for instance its French origin?

12. Is it possible for a company that is not from France, to take advantage of French origin?
How, Certain companies, Certain line of business? Risks? Or Why not?

8.2　　　　Appendix 2: E-mail questionnaire

1. How would you describe the concept of foreign branding?

2. During the last ten years, how would you describe the development of foreign branding both as a theory as well as a strategy?

3. Can you name a company that according to you apply foreign branding within its marketing strategy? If so, how would you describe this companies Foreign Branding strategy?

4. Which (if any) lines of business do you consider dominates the use of foreign branding? If so, what makes these fields more applicable to foreign branding?

5. How du you explain the reasons that companies began to use a "false origin" in their marketing strategy?

6. Can stereotypes and PCI (product country image) make foreign branding more efficient? If so, how?

7. Would you consider connotation of a brand name an efficient way when designing a foreign branding strategy? If so, how would you explain this approach?

8. Are there any risks involved when foreign branding is used as a marketing strategy? If so, how would you describe these risks?

8.3   Appendix 3: 1§, varumärkeslagen

" Ett varumärke kan bestå av alla tecken som kan återges grafiskt, särskilt ord, inbegripet personnamn, samt figurer, bokstäver, siffror och formen eller utstyrseln på en vara eller dess förpackning förutsatt att tecknen kan särskilja varor som tillhandahålls i en näringsverksamhet från sådana som tillhandahålls i en annan."

8.4 Appendix 4: Summarised answers from In-depth interviews

	Respondent 1 (Anna Sitterstad)	Respondent 2 (Paul Noble)	Respondent 3 (Pål Katsler)
Question 1	*Stands out. Remembered by consumers. Agree with the product*	Recognisable. Inspire to emotions. Connect to consumers needs	*Two to four syllables. Function Internationally Easy to pronounce.*
Question 2	More made up, more international, and more funky-names	*Shorter names. More recognisable names*	More made up. More feelings than functions within the name.
Question 3	*(E) (A) (C) (B) (D and F)*	(D) (A) (B) (E) (F) (C)	*(E) (D) (B) (C) (A) (F)*
Question 4	Important that the name means the right thing, and support the names' position	*Name should trigger an emotion, and factor B and C communicates with the consumer*	Make the product function on multiple markets. Reach the consumer before product is launched
Question 5	*Absolutely. Food and drinks especially. Juices and coffee in particular*	Absolutely. Cars and High-Tec fields are common. BMW and Mercedes uses this technique	*Yes. Must be aware of the stereotypes consumers have about the country in question.*
Question 6	Absolutely. Once again coffee and water. Common to give a exotic view of the brand	*Yes. Once again High-tech fields are common. Sweden and Asia uses this*	Yes. Compares Swedish and Russian vodka. Reliable vs. Non-reliable.
Question 7	*Believe this is possible, but can't think of any good examples*	Yes. Refers to Skanska and Sun Yong	*Yes. Haagen-Dazs and Japanese companies that wanted to sound German.*
Question 8	She could, but she would be careful. Risk that competitors steal the idea exists	*No. Never. Risk are too big. Afraid to loose brand equity*	Yes, since it's not about duplicating.

Question 9	*Absolutely.* *Especially when it* *comes to food and* *drinks*	No, never. Being dishonest to consumers is a big risk.	*Yes. It's up to the* *consumer to find out* *where it's from.*
Question 10	Absolutely. Once again she prefer doing this regarding food and drinks.	*See question 9*	See question 9
Question 11	*By making up names* *with French* *resemblance, but* *with easy spelling* *and pronunciation.*	By looking at target market and finding "hot buttons" based on stereotypes	*Yes. Culture, history,* *tradition can* *function with* *fashion, wine, food,* *perfume.*
Question 12	Absolutely! As long as the name can't be misinterpreted	*Absolutely, but it's* *important to be* *aware of the risks*	Absolutely. But there is a risk that the value in the long- term can be worthless

8.5   Appendix 5: Summarised answers from e-mail interviews

	Respondent 1 (Harold F. Schiffman)	**Respondent 2** (Albina Shayevich)
Question 1	As a technique of giving a product a 'foreign' name or brand in order to increase its desirability or 'perceived value'.	A strategy that involves pronouncing or spelling a brand name in either a true foreign language or a pseudo-foreign language.
Question 2	The usage of foreign branding has definitely increased, but the common awareness is still very low	There has been a stream of French sounding brand names within the cosmetic and fashion industry.
Question 3	The Lancôme company uses it systematically, giving every product a French accent of some sort	Nivea Visage, Clinique and Estée Lauder. These companies evoke certain consumer perceptions by spelling or pronouncing a brand name in a certain way
Question 4	Perfume and cosmetics, especially "French" companies (even if not French); automobiles; wines and liquors.	The beauty industry. This industry is heavily influenced by typical stereotypes.
Question 5	It helps sell the product that is all.	The branding concept has become blurred. Foreign branding allows producers to simply invent words for their products that sound French but in reality are non-existent.
Question 6	Whatever ads value in the consumer's mind will most certainly work. Haagen-Dazs and Frusen Gladje exemplify this.	Yes. In fact, this is something that in theory relates to the Halo-concept.
Question 7	Uncertain about the question but previous answers gives us hints about his opinion	Yes. The pronunciation of a brand name is one of the major influences on foreign branding. Exemplified by the "age" and "ique" in Nivea Visage and clinique.
Question 8	You shouldn't "overdo" the approach. This may turn people off.	Being dishonest is always associated with taking risks.

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