MÄLARDALEN UNIVERSITY
SWEDEN

Academy of Sustainable Social- and Technologic Development
Master Thesis in Business Administration, FÖA400, 15 credits

Brand gap and the effect of country-of-origin

A consumer survey in Rhone-Alps

2012-06-01

Author: Karin Olsson

Tutor: Eva Maaninen-Olsson

Examinator: Cecilia Lindh

Résumé “Écart d’image de marque et l’effet du pays d’origine”

Date:	1 Juin 2012
Niveau:	Master en administration des affaires, 15 crédits
Institution:	École de développement social et technologique durable, Université de Malardalen
Auteur:	Karin OLSSON
Titre:	Ecart d’image de marque et l’effet du pays d’origine: Une enquête de consommateurs en Rhône-Alpes.
Mentor:	Eva MAANINEN-OLSSON, Doctorat en économie
Mots-clés:	L’image de marque suédoise, identité de marques, écart d’image de marque, l’effet du pays d’origine, Aaker, model Big Five, France, Rhône-Alpes, Renault Trucks, Novembal/Tetra Pak, IKEA
Questions de recherche:	Quelles sont les images de marque et les identités de marque de Renault Trucks, Novembal/Tetra Pak et IKEA? Y-a-t-il un écart de marque? Le pays d’origine a-t-il un effet sur la perception de marque? Comme le sexe du répondant influence sa perception de la marque et l’effet du pays d’origine?
But:	Le but de cette thèse est de décrire, comparer et analyser l'existence d’écart de marque et l'effet du pays d'origine. L’intention finale est de donner des recommandations de management aux entreprises étudiées.
Méthode:	Un questionnaire quantitatif avec les tendances qualitatives a été éffectué auprés de 42 personnes, et analysé. De plus, des interviews ont été conduites auprés de trois entreprises suédoises, ainsi qu’une interview avec la Chambre de commerce Suédoise de Lyon. Le modéle “Big Five” d’Aaker (1997) a aussi été utilisé dans l’analyse.
Conclusions:	L’étude a demontré les identités de marques et les images de marques des enterprises. Un écart de marque est présent. Le modèle d’Aaker (1997) a été modifié et inclu de nouveaux dimensions et traits. Le pays d’origine joue un rôle important dans 100% des perceptions et processus d’achat des consommateurs. Le parti-pris, l’ethnocentrisme et l’animosité sont présents et influencent les attitudes et décisions d’achat des 42 consommateurs. Les hommes et les femmes ont des attitudes et des niveaux d’ethnocentrisme différent vis-à-vis de l’effet du pays d’origine.

Abstract – "Brand gap and the effect of country-of-origin"

Date:	1st June 2012
Level:	Master in Business Administration, 15 credits
Institution:	School of Sustainable Development of Society and Technology, Mälardalen University
Auteur:	Karin Olsson
Title:	Brand gap and the effect of country-of-origin: A consumer survey in Rhone-Alps.
Tutor:	Eva Maaninen-Olsson, PhD in Economics
Key words:	Swedish brand image, brand identity, brand gap, country-of-origin effect, Aaker, Big five model, France, Rhone-Alps, Renault Trucks, Novembal/Tetra Pak, IKEA.
Research questions:	What are the brand images and brand identities of Renault Trucks, Novembal/Tetra Pak and IKEA? Is there a brand gap? How does country-of-origin have an effect on the perception of the brands? How does the respondent's sex have an importance in the perception of the brand and the effect of country-of-origin?
Purpose:	The purpose of this thesis is to describe, compare and analyze the existence of brand gaps and the effect of country-of-origin with the final intention to provide management recommendations for the studied companies.
Method:	A quantitative consumer survey of 42 subjects was collected and analyzed. In addition, interviews were conducted with three Swedish companies, as well as an interview with the Swedish Chamber of Commerce in Lyon. Aaker's (1997) Big Five model was used in the analysis.
Conclusions:	The study demonstrated the brand identities and brand images of the companies. A brand gap is widely present. Aaker's (1997) model had to be modified and includes new dimensions and traits. Country-of-origin (COO) plays a role in 100% of the consumers' perception and purchasing process. COO bias, ethnocentrism and animosity are present and play a role in the 42 consumers' attitudes and purchase decisions in Rhone-Alps. Men and women have different attitudes and degree of ethnocentrism towards the effect of country-of-origin (COE).

Acknowledgment

I would like to thank my mentor PhD in Economics Eva Maaninen-Olsson and the company respondents to this thesis; Lucile Magnoler at the communication department headquarters of Renault Trucks, Rémi Gauthier previous quality employee of Novembal/Tetra Pak headquarters in France, Laurence Pradel, marketing manager at Novembal/Tetra Pak, Sebastien Petit, salesman at IKEA Sainte-Priest and Anna Choulier-Renström at the Swedish Chamber of Commerce in Lyon whom all were willing to share their precious time.

I would also like to thank all the wonderful respondents in the survey with whom I was able to complete this study. I do not want to forget the discussion groups that have been an extra support in finalizing the writing. The work is dedicated to Luc, my family and the city of Lyon. Great thanks to you all!

Karin Olsson

June 1st 2012, Lyon France

"Beauty is in the eye of the beholder"(Duchess, 1878).

"The Greeks and Romans, with their sophisticated economic and commercial enterprise, developed 'maker marks' to establish the origins of specific goods" (Ellwood, 2002, p.12).

Table of Content

1 INTRODUCTION 1

1.1 Brand, Image & Country-of-Origin Effects 1
1.2 Sweden's presence in France 1
1.3 Problem discussion 2
1.4 Research questions 3
1.5 Purpose 3
1.6 Disposition 3

2 THEORY 4

2.1 Branding 4
2.1.1 Brand identity and brand image 5
2.1.2 Brand personality perception and model 6
2.2 Country-Of-Origin 7
2.2.1 Company practises 7
2.2.2 Consumer attitudes 7

3 METHODOLOGY 9

3.1 Birth and previous work 9
3.2 The selected companies 9
3.3 Consumer survey 9
3.4 Operationalization 10
3.5 Collection of data 11
3.5.1 Primary data 11
3.5.2 Secondary data 13
3.6 Method of analysis 13
3.7 Validity and reliability 14

4 EMPIRICAL DATA 15

4.1 Interview with the Swedish Chamber of Commerce in France 15
4.2 Renault Trucks 15
4.2.1 Branding 15
4.2.2 Country-of-origin 16
4.3 Novembal – A Tetra Pak company 17
4.3.1 Branding 17
4.3.2 Country-of-origin 17
4.4 IKEA 18
4.4.1 Branding 18
4.4.2 Country-of-origin 19
4.5 Consumer survey 19
4.5.1 Branding 19

4.5.2 COUNTRY-OF-ORIGIN 23

5 ANALYSIS 26

5.1 BRANDING 26
5.2 COUNTRY-OF-ORIGIN 30
5.2.1 COMPANY PRACTISES 30
5.2.2 CONSUMER ATTITUDES 31

6 CONCLUSIONS 34

6.1 RECOMMENDATION FOR MANAGEMENT 35
6.2 FUTURE STUDIES 35

REFERENCES 36

APPENDIXES (A) 41

A1: INTERVIEW GUIDE 1 - SWEDISH CHAMBER OF COMMERCE IN LYON 41
A2: INTERVIEW GUIDE 2 - COMPANIES 41
A3: CONSUMER SURVEY QUESTIONS 42
A4: CONSUMER SURVEY DATA 43

Table of figures, images or tables

Table 1: Country Brand Index p.1
Image 1: Rhone-Alps Region p.2
Figure 1: Aaker's Big Five p.6
Figure 2: Research Design Model p.10
Table 2: Sweden – Top-of-Mind p.20
Table 3: Sweden – General Image p.20
Table 4: Companies – General Image p.21
Table 5: IKEA's Brand Image p.21
Table 6: Novembal/Tetra Pak's Brand Image p.22
Table 7: Renault Trucks' Brand Image p.22
Table 8: Average Consumer Positivism p.23
Table 9: COO and Animosity p.23
Table 10: Product Category p.24
Table 11: Ethnocentrism p.24
Table 12: Swedish COE p.25
Table 13: COE – Local Production p.25
Figure 3: IKEA's Brand Gap p.26
Figure 4: Novembal/Tetra Pak's Brand Gap p.27
Figure 5: Renault Trucks Brand Gap p.28
Table 14: Advantages or Disadvantages p.41
Table 15: Survey Data – Average Swedish Brand Positivism p.43
Table 16: Survey Data – All Top-of-Mind Companies p.44
Table 17: Survey Data – The Companies Brand Image Depending on Sex p.44
Table 18: Survey Data – Respondent Data and COE p.45

List of Abbreviations

B2B	Business two Business
CETSCALE	Consumer’s Ethnocentric Tendency Scale
COE	Country-of-Origin Effect
COO	Country-of-Origin

List of Definitions

Brand gap	*“The brand gap is the distance between business strategy (what the company wants to be) and customer experience (how people actually perceive it)”* (Alvey, 2003).
Brand identity	The image the sender wants the recipients to perceive.
Brand image	The recipient’s image or perception of a brand.

1 Introduction

The first chapter mentions the thesis' research topic, problem discussion, research questions as well as the purpose of the study. It will end with an outline of the thesis.

1.1 Brand, Image & Country-of-Origin Effects

It's a well-known fact that we in 2012 are living in a globalized world with a higher amount of products and higher degrees of foreign goods. Due to this fact, Sivakumar (2009) and Kotler, Shalowitz and Stevens (2008) believe that companies need to differentiate themselves and achieve a competitive image by coinciding identity and image messages from their appearance, performance, characteristics and brand name etc. However consumers tend to also link countries, their companies and products to their preconceptions about their origin. This effect is named country-of-origin effect (COE). (Daye & VanAuken, 2008) Brymer (2003, p.2) states that the brand of a country affects what people think about its products. If the reputation is apparent and thought positive, which can be seen with Germany and its car production, these products appears "better" than others. Even though the European car market is an example of national preferences, with each country favouring its own brand, German brands are always the second choice. *"The brand equity they possess opens doors and wins contracts."*

The same effect can be seen in a research made by Shimp, Samiee and Sharma (2001) that tackles consumers' knowledge of the origin of 84 brands from the United States, England, France, Germany, Italy, Japan, Korea, the Netherlands and Switzerland. The brands where chosen due to their range of consumer goods and their availability in most American department stores, mass merchandise outlets, supermarkets and other common retail venues. The results show that brands are assessed more favourably if they are associated with countries that are considered favourable. Due to this reasoning, Gnrhan-Canli and Maheswaran (2000) believe that brand marketers linked to countries with positive images should use this opportunity by consistently communicating their country-of-origin (COO).

In the 2011-2012 *Country Brand Index*, 113 countries are assessed by their strength and popularity. The country of Sweden has risen to the seventh position (see table 1) by passing three countries from last year assessment, there among France. (FutureBrand, 2011)

1.	**Canada**	**0**	**6. United States**	**-2**
2.	**Switzerland**	**+ 3**	**7. Sweden**	**+ 3**
3.	**New Zealand**	**0**	**8. Finland**	**0**
4.	**Japan**	**+ 2**	**9. France**	**- 2**
5.	**Australia**	**- 3**	**10. Italy**	**+2**

Table 1: Country Brand Index.

1.2 Sweden's presence in France

During the same time, France sank from the seventh to the ninth place (table 1). France is the second largest economy in Europe and the fifth largest in the world (Swedish Trade Council, 2012a). The Swedish export to France is increasing every year and in 2011 the total sum came to 55,712 million SEK. Thus, France became the eighth largest Swedish importer. (Statistics Sweden, 2012) Around 300 Swedish subsidiaries and 1000 establishments demonstrate that Sweden is expanding strongly in France with companies such as IKEA, Volvo Trucks, Autoliv and Securitas (Swedish Trade Council, 2012b). Business exchanges between both countries have doubled over the last ten years and Sweden is one of the largest foreign investors in France concerning work opportunities created. The Swedish Trade Council (2012b) continues by acknowledging good business opportunities for Swedish companies especially in retail, energy and environment, automotive, IT and telecom, medical and health care.

The large French region, *Rhone-Alps*, which is seen in dark-grey (see image 1), is located in the middle-east of the country, close to the French Alps (Map Rhone-Alps). The region, with its approximately six million inhabitants, has three major cities: Lyon, St Etienne and Grenoble. The capital of the region is Lyon and is the second largest town in France next to Paris. (Région Rhône-Alpes, 2007; Placesinfrance, 2012) The Swedish presence in France's leading industrial region, Rhone-Alps, is very prominent and serves as a base for approximately 80 subsidiaries of companies there among the region's largest employer, Renault Trucks, as well as ABB, Alfa Laval, Ericsson, IKEA, Volvo, Sandvik and Mercuir Urval to name a few. (Swedish Chamber of Commerce in France, 2012)

Image 1: Rhone-Alps region.

1.3 Problem discussion

In this day and age companies have a tendency to not enough emphasize their brand identity to their consumers. This can very easily create a gap between the company's brand identity and the consumers' brand image and therefore have a negative impact on company's sales, image etc. (Capon, 2007; Franzen & Moriarty, 2009). By not connecting or verifying the identity and image, the companies' consumers can easily get wrong ideas and associations. This will create a breach in understanding and can generate dislike or distrust. (Neumeier, 2005) It is even harder when a transfer of associations between different cultures needs to be made. Consequently, it could seem to be more essential to study if a brand gap exists for example for Swedish companies abroad rather than a domestic company. Gathering data in a new culture context from a group of 42 French consumers' perceptions will aid finding out if these gaps exist with the chosen companies: IKEA, Novembal/Tetra Pak and Renault Trucks. These companies are interesting to study due to their presence in Rhone-Alps and because they are Swedish companies operating on foreign ground. This might have an effect on their image.

The Rhone-Alps region, the industrial heart of France and a European trading centre, will serve as an area from where to study the brand gap and country-of-origin effect (COE) of three Swedish companies, and two consumer groups: men and women. Previous research from Schooler (1971), Tongberg (1972) and Han (1988) show a difference of COE between the sexes. In term of the ethnocentrism that involves COE, difference between the sexes is shown in research by Good and Huddleston (1995) and Nielsen and Spence (1997). Other researchers, Dornoff, Tankersley, Clint and White (1974) and McLain and Sternquist (1991), did not find this difference. The previous disparity creates questions. Bigné (2000) came to the conclusion that French consumers are highly ethnocentric. However his study did not include the element of sex. When dealing with an ethnocentric market with consumers whom care highly about the COO it might create difficulties for foreign companies such as IKEA when entering and operating on the market. For these reasons a study of the topic is interesting. This leads the way to the research questions.

1.4 Research questions

- What are the brand images and brand identities of Renault Trucks, Novembal/Tetra Pak and IKEA?
    - Is there a brand gap?
- How does country-of-origin have an effect on the perception of a brand?
    - How does the respondent's sex have an importance in the perception of the brand and the effect of country-of-origin?

1.5 Purpose

The purpose of this thesis is to describe, compare and analyze the existence of brand gaps and the effect of country-of-origin with the final intention to provide management recommendations for the studied companies.

1.6 Disposition

The first chapter presents the thesis' introduction, followed by background, problem discussion, research questions and purpose.

The second chapter concerns the thesis' theoretical framework which explains the selected branding and marketing theories with detailed descriptions.

The third chapter describes the selection of methods used for the study and how they were applied.

The fourth chapter deals with the thesis' empirical data by presenting the Swedish Chamber of Commerce and the companies and the answers from their interviews. The chapter also illustrates the brand image and country-of-origin data collected from the French respondents.

The fifth chapter consists of the collected theories, empirical results and is formed as a comparative discussion and analysis of the studied companies' brand identity, brand image, possible brand gap and the COE of the respondents.

The sixth chapter tackles the results in an elaborate conclusion. It will finish with management recommendations and an open discussion on the thesis' topic that hopefully can lead the way for further studies.

2 Theory

The chapter includes the theoretical framework of definitions and models which the thesis stand on. It is formed in three parts, starting with an introduction, followed with branding and finishing with country-of-origin.

The theories selected are firstly definitions and explanations of usage of branding and brand gap. This was done to make the reader understand the concepts, why the theories are used and how they affect consumers. Aaker's brand personality model (1997) was included as the brand identity of the company needed to be verified but also to answer questions in the questionnaire (appendix 3) asking the respondent of associated traits of a Swedish brand. Lastly, the part of country-of-origin is about the COE affecting the company and the consumer. All these theories were chosen because they had an essential part in the research questions.

2.1 Branding

A *brand* is defined by Armstrong, Kotler, Harker and Brennan (2009, p.598) as *"a combination of name, term, sign, symbol or design, intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of competitors."* Healey (2008) describes a brand as a promise of satisfaction between for example a manufacturer and a consumer. The consumers have their own feelings about what a brand represents. However it is possible to influence them with the help of advertisement and publicity.

Branding consists of five components according to Healey (2008) which surrounds an element of truth. The first component is *positioning* where the concept created by Ries and Trout (2001) stresses that the brander should define in the mind of the consumer what a brand stands for and how it compares with competing brands. The producers need to focus on the thoughts of the consumers and react to them, making this a two-way process. Kotler and Armstrong (2010) agree and stress that the positioning needs to be clear. The second component is *storytelling*, where brands are used to tell a story by influencing the buyer and the buying experience with emotions. This is done hopefully to reassure the buyer that he plays an important part in the story and becomes emotionally linked to the brand. This aspect plays an important role in buyer behaviour. (Healey, 2008; Denning, 2011) Component three is *design* and refers to the entire crafting of a brand, visible (product, web pages, labelling) and invisible (taste, smell and sound). The fourth component, *price*, is crucial and demands the user to find a competitive advantage by having higher and lower pricing at the right moment (Healey, 2008). Ellwood (2002) concurs and believes that the price perception is vital to the perception of the brand. Last but not least is the component of *customer relationship* management where the intention is to make the consumer feel important and valued with the help of for example phone services and membership cards (Healey, 2008). Neumeier (2005) shares Healey's idea of including the brand design component and creating a dialogue with consumers. However the author wants to stress the importance to use creative thinking and *differentiate* brands to be noticed. Another important element according to Neumeier (2005) is to create *collaborations* by building networks either externally, such as for example a brand agency, or internally as an integrated marketing team between subsidiaries. Neumeier (2005) thinks that this element brings together the elements of the brand and makes it flourish. The author also emphasizes the *validation* part of the brand to make sure the brand is perceived correctly.

A brand has the ability to benefit a company by reinforcing a good brand, encourage loyalty and assure quality. It can also influence the consumer's perception that a product is worth more and therefore can have a higher selling price, or to keep the price of the product and help to increase the sales. Lastly, a brand can assert a consumer and make him or her feel part of a community by using shared values to create assertion. (Ellwood, 2002; Healey, 2008) A brand is a purchasing behaviour function due to the fact it helps the consumers to *understand* the normative behaviour and what is occurring around them. It also brings *security* in continued supply and the knowledge of similar experience. Another aspect is that it brings the consumers the feeling of *risk reduction* because they believe that they can contact the producer if they are not satisfied and the familiarity with a brand can ease the worry of a purchase. (Franzen & Moriarty, 2009)

There are various ways to use branding, and due to the issue of globalisation a shift have occurred in marketing prominence from product brands towards corporate branding (Dowling, 1993, 2001; Balmer, 1995; Aaker, 1996a; Aaker & Joachimsthaler, 2000). According to Brown and Dacin (1997) and Ind (1997) a strong corporate brand has a considerable effect in creating a favourable consumer perception of existing products and new product extensions. Kowalczyk and Pawlish (2002) state that a corporate brand can submit further value to itself with stronger associations to other corporate brands and products.

2.1.1 Brand identity and brand image

To be able to bring strong associations in branding the brander needs to first build a brand identity which is the outwards expression of the brand (Neumeier, 2004). There are various parts in brand identity. One part is what the brand stands for and its desired associations. Another part is its core identity which includes the vision and brand essence which communicate the brand internally. Other areas also encompass product-scope and attributes etc, organizations, people (personality and customer/brand relationships) and symbols such as visual image and brand heritage. (Aaker, 1996a; McLoughlin & Aaker, 2010) Franzen and Moriarty (2009) say that a *brand identity* (e.g. corporate identity) is the company's desired image and Neumeier (2004) agrees since this expression was deliberately chosen to reflect how the brander wants the consumer to perceive the brand. Kapferer (2012) states that brand identity is one way to differentiate a corporation in our globalized world. Melewar (2008) believes that by using brand identity the return of investment can increase, motivate employees, attracts the right employees and to differentiate their products and services.

While building the brand identity the company needs to think before sending information to the consumer about what are the desired brand's meaning, aim and self-image so that the right projection will be done. The perception of the company comes from the way the consumers decode the signals from the company. (Kapferer, 2012) The consumers decoding start with questioning themselves: where do the signals come from? The answer is a brand identity but are there any different external factors playing a role? It comes from various brand messages in form of brand name, visual symbols, products, advertisements, sponsoring, patronage, articles etc. (Kapferer, 2012) The message relates to the experiences, beliefs, feelings, knowledge, associations and impressions of the consumer (Melewar, 2008).

The result of the decoding of brand identity is *brand image* (e.g. corporate image) and is the overall customer perception of the value, quality and personality of a company's brand and products. The common problem for companies is that their brand identity and brand image are very different which creates a gap. (Leavitt, Williams & Hasanali, 2005; Van Hamersveld & De Bont, 2007; Franzen & Moriarty 2009) Marketers need to analyse and compare the two regularly and make changes if they do not correlate. Otherwise it can have negative implications on the organization. (Capon, 2007) A method of assessing awareness is for example; *unaided recall*, where the consumers are able to identify a brand and its category or usage without aid. Another method is *brand recognition*, where the consumer is able to recognize the brand name or characteristics and the association of usage or category. (Leavitt et al., 2005) *Top-of-mind* awareness is used to see which brands come first to mind in a category (Tybout & Calder, 2010). (See appendix 3).

2.1.2 Brand personality perception and model

Another way to assess a brand is by using brand personality perception. The perception of the brand originates from product, communication, service, buildings, personnel, packaging, sponsoring, events and publicity etc. (Franzen & Moriarty, 2009)

Aaker's *Big Five brand personality model* (1997, p.352) can be used to measure and identify the personality features, which can be given to a brand or to enhance the appeal of a brand. This is done from a division of forty-one facets (see figure 1) and five dimensions which are; *sincerity*, *excitement*, *competence*, *sophistication* and *ruggedness*. The measuring tool was first made for the North American market but has proved to be applicable in other cultures as well. (Ambroise, Ferrandi, Valette-Florence & Merunka, 2003) The model is widely used and recognized in personality theory (Azoulay & Kapferer, 2003; Diamantopoulos, Smith & Grima, 2005) and works through various product categories (Aaker, 1997). However, different facets and traits varied in Netherlands, Korea, Russia, Spain and Germany and the model seems to be culture-depended (Franzen & Moriarty, 2009).

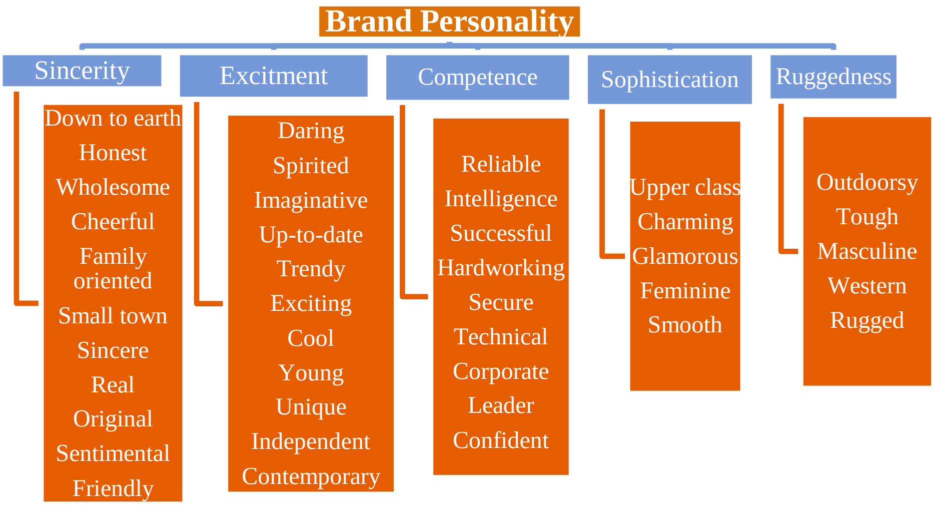

***Figure 1**: Aaker (1997). Big Five.*

Researchers such as Kleppe, Iversen and Stensaker (2002) and Sivakumar (2009) believe that a way to control company's strategies, brand and to bring associations in the mind of the consumers is to include country-of-origin in branding. However, it is not unusual for organisations to lack the means to control their basic image due to the limited set of tools available in origin image management (Josiassen, 2009).

2.2 Country-Of-Origin

The country-of-origin (COO) phenomenon came into sight by Schooler (1965) in an empirical consumer behaviour research. The research came across data where the place of manufacturing of products played a part in consumer's product evaluations. Since then, researchers have tried to find the effect of country-of-origin (Han, 1989; Johansson, 1989; Sipos & Nefzger, 2011). COO refers to a place where a company is associated, for most part its home country (Gillespie & Hennessey, 2011), for example *Apple* for USA and *Sony* for Japan. It focuses on consumers' valuation regarding the relative quality of goods and services produced in different countries. Consumers in more developed countries have a tendency to prefer products from developed countries and consider products made in less developed countries to have less quality. This gives an advantage to producers in more developed industrialized countries (Papadopoulos & Heslop, 1993) where the company may command premium prices. (Aaker, 1996b)

2.2.1 Company practises

It's significantly important for companies in the decision on where to manufacture the products to assess how the target group thinks about the company´s country image and its associations. Global companies tend to strategically use a *Made-in* label when referring to where products were either manufactured, assembled, designed, invented, the producer's home country or where the companies want the products to appear to be made. (Papadopoulos & Heslop, 1993, 2003) Bigné (2000) mentions the new phenomenon of products being made in multiple countries. Personal computers can serve as an example as its parts come from Malaysia and Taiwan, it is been assembled in Germany and sold in a forth country. COO can act as a competitive advantage for these companies. Jaffe and Nebenzahl (2001) argue that because frequent increase by companies to outsource their production and assemblage of products to remote locations in search of cheaper labour, the brand is in the end the only item that keeps the product's national origin. Research conducted by Goodchild and Callow (2001) concludes that even if a company's operations are global their value set is almost always appearing to be dominated by a single nation. Hu (1992) and Ruigrok and Van Tulder (1995) state that multinational corporations (MNC: s) keep a strong linkage and are being influenced by their country-of-origin. An opposing research made by Hayden and Edwards (2001) shows that a large Swedish MNC transformed its subsidiaries' internal culture to foreign.

2.2.2 Consumer attitudes

By leaving the companies affilations with country-of-origin to enter the consumers attitudes towards COO it can be seen that they have either positive or negative *attitudes* depending on their real or imagniated perception of an object. It is better for a company to transmit the product or service to existing attitudes rather then creating new ones because they tend to be ingraved deep in the mind of each consumer. (Kotler, Wong, Saunders & Armstrong, 2005)

Solomon, Bamossy, Askegaard and Hogg (2006) mention that one way to find out a consumer's attitude towards a product is to ask directly the person what he or she thinks about the product. However it is not always as easy when products may have various attributes or qualities which differ in importantce to consumers. The consumer's decision to act on a attitude is connected to various stimuli, for example family acceptance or animosity. Wright (2006) belives that economists think that consumers' behaviour following a rational pattern of higher the price lower the sales and the lower the price, higher sales. However it is not always the case for example in country-of-producing-origin and corporate image.

Country-of-origin effect (COE) can be either positive (halo effect) or negative (horns effect) regarding how the consumer rely on the general image of country and this will affect their evaluation of the product and brand (Kotabe & Helsen, 2009; Sivakumar, 2009). Niss (1996) believes that COO is not a secluded evaluation criteria for consumers and that the COE is stronger if they are not familiar with a product or manufacturing company. However, attitudes can change depending on an improved image and a deteriorating one (Nagashima, 1970). Country-of-origin consumer attitudes are in research by Jaffe and Nebenzahl (2001) showing that the importance of origin varies according to different product categories. For example do higher quality products such as cars and electronics' origin matter more for consumers whereas food and household products' origin matter less.

Bias and *ethnocentrism* has proved in COO research that it exists and it's an important part in a consumers' foreign product assessment (Shimp & Sharma, 1987; Gillespie & Hennessey, 2011). One example is that consumers prefer to buy meat from its home country rather from abroad. Shimp and Sharma (1987) explain the word, ethnocentrism, as the belief held by consumers about the appropriateness and morality of purchasing foreign-made products in place of locally-made products. Research by Bigné (2000) shows with the help of Consumer's Ethnocentric Tendency Scale (CETSCALE) that ethnocentrism exist in France through various product categories, ex. wine, refrigerators and footwear. *Animosity* is defined by Klein, Ettenson and Morris. (1998, p.90) as ”*the remnant of antipathy of previous or ongoing military, political, or economic events”*. Various researchers have found that animosity has a considerable impact on consumers purchase decisions (Klein et al, 1998; Klein, 2002; Heslop, Lu & Cray, 2008), for example the Frenchs' existing animosity towards United States politics and their perceived passiveness in the French revolution etc (Meunier, 2005).

The difference in COE between either age groups or sex has been studied by different researchers. The research by Wong et al., (2008), on Chinese consumers' dependence on COO states that the products' origin has no importance because their student subjects believe the world is global. Usunier (2006) use the same argument for younger consumers and adds that they are more used to foreign products that the bias have disappeared. Josiassen's (2009) research on young Australian consumers' (18-26 years) susceptibility to COE proposes the complete opposite. Schooler (1971) and Tongberg (1972) have results where the older public is more likely to evaluate foreign products higher than the younger public. Wang (1978) did not find a COE of difference in age. Other findings from Schooler (1971) show that women assess foreign products higher than men. Han (1988) have data that shows that women are more patriotic individuals and consumers and more unlikely to select foreign products. Ethnocentric inclinations are greater with women versus men (Good & Huddleston, 1995; Nielsen & Spence, 1997). In similar research by Dornoff et al. (1974) and McLain and Sternquist's (1991) no sex difference are found. These conflicting data create questions and open up an area for more future studies.

3 Methodology

In the third chapter the detailed steps of the thesis' method will be described accompanied with the decisions that were made during the process.

3.1 Birth and previous work

Due to being a Swede who has lived two years in the Rhone-Alps region, an interest had grown for Swedish brand gap and the effect of country-of-origin. In the retrieving data process a thesis by Persson (2008)*"Made in Sweden"- a study of French consumers' perception of Swedishness in Swedish companies, brands and products* was found, that studied the COE of Swedish brands in France in 2008. The current thesis can be used as a complementary study which will only focus on the Rhone-Alps region. The thesis centres on how 42 consumers divided in two groups by their difference in sex perceive Swedish brands with a focus on Renault Trucks, Novembal/Tetra Pak and IKEA and the consumers' susceptibility towards COE.

3.2 The selected companies

The next step was to contact the Swedish Chamber of Commerce in Lyon to ask for a list of the Swedish related companies based in the region. Three were selected out of the 114 companies due to their consumer brand familiarity in a preliminary consumer survey and their willingness to participate. The choice of selecting companies that have their manufacturing or headquarters (HQ) in the region was another difference this thesis focused on, comparing to Persson (2008). Other researches in the topic have shown that this may change the consumer's perception of their country-of-origin (Bigné, 2000; Papadopoulos & Heslop, 2003).

- **Renault Trucks** was chosen because it's the largest employer in the region. Another reason was that the previous French company was bought by the Volvo Group in 2001.
- **Novembal/Tetra Pak** was chosen because of its strong Swedish and French heritage due to various mergers.
- **IKEA** was chosen for its strong linkage to Sweden even though it has manufacturing all over the world and the HQ in Holland.

3.3 Consumer survey

A scientific research question was formed with the help of a literature framework. According to Bryman and Bell (2005), a survey research examines more than a single case at a specific moment with an intention to gather quantitative data. Nardi (2005) states that a social survey with a quantitative technique is when the interview is done with the intent of gathering data of social phenomena or attitudes separately from the natural setting where they take place. The data will later be analyzed to identify correlations between variables. To find correlations and diverges within the population and their brand image- and COO perceptions are an essential part of this study. Because the population has various inconsistent ideas as a whole and to understand their behaviour variables needs to be set to tell them apart. To reach the population it was needed to do a quantitative study to get demographic results which a qualitative study cannot bring. Bearing this in mind the choice was made to combine the quantitative survey with some qualitative characteristics to also earn individual social perceptions which is the focus of the study. This will be done by having qualitative questions, asking supplementary questions and having personal dialogues with each subject.

3.4 Operationalization

To answer the research question and purpose, questions were formed for a *minor interview guide*, a *qualitative background interview guide* with three companies and a *survey questionnaire* (see figure 2). The questions were in the subjects of branding and COO to correspond with the research questions. The *minor interview guide* had two questions; a quantitative and a qualitative one to verify if the Swedish brand could have an effect on the French consumers and could therefore be studied. The questions were asked to the Swedish Chamber of Commerce in Lyon. The first question was closed-ended with a scale from 1 to 5 selected to facilitate the answering. A complementary open-ended question was included where the respondent had to motivate her answer. (See interview guide 1).

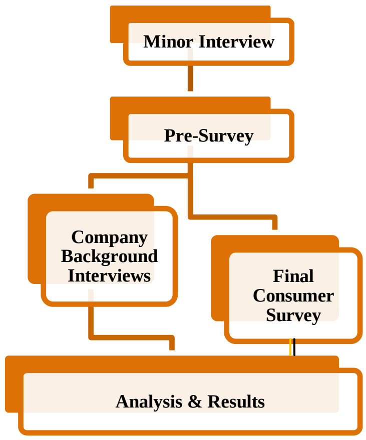

Figure 2: *Research design model.*

After conducting the minor interview a *pre-survey procedure* started with 22 questions in three topics; branding, consumer behaviour and country-of-origin. This was done to lead the way to the final consumer survey. After the pre-survey the topic of consumer behaviour was eliminated since that was not the focus of the study. A semi-structured *background interview guide* for the companies (interview guide 2) was formed following the pre-survey with a total of 20 questions, formed in a three part structure similar to the questionnaire and the theory chapter. The choice to have a semi-structured interview guide was to be able to have flexible conversations where the respondents could include topics they thought were essential as well as following the outline of prepared questions. These advantages are mentioned by Rietbergen-McCracken and Narayan (1998). This action was done to guide the interview and still get the central qualitative data. The guide started with eight background questions about the respondent, the company and the connection the company had to Sweden and the region. Thereafter seven branding questions were asked to learn how the company used branding as well as to discover its brand identity and how the company thought it was being perceived. The third part, with four questions surrounded the topic of COO. It concentrated on the company's impressions and possible usage of COO to learn if the company used *Made-in* and if it wanted to be perceived for its Swedish origin etc. This might have had an affect the management recommendations. The guide ended with an open question where the respondent could have a final ventilation before finishing the interview.

Johnson and Turner (2003) write that in practice, questionnaires, tend to have both open-ended (qualitative) and closed-ended (quantitative) questions. The questions in this study were created for the respondent to answer freely. *The final survey questionnaire* was formed subsequent to the companies' background interview guide in a three part structure; the initial respondent's background question followed by the topics of branding and country-of-origin. (See appendix 3 for more details of the theories, the questions and their connection to the research questions). The background question was asked to determine the sex, age, home town and possible previous connection to Sweden of the respondent. The branding element consisted of six questions about brand image, nation image, brand identity and brand personality and perception. The initial questionnaire had questions in the topic of consumer behaviour but after the test-run they did not seem relevant to the research questions which are about branding and country-of-origin. For that reason these questions have been removed. The last part, concerning COO, had five questions about consumers' ethnocentrism and the degree of impact COE had on the consumers. Cross-tabulation was used in the questionnaire with the intention to compare answers of a question's connection to other questions. Fisher (2007) regards the method common in questionnaires. The questionnaire ended with an open question for discussion and follow-up-questions. Some questions were deliberately created as open to get more qualitative responses as well, for example, the questions where the respondent named Swedish companies and its image of Sweden. This was needed to be done in person to get the *"top-in-mind"* reaction. Two questions were focused on quantitative results to distinguish the difference of attitudes. (For more detailed information see appendix 3). These elements lead the way to the analysis and results of the thesis.

3.5 Collection of data

Primary data is according to Gray (2009) the data collected by using the resources of a thesis. Secondary data is collected data from previous researches and are allowed to be manipulated.

3.5.1 Primary data

The primary data was collected with concurrent timing of both a quantitative survey and qualitative interviews with prewritten questions. Patel and Davidson (2003) mention that there are two aspects that needs to be considered before an interview is formed. The first one is the responsibility the interviewer has in designing and structuring the questions. The second part is whether to structure the questions in a free way so the respondent could freely interpret the questions according to the persons own attitudes and previous experiences.

The structured *minor interview* (interview guide 1) commenced the data collection with an email respondent from the Swedish Chamber of Commerce in Lyon. This was done to see and verify if the Swedish brand was thought favourable in the region in her opinion. This was also done to verify if the Swedish brand was strong and had an importance in the region. If the COO had no perceived importance the study would not have been made. The choice to ask the Swedish Chamber of Commerce was because it is the largest Swedish commercial association in the region and has consistently focus on the French and Swedish commercial relationship. The structuring of the questions started with a close-ended question and followed with an open question by following Patel and Davidson's (2003) previous recommendations.

After the minor interview the *pre-survey procedure* started with two test-runs of the questionnaire (appendix 3) with four respondents. The selection was done on the 16th March, face-to-face, at Jean Moulin Lyon 3 University to test one out of two pre-selected locations and survey technique before the final questionnaire. It was also done to make changes, clarify questions and include additional questions to connect closer to the subject to save respondents time. Another reason was to estimate the knowledge the French had on Swedish companies and brands.

The structure of the *background interview guide* took Patel and Davidsons' (2003) recommendations under consideration and grouped the questions with a linear purpose with a general introduction of the subject followed by more in-depth questions. Eleven out of the thirteen questions were created for the consumer to liberally interpret the questions in an attempt to acquire their perceptions and attitudes. The last two questions were fixed where the respondent only needed to answer with numbers. In the background interview guide the words from Ghauri, Gronhaug and Kristianslund (1995) were considered which stress on the importance in selecting the right respondent to answer the questions before starting an interview. If not considered it could have a significant effect on the results. The respondents (see list below), which all answered the background interview guide, apart from Choulier-Renström, were chosen from their connection to and knowledge about the selected companies marketing and communication in the region.

- **Lucile Magnoler** works in the communication department at Renault Trucks. A face-to-face meeting at the interviewer's home. April 1st. (1h 15min)
- **Anna Choulier-Renström**, Swedish Chamber of Commerce in Lyon. March 13th. Email
- **Rémi Gauthier** worked in the quality department at Novembal/Tetra Pak HQ and was in charge of a global relationship consumer survey. April 3rd and April 4th. Email
- **Laurence Pradel**, head of marketing Novembal/Tetra Pak. May 3rd. Email
- **Sebastien Petit,** salesman at IKEA. Face-to-face at IKEA Sainte-Priest. May 4th. (20 min).

Researchers tend to differ if it's favourable or not to have anonymous respondents in research. However Yin (2003) encourages and believes it improves the research' validity. The respondents were contacted by email or phone and meetings were booked. The interviews were done in person or by email between April 1st and May 4th 2012 depending on what suited the respondent. The lengths of the interviews varied per person since some people answered in more detail than others.

The *final* face-to-face *questionnaire* was conducted in France in the Rhone-Alps region during five days from the 30th March to 14th May. 42 respondents from University Jean Moulin Lyon 3 and the shopping mall Part-Dieu in Lyon were chosen. Tull and Hawkins (1990) and Parasnis, Samar and Fischer (2005) support this choice since they have used similar locations when conducting surveys to reach consumers to a large degree. The locations were chosen to widen the age range (see appendix 3) and in an attempt to collect respondents who were consumers from various parts of the region. This is because the consumers tend to come to Lyon for studies or to visit one of Europe's largest commercial centres, Part-Dieu. The issue of the amount of participants in a survey varies among researchers. Rosengren and Arvidsson (2002) think that 30 participants are sufficient in an explorative research. The respondents were people who were not in a hurry, interested in helping and giving of their time. This might have had an effect on the result because not all consumer types were represented.

In retrieving the survey data, pre-made questionnaires had been formed where the interviewer could use a pen and paper to fill out the forms while asking the questions. The choice came to only have a single interviewer to prevent using various survey methods which is more likely with multiple interviewers. According to Groves, Fowler, Couper, Lepkowski, Singer and Tourangeau (2009) this could impact the results. Because consumer's country image is known to vary according to home country it was thought necessary to confirm the respondent's origin (city of residence) by including it as a variable in the questionnaire. Pappu, Quester and Cooksey (2007) shared this idea in their research. Other factors that played a role in the research were the age, sex and previous connection to Sweden (appendix 3). In the making of the questionnaire certain criteria was formed to make sure the respondents had lived in the region a significant amount of time (minimum two years) so they knew the market, companies and products in the stores. Another criteria was that the respondent needed to be mature enough to not need parent consent to participate in the survey which is at the age of 18 (Legifrance, 2012) in France. After the consumer survey had started a second verification of the selected Swedish corporate brands (see 3.5.1) took place to make sure the brands were known enough by the public. The respondents in the survey are men (52%) and women (48%) between the ages of 20-80 from five different towns in the region. The lengths of the interviews varied per person although they were at an average between 10-15 min.

3.5.2 Secondary data

Secondary data has been used in the thesis from previous researches on the subject. The selected sources were scientific works such as articles and reports that focused on the thesis topic; brand images and country-of-origin. These are for example interview data of IKEA (Badier & Rousset, 2007; Persson, 2008). Sources from Internet have been used from the companies own website and newspaper articles to see what were currently written about the companies. Key words used when searching were brand gap, brand identity, brand image, country-of-origin and country-of-origin effect.

3.6 Method of analysis

The quantitative survey data is shown in figure statistics and tables (tables 2-13, p.20-25) which was analysed with the program of Excel to show the demographics and statements that grouped the participants' views. The qualitative data of the survey was coded, dividing the text into small units in the exact words of the respondent. The coding was grouped together with broader themes of the respondents to see correlations and diverges, in the form of sex and possible age groups. The data from the interviews or secondary data of the companies were analysed in narrative form and include the companies' own brand image models. This analytical part has followed the words by Creswell and Plano Clark (2011).

To clearly demonstrate the answers, a personality model (figure 1, p.6) was used to analyse the answers of brand identity traits for each company and its correlation with the consumers' brand image of each company. The models (see figures 3-5 p. 26-27) used the hierarchical five dimensions base of Aaker's (1997) model on each company and included new dimensions or traits if needed. The company model is formed with the Aaker personality model in the centre with the brand identity the company wishes to have. This data was collected from the company's background interviews. The model continues with a circular golden layer around the companies' brand identity which is the company's brand image (data from the consumer survey) and if connections were made between the two, they were marked with lineal golden "chains" to demonstrate a match. All the brand associations which had no chain demonstrate the brand gaps. The models were created in the computer programs; Word Smartart and Paint.

Another comparison was also made between the Swedish' brand image perceived by the consumers and the companies' brand images. An analysis was made from the consumer viewpoint whether brand images and country-of-origin had an effect on their perceptions between the sexes as well if possible even between age groups. This will be presented in a comparative narrative and in tables 14-17.

3.7 Validity and reliability

According to Halvorsen (1992) to assure validity and reliability is an essential part of any research. High reliability means that an outside researcher could follow the steps and in the end get similar results of data whereas validity relates to the degree of credibility and transferability the study holds. The methodological chapter was especially written in an attempt to give an in-depth understanding for the reader in the form of a structural narrative through all the stages, including a research design model, appendixes of the questionnaire, interview guides and additional consumer data.

To increase the validity and reliability one test-run of the consumer survey was done beforehand to ensure that the questions were relevant and could answer the research question. The minor interview was another validation that the thesis' subject was said to exist by an expert and could therefore have a greater chance to be studied.

To increase the validity, follow-up questions was given if uncertainty or if conflicting responses were made in the questionnaires and the personal interviews. A written copy of the personal interviews was also given to the respondents to verify accuracy.

By only having made one interview with an employee at IKEA as well with Renault Trucks it might have had an influence on the final result where the answers could be perceived as one-minded. An effort was made to prevent this by including supporting secondary data.

Language barriers was attempted to be passed by having the consumer questionnaire in French and English to the preference of the respondent. The questions have been verified and translated into correct French by a French native.

4 Empirical data

The structure of the chapter is as follows: interview with the Swedish Chamber of Commerce in Lyon, presentation of the companies and their interviews and the chapter will end with the data from the consumer survey.

4.1 Interview with the Swedish Chamber of Commerce in France

The Swedish Chamber of Commerce in France (2012) have been assisting the development of commercial and industrial relations between Sweden and France since 1915. The organization supports existing Swedish companies in France and advice companies whom are interested in entering the French market. Anna Choulier-Renström (personal communication, 13 March, 2012) works for the Lyon office and has noticed that it is significantly advantageous to be a Swedish company in the region and in France. The reason is that the Swedish country brand is following a steady growth since a couple of years back in France. *"This can be seen in the values that are connected to the country such as being a leader in environmental thinking and action, untouched nature, high GDP, calm, friendly and tolerant people and workplaces, a leader in social sustainability. Several of these values are now gaining ground in France."*

4.2 Renault Trucks

Renault Trucks was founded in 1894 by Louis Renault and Marius Berliet in Lyon-Vénissieux. Since then the car manufacturing company has grown and done multiple merges. In 2001, the company became Swedish when it was bought by the Volvo Group. The merging with Volvo Group was generally thought very positive because Renault V.I. needed outside investment into the company after a couple of unprosperous years and there were previous talks of bankruptcy. Volvo Group kept the company alive including thousands of French work possibilities. In 2002, the company renamed itself from *Renault V.I.* to *Renault Trucks* to have a more international brand name. (Renault Trucks, 2012b; L. Magnoler, personal communication, 1 April, 2012)

The company specializes on heavy weight trucks and has today 9,810 employees. There are four production- and assembly plants in France and two of these are in the Rhone Alps region in Bourg-en-Bresse and Lyon. On these locations production take place of motors, assembly of body as well as research and development (R&D) and human relations. (Renault Trucks, 2011a; L. Magnoler, personal communication, 1 April, 2012)

The consumers buy the trucks normally for three reasons. The first reason involves the legal requirement of standards for trucks which states, for example, the need to renew the trucks every two years. The second reason is because the product has reached its life expectancy and the third reason is linked to small purchases to mend the vehicles for safety reasons. The purchase goes always from a distributor and it is typically transport companies who buy the industrial trucks or smaller companies that need a smaller self-owned truck for their business. (L. Magnoler, personal communication, 1 April, 2012)

4.2.1 Branding

Renault Trucks use communication in two important areas; sales of new trucks and after sales. The communication goes always through their franchised distributors (costumers) that are supposed to be located at every 30 km in France. From there the end consumers can get assistance 24/7 which is a rather new marketing approach. The distributors and the headquarter (HQ) in Lyon-Sainte-Priest have arrangements where the distributors determine their own prices but they need to buy the products from Renault Trucks. The emphasis of the communication department is to make the posters the consumers see at the distributors and to assemble the monthly catalogue with new products. (L. Magnoler, personal communication, 1 April, 2012)

The company would desire to have the consumer's image of being more *dynamic* and *not too old fashioned* because at the moment the company has an old French hierarchical feeling. However *quality* and *security* are also very important to be associated with because that is valued in the truck industry and by the customers. Another aspect is the desire to be perceived as French to reach the French consumers, Magnoler.

To accomplish its identity the company goes to car salons every year, ex. *Solutans*. The reason for this is that the main costumers whom are larger or smaller companies as well as the competitors all attend these events. To not be there could harm their number one position of trucks they have in France. At the salons they have simulated driving games for Renault Trucks. They do not use publicity on television etc. because this does not reach their target group. However the company attend truck racing competitions and in 2010 they became European champions. Bearing this in mind the internal management still think the company is old-fashioned by not using more communication outlets. Magnoler thinks the brand image the company has is *too expensive but good French quality*, *loyal* and *assistance accessible*. (L. Magnoler, ibid.) The company brand themselves as "1 siècle d'excellence française" which means "one century of French excellence" and values commitment, closeness to the client and honesty. (Renault Trucks, 2012a; Renault Trucks, 2011b)

4.2.2 Country-of-origin

Renault Trucks use country-of-origin in their marketing to differentiate itself from other competitors. Even after all the company's mergers and assembly lines in outsourced countries such as Russia, Taiwan, South Africa and Morocco etc. the company still perceive itself as being French. Magnoler said it's because the company's strong French heritage. The company is today the only "French" truck manufacturing company in France and that is its origin even though the company was bought by the Volvo Group. (L. Magnoler, personal communication, 1 April, 2012)

On the website the company emphasizes its French origin by saying; *"La conception et la construction des véhicules sont réalisées en France"* (Renault Trucks, 2012a), which means that the conception and construction of the vehicle are *Made-in* France. Renault Trucks and Renault are two different companies. However Renault Trucks are intentionally paying an extra charge to use the red logo and name which is associated with Renault to emphasize the connection and strong heritage of being French. (L. Magnoler, personal communication, 1 April, 2012)

To change the image of the company and market it as Swedish would be a bad idea thinks Magnoler, because the French people have pride in "their" own company. Because of the company's French connection the company believes it may influence the French customers or consumers' attitudes about the product to continue to buy products from Renault Trucks. Many companies in the same sector are today outsourcing. It gives the French people and Renault Trucks pride to keep their origin and French employees. To have a Swedish brand could affect the company negatively in the region because it might lead to the loss of the company's identity. (L. Magnoler, personal communication, 1 April, 2012)

4.3 Novembal – A Tetra Pak company

AB Tetra Pak is a Swedish world leading packaging company and it was established in 1951 by Ruben Rausing and Erik Wallenberg. In 1999, Tetra Pak bought French *Novembal*. The company headquarters (HQ) is located in Dardilly, Rhone-Alps, and has been for 50 years. The merge of the companies meant that the whole management culture (vision, values, performance management tools and visual identity) including the management team all came from Tetra Pak. The Novembal culture disappeared to make way for Tetra Pak. It is probable that the merging brought out both negative and positive feelings because of the company's strong French roots, but today the company sees the benefit of being a Tetra Pak company. The fully integrated subsidiary, Novembal, produce ranges of caps for Tetra Pak's bottles. However no production takes place in the region of Rhone-Alps. Instead is the management taking place of the global company's network of a joint venture in Japan and six production facilities in France, US, Mexico, Spain and Italy. (R. Gauthier; L. Pradel, 2012, personal communication, 3 April; 3 May, 2012)

4.3.1 Branding

The Tetra Pak brand is strong and well established around the world, says Gauthier. At Dardilly the company mainly use traditional B2B marketing by visiting packaging fairs, using websites, networking and the highly valued reputation it has from Tetra Pak. (R. Gauthier, 3 April, 2012)

The desired image of the company is *reliable*, *expert* and *closeness to both the customer and consumer*. This is because in B2B the need to be reliable, professional is essential in business relationships. The typical customer is a company either in food-, beverages-, or pharmaceutical industries. The company also emphasizes its business with having one production unit on each market. The closeness to the *customer* is important because it brings *"better understanding, better reactivity, flexibility and more efficient logistics"*. The company sometimes talks to costumers to get information on their perception of the company. (R. Gauthier; L. Pradel, personal communication, 3 April; 3 May, 2012)

Gauthier also stress on the importance to acquire the *consumer*, as well, by emphasizing on the company's availability in their daily life and that the company provide trustworthy and smart products since it's the consumer whom buys the finalized product. The consumer is the common public who goes to the supermarket or pharmacies and get the designed products as a collateral effect with what they really wanted to buy. By doing consumer surveys the company knows that the consumers know Tetra Pak mostly by the logo on a milk carton at breakfast. Gauthier does not think the consumers know Novembal/Tetra Pak however the consumer associate it with Tetra Pak and think about practical food packages. (R. Gauthier, personal communication, 3 April, 2012)

4.3.2 Country-of-origin

Novembal/Tetra Pak thinks about COO as *Made-in* labelling but do not use the strategy (Pradel) because it sees itself as a global company with no home country, according to Gauthier. Another reason is that the products have multiple manufacturing sites, says Pradel.

Because the company focuses on B2B it thinks it is more important to show costumers or consumers that the company is close to them rather than saying we are French or Swedish. At the HQ both Swedish and French flags are present at the entrance as a sole country connection. Pradel does not think naming the company as Swedish would have any effect because the products are not being sold only locally. (R. Gauthier; L. Pradel, personal communication, 3 April; 3 May, 2012)

4.4 IKEA

IKEA was founded in 1943 by Ingvar Kamprad in Anngeryd, Sweden. The furnishing retailer has today its HQ in Holland (Persson, 2008). The company's vision is *"to create a better everyday life for the many people."* To match IKEA's vision the company have decided to have a business idea which is to provide a diverse collection of low cost home furnishing products with a focus on design and functionality to reach the masses (IKEA Group, 2010).

IKEA has worldwide 280 stores in August 2010 (IKEA Group, 2010). In the region of Rhone Alps there are three stores; in Sainte-Priest (opened 1987), Grenoble Saint Martin d'Hères (op. 2007) and St Etienne (op. 2005) (IKEA, 2012). The IKEA France's HQ is in Paris. In 2012 the French media has highlighted that IKEA stores in Paris have been alleged to have spied on French employees and complaining customers. Stefan Vanoverbeke, the chief of IKEA France have apologized and admitted that these practices have been taking place. For example is it alleged that the French HQ paid illegal investigations to access police records of certain employees. (Samuel, 2012)

4.4.1 Branding

IKEA market itself as a Swedish company due to its heritage. The marketers use the Swedish flags colours; blue and yellow, to create the logo and designing the stores .(S. Petit, personal communication, 4 May, 2012) The company celebrate Swedish holidays, sell 90% Swedish food and use Swedish product names in the stores all over the world. The company wants the consumers to have *confidence* in IKEA, see and *value their low prices*, *good working conditions* and to associate the company with *Swedish nature and recycling.* (Persson, 2008; S. Petit, personal communication, 4 May, 2012; IKEA, n.d.) IKEA uses its catalogue as its main marketing tool which by itself stands for 50% of the annual marketing budget. The catalogues are being made in 46 different editions and in 25 languages. (Badier & Rousset, 2007) However IKEA also communicate its brand in France through various media such as television- and cinema commercials, radio, press, hoarding and Internet (Capdevielle, Li & Nogal, 2007).

IKEA's typical consumers are students and families who want reasonable quality to a low price. However, the company markets itself to various consumer categories such as students, young couples and families in France to be able to reach the general public. (S. Petit, personal communication, 4 May, 2012) An average consumer visits an IKEA store approximately three and a half times per year (Simmons, 2005). The home furnishing for young people is increasing in France. The tendency to buy cheap small furniture and change it over time or to buy separate furniture to decorate at the consumer's own liking is becoming more popular. (Badier & Rousset, 2007)

4.4.2 Country-of-origin

IKEA use country-of-origin to a large extent and Petit thinks it's a good idea to use a Swedish brand in its marketing concept because it makes the company original. All IKEA's products are marked with *Made-in* labels to communicate their origin and especially since the production takes place all over the world. IKEA still see itself mostly as *Made-in* Sweden because the business idea originated there. A large part of the IKEA concept goes around Sweden and its positive persona, including finishing all products with Swedish design, colours and material. (Persson, 2008; S. Petit, personal communication, 4 May, 2012) However the cheap pricing is believed by IKEA France to be more important than the designed Swedish origin in the mind of the consumers (Badier & Rousset, 2007). Petit thinks a Swedish brand would have a positive effect for IKEA in Rhone-Alps however for others it could be more difficult because IKEA's Swedish brand is already used. (S. Petit, personal communication, 4 May, 2012)

4.5 Consumer survey

The survey involved 42 respondents, both men and women between the ages of 20-80 from five cities. Their connection to the region varied but the majority had lived there for more than 15-25 years. A few respondents had another international or regional origin but they have lived in the region for longer than two years. Eleven respondents had visited Sweden on vacation, during studies or work. Before the interview started a control question was asked concerning their knowledge of Swedish companies in general (appendix 3, question 3). All respondents answered freely to the questions.

4.5.1 Branding

Question one, *"What do you think about when you hear Sweden, any traits?"* The respondents' top-of-mind reaction got a total of 74 associations. Each respondent named between one to four associations. These are in order of occurrence *cold* (11), *beautiful and clean nature* (9), *tall blond beautiful people with blue eyes* (8) and *IKEA and its meatballs* (7). The *national flag*, *fjords*, *winter sports* such as skiing and ice-hockey, and *a country where the residents have an agreeable life*, each got four top-of-mind answers. These were followed by the associations that got three answers which were of *snow*, *short versus long days depending on the season*, the capital *Stockholm* and that Sweden is a *Nordic country*. The responses that got two matches were the word *calm*, or brands *Kim Källström*, *H&M*, *Krisprolls* (crisp bread) and the music group *Abba*. The last association was made by a single respondent which was the element of *modern* (see table 2, p.20).

The personality traits of the country varied for the respondents between *ruggedness*, *reliable* and *safe*. Seventeen respondents thought that the trait *ruggedness* fitted Sweden best due to the country's close connection to its nature, snow and coldness etc. Sixteen of the respondents believed that the personality trait of *reliable* was more fitting since the country has honest people and the companies focus on quality products in an affordable price range. The last trait, *safe*, was named by nine respondents and was because the highly developed social system of the country (see table 2).

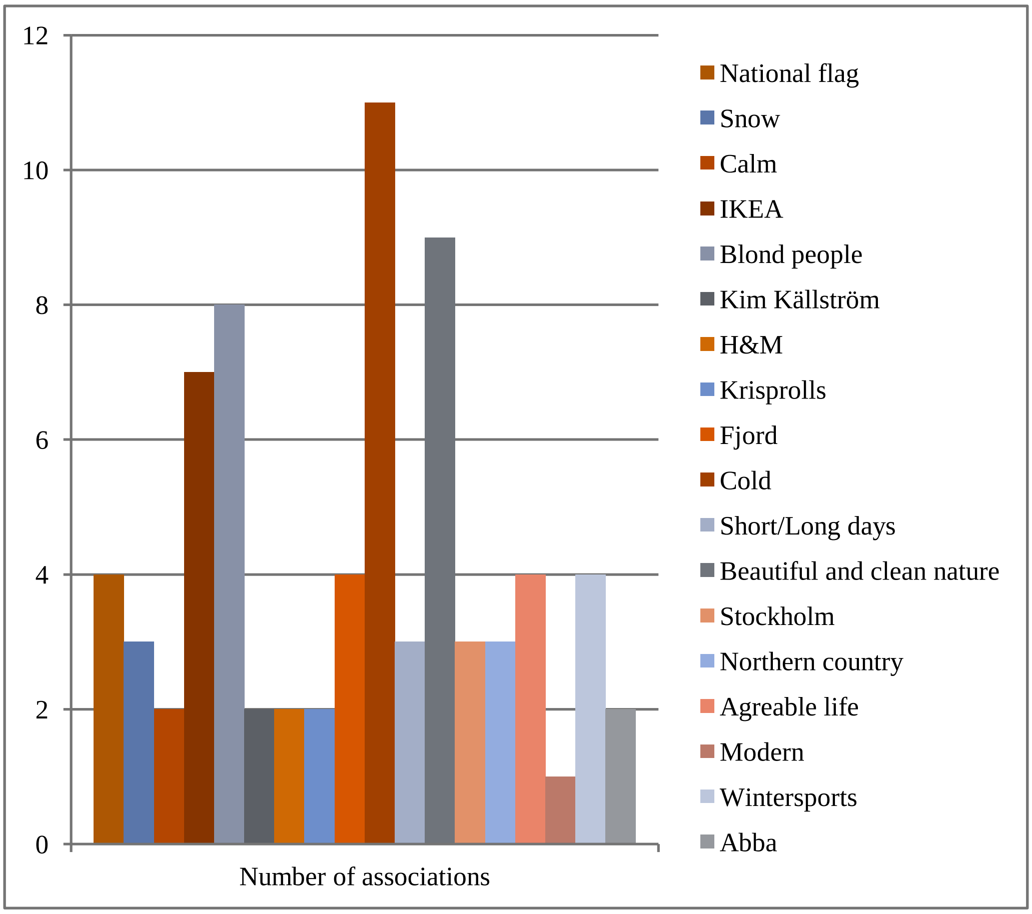

Table 2: *Sweden – Top-of-Mind*

The second question, *"On a scale from 1 to 10, what is your general image of Sweden?"*, the positivism of a Swedish image was high with an average score of 7,65/10. (For more detailed information see table 15, p.43). The lowest positivism (5/10) of Sweden was mentioned by one respondent (see table 3). Thereafter, four respondents scored 6/10, nine respondents said 7/10, one respondent answered 7,5/10, twenty-one respondents said 8/10 and six respondents answered 9/10. The respondents whom had previous knowledge or had visited Sweden, which were eleven out of forty-two, had a tendency to score higher than average and gave more frequently a 8/10 or 9/10. This was seen in nine of the eleven cases. (See table 3).

A beautiful (14/42) and highly developed country (13/42) with attractive people (10/42) and a good social system (5/42) were the reasons for the respondents' high positivism towards the country. The respondents normally mentioned a mixture of these aspects in their answering. The previous mentioned numbers show the respondent's first top-of-mind answer.

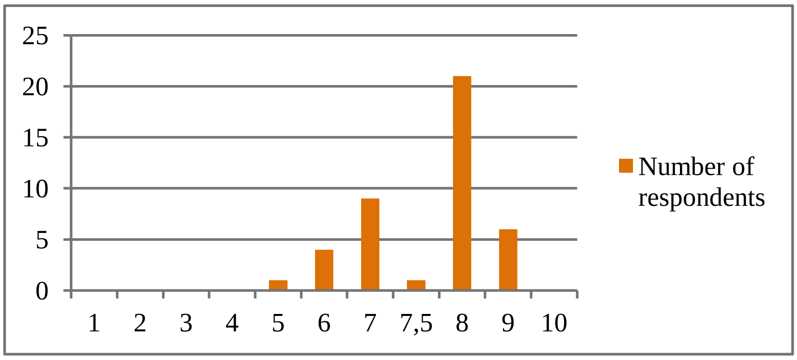

Table 3: *Sweden – General Image*

For question three, *"Which Swedish brands and companies do you know?",* the top-of-mind known Swedish companies (see table 4) were *IKEA* (85%), *Volvo* (52%), and lesser known companies in the survey such as Sandvik (7%), *Spotify* (2,3%) and Pullmax (2,5%). The Swedish brands that were known for the respondents were foremost Krisprolls (23%), Absolut (7%), Wasa bread (4,5%). A few answered other products like Polarbröd and the Millenium books. (Information on all companies and their familiarity, see table 16, p.44).

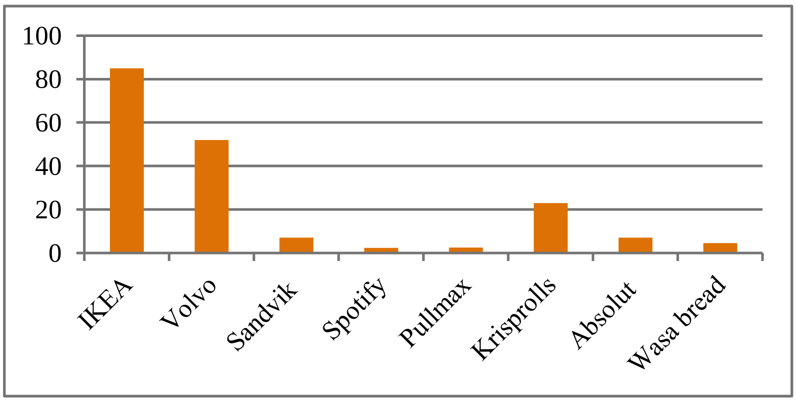

Table 4: *Companies – General Image*

The forth question, *"What do you think separately about the companies and their products, any traits in three words?,"* showed that *IKEA* is primary associated as Swedish (38/42) because of its colours, product names and the foreign food they serve. The secondary consumer perception of the company is *cheap (affordable)* and was mentioned by 35 out of 42 respondents *accessible*, was mentioned by 23 resp., *practical* was stated by 29 resp., 12 resp. said *modern*, 9 resp. mentioned *designed*, and a single respondent said the word *uniformity* (see table 5). IKEA is known to be a furnishing company where you construct the product yourself.

The respondents, 72,7% males in the ages of 20-39 and 65% females in the ages of 24-63, had visited and bought all types of furnishing from IKEA, which is the most frequent visited Swedish company.

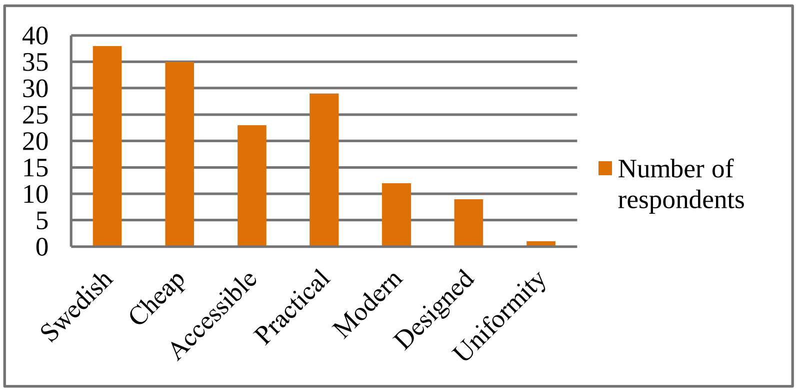

Table 5: *IKEA's Brand Image*

When answering to question five, *"Have you heard about Novembal/Tetra Pak and Renault Trucks? What do you associate with them?",* none of the 42 respondents knew or had any associations towards Novembal, without mentioning Tetra Pak, who was known in brand recognition by 54%. By naming both brands the consumer image got automatically transferred to Tetra Pak who is associated to *modern* (6 out of 42 resp.) and *practical* (17 resp.) *recyclables packaging* (18 resp.) *you have on the breakfast table* (20 resp.). (See table 6). The respondents bought milk and juice cartons regularly from Novembal/Tetra Pak without thinking about the manufacturer. 42,7% knew that Tetra Pak was Swedish.

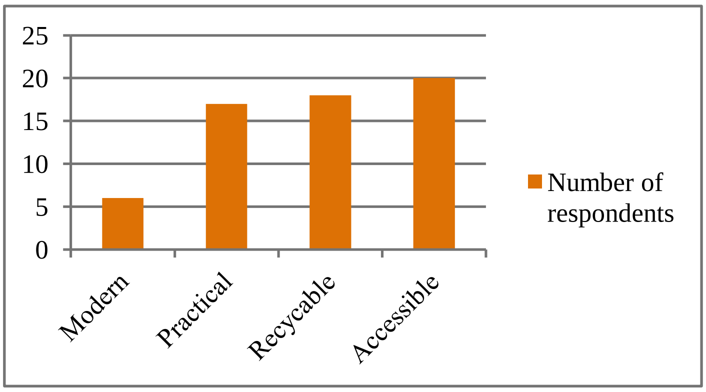

Table 6: *Novembal/Tetra Pak's Brand Image*

Two respondent of international origin had no positive associations with *Renault Trucks* and its quality because they thought it was French. French cars were perceived to be cheaper than German cars but needed to be serviced to a higher extent. The common perception of the company by a respondent living in France for longer than 20 years was of French trucks made by Renault and of good quality. 42 respondents thought of *French.* 39 resp. mentioned *good quality* and 36 resp. mentioned and believed the trucks were made *by Renault*. (See table 7) Six respondents knew that Renault Trucks were owned by the Volvo Group because they have had dealings with the company in their professional life. However none of the respondents had visited the Renault Trucks office or their retailers since they have not had a need to buy a truck.

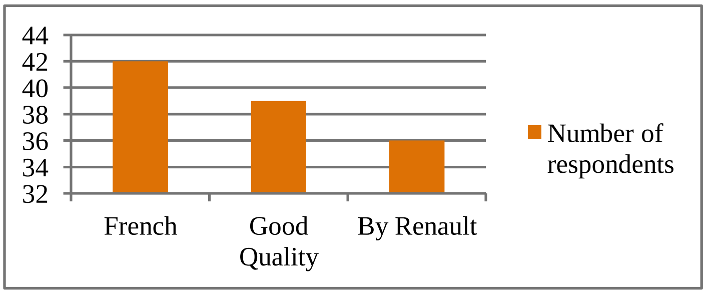

Table 7: *Renault Truck' Brand Image*

Question six, *"On a scale from 1 to 10, what is your opinion about the Swedish companies?",* the 42 respondents rated in average all the companies high. IKEA got 7,32/10 and Renault Trucks a little higher 7,45/10 (see table 8) due to quality, trustworthiness and innovation the companies bestow. Novembal/Tetra Pak scored in average a 6,8/10 because the company was not very known and the purchases were not linked to the products even though they are perceived to be satisfactory and innovative. (See table 8).

All respondents except one bought Swedish products. The male whom did not buy the products referenced his age of 80 to be the reason. The respondents saw the products normally in hoarding and on television where companies such as IKEA emphasize on their Swedish heritage which the consumers said made them easier to associate as Swedish.

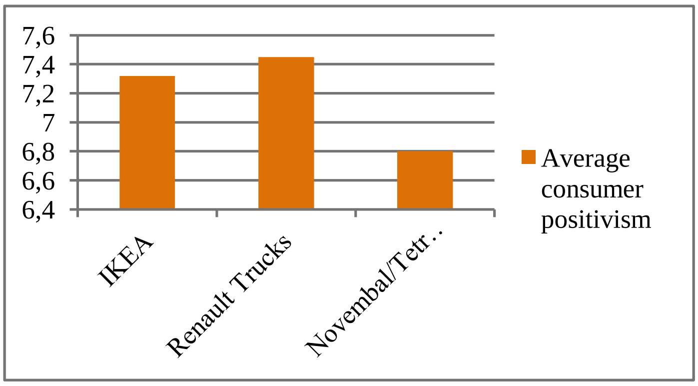

Table 8: *Average Consumer Posivitism*

4.5.2 Country-of-origin

Question 7, which has moved into the area of country-of-origin, states, *"Does the country origin of a product matter when you go shopping? Yes, why?/ No, why not?"*. The origin mattered to some degree to all the respondents due to the quality and competence that surrounds a country where the product is made. When asked directly if country-of-origin mattered when shopping only 43 % answered positively (see table 9). Their reasoning was that the difference in production and product value was different due to country. It is also important for 14% of the respondents (see table 9) to make sure to not buy products from countries such as China and India, because the respondents believe the countries use plagiarism and unfair work ethics. The respondents who on their first interaction answered negatively (57%) to the question said that the origin of the product did not matter, emphasized on other factors such as price and that products are being made all over the world anyway and do not have one sole production country. (See table 9).

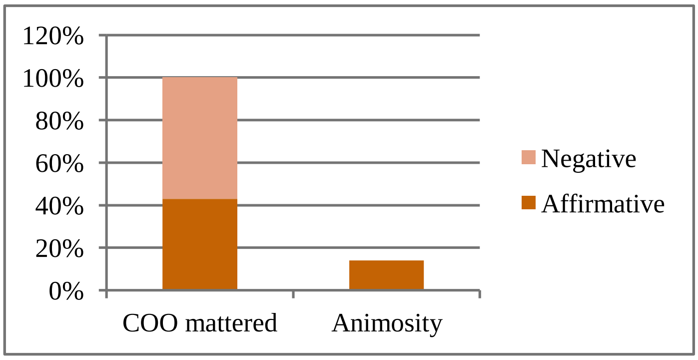

Table 9: *COO and Animosity*

Question 8, *"For what kind of product do you pay attention to the country-of-origin?",* the respondents (37) answered that the types of product where the origin had an importance came from various lower product categories. These were food, clothes and books but also to higher product categories such as cars, electronics, furniture, which are all long-term investments, to minimize the risk of low quality. Three respondents thought the origin mattered in all product categories. However, only two out of 42 respondents (see table 10) did not think the product category mattered or had an importance when deciding whether to buy a product from country X or country Y.

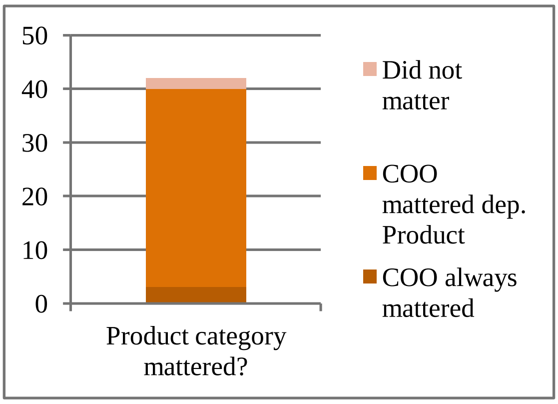

Table 10: *Product category*

Question 9, *"Would you prefer to have the product made locally versus internationally? Is price an issue?"* 79% of the respondents thought it was better to buy local-made products (see table 11) and three respondents *preferred food to be made in EU*. 68% of the respondents answered the category of food, when asked which product they preferred to be locally made. (See table 11). The answer was because the French value the food products they buy, consume and it is a large part of their life. However price is an important factor to the majority of respondents when deciding to buy local or foreign-made products.

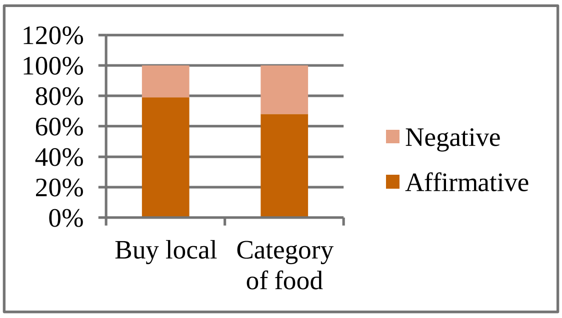

Table 11: *Etnocentrism*

Question 10, *"If you found out that a company or product was Swedish would that change your perception of them? Ex. Renault Trucks. In what way?."* The 71% (see table 12, p.25) did not think their perception would change because they already had an image of the company or product. When saying that Renault Trucks is owned by the Volvo Group and is in fact Swedish almost all the respondents were surprised (except six resp.) and still perceived the company as French. Their reasoning was that the products are made in France and the company have always been in the country. 29% of the French-born thought it would give an increased image of quality due to Sweden's image of making safe and quality cars (see table 12).

If the respondents (29%) found out that a company or a product was Swedish it would change their perception positively and increase the perception of high quality and safety, though it depended on the product category and nation image. If the product category where connected to Swedish quality and workmanship, for example cars, the effect could bring automatic association for the product to have high quality. Another mentioned factor said directly by one of the 29% was if the manufacturing was in reality from example China or eastern Asia it would change the perception negatively because the consumer would feel cheated of the origin as well to not associate the areas with high quality. (See table 12).

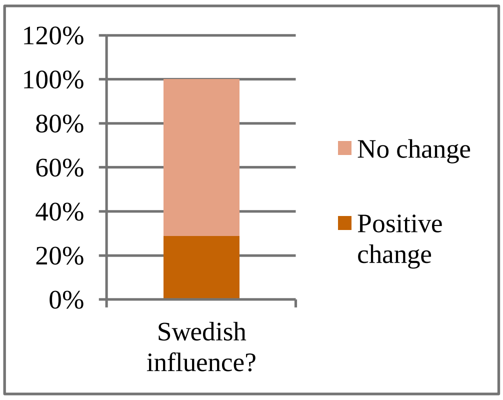

Table 12: *Swedish COE*

Question 11, when asked if Volvo had its car manufacturing in the region, would it change the perception of the origin mixed answers was given, 90% (see table 13) thought the company is still entirely Swedish because of the business idea originated in Sweden. Remaining 10% thought that it would change the perception to a bit more positive and make the company more French because local employment and manufacturing benefited the region. (See table 13).

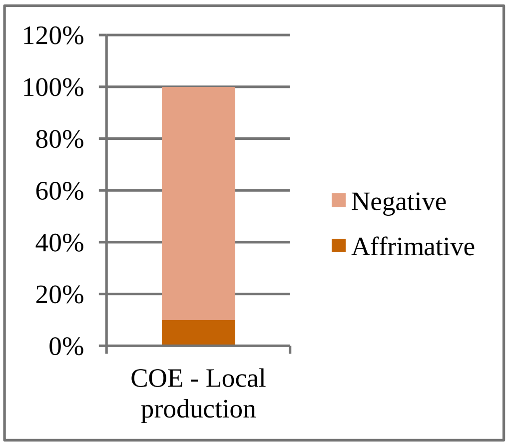

Table 13: *COE – Local Production*

5 Analysis

The chapter will compare and analyse the empirical and theoretical data. The outline starts with the topic of branding. The topic deals with the brand image from the consumer survey and brand identity from the background interview guides. These two will be compared to assess if a grand gap exists. The next topic concerns country-of-origin and will focus on an analysis between the sexes.

5.1 Branding

The Swedish brand had 74 associations in the consumer data. The ones with the most matches were cold (11), beautiful/clean nature (9) and blond beautiful people (8) (see table 2, p.20). The men and women had similar top-of-mind answers in almost all categories. The exceptions were four men whom alone answered *winter sports* and two men said *Kim Källström.* In contrast of the sexes, all the four respondents mentioning *agreeable life* were women.

Data from the consumer survey showed that the primarily brand recognition (85%) of Swedish company brands in Rhone-Alps is of IKEA. IKEA's brand image from the consumer survey is in order; *Swedish* (38), *affordable* (35), *practical* (29), *accessible* (23), *modern* (12) *designed* (9), furnishing products you construct yourself and company *uniformity* (1). These images got placed in a model (figure 3) circling outside the company's identify.

The men in the survey mentioned all of the images above except *modern* and *uniformity*. These two elements were found only with the women in the survey. Contrary, the brand image of *practical* was most named by the men (20/29). More associations were made under the age of 28 which included *practical*, *accessible*, *good price*, *Swedish*, *uniformity* and *modern*. Over 28 years old the elements of *design*, *Swedish* and *good price* were mentioned.

IKEA's brand identity showed in the background interview is *honest*, *reliable*, *low prices*, *good work conditions* and *Swedish recycling and nature*. A model of the company brand identity was created (figure 3) in the centre with the facets; honest, reliable, low pricing, good working conditions and the Swedish characteristics. The two first dimensions suit Aaker's (1997) Big Five model but the third and fourth concerning *fair* and *COO* is placed under new scopes. Aaker's model has been needed to be modified because to most part it did not correspond with the existing personality traits or dimensions of IKEA. The reason for this could be the difference of culture mentioned by Franzen and Moriarty (2009). The difference between the dimensions *sincerity* and *fair* is in this study due to the willingness to put the consumers and employees before the profit of the company. This can be seen with IKEA's core value: *"to create a better everyday life for the many people"*. This is done by having reasonable prices as well as to emphasize

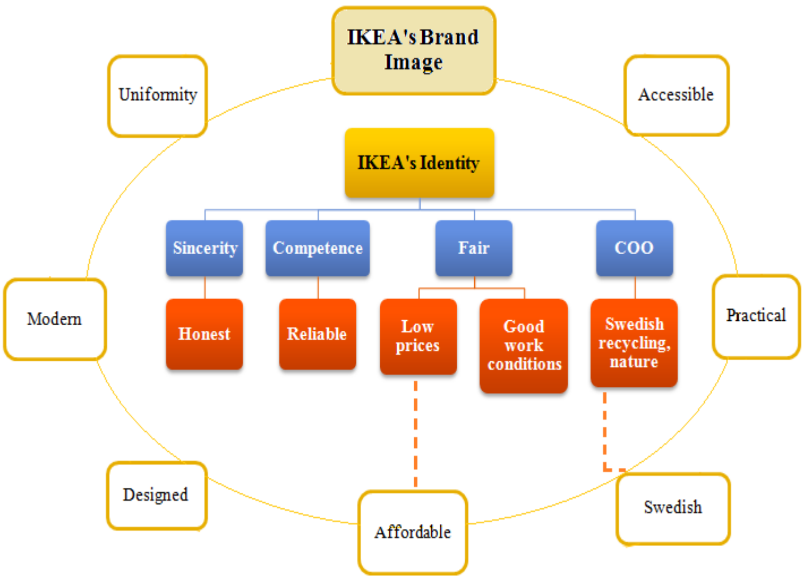

Figure 3: *IKEA's Brand Gap Model.*

good working conditions for its employees. This type of fairness is not described in the dimension sincerity which focuses more on keeping up to a promise. The dimension of COO is a personality trait due to a company's connection to a country and is a base of who it is. The relevance can be seen in the consumer survey for IKEA where 38 out of 42 respondents mentioned the element of COO by saying Sweden. In Aaker's (1997) model this aspect is not mentioned, in the slightest, as a dimension or a facet.

It can be seen that IKEA's brand image and brand identity is quite different, which support Franzen and Moriarty's (2009) theory about this occurrence. The consumers' only linkage to the company's identity is of Sweden and of affordability (low prices). The consumers had many positive associations to the company but they did not mention honest, reliable, good work conditions or recycling.

Novembal/Tetra Pak was known for the Tetra Pak brand to 54% however its origin was known by 42,7% according to the consumer survey. The company's brand image is primarily *accessibility* and was mentioned by 20 respondents. It is linked to the everyday-products on the breakfast table. This aspect was more noticeable with the women (13 out of 20). The second image was of *recyclable* packages which were seen in 18 out of 42 answers and was primarily said by men (12 out of 18). The third image is *practical* packaging and was mentioned to a similar degree by 17 respondents of both sexes (8 women and 9 men). However the image of the company as *modern* (6/42) was only mentioned by the men. Under the age of 27 the element of *modern* was more noticeable and over the age of 52 the image, *recycling*. The brand identity of the company is to be *reliable*, an *expert* and *close to both customers and consumers*. These have been transformed and placed in figure 4 with the brand images in the same function as IKEA's model. The identity of *closeness to consumers* does not fit into the Aaker (1997) model since none of the existing facets include the social and close aspect the company might desire to share with its consumer. Therefore, the new identity needs to go under a new dimension; *relations*. The reason for naming it relations is because the company desires to build strong bonds and adjust its business to ease and support the need of its customers and consumers. The difference in brand image and brand identity can also be seen here where the company wants to emphasize on reliability, expertise and the consumers only see the company through its practical, recyclable and modern products. The facet, closeness to customers and consumers, can be seen and match the survey answer of accessibility.

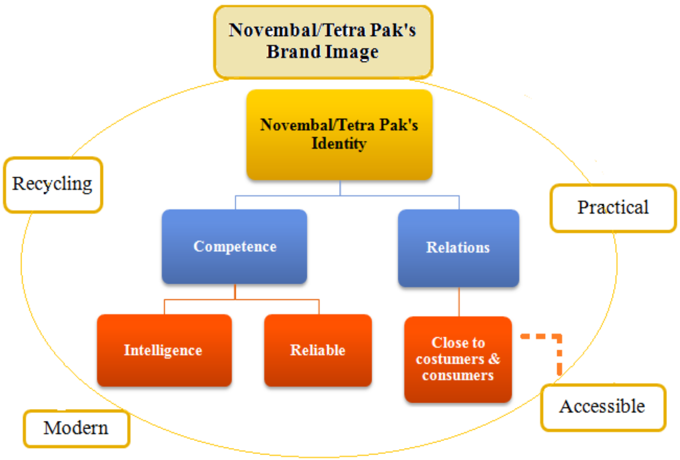

Figure 4: *Novembal/Tetra Pak's Brand Gap Model.*

Renault Trucks' brand identity is dynamic, not too old fashioned, reliable, quality, safety and French. Aaker's (1997) model has the focus on *up-to-date*, *reliability* and *security*. However the trait *quality* is not included in the original model of Aaker (1997). Quality can be connected to competence, which is part of the model.

A Renault Truck's brand identity model was formed (see figure 5) based on Aaker's (1997) model. However, the dimension *COO* and trait *French* had the same problem as IKEA since these elements do not exist in the Aaker (1997) model. Therefore the reasons for placing these aspects in the model are the same as IKEA's strong connection to its origin to determine who it is. This can be seen in the case of Renault Trucks as well whom emphasizes a great deal its French heritage and takes pride in it.

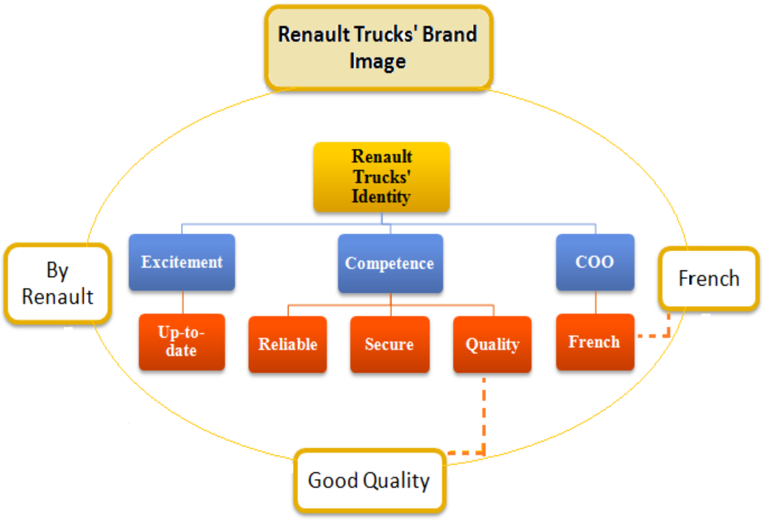

Figure 5: *Renault Trucks' Brand Gap Model.*

When comparing brand identity and image, it shows that the image is of *French* (42) trucks *by Renault* (36) and of *good quality* (39). This image was exactly the same between men and women and in age in the survey (see appendix 4). The brand gap is present since the only connection is of quality and the French origin. The other three brand identities were not mentioned. The trucks are believed in the consumer survey to be made by Renault and not the Volvo Group because the company emphasizes the communication with the customers with its Renault connection rather than Volvo's. This belief seem to have a basis since the company brand the conception of the company, its products and construction for being *Made-In* France by Renault Trucks and not the Volvo Group which can be seen for example on its company newsletter (Renault Trucks, 2012a). This goes against Healey (2008) idea that a brand should only use the truth in branding. The company uses a fabricated Renault connection to differentiate itself in France to be perceived to be the only "real" French truck manufacturer left in the country. This was supported by Magnoler in the background interview. This correlates with Kapferer (2012) ideas of the increased need to use branding as a way to separate oneself from its competitors. The emphasis of the company on the Renault connection seemed in the consumer survey to have confused the consumer and several consumers still saw the connection to Renault rather than Volvo even after informing them.

By comparing Aaker's dimensions with the three studied Swedish companies it is clear that *sincerity* and *competence* are the two most desired areas. This is because they are the ones most used by all the selected companies. However other dimensions were important for the companies as well, Renault Trucks' scopes of *excitement* and *COO*, IKEA's *COO* and *fair* and Novembal/Tetra Pak's *relations*.

The study shows that the the companies seem to have difficulties in transferring their desired images and the gaps are noticeable. This result supports Leavitt et al., (2005) and Van Hamersveld and De Bont, (2007) previous work. By following Kotler et al.,'s (2005) example it is better for the studied companies to market their brands and products to the already existing images becasue none were negative. The positioning of IKEA and Renault Truck seem to be effective in the minds of the consumers since the consumers' perception of the company's brands are relevently accurate. However Novembal/Tetra Pak's positioning is not entirely clear since the consumer perception do not support its brand identity. This error needs to be corrected accordning to Kotler and Armstrong (2010).

The branding techniques used by IKEA and Renault Trucks are mainly differentiation and country-of-origin and these correlate with one another. IKEA also strengthen its brand image with competitive pricing, positioning and storytelling by using low competitive prices, creating complete image connections in the mind of the consumer and by reaching out and involving the consumers with several *"story images"* which reach different age groups of what the consumers' life could be like buying from IKEA. The previous was seen in the background interviews. By using multiple branding techniques from among other; Ries and Trout (2001), Healey (2008) and Denning (2011), the researched companies' brands are known in the consumer survey and have multiple perceptions. Novembal/Tetra Pak primarily values *collaboration* and *validation* of the brand which correspond with Neumeier's (2005) belief. The company has created a large network of companies and sees the need to verify its consumer image by doing surveys. (Background interviews) Healey's (2008) idea of the importance of customer relationship is used by IKEA, Novembal/Tetra Pak and Renault Trucks. This was shown in the background interviews that the companies provide phone services, membership cards etc. The companies use *design* of the brand by building an overall picture of the company through various logos, media, events, competition, hording, food etc which was stated by all the companies in their interviews. Even though the companies do not use all the combined branding techniques themselves mentioned by Ries and Trout (2001), Neumeier (2005), Healey (2008) and Denning (2011) the practices were seen in all of the companies together, showing that the studied companies use multiple branding practises in the Rhone Alps region. Renault Trucks and Novembal/Tetra Pak use a more well-known corporate brand name, Renault and Tetra Pak, in their branding because these already have strong consumer associations. (Background interviews) This strategy can be connected to Brown and Dacin (1997) and Ind (1997) statements that a strong corporate brand has a considerable effect in creating a favourable consumer perception. All the studied companies mentioned in the background interviews that they used branding through events, media, catalogues, billboards, food, store/office design etc.

The survey shows that the Swedish brands and companies seem to have a *halo effect* due to the fact that consumers have an positive image of Sweden (7,65/10). It can also be seen with the positive associations of the studied companies which all scored high (6,8-7,45/10). The image of Sweden scored a degree higher. However the nation image and company brand image seem to be linked since the majority of the respondents (66%) graded the scores equal. The scores were often the same and sometimes the respondents lack in familiartity of the images played a part too. This type of positive brand has shown in the survey to assure the perception of quality which Ellwood (2002) and Healey (2008) state.

The familiarity with a brand is also a factor (Kowalczyk & Pawlish, 2002) in the purchasing process because it brings reassurance and minimizes the risk of being let down by the purchase (Franzen & Moriarty, 2009). This can be seen in this study, as well, when the survey respondents preferred a brand they knew when deciding on a purchase over an unknown brand. Wright (2006) shows in his research that lowering the price does not always create higher sales. This was also seen in this study with both sexes, where the consumer's ideas of unethical work conditions, country-of-origin as well as corporate image could cancel a cheap purchase alternative. These aspects were more noticeable with respondents aged 26 and older. Respondents younger than 26 answered that these previous named elements were important, but mattered less comparing to a cheaper product price since their more limited funds played a more important role.

5.2 Country-of-Origin

The consumer survey showed that the origin of a company depended on its perceived COO which corresponds with the findings of Gillespie and Hennessey (2011). Renault Trucks started out in France as did IKEA in Sweden. The majority of respondents (90%) still saw this to be the reason to name their origin. None of the consumers knew the origin of Novembal although Tetra Pak was known to be Swedish by 42,7% stated the survey.

Papadopoulos and Heslop (1993) findings about the difference in consumers' valuation of quality depending on the country origin was noted in the study. The respondents in the survey were all living in one of the more developed countries in the world, France. They preferred in general products and brands from other more developed countries as well, such as Sweden or Japan. This is in accordance to Papadopoulos and Heslop (1993) research. The research shows that consumers in more developed countries tend to prefer products made in more developed countries because they are perceived to have higher quality. This gives companies from for example Sweden advantages compared to more undeveloped countries where the quality is still perceived as lower (Papadopoulos & Heslop, 1993; Aaker, 1996b). The price exception was mentioned by Wright (2006) and seems to be accurate in this study. This is because respondents of both sexes (38%) said that the price was not the most determent factor and that the COO mattered in some cases more. This was said especially by women between 52-63 years and men 38-62.

5.2.1 Company practises

IKEA and Renault Trucks use strategic COO by using "*Made-in*" branding, whereby the consumers associate them and their products with their said origin, which connects to Papadopoulos and Heslop (2003) theories. The survey showed that if a company associated itself with Sweden it would increase a value of quality and safety, even for Renault Trucks which was French in 85,7% of the respondents' minds before the survey. Because Sweden has a strong heritage of good quality cars, Renault Trucks might very well benefit by increasing their Swedish origin, according to the respondents. Thus, correlating with Brymer (2003), who states that if a country has a strong positive association in an area it is beneficial for companies to make the linkage.

It was shown in the background interview that IKEA has an apparent and strong COO value transfer because the company has built its identity on its country-of-origin. This is done by having Swedish colours in the logo, use actual Swedish names for products internationally and provide Swedish food etc. This can be seen in the survey where 12% of the consumers' first thought of Sweden was IKEA and IKEA was known by 85% to be a Swedish company. The respondents said that the more Swedish associations the company transmitted the easier it was to make the connection.

Renault Trucks is mainly a B2B company. However the company obviously uses COO value transfer which was seen in the background interview because it intentionally uses a French *Made-in* label and it pays an extra charge to use the name and logo of French Renault. The company also brands itself with *"a century of French excellence"* and emphasizes its history more than that it is owned by the Volvo Group (Background interview).

After the interview it was clear that Novembal/Tetra Pak wants to have a global image rather than a country-of-origin. The reason for this was because the company is a B2B company and for that reason there is no need to emphasize its origin. The company thereby chooses to have a latent value-transfer. In contrary, Renault Trucks is also a B2B company, but still sees the benefit of using the COO strategy. This might be a reason why Renault Trucks are more well-known by the respondents than Novembal/Tetra Pak in France (see table 15, p.44). Brown and Dacin (1997) and Ind's (1997) research has shown that a strong corporate brand has a considerable effect in creating a favourable consumer perception of existing products and new product extensions. In this manner, Novembal/Tetra Pak is lacking compared to Renault Trucks which try to highlight its stronger corporate brand and is therefore more positively perceived which was seen in the survey.

To have a global image but still use Swedish practices which Novembal/Tetra Pak do supports Hu (1992) and Ruigrok and Van Tulder (1995) but goes against Hayden and Edwards (2001) previous research. The Hayden and Edwards' (2001) research states that a Swedish MNC's subsidiary would adopt its practices to the foreign country. IKEA and Novembal/Tetra Pak kept their practises abroad whereas Renault Trucks uses French practises in France which shows divided similarities to Hayden and Edwards' (2001) theory. Goodchild and Callow's (2001) theory correlates with the studied companies as they kept an one nation value base, IKEA and Novembal/Tetra Pak as Swedish and Renault Trucks as French.

5.2.2 Consumer attitudes

This following paragraph consists of five survey questions. By analysing the differences of country-of-origin (COO) it was shown in the first question, *"Does the country origin of a product matter when you go shopping? Yes, why?/ No, why not?"*, that the first direct COO impact on men was mostly negative (63,6%) versus the women first reaction was affirmative (55%). The reason the men was mostly negative was because they generally thought that the commerce was global and a product's origin mattered less compared to its sustainability. The men thought that the price and quality of the product had a greater importance. This supports Niss' (1996) belief that COO is not a secluded evaluation criteria for consumers. The men who answered positive (36,4%) stressed on the difference in quality and competence between countries as well as their reputation. The type of product played a role as well depending on the influence of COO. It was also important for men (18%) to not select a product country that was known to have low ethical work regulations, such as child labour etc. The issue of ethics was mentioned by men in 18% between the ages of 27-28 and 68-80. The women who answered positively also mentioned the issue of ethics and child labour (15%) and were between 60-65 years old. Other reasons for the country origin to matter were the difference in country image, the preference to buy local products and the difference in quality and workmanship between countries in areas especially in fashion and first-class products. The difference between the sexes attitude towards COO was noticeable where that women thought

COO had a greater importance than men however their reasoning were quite similar with the exception of that the men thought more on the importance on a global scale (22,7%) versus the women (10%) who some preferred to buy locally. Higher percentage of men (18%) answered on the question of ethical work issues versus women (15%). The issue of price as a determinant factor was more noticeable with the men (68%) versus the women (50%). The women favoured quality as much as price. The respondents who did not think price was most important were foremost in the age groups of 25-28, 38-52 and 60-68.

The study also shows that animosity exists and is connected to COO. This is in accordance with Heslop et al. (2008), Klein et al, (1998) and Klein's, (2002) findings which state that consumers have animosity towards countries that are perceived to have poor social and working standards towards employees and children. Another reason was that quality-wise some countries in the east could not be trusted. Animosity was mentioned by five out of 42 respondents, three women and two men. This could indicate that the women had a higher degree of animosity (15%) compared to men (9%) however the results are quite equal.

The second question, *"For what kind of product do you pay attention to the country-of-origin?"*, all respondents except of one man and one women said it depended on what type of product. The men answered in order of occurrence; food (63,6%), technology (40,9), electronics (31,8%), cars (27,2%) and clothes (22,7%). One man (4,5%) answered that the origin mattered for all products. The issue of food was mentioned in the age groups of 20-28 and 39-42. The women in return answered in order of occurrence; food (80%), clothes and fashion (35%), technology (30%), cars (25%), luxury products (15%) and furniture (15%). Two women (10%) answered that the origin mattered for all types of products. The consumers' attitudes of both sexes towards the difference of COO importance of various product categories were throughout low, medium and high product categories, for example food, clothes and technologies. This goes against Jaffe and Nebenzahl (2001) beliefs that low category products are less COO important than the origin of high category products. It might be due to the French life-style of food, which was the highest of both groups men 63,6% and women 80%. The men stressed on technology, electronics and cars compared to the women who thought the origin of their clothes and fashion items were more important. This could benefit the three companies and make them aware of the importance of COO since their products are in low, medium and high degrees.

Question three, *"Would you prefer to have the product made locally versus internationally? Is price an issue?"*, showed that Bigné's (2000) research correlates with the study's findings that France is overall product-wise ethnocentric. The men were in majority in favour (72,8%) in the ages of 20-80 of local products however price and quality had a key part as well in the purchase decision. The rest (27,2%) in the age span of 24-38 and 79-80 did not care where the products where bought as long as the correlation between the price and quality was favourable. Researchers such as Usunier (2006) and Wong et al. (2008) state that due to the effect of global markets the bias for foreign products has disappeared for the younger consumers. This element could be seen to some extent in this research as well. However, the oldest consumers in this survey for the men stated the same which does not support their research. The women had an even higher preference of local products with 90%. They did not think the price was most important however the quality mattered more than price. The other 10% thought the price in relation to quality determined a purchase (22-24 years). Shimp and Sharma's (1987) and Gillespie and Hennessey's (2011) research on bias and ethnocentrism corresponded to the survey findings showing the consumers' preference of buying locally were 72,8% of the men and 90% of the women. This shows that the respondents of both sexes have a high degree of ethnocentrism and bias to local product made in France. However, it also states that the women in this study had a greater degree of ethnocentrism than the men. Han's (1988) research shows that women are more patriotic-individuals and consumers and more unlikely to select foreign products rather than men. This study has seen some basis when 90% of the women preferred local products. It is also important to state that the men also had a high inclination for local products. Ethnocentric inclinations were greater with women versus men which support Good and Huddleston's (1995) and Nielsen and Spence's (1997) previous research.

Question four, *"If you found out that a company or product was Swedish would that change your perception of them? In what way?"*. 32% of the men answered that it would affect them positively if they heard that a company, brand or product was Swedish. The effect would result in an association of higher quality, better image and the perception of a better product. In relation, 20% of the women answered the same. This situation could be seen when the affected respondents found out that Renault Trucks was owned by Swedish Volvo. The image of trustworthy Sweden and quality carmaker Volvo got transferred to Renault Trucks. This correlates with Kotabe and Helsen's (2009) theory however it can be seen that it is not all decisive. The rest of the respondents did not perceive a change in attitude. For that reason the change of origin for a Swedish company would in 48% not make a difference and it 52% it would give the company an increased positive attitude. A change would never have a negative impact and could have a decisive influence on the consumer perception if a Swedish company used the strategy. For this reason some respondents said that Renault Trucks and Novembal/Tetra Pak could benefit from communicating their Swedish connection.

The last question *"If Volvo has its car manufacturing in the region does that change your perception of its origin?"* showed that this type of COE was not very distinctive. By comparing the results with Papadopoulos and Heslop's (1993, 2003.) research about *Made-in* it showed that *Made-in* labels does not matter to a grave extent. Two men (9%) answered that it would change their perception in a positive way because of an increase in work opportunities to the region, for example. The other 91% of men did not feel any difference concerning the origin of the company because the business idea originated from France. Another reason is that nowadays a company's products are being made in more than one country, supporting Bigné's (2000) beliefs. The women (75%) also said that the manufacturing in another country did not change the company's real origin. The resting 15%, thought that it would change their attitude positively for the same reasons as the men.

The sex difference has been found in the degree of ethnocentrism and attitude towards COO and COE. This goes against Dornoff et al. (1974) and McLain and Sternquist's (1991) theories showing that sex makes no difference. However, it supports Good and Huddleston (1995) and Nielsen and Spence's (1997) previous research. Since the COE in this study has shown to affect both sexes to different degrees, it could help Swedish companies to bring associations in the mind of the consumers by including country-of-origin in branding as Kleppe et al. (2002) and Sivakumar's (2009) studies state.

6 Conclusions

The final chapter presents the results of the Master thesis and will close with management recommendations as well as a couple of recommendations for future studies.

To conclude the thesis, the following research questions will be answered:

- What are the brand images and brand identities of Renault Trucks, Novembal/Tetra Pak and IKEA?

The issue of transferring a brand from a Swedish company to a French market do not seem to go without complications. Renault Trucks brand identity as up-to-date, reliable, secure and to provide quality and its brand image of French trucks which are made by Renault and of good quality are quite different. This element can be seen as well with Novembal/Tetra Pak, whose brand identity is to be reliable, experts and close to customers and consumers and the brand image is of practical and accessible recyclable packaging on the breakfast table. IKEA's brand image is Swedish, affordable, accessible, practical, designed, modern products and the company's uniformity. IKEA's brand identity is to be honest, reliable, use low prices, good work conditions and of Swedish recycling and nature.

The image the 42 respondents had of the studied companies corresponded quite well with the image they gave of Sweden as a brand even though not all the respondents made a clear linkage between the companies and Sweden. It is possible that the Swedish management boards in the companies are influencing the image by their internal identity successfully.

Aaker's (1997) model was not sufficient in this research because it could not fully describe the dimensions and traits of the studied companies' brand identities. Therefore have new personality dimensions; *fair, relations, COO* and traits; *closeness to costumer/consumer, quality*, *low prices*, *good work conditions*, *French*, *(Swedish) recycling and nature* been included.

  - Is there a brand gap?

The study has shown that it is difficult to match a brand image with its brand identity. None of the chosen companies was able to completely transfer their desired brand into the minds of their consumers. Only a few linkages were made. IKEA and Renault Trucks had most brand associations. IKEA had two associations which were *Sweden* and *affordability* and Renault Trucks had *quality* and *French* but the companies missed three brand associations each. Novembal/Tetra Pak had one association match, *accessibility*, but missed two brand associations. A brand gap is clearly noticeable concerning all companies and the consumers' answers. However a larger study would be interesting to see if the data correspond to a larger population in the region.

- How does country-of-origin have an effect on the perception of a brand?

Country-of-origin had an effect on all of the 42 respondents' perceptions and attitudes towards a company's brand and nation's brand. However the effect was also present, in one case or another, depending on where the branded products were made, what the type of branded products were, if the brand is local versus global and if the brand benefited local production. Nevertheless the COE of a brand shifted between different situations and depended to a large extent on the consumer. However price and degree of quality are two important factors for the consumers which can alter the impact of country-of-origin.

- How does the respondent's sex have an importance in the perception of the brand and the effect of country-of-origin?

The respondent's sex had an importance in the perception of the brand where the men and women to some extent focused on different associations with the exception of Renault Trucks. The image of IKEA was different where the men alone mentioned *practical* and the women said *uniformity* and *modern*. *Modern* was mentioned solely by the men in the case of Novembal/Tetra Pak. The perception of the Swedish brand was mostly the same between the sexes but differed in the category of sport were four men answered *winter sports* and two men answered *Kim Källström*. Four women were alone to name the association of *agreeable life*.

Country-of-origin holds an importance in both sexes on the perception of the brand through various product categories and where the products are being made and by whom. For men the categories of food (63,6%), technology (40,9) and electronics' (31,8%) origin were highest rated and had most importance whereas for the women the categories were food (80%), clothes and fashion (35%) and technology (30%).

The issue of price and COO tended to be more linked to the men versus the women. The men were in majority in favour (72,8%) of local products however price and quality had a key part as well in the purchase decision. The women had an even higher preference to local products with (90%) and did not think the price was determent and preferred quality.

Another example is that the country-of-origin effect would in 32% of the men and in 20% of the women have a favourable effect on the perception of a company if the French found out the company was Swedish. The COE depending on local manufacturing showed that men (9%) and women (15%) would have a favourable image of the company.

6.1 Recommendation for management

The issue of brand gap is a real problem and can be seen with all the studied companies. Emphasise on brand image and brand identity needs to be taken seriously and be managed on a regular basis and even more so on an international level.

Country-of-origin should be used more by the companies since it seems to have an effect on the consumers' perception of the brand and the products, even though a company might feel reluctant themselves. The consumers think it is easier to make the connection.

The French market seems to be quite ethnocentric where consumers prefer local products before foreign. However a positive point is that the Swedish brand is perceived very favourably in the region of Rhone-Alps so the companies could benefit to emphasis more their Swedish heritage.

6.2 Future studies

Additional studies in the topic could be a wider demographic reach of the French or other population's perception of Sweden or Swedish companies and products. Because the perception of the previous mentioned was very positive it could be interesting to research if it is the same in other areas.

The gap between brand identity and brand images are constantly changing and needs maintaining therefore the more research that is being done in the area is better, whether it is including the researched companies in the study or others, there are many to choose from. Hopefully the thesis or some of the mentioned ideas could lead the way to future studies.

References

Aaker, D.A. (1996a). *Building strong brands*. New York, NY: The Free Press.

Aaker, D.A., (1996b). Measuring brand equity across products and markets. *California Management Review*, **38**(3), 102–120.

Aaker, D.A. & Joachimsthaler, E. (2000). *Brand leadership*. New York, NY: The Free Press.

Aaker, J.L. (1997). Dimensions of brand personality. *Journal of Marketing Research,* **34**(3), 347-356.

Alvey, B. (2003). *An interview with Marty Neumeier*. Retrieved from http://archive. neutronllc.com/Pages/Interview.html

Armstrong, G., Kotler, P., Harker, M. & Brennan, R. (2009). *Marketing: An Introduction*. Harlow, England: Pearson Edition Limited.

Ambroise, L., Ferrandi, J-M., Valette-Florence, P & Merunka, D. (2003). Première application dubaramètre de mesure de la personnalité de la marque à deux enseignes francaises. Retrieved from http://institut-gestion.univlarochelle.fr.

Azoulay, A. & Kapferer, J.N. (2003). Do brand personality scales really measure brand personality? *Journal of Brand management.* **11**, 143-155.

Badier, D. & Rousset, C. (2007). *Strategies adopted in the international market: The case of IKEA in France.* (Bachelor thesis). Retrieved from http://www.diva.se

Balmer, J.M.T. (1995). Corporate branding and connoisseurship. *Journal of General Management*, **21**(1), 24-46.

Bigné, J.E. (2000). Image and Spanish country of origin effect. In J. Cannon., P.A, De Baubeta & R, Warner. (Eds.), *Advertising and identity in Europe: The I of the beholder*. Bristol, UK: Intellect Books.

Brown, T.J. & Dacin, P.A. (1997). The company and the product: Corporate associations and consumer product responses. *Journal of Marketing*, **61**, 68-84.

Bryman, A. & Bell, E. (2005). *Företagsekonomiska forskningsmetoder*. Malmö, Sweden: Liber AB.

Brymer, C. (2003). *Branding a country*. 1-4. Retrieved from http://www.brandchannel.com/images/papers/Country_Branding.pdf

Capdevielle, L., Li, M. & Nogal, P. (2007). *A creation of competitive advantage by using differentiation of company's strategy actions: The case-study of IKEA Sweden with experiences of Chinese and French markets.* (Bachelor Thesis). Retrieved from http://www.diva.se .

Capon, N. (2007). *The Virgin marketer*. Bronxville, NY: Wessex, Inc.

Creswell, J.W. & Plano Clark, V.L. (2011). *Designing and conducting mixed methods research.* (2nd ed.). Thousand Oaks, California: SAGE Publications.

Daye, D. & Van Auken, B. (2008, Mars 06). Branding: The Country of Origin Effect. [Web log post]. Retrieved from http://www.brandingstrategyinsider.com /2008/03/branding-the-co.html

Denning, S. (2011). *Leader's guide to storytelling: Mastering the art and discipline of business narrative.* San Francisco, CA: John Wiley & Sons, Inc.

Diamantopoulos, A., Smith, G. & Grima, I. (2005). The impact of brand extensions on brand personality: Experimental evidence. *European Journal of Marketing.* **39**(1-2). 129-149(21).

Dornoff, R.J., Tankersley, C., Clint, B. & White, G. (1974). Consumers' perceptions of imports. Akron Business and Economics Review. **5**, 26-29.

Dowling, G.R. (1993). Developing your company image into a corporate asset. *Long Range Planning*. **26**(2), 101-109.

Dowling, G.R. (2001). *Creating Corporate Reputations: Identity Image, and Performance*. Oxford, UK: Oxford University Press.

Duchess. (1878). *Molly Bawn.* London, England: Smith, Elder, & Co.
Ellwood, I. (2002). *The essential brand book: Over 100 techniques to increase brand value.* Pentonville Road, London: Kogan Page Limited.
Fisher, C. (2007). *Researching and writing a dissertation*. (2nd ed.). Harlow, England: Pearson Education.
Franzen, G. & Moriarty, S. (2009). *The science and art of branding.* Armonk, NewYork: M.E. Sharpe, Inc.
FutureBrand. (2011). *The Futurebrand 2011-2012 country brand index.* Retrieved from http://www.futurebrand.com/wp-content/uploads/2011/11/2011_2012_FB_CBI_ENG.pdf
Ghauri, P., Gronhaug, K. & Kristianslund, I. (1995). *Research methods in business studies: A practical guide*. Hemel Hempstead: Prentice Hall Europe.
Gillespie, K. & Hennessey, D. (2011). *Global Marketing.* (3rd ed.). Mason, OH: South-Western College Pub.
Gnrhan-Canli, Z & Maheswaran, D. (2000). Determinants of Country-of-Origin Evaluations. *Journal of Consumer Research*, **27**(1), 96-108.
Good, L.K. & Huddleston, P.T. (1995). Ethnocentrism and the eastern European consumer: Are feelings and intentions related?.*International Marketing Review*, 12(15), 35-48.
Goodchild, J. & Callow, C. (2001). *Brands visions and values.* Chichester, UK: John Wiley & Sons Ltd.
Gray, D.E. (2009). *Doing research in the real world*. (2nd ed.). London: SAGE Publications Ltd.
Groves, R.M., Fowler, F. J., Couper, M. P., Lepkowski, J. M, Singer, E. & Tourangeau, R. (2009). *Survey Methodology.* (2nd ed.). Hoboken, New Jersey: John Wiley & Sons, Inc.
Halvorsen, K. (1992). *Samhällsvetenskaplig metod.* Lund: Studentlitteratur AB.
Han, C.M. (1988). The role of consumer patriotism in the choice of domestic versus foreign products. *Journal of Advertising Research*, **28**(3), 25-32.
Han, C.M. (1989). Country Image: Halo or summary construct? *Journal of Marketing research*, **26**, 222-229.
Hayden, A. & Edwards, T. (2001). The erosion of the country of origin effect; A case study of a Swedish multinational company. *Relations Industrielles/Industrial Relations*, **56**(1), 116-140. URL: http://id.erudit.org/iderudit/000143ar
Healey, M. (2008). *What is branding*? Mies, Switzerland: RotoVision SA.
Heslop, L.A., Lu, I.R.R. & Cray, D. (2008). Modeling country image effects through an international crisis. *International Marketing Review*, **25**(4), 354 – 378.
Hu, Y.-S. (1992). Global or stateless corporations are national firms with international operations. *California Management Review*. **34**(2), 107-126.
IKEA. (n.d.). *Student info: IKEA marketing strategy.* Retrieved from http://www.ikea.com/ms/en_GB/about_ikea/press_room/student_info.html
IKEA. (2012). *IKEA Group Stores: France.* Retrieved from http://www.ikea.com/ms/en_AU/about_ikea/facts_and_figures/ikea_group_stores/france.html
IKEA Group. (2010). *Welcome inside: Yearly summary FY10*. Inter IKEA Systems B.V.
Ind, N. (1997). *The Corporate Brand*. London: Macmillan Business.
Jaffe, E. D. & Nebenzahl, I. D. (2001). *National Image and Competitive Advantage: The theory and practise of country-of-origin effect.* Copenhagen: Copenhagen Business School Press. Handelshojskolens Forlag.
Johansson, J. K. (1989). Determinates and effects of the use of made-in labels. *International Marketing Review*, **6**(1), 277-288.
Johnson, B. & Turner, L.A. (2003). *Data collection strategies in mixed method research.* In A. Tashakkori & C. Teddlie (Eds.), Handbook of mixed methods in social and

behavioral research (pp. 297-320). Thousand Oaks, CA: Sage.
Josiassen, A. (2009). Are young consumers still susceptible to the country-of-origin effect? *Journal of Business Systems, Governance and Ethics*, **4**(2), 53-63.
Kapferer, J.N. (2012). *The new strategic brand management: Advanced insights and strategic thinking.* (5th ed.). London, UK: Les Editions d'Organization.
Klein, J.G, Ettenson, R. & Morris, M.D. (1998). The animosity model of foreign product purchase: An empirical test in the Peoples Republic of China. *Journal of Marketing,* **62**(1), 89-100.
Klein, J.G. (2002). Us versus them, or us versus everyone? Delineating consumer aversion of foreign goods. *Journal of international business studies*, **33**(2), 345-363. Palgrave Macmillan journals.
Kleppe, I.A, Iversen, N.M. & Stensaker, I.G. (2002). Country Images in marketing strategies: conceptual issues and an empirical Asian illustration. *Journal of Brand Management,* **10**(1), 61-74.
Kotabe, M. & Helsen, K. (2009). *The SAGE handbook of International marketing*. London: SAGE Publications Ltd.
Kotler, P. & Armstrong. G. (2010). *Principles of marketing.* (13th ed.). Upper Saddle River, NJ: Pearson Education, Inc.
Kotler, P., Shalowitz, J. & Stevens, R.J. (2008). *Strategic marketing for health care organizations: Building a customer-driven health system.* San Francisco, CA: Jossey-Bass, A Wiley Imprint.
Kotler, P., Wong, V., Saunders, J. & Armstrong, G. (2005). *Principles of Marketing*. (4th ed.). Essex: Prentice hall.
Kowalczyk, S.J. & Pawlish, M.J. (2002). Corporate branding through external perception of organizational culture. *Corporate Reputation Review,* **5**(2/3), 159-174.
Leavitt, P., Williams, R. & Hasanali, F. (2005). *Branding: A guide for your journey to best-practice processes.* Houston, Texas: APQC Publications.
Legifrance. (3 Aug 2012). French Civil Code: Minor, Article 388. Retrieved from http:// www.legifrance.gouv.fr/
Map Rhone-Alpes [Image]. (2012). Retrieved from http://www.franceholidayrentals.co.uk/ rhone-alpes.asp
McLain, S. & Sternquist, B. (1991). Ethnocentric consumers: Do they buy American? *Journal of International Consumer Marketing*, **4**(1/2), 39-57.
McLoughlin, D. & Aaker, D.A. (2010). *Strategic market management: Global perspectives.* Chichester, UK: John Wiley & Sons Ltd.
Melewar, T.C. (2008). *Facets of corporate identity, communication and reputation*. New York: Routledge.
Meunier, S. (2005). Anti-Americanisms in France. *European Studies Newsletter,* **34**(3/4), 1-4.
Nagashima, A. (1970). A comparison of Japanese and U.S. attitudes towards foreign products. *Journal of Marketing*, **34**, 68-74.
Nardi, P. M. (2005). *Doing survey research: A guide to doing quantitative research.* (2nd ed.). Boston: Allyn & Bacon.
Neumeier, M. (2005). *The brand gap: How to bridge the distance between business strategy and design.* (2nd ed.). Berkeley, CA: New Riders
Nielsen, J.A. & Spence, M.T. (1997). A test of the stability of the CETSCALE: A measure of consumers' ethnocentric tendencies. *Journal of Marketing*, Fall, 68-76.
Niss, H. (1996). Country of origin marketing over the product life cycle: A Danish case study. *European Journal of Marketin*g, **30**(3), 6-22
Papadopoulos, N. & Heslop, L. (1993). *Product country images: impact and role in international marketing.* (1st ed.). Binghamton, USA: International Business Press.

Papadopoulos, N. & Heslop, L. (2003). Country equity and product-country images: State-of-the-art in research and implications. In Subash Jain (ed.) *Handbook of Research in International Marketing*. Cheltenham, U.K: Edward Elgar, 402-433.
Pappu, R, Quester, P.G & Cooksey R.W. (2007). Country Image and Consumer-Based Brand Equity: Relationships and Implications for International Marketing. *Journal of International Business studies.* **38**(5), 726-745. Palgrave Macmillan Journals.
Parasnis, I., Samar, V. J., & Fischer, S. D. (2005). Deaf students' attitudes toward diversity, campus climate, and role models. *American Annals of the Deaf*. **150**(1), 47-58.
Patel, R. & Davidson, B. (2003). *Forskningsmetodikens grunder: Att planera, genomföra och rapportera en undersökning.* Lund: Studentlitteratur
Persson, A. (2008). Made in Sweden: A study of French consumers' perception of Swedishness in Swedish companies, brands and products. (Master Thesis). Retrieved from http://www.diva.se
PlacesinFrance. (2012). *Rhone-Alpes Province of France*. Retrieved from http://www. placesinfrance.com/rhone-alpes_fact.html
Région Rhône-Alpes. (2007). *Welcome to Rhône-Alpes.* [Brochure]. Charbonnières-les-Bains, France: Author.
Renault Trucks. (Sept, 2011a). *Renault Trucks: Direction de la communication corporate.* [Brochure]. Author.
Renault Trucks. (Jul, 2011b). *Renault Trucks today and tomorrow: Corporate communications department.* [Brochure]. Author.
Renault Trucks. (Jan, 2012a). Renault Trucks en bref. No.5. [Newsletter]
Renault Trucks. (2012b). L'histoire du camion française. Retrieved from http://corporate.renault-trucks.com/fr/l-histoire-du-camion-francais/
Ries, A. & Trout, J. (2001). *Positioning: The Battle of your mind*. NY, US: McGraw-Hill Companies.
Rietbergen-McCracken, J. & Narayan, D. (1998). *Participation and social assessment tools and techniques.* Washington, D.C: The international bank for reconstruction and development/World Bank.
Rosengren, K-E. & Arvidsson, P. (2002). *Sociologisk metodik*. Malmö: Liber
Ruigrok, W. & Van Tulder, R. (1995). *The logic of international restructuring*, London: Routledge.
Samuel, H. (6 April, 2012). IKEA in France says sorry for spying on staff. *The Telegraph*.
Schooler, R.D. (1965). Product bias in the Central American common market. *Journal of Marketing Research*. **2**(4), 394-397.
Schooler, R.D. (1971). Bias phenomena attendant to the marketing of foreign goods in the U.S. Journal of International Business Studies. **2**(1), 71-80.
Shimp, T. A. & Sharma, S. (1987). Consumer ethnocentrism: Construction and validation of the CETSCALE. *Journal of Marketing Research*. **24**(3), 280-289.
Shimp, T., Samiee, S & Sharma, S. (2001). The country-of-origin effect and brand origin knowledge: How little consumers know and how important knowledge is. *European Advances in Consumer Research.* **5**(1), 325-326. eds. Andrea Groeppel-Klien and Frank-Rudolf Esch. Provo, UT: Association for Consumer Research.
Simmons, J. (12 June, 2005). IKEA – brand of many. *The Observer.*
Sipos, P. & Nefzger, C. (2011). Country of origin effects and competitive advantage: The role of a country's image with respect to the positioning process of international firms within the framework of global marketing strategies. [Seminar paper]
Sivakumar, V.J. (2009). *Country-of-origin and its impact on brands*. Retrieved from http://www.wbiconpro.com/13.-Siva.pdf
Solomon, M.R., Bamossy, G., Askegaard, S. & Hogg, M.K. (2006). *Consumer Behaviour: A*

European Perspective. (3rd ed.). Harlow, England: Pearson Edition Limited.

Statistics Sweden. (2012). *Foreign trade – Exports and imports of goods January-February 2011. HA 22 SM 1201.* Author. Retrieved from http://www.scb.se/Statistik/HA/HA0201/2011M12D/HA0201_2011M12D_SM_HA22SM1201.pdf

Swedish Chamber of Commerce in France. (2012). *The Swedish chamber of commerce in France and in Lyon*. Retrieved from http://www.expat-agency-lyon.com/english/partenaires/the-swedish-chamber-of-commerce-in-france-and-in-lyon/

Swedish Trade Council. (2012a). *Frankrike.* Retrieved from http://www.swedishtrade.se/sv/vara-kontor/europa/frankrike/

Swedish Trade Council. (2012b). *Om Frankrike.* Retrieved from http://www.swedishtrade.se/sv/vara-kontor/europa/frankrike/Om-Frankrike/

Tongberg, R.C. (1972). An empirical study of relationships between dogmatism and consumer attitudes towards foreign products. Unpublished doctoral dissertation. Pennsylvania State University.

Tull, D.S. & Hawkins, D.I. (1990). *Marketing research: Measurement and method*. (5th ed.). New York: Macmillan Publishing.

Tybout, A.M. & Calder, B.J. (2010). *Kellogg on marketing.* (2nd ed.). Hoboken, NY: John Wiley & Sons, Inc.

Usunier J.-C. (2006). Relevance in business research: The case of country-of-origin research in marketing. *European Management Review*, ***3***(1), 60-7.

Van Hamersveld, M. & De Bont, C. (2007). Market research handbook. (5th ed.). Chichester, UK: John Wiley & Sons, Ltd.

Wang, C. (1978). The effects of foreign economics, political and cultural environments on consumer's willingness to buy foreign products. Unpublished doctoral dissertation. Texas A & M University.

Wong, C.Y., Polonsky, M.J. & Garma, R. (2008). The impact of consumer ethnocentrism and country of origin sub-omponents on young Chinese consumers' assessments. *Asia Pacific Journal of Marketing and Logistics*, **20**(4), 455-478.

Wright, R. (2006). *Consumer behaviour.* London, UK:Thompson Learning.

Yin, R.K. (2003). *Case study research: design and methods*, Thousand Oaks, CA: Sage Publications.

Appendixes (A)

A1: Interview guide 1 - Swedish Chamber of Commerce in Lyon

- Have you noticed whether it is an advantage or disadvantage as a company to say that it is Swedish in the region? (A scale 1-5)
- In what way?

Significantly disadvantageous	Reasonably disadvantageous	Either way	Reasonably advantageous	Significantly advantageous
1	2	3	4	5

Table 14: *Advantages or Disadvantages.*

A2: Interview guide 2 - Companies

Background

- What are your background, name and qualifications?
- What is the company's' origin? How come?
- How long have the company been connected to Sweden?
- How long have the company been in the region Rhone-Alps?
- What services do the company provide in the region? Where do the company manufacture the products?
- Why, where and when do you think the consumers normally buy the company's products/services?
- Where do you think the consumers normally hear and see the company or the products?
- Who is your "typical consumer"?

Branding

- How do the company communicate its brand?
- How big part of the company's profit goes to communicating/market your brand?
- Have the company tested if the company's branding works in the region? Got some results?
- What is the company's desired image it wants consumers in the region to think about them?
- What do the company try to do to achieve that? Ex. Publicity, events etc.
- What do the management inside the company think about the brand? Any characteristics?
- What do you think the public think about the company as well about its products?

Country-of-Origin

- Have you heard about country-of-origin, ex *Made-in*...? What does it mean to you?
- Do you use this strategy in the company? Yes, how and why?/ No, why not?
- Because the company has a Swedish origin do you think it would be a good idea to market the company as Swedish? Yes/No – Why not?
- Do you believe a Swedish brand would have an effect on your business in Rhone Alps? How?/ Why not?
- Open question?

A3: Consumer survey questions

The questions in the questionnaire are based on a top of mind-, branding- and country-of-origin theories which can be read more closely under the column, theory.

No:	Les Questions:	Questions	Les Réponses/ Answers	Théorie/ Theory
	Origines	**Background**		
	Quel est votre âge, sexe, ville de résidence, lien avec la Suède et la région (voyage, études...)?	Age, sex, city of residence, connection to Sweden and the region (travel, studies..)?		To see if respondents fitted the research and to try to get a wider demographic reach some parameters needed to be used as well to see the previous connection/knowledge about Sweden because it could affect the study.
	Image de marque	**Branding**		
1.	Quelle est la première image qui vous vient à l'esprit concernant la Suède?	What do you think about when you hear Sweden, any traits? Top-of-mind		Leavitt et al, (2005) and Tybout & Calder theories of *unaided recall*, *top-of-mind* and *brand recognition* methods to measure the ability for the consumers to identify a brand (Sweden) and draw associations and characteristics.
2.	Sur une échelle **de 1 à 10**, quelle est votre opinon générale de la Suède?	On a scale **from 1 to 10**, what is your general image of Sweden?		*Brand image* theory was used to determine the consumers' general image of Sweden. A 1-10 scale was used to facilitate the value difference and average of the respondents.
3.	Quelles marques et entreprises suédoises connaissez-vous?	Which Swedish brands and companies do you know?		Leavitt et al, (2005) theory of *brand recognition* and *un-aided recall* was used here also to find out which brand names were known by the French consumers.
4.	Qu'est-ce que vous en pensez et leur produits séparément, des caractéristiques **en trois mots**?	What do you think separately about the companies and their products, any traits **in three words**?		*Brand image* theory by Franzen & Moriarty was used to find out what the consumers perception was of the companies. *L.M. Aaker's model* was used in combination to focus on the personality traits of the brands/companies.
5.	a) Avez-vous entendu parler Novembal/Tetra Pak et Renault Trucks? b) À quoi associez-vous ces marques?	a) Have you heard about Novembal/Tetra Pak et Renault Trucks? b) What do you associate with them?		*Brand recognition* and *brand image* was used to assess the general knowledge of less known (after pre-run questionnaires) Swedish companies.
6.	Sur une échelle **de 1 à 10**, quelle est votre opinon des enterprises suèdoises?	On a scale **from 1 to 10**, what is your opinion about the Swedish companies?		*Brand image* theory was used to determine the consumers' general image of Swedish companies. A 1-10 scale was used to facilitate the value difference and average of the respondents.
	Pays d'origine	**Country-of-Origin**		
	a) Est-ce que l'origine	a) Does the		This question was asked to see the

7.	d'un pays est importante lorsque vous allez faire du shopping? b) Oui, pourquoi? / Non, pourquoi pas?	country origin of a product matter when you go shopping? b) Yes, why?/ No, why not?		respondent's first reaction to country-of-origin and how aware he/she was at the beginning if it had a role or not in a purchase situation. The question started the COO part.
8.	Pour quel type de produits prenez vous en compte le pays d'origine?	For what kind of product do you pay attention to the country-of-origin?		Papadopoulos & Heslop (2003) theory of different importance of products and their country of origin to see if it correlates with the theory.
9.	a) Préférez-vous qu'un produit soit fabriqué localement ou à l'étranger? b) Le prix, est-il l'élément déterminant?	a) Would you prefer to have the product made locally versus internationally? b) Is price an issue?		Country-of-origin's effect of ethnocentrism, bias and animosity and Healey & Ellwood theory of that price is a crucial part in branding is tested.
10.	a) Si vous découvrez qu'une entreprise ou un produit est suédois, est ce que votre perception changerait à leur égard? Ex. Renault Trucks. b) De quelle manière?	a) If you found out that a company or product was Swedish would that change your perception of them? Ex. Renault Trucks. b) In what way?		Halo effect/horn effect is tested to see if a Swedish brand could change the brand image of for example Renault Trucks. *Made-in* labels of Papadopoulos & Heslop (1993; 2003) are also tested.
11.	Si Volvo a sa fabrication de voitures dans la région, changeriez-vous l'idée que vous avez de son origine?	If Volvo has its car manufacturing in the region does that change your perception of its origin?		*Made-in* labels of Papadopoulos & Heslop (2003) are tested.
	Commentaires personnels?	Personal Comment?		An open question ended the semi-structured questionnaire where the consumer could add own comments if liked.

A4: Consumer survey data

All the data from the consumer survey have been gathered in the following part. To follow the outline of the questions in the questionnaire data from question two shows the general image the respondents had of Sweden between the sexes. Blue is for men and pink for women. The average score for the 22 men is 7,7 and the 20 women, 7,6. The general score between the two sexes is 7,65 out of 10 (see table 15).

8	7,5	6	8	7	8	9
8	6	9		8	5	7
6	8	8		8	8	7
7	8	9		7	7	8
8	9	8	**Gen: 7,65**	8	8	7
8	8	9		8	8	7
6	7	8	**Avr: 7,7**	9	8	**Avr:7,6**

Table 15: *Survey data - Average Swedish brand positivism.*

Data gathered from question three is collected in table 16. All the companies or brands visible in the table were named in the consumer survey. The top-of-mind or unaided recall can be seen with the number 1. The number 2 means it was given as brand recognition. The latter was mainly done with Ericsson, H&M, Husqvarna, Renault Trucks and Novembal/Tetra Pak since question five in the consumer survey previous mentioned these companies. The study narrowed its focus and therefore at the same time question five, so at the present it is only mentioning Renault Trucks and Novembal/Tetra Pak.

ABB	Absolut	Ericsson	H&M	Hemköp	Husqvarna	IKEA	Krisprolls	Millenium	Molnlycke	Novembal	Pullmax	Renault Trucks	Saab	Sandvik	SMT	Spotify	Tetra Pak	Volvo	Wasabread
		2	2									2	1					1	
	1	2			2	1							1				2	1	
			1			1	1										2		1
		2	1			1		1									2	1	
		1	2		2	1	1						1				2	1	
	1	1	2		2	1	1					2					2	1	
		2	2		2							2					2	1	
			2		2						1			1	1			1	
		2	2		2	1						2					2	1	
		2	2		2	1	1					2					2	1	
		1	2		2	1						2					2	1	
				1		1							1	1					
		2	1		2	1						2					2		
		2	2									1							
		2	2			1													
		2	2		2	1	1					2							
		2	2			1						2							
	1	1	1		2	1										1	2	1	1
		2	2			1	1					2					2	1	
		2	2		2	1						2						1	
					1	1											2		
		2	2			1						2							
		1	2		2	1	1					2	1				2	1	
		2	2		2	1						2					2	1	
						1													
		2	2			1						2					2	1	
		2	2			1	1					2					2	1	
						1													
						1												1	
		2	2			1	1					2					2		
		2	2			1						2							
			2			1	1											2	
		2	2			1						1							
			1										1						
		2	2		2	1						2	1				2	1	
		2	2		2	1						2					2		
		2	2			1						2							
		2	2									1					2		
1		2	1		2	1						2		1			2	1	
		2	2		2	1											2		
			2			1			1									1	
			2			1						1							
		2	1			1						2						1	

Table 16: *Survey data – All top-of-mind companies*

Data from questions four and five has been gathered in table 17. It shows the companies' brand images in relation to the respondent's sex. The images are placed in order of occurrence.

Companies	**Men**		**Women**	
IKEA	Swedish	20	Swedish	18
	Practical	20	Good price	17
	Good price	18	Accessible	14
	Accessible	9	Modern	12
	Design	4	Practical	9
			Design	5
			Uniformity	1
Tetra Pak	Recycling	12	Accessible	13
	Practical	9	Practical	8
	Accessible	7	Recycling	6
	Modern	6		
Renault Trucks	French	22	French	20
	Good quality	20	Good quality	19
	By Renault	18	By Renault	18

Table 17: *Survey data - The companies brand image depending on sex.*

Table 18 was formed to organize answers from the respondents in the survey. The table starts with the title, *Numbers,* and shows the amount of respondents. The next title is *age* and concerns the age of the person. The following title is about the person's sex where male (M) and female (F) were distinguished. To easier see the difference of the sexes the colour of blue has marked the men and the colour of pink the women. Columns four to twelve show the data of the respondents' answers to questions 7-11 in the questionnaire surrounding the topic of country-of-origin. The titles are formed as questions and the data is answered by yes (Y) and no (N) answers. Sometimes more detailed information in form of text was given by the respondents and it is included if it had an importance to their answers. The first question was *if COO mattered* accompanied with the follow-up question *why*. Next question was if *COO mattered depending on the product*. This question was followed with the title, *Mentioned food*. Here all the respondents whom mentioned food got a Y for yes and the others N for no. The product categories which were named have been included after the yes/no mark. The title, *Prefer local,* shows in the yes or no structure if the respondent prefers local products over global products. Next question concerns *if the price was determinant* to the respondent and to what degree. The subsequent title is if a *Swedish brand would have a country-of-origin effect* on the respondent and what would be the effect. The last column concerns if *local production would have a country-of-origin effect* on the respondent, its effect and to what degree.

Numbre	Age	Sex		Origine important? And why?		COE depending on product	Mentionned Food	Prefer Local	Price determinant?	Swedish COE - Swedish company		COE - Local production
1	28	M		N		Y	N, clothes	N	N - quality-price	N		N
2	42	M		N		Y	Y	Y	N	N		N
3	27	M		N		Y	N, electronic, HiTech	Y	Y	Y	positive image	N
4	70	M		N		Y	N. cars	Y	Y	N		N
5	63	F		Y	image	Y	Y, fashion, furniture	Y	Y	Y	positive image	N
6	80	M		Y	qulaity	Y	N.. Cars, electro.	Y	Y	N		N
7	38	M		N		Y	Y, Hitech	N	N	N		N
8	39	M		N		Y	Y	Y	Y	N		N
9	22	F		N		Y	Y, luxery	N	Y	Y	Better product	N
10	24	M		Y	nation image, savoir faire	Y	Y, electro	N	Y (to50-75%)	N		N
11	68	M		Y	ethiques, social	Y	N, electronics, cars	Y	N, quality-price	Y	postive	N
12	65	F		Y	ethiques, social	Y	N, clothes	Y	N, quality-price	Y	Postitive	N
13	28	M		N		Y	Y	Y	Y	N		N
14	20	M		N		Y	Y	Y	Y	N		N
15	22	F		N		Y	Y, clothes	Y	Y	N		N
16	30	F		N		Y	N, cars	Y	Y, but it depends	N		N
17	23	M		N		N	N	Y	N, quality-price	Y	Positivt, better	N
18	52	F		N		Y	Y	Y	N, quality more important	N		N
19	24	M		Y	depend on product	Y	N, high value	N	Y	N		N
20	80	M		N		Y	N, high tech, clothes	N	N	N		N
21	79	M		N		Y	N, cars	N	Y	Y	higher quality	N
22	28	M		Y	difference of savoir faire, local	Y	Y, clothes	Y	Y	N		N
23	27	M		Y	depend on product, ethichs	Y	Y, technology, clothes	Y	Y and most important	Y	positive image	Y, a little
24	24	M		N		Y	Y, cars	Y	Y	Y	better image	N
25	24	F		Y	in fashion yes	Y	Y, fashion	Y	N	N		N
26	24	M		Y	difference in savoir faire, pro.cat.	Y	Y	Y	Y	Y	Positive	N
27	28	F		N		Y	N, cars	Y	Y, for high price products	N		N
28	66	F		Y	local, difference in savoir faire	Y	Y, all	Y	N	Y	Positive	N
29	22	F	a	Y		Y	Y,	Y	Y	Y		Y
30	25	F	l	Y		Y	Y	Y	N	N		N
31	29	M		N		Y	Y	N	Y	N		Y, a little
32	26	F	Lu	N		Y	Y	Y	N, quality-price	N		N
33	25	F		Y	difference de quality, pas asiatique	Y	Y, high tech	Y	N	N		N
34	27	M		Y	distance de transport effect price and qualit	Y	Y, all	Y	Y (to 75%)	N		N
35	25	F		N		N	N	Y	Y, most important	N		N
36	25	F		N		Y	Y	N	Y, most important	N		N
37	24	F		N		Y	Y	Y	Y	N		N
38	28	F		Y		Y	Y, vetements	Y	N	N		Y, a little
39	25	M		N		Y	Y	Y	N, quality more important	N		N
40	60	F		Y	Ethical difference in work	Y	Y, all	Y, In Europé	N	N		N
41	43	F		Y	a little	Y	Y	Y	Y	N		Y, creates local employment
42	62	F		Y	to get first class products, difference in fab	Y	Y	Y	N	N		N

Table 18: *Survey data - Respondent data and COE*