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A study to indicate the importance of brand awareness in brand choice
- A cultural perspective

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"You have to have a brand become a friend"

Fred Posner, N W Ayer

Acknowledgements

Abstract

According to theory, consumers choose a brand they recognise, before an unfamiliar brand. If the consumers do not choose according to theories, what are the factors that have a greater effect on the buying behaviour?

There is not much research about the effect of brand awareness on brand choice, which is why this subject was investigated. One of the purposes of this dissertation was to do a research about brand awareness; to see to what extent it matters when purchasing the first time in an unfamiliar environment. One of the objectives was to determine if there were any differences in buying behaviour between the chosen cultures. The research group was limited to the students from China, India and Iran at Kristianstad University. Due to the low number of participants from India, we had to exclude them from our analysis.

The research questions were important since they structured the problem that was to be answered and made it easier to limit the scope of the dissertation. The questionnaires that were handed out reflected our research questions. This made it possible to observe which product the students recognised most and which product they recognised least. The result was used in our analysis. We used the statistic computer program SPSS, to easier see the significance of the results.

The conclusions of the dissertation was that all investigated factors had some importance for choice of brand, while quality had a greater effect on brand choice than brand awareness. Further, there was no difference in buying behaviour between the cultures. Finally, it was not possible to state any differences in buying behaviour the first time compared to today.

Keywords: brand, brand equity, brand awareness, buying behaviour, China, Iran

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1 Introduction

The first chapter starts by presenting the background of this dissertation and the discussion of the problem. Further, purpose, limitations and research questions are defined. It ends by presenting the outline.

1.1 Background

We are all interested in marketing and how it is affected by cultural differences. We wanted to make our dissertation in an international perspective since our major is International Business and we have all been living in other cultures. While living abroad we all faced the situation in which we had to choose between a familiar brand and one for us unknown brand. Thereby we found it interesting to discover the determinants for consumers' brand choice.

Further, nowadays people have a demanding lifestyle. They do not have time to stop for a moment and feel their own will. They want to be as efficient as possible; want to save as much time as possible. They feel that time is not enough and that they do not have the required energy. All the different choices buyers make when purchasing can be stressful and the possibility and demand on how to act and what to say can be an extra burden. Sometimes, consumers want someone to give them a proposal of a product, or just take a product among many, without even bringing the product into line with their needs. It can be difficult to make choices, especially at the first purchase in an unknown environment. Therefore, we wanted to know to what extent people are using brand awareness when choosing brand.

1.2 Problem

Due to the increasing globalisation and homogenisation of consumers' preferences in the world, global branding has become more widespread. That is why it is important to be aware of the cultural obstacles in marketing of the brand. By the time of globalisation more people explore the world

through travelling to distant and undeveloped places. Although, the consumers become more homogenous it may be difficult to find the brands that they use in their home country. Then the consumers are placed in a position when a dilemma appears and they have to choose between unfamiliar brands and brands they recognise.

While studying the literature, it was found out that there is not much research about the effect of brand awareness on choice. Most research is focused on more complicated knowledge structures such as attitude and brand image. Therefore, we wanted to do research on brand awareness and how it affects consumers' choice.

1.3 Purpose

The purpose of this dissertation was to do a research about brand awareness; to see to what extent brand awareness matters when purchasing for the first time in an unfamiliar culture. According to the theories, consumers choose a brand they recognise, before an unfamiliar brand. If consumers do not choose according to theories, what are the factors that have a greater effect on the buying behaviour? We also wanted to see if there are any differences in buying behaviour between the chosen culture groups.

1.4 Limitations

Because of the time limit the focus is on the best known theories in the field. The population was limited to the students at Kristianstad University. The products in our questionnaire only included everyday commodities since all students probably buy such products. Further, in the research, the only factors that were considered were the ones that had the most effect on the choice of brand.

1.5 Research Questions

The dissertation is based on these research questions:

- ➢ What factors besides brand awareness affect the choice of brand at the first purchase in an unfamiliar environment?
- ➢ Between the different cultures, how much does brand awareness matter compared to other factors in a new, unknown buying situation?
- ➢ If the students do not have any recognition of the brands, what is it then that most influences the students' choice?
- ➢ Are there any differences in buying behaviour between the cultures at their purchases today?

1.6 Outline

This dissertation has the following outline.

Chapter 2: The method of the dissertation is presented. It starts with the choice of methodology and the data collection. Finally the reliability and validity are discussed.

Chapter 3: This is the theoretical part of the dissertation. Here the theories of consumer behaviour are presented; brand and the factors that are influencing the consumer buying behaviour. Finally, the theories of culture are presented.

Chapter 4: The research model is presented and described; the model is based on the theory. Further, the link between the model and the questionnaire is explained.

Chapter 5: Here the empirical method is introduced. First, the research strategy, research philosophy and research design are presented. Further, it continues with the reliability and validity of our research, ethical issues, quantitative and qualitative data, as well as the sample. Finally, the questionnaire is presented.

Chapter 6: The analysis of the received answers is made in this chapter. The

results are presented and linked to the theory.

Chapter 7: In this chapter the conclusions and judgements are presented. Examples of further research are discussed. The modified research model is presented and explained.

In the end of the dissertation, the references and appendices are presented.

2 Method

First, the choice of methodology is presented, then data collection including both secondary and primary data. Finally, the reliability and validity of this dissertation are presented.

2.1 Research Approach

When choosing the research approach, a selection between *deductive* approach and *inductive* approach can be made. Deductive approach is when theory and hypothesis are built up after reading literature and then the hypothesis is tested: testing theory. Inductive approach is when the theory is developed from the analysis of collected data: building theory (Saunders *et al*., 2003).

The chosen method is a deductive approach. We started to read the literature to find theories. Further, a selection of the most well-known and suitable theories was made. Out of the theory the research model was created, which was used when finding the answers to the research questions.

2.2 Research Philosophy

Research philosophy is formed by the way of thinking when it comes to the development of knowledge. There are three sides that can describe the research process: *positivism, realism* and *interpretivism* (Saunders *et al*., 2003).

The positivistic view is when an adoption of the theoretical stand of a natural scientist has been made. It explains the truth of the social appearance and the result of a positivistic research can be compared with laws or rules. The method is highly structured and those who do the research are independent from the topic of the study (Saunders *et al*., 2003).

Realism is when the belief of reality exists and is free from human thoughts

and beliefs at the same time as there are significant effects on human people from social forces and processes. Realism shares some theoretical characteristic with positivism, for example the view of an exterior objective nature but in a social framework (Saunders *et al*., 2003).

Interpretivism is the opposite of positivism, and stands for that business-world is too complex to define, by theory, "laws" in the same way as physical sciences. According to the literature, interpretivism does not stand for the importance of generalisability, and there is no objective reality, only subjective reality where it is important to understand participants' purposes, behaviours and goals (Saunders *et al*., 2003).

According to Saunders et al., (2003) the deductive approach owes more to positivism than to interpretivism. This dissertation is based on a research philosophy that is a mixture of both positivism and realism. The research was independent from us, writers, we are neither affecting nor affected by the subject. This is why the positivistic view can be found in our research where we wanted to observe exchange students' buying behaviour when they purchased for the first time in Sweden, as well as of today's purchase. Further, the information was collected through our research that finally was statistically analysed. The realistic view can be explained by social forces that affect peoples' behaviour without them being aware of this.

2.3 Data Collection

Both secondary and primary data were used in the dissertation. Secondary data came from the literature and primary data appeared from our research.

2.3.1 Secondary Data

External secondary data from public sources were used. We started by reading about brand and brand management followed by brand equity. Then we focused more on brand awareness. There have not been much published about brand equity from the consumers' point of view. One researcher who has written from the consumers' point is Kevin Lane Keller (2003).

Concerning the cultural part we decided to use the theories and models of Geert Hofstede and Fons Trompenaars. After studying the books we continued to study articles and Internet sources for more specific information.

2.3.2 Primary Data

A survey was made by handing out questionnaires to the students in the target group. The purpose of the questionnaire was to see if brand awareness was the main reason to choose a brand when purchasing everyday commodities for the first time in an unfamiliar environment. One of the objectives was to determine which the other factors were and how much they affected the choice of brand. Received answers were 81 out of the sample of 104 students.

2.3.2.1 Qualitative and Quantitative Data

Primary data can be either *qualitative* or *quantitative*. Qualitative research can be seen as data based on meanings expressed through words, intended to provide insight and understanding and the resultant data should be classified into categories. A quantitative research methodology includes seeking data based on meanings deduced from numbers which results in mathematical and standardised data. The analysis of the quantitative data is used in diagrams and statistics (Saunders *et al.*, 2003).

The quantitative method was used because we wanted to use a questionnaire to reflect the sample's feelings and to analyse the answers, which are numeric. Statistic tests and diagrams were performed to easier see the significance of the results: differences and similarities between the culture groups and consumers.

2.4 Reliability and Validity in the Dissertation

Reliability occurs when different researchers in different occasions find the same results. Further, there is also reliability when the raw data make sense

(Saunders *et al*., 2003). On the other hand, validity is the degree to which the findings really are what they appear to be about. In other words that is a correspondence between what we want to investigate and what we actually investigate (Patel & Davidsson, 1994).

2.4.1 Reliability in the Dissertation

The literature might have affected the reliability in this dissertation. The trustworthiness of the Internet sources is not absolute. Two of the books about the society in Iran are written by Swedish authors, and this may affect the reliability because they are not native Iranians and do not have the same history as the Iranians have. Further, Hofstede's study was made in the 70s, before Iran's revolution, so his theory might not be applicable to our research. Even, the cultural diversities for the other countries, in our sample, might be misleading. The reliability in the research has been affected by the fact that the respondents might have discussed the answers with each other. Also, surroundings, such as sounds, smells and environment, might have distorted the result.

2.4.2 Validity in the Dissertation

A research has been done, the results were analysed and the research questions were answered. However, we realised that the answers received from the questionnaire might not reflect the truth, since many students misunderstood questions. Also, the bars in the analysis part are not consequent. The scales are not comparable.

3. Literature Framework

The literature framework is presented. It starts in a wide perspective by investigating what researchers have written about consumer behaviour and brand. Further, the research is narrowed down by investigating brand awareness and other factors that affect the consumer buying behaviour and the choice of brand. Finally, different theories of culture are investigated.

3.1 Consumer Behaviour

To better understand the choice of brand from the consumers' perspective it is important to have an idea of the consumers' behaviour and their view of brands.

Uggla (2001), explains two different types of consumer behaviour: *cognitive* and *experience oriented*. The consumers who have *cognitive behaviour* are rational and logical consumers while the *experience oriented* consumers have more emotional motives for buying a product. In comparison, Dalqvist and Linde (2002), have defined four types of consumer behaviour: *rational, unconscious, learned* and *social behaviour*. The different behaviours are characterised by the order of the three steps: *knowledge, attitude* and *action*.

- *Rational behaviour*: If consumers have a rational behaviour, they start to get some knowledge about the product and what the market may offer. By evaluating the information they get an attitude towards the product and finally they act; either buying the product or not. This behaviour is more common when consumers are buying expensive products like cars. (Knowledge→ Attitude→ Action)

- *Unconscious behaviour*: When consumers have an unconscious behaviour they start with an attitude towards the product and the attitude comes from emotions and feelings. From the attitudes the consumers find information about the product and from that they get knowledge. At last they have the action, their choice. This type of behaviour is common when it comes to voting for politics. (Attitude→ Knowledge→ Action)

- *Learned behaviour*: Reflexes settle the choice of product. When the consumers choose a product they do not plan their choice; they do it by habit. This behaviour usually occurs when consumers buy newspapers. (Action→ Knowledge→ Attitude)

- *Social behaviour*: When consumers have a social behaviour they choose the products depending on what social environment they live in. Their lifestyle, status and influence from others decide what product they will buy. (Action→ Attitude→ Knowledge)

Naturally, consumer behaviour is strongly influenced by the culture in which the consumers have been raised. According to Kotler, Armstrong, Saunders and Wong (1999), there are more than just cultural factors that influence consumer behaviour. Other factors are: social, personal, and psychological factors.

- *The Cultural factors* are what culture, subculture and social class the consumers identify themselves to.
- *The Social factors* are the reference groups of the consumers, the consumers' family and the consumers' role and status.
- *The Personal factors* are the age and lifecycle status of the consumers, in other words, the occupation, economic circumstances, lifestyle, personality and self-concept that the consumers have.
- *The Psychological factors* are the motivation, perception, learning, the beliefs and the attitudes of the consumers.

3.1.1 Consumer Buying Behaviour

It is important to be familiar with the theories about consumer buying behaviour when making a research about choice of brand. According to Söderlund (2001), the consumer buying behaviour depends on which intentions, attitudes, preferences, effort to commitment, and way of identifying the consumers have.

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┌──────────┐
│   Need   │
│recognition│
└────┬─────┘
     │  ┌───────────┐
     └─>│Information │
        │  search   │
        └─────┬─────┘
              │  ┌───────────┐
              └─>│Evaluation of│
                 │alternatives│
                 └─────┬─────┘
                       │  ┌──────────┐
                       └─>│ Purchase │
                          │ decision │
                          └────┬─────┘
                               │  ┌──────────┐
                               └─>│Post-purchase│
                                  │ behaviour │
                                  └──────────┘
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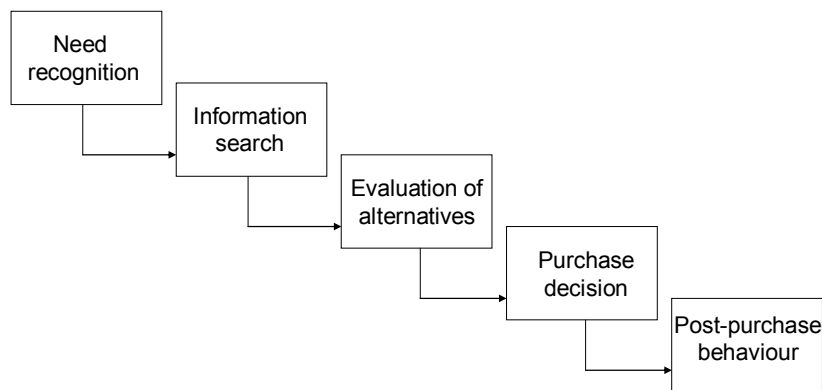
Figure: 3.1 Buyer decision process
Source: Kotler et al., 1999, p 254

As seen in the "buying decision process-model" above, consumers are passing through five stages in their buying decision process. Consumers are not passing all stages at every purchase. In routine purchases consumers usually skip some stages. In a "small" purchase, like everyday commodities, information search and evaluation are often skipped. However, the figure shows all the considerations consumers take when facing a new complex purchase situation.

Need recognition is the first step in the model. Here the consumers define a problem or something that they need. A need could be triggered either by an internal or external stimulus. An internal stimulus is for example when you are hungry enough to need something to eat. An example of an external stimulus is when consumers see a commercial on television, and after that they think that the product/brand is needed. This is why it is important for marketers to find out what stimulus most often activates interest in the brand. *Information search* is the stage when the consumers start to search for information. The information can be gathered from different sources: personal sources, commercial sources, public sources and experiential

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sources. As more information is obtained, the consumers' awareness and knowledge of the available brands increase. *Alternative evaluation* is the stage where the consumers use the information to evaluate and rank the alternative brands. Here it is important for marketers to know about the alternative evaluation. The consumers are trying to satisfy some needs and first they are looking for certain benefits by buying a special brand. Further on, the consumers look for the product attributes which can be price and quality etc. Consumers also look for *salient attributes*, which are things that come up in the consumers' mind when thinking of the brand. *Purchase decision* is when the consumer actually purchases the product. The consumers' choice of brand might be affected by two factors, attitude of others and unexpected situational factors. *Post-purchase behaviour* is the stage where the consumers compare their expectations with the perceived performance. Consumers are satisfied if the expectations are the same as the product's performance (Kotler *et al.*, 1999).

Regarding the first purchase of a new product/brand, the buyer enters five different levels of adapting. The adapting process is a psychological procedure a person goes from hearing about the product to buying it: 1. *Awareness*: The consumer becomes aware of the new product, but lacks information about it. 2. *Interest:* The consumers seek information about the new product. 3. *Evaluation:* The consumers consider whether trying the new product makes sense. 4. *Trial:* The consumers try the new product on a small scale to improve their estimation of its value. 5. *Adoption:* The consumers decide to make full and regular use of the new product. This is just a model and all the stages are not necessarily used when purchasing a new product; for example, the stage "trial" is not entered when buying a car (Kotler & Armstrong, 2004).

Consumer buying behaviour differs much depending on what kind of product the consumer will purchase. There is a big difference in involvement when buying a car compared to toothpaste. Kotler et al., (1999) have made a buying behaviour model with four different buyer behaviours.

	High involvement	Low involvement
Significant differences between brands	Complex buying behaviour	Variety-seeking behaviour
Few differences between brands	Dissonance-reducing behaviour	Habitual buying behaviour

Figure: 3.2 Four types of buyer behaviour
Source: Kotler et al., 1999, p 251

Moreover, consumers differ much individually in willingness to try new products and brands. This has led to a classification of consumers into different groups. *Innovators* are defined as the first consumers adapting to the new product. *The early adopter*s are the next ones. *The early majority* adapt to the new product before the average consumer. *The late majority* adapt to the new product only after most people already have tried it. Finally, *the laggards* are the last ones that adapt to the new product. They are bound to tradition and adapt to the new product only when it has become tradition itself. The innovators or pioneers are adventurous. They like to try new things and are more willing to take risks. They are often young and well educated. Further, they tend to take more advantage of special promotions such as discounts and samples.
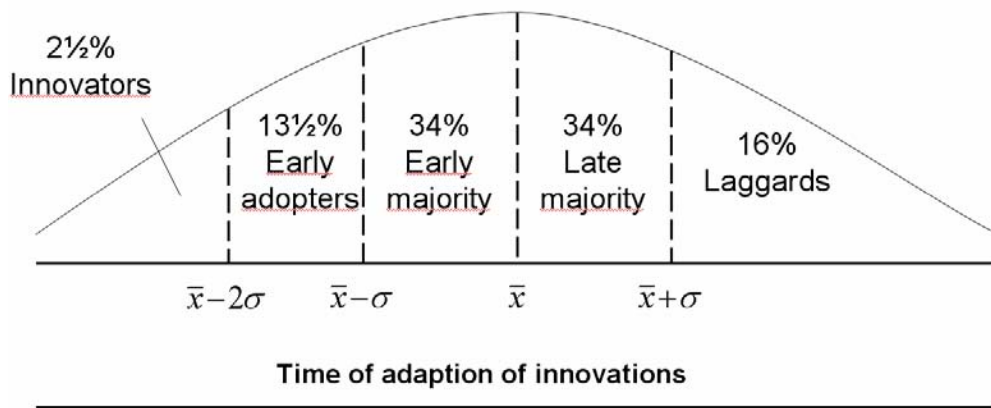
Figure: 3.3 Adopter categorisation
Source: Kotler et al., 1999, p 223

3.1.1.1 International Buying Behaviour

Understanding the consumer buying behaviour in one country is difficult and understanding buying behaviour between cultures is even harder. Although consumers from different countries may have things in common, they often differ in values, attitudes and behaviour.

Due to the globalisation, people develop similar demands and therefore the products become homogenous. Since people in different cultures face the same commercials, their demands become more similar. The consumers in less developed countries are now starting, at an incredible rate, to have more sophisticated demands. Increasing communications, travelling, and global trends are affecting the market but also the consumers (Borg, 1996). Especially youth culture becomes more homogenous across the national markets. The boundaries between different cultures have become more indistinct through internationalisation with McDonald's, The Simpsons, the English language etc. Today, youths are more independent and take responsibility as well as act in a more grownup behaviour earlier than before. This, at the same time as they have more freedom and know more about the cultures in the world, makes them see everything in a more global perspective (Hollensen, 2004).

3.1.1.1.1 Global Brand

There are many strong global brands in the world, such as Gucci and Coca-Cola. Not all companies can create global brands like these ones. It is important to know the difference between global brands and global companies. The global companies have a different strategy. They create different names on similar products to introduce them to different countries and cultures. Today, many companies are going global combined with local support (Uggla, 2001). They may also have different approaches of their products in different countries. It can be their price position, the personality of the brand or the size of the product (Hankinson & Cowking, 1996). Therefore, consumers that are travelling to foreign countries may not recognise their favourite brand, although it is global.

How much the marketing mix is standardised depends on the products the company produces. For example companies with food products have a tendency to have the same marketing mix only within regions while cosmetics have the same marketing mix in the whole Europe. Therefore, companies with cosmetic products tend to have much more global marketing than food products (Kapferer, 1997). According to a study conducted by Kapferer and the Eurocom network (1997), the parts of the brand mix that are most often globalised are logotype and trademark. Further, brand name, product features and packaging are also high-placed on the ranking list.

3.2 Brand
Consumers view brand as an important part of the product and brand might add value to the product. Brand equity is the value of a brand for both consumers and companies. To find factors that influence consumers' brand choice, the concept of brand and brand theories were investigated. First, brand is defined. Further, different brand theories from the most prominent brand researchers such as Aaker, Kapferer, and Keller are discussed. Finally, brand awareness which is a part of brand equity is investigated.

The word *brand* is derived from the Old Norse word *brandr*, which means "to burn". Brands were, and still are, the means by which owners of cattle mark their animals to identify them. The American Market Association (AMA) defines brand as a *"name, term, sign, symbol or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competition"* (Keller, 2003, p 3). Stephen King (WPP Group, London) follows this line of reasoning concerning the difference between a brand and a product: *"A product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand is timeless"* (Aaker, 1991, p 1).

In a wider perspective, a brand is the symbol of all information connected with a product or service. A brand typically includes a name, logo, and other visual elements such as images or symbols. It also covers the set of expectations associated with a product or service which typically arise in peoples' minds (Brand – Wikipedia, the free encyclopedia, 10-16-05).

One of the brand's purposes is to be an identity to the products and services so that it can be separated from other products and services in the same category. In that way, just by seeing the name or the logo, the customer gets a certain indication of the product. The brand knowledge may work as a protection both for the customer and the manufacturer (Aaker, 1991). Hankingson and Cowking (1996, p 1) also highlight the fact that the brand should help to distinguish the product. They define brand as: *"A product or service which can be distinguished from its competitors"*.

According to Schmitt (1999), brand cannot only be seen as an identifier. He states that a memorable name and a good image is not enough; the company has to deliver experiences. Schmitt suggests two approaches to branding; the first is to see the brand as an *identifier* where the names, logos and slogans give the consumers awareness and a specific image. The other approach is to see the brand as an *experience provider* where the names, logos, slogans,

events and other consumer contacts give the consumers sensory, affective, creative relations and lifestyles with the brand. Keller and Armstrong (2004) also believe that brand is more than an identifier. It stands for consumer sensitivity as well as emotions to the product.

Further, Keller (2003), states that there is a difference between a "small brand" and a "big brand". A small brand can be defined as in the AMA definition earlier; to create a brand is to create a name, logo or symbol for a new product. However, to create a big brand also means to actually create a small amount of awareness, reputation, prominence etc. in the market place. Keller states that it is important to recognise this distinction since there are disagreements around the definition of what a brand really is.

3.2.1. Brand Theories

This part describes a few classical theories concerning what a brand is; starting with the definition from a Business Administration perspective and continuing with theories described from a company and consumer perspective, respectively.

In Business Administration, the way to define brand is to see it either as a positive value or a burden to the company, depending on the reputation. According to Aaker (2002, p 7), "*Brand equity is a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers.*"

There are at least nine different approaches to brands in the theories: the brand as a juridical protection, differential unit, company, identity system, image, personality, relation, extra value and growing entirety. Some theories are describing how a company creates meaning around the brand while others explain how the consumers see the brand. Brand identity is how the company wants the market to see its brand; the associations the company aspires to create in the market. Identity is what the company is sending out

and image is the consumers' view of the brand in their minds. The company cannot just have an image as the image only exists in the consumers' mind. There are different perspectives of brand identity. All of them help to build strategic meaning and associations around the brand. The different perspectives are: *product, organisation, person* and *symbol.*

- The *product* perspective concerns things like quality, attribute and country of origin. It can be risky to build the brand around the product due to the fact that many products have a short lifecycle. For example, if a telecom company should build their brand strategy around the product, they would have to change the strategy with every new product generation.

- The *organisation* may express values and focus. To build the brand around the organisation is also considered to be hard. Harley Davidson is a brand with associations around the organisation – "the rider spirit". Many leaders in the organisation are devoted bikers.

- The *personality* of the brand is basically to give the brand a soul and it is easier to manipulate. The role of an advertising firm is often to create and maintain a personality.

- If the company has built its brand around the *symbol* (logotype) successfully, the symbol can stand alone and yet the consumers connect the symbol with the brand. An example is Nike's symbol "the swoosh" (Uggla, 2001).

Aaker (1996, p 68) defines brand identity like following: "*Brand Identity is a unique set of brand associations that the brand strategist aspires to create or maintain. These associations represent what the brand stands for and imply a promise to the customers from the organisation members.*" Aaker (1996) explains that brand identity is what the brand wants to be, not necessary what it is. He describes brand identity from three aspects; *core brand identity, extended identity* and *value promise.* The core brand identity is the brand's unique and unchangeable qualities. The brand's extended identity is the elements in the identity that can be changed and modified in different markets. The identity also contains a value proposition with

functional, emotional, and self expressive advantages. When the company has decided what it wants the brand to represent (identity) and where in the value proposition they want to put the focus (e.g. self expression), they have to do the positioning of the brand. The positioning is the slogan extracted from the identity and value promise (Aaker 1996).

To sum up Aaker's brand theory the main ideas are:

1. *Identity*: The brand as an organisation, person and/or symbol.
2. *Value of promise*: Functional elements, emotional elements and self expressive elements.
3. *Positioning:* It is the part of the identity that is communicated to a target group.

Jean Noël Kapferer is an internationally recognised authority on brands and brand management. Kapferer (1997) describes brand identity in a sender and a recipient picture with his hexagonal prism.
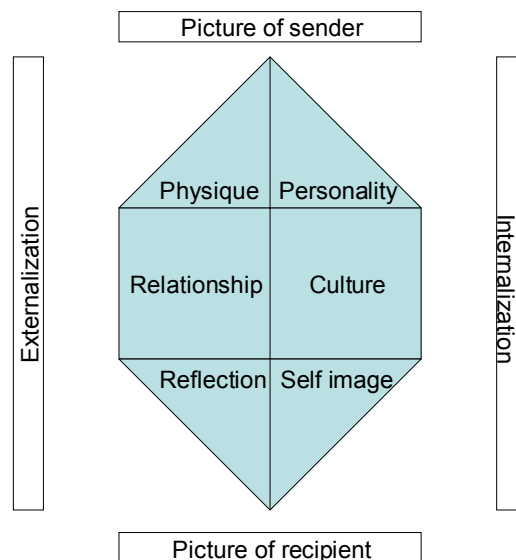
Figure: 3.4 Kapferer's hexagonal prism
Source: Kapferer, 1997, p 100

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Along the left side of the prism there are three dimensions: *physique, relationship* and *reflection,* which help the company to externalise the brand. On the right side; *personality, culture* and *self image* which help to lead the brand into the consumers' minds and the company. The picture of the sender is the *physique* and the *personality*. The physique is the exterior; the form and the colour etc. The personality is the soul and values of the brand. The *relation* connects the brand to the customers and the *culture* brings the brand into the organisation. The picture of the recipient is the *reflection* and the *self image*. The reflection is a superficial generalisation by the user of the brand and the self image is the consumers' inner thoughts about the brand. In Kapferer's (1997, p 104) own words: "*If reflection is the target's outward mirror, self-image is the target's own internal mirror*."

Keller has focused on brand from the consumers' point of view; how consumers react to marketing of a brand product compared to a product without a special brand name. He has created a Customer Based Brand Equity (CBBE) model, which will be described in the part of brand equity in this dissertation.

3.2.2 Brand Equity

More and more company leaders and market executives and groups like finance analysts, start to realise the value of branding. It was during the 1990's the concept of brand equity came in focus for brand researches in both brand management and consumer behaviour. Brand equity is intangible. It does not consist of factories and physical infrastructure but of memories, feelings, associations, loyalty and attention towards brands (Uggla, 2001; Söderlund, 2001; Melin, 1999).

Kotler and Armstrong (2004) define the meaning of brand equity as the positive outcome that the customers show to the product or service. A similar definition by Aaker (1991) is that brand equity can be seen as the outcome of putting together a brand's values, responsibilities and resources with the symbol and/or name. A brand's responsibilities and resources,

which are very important for brand equity, may change in different situations. To see the changing factors more easily, they can be divided into five classes (see fig. 3.5):
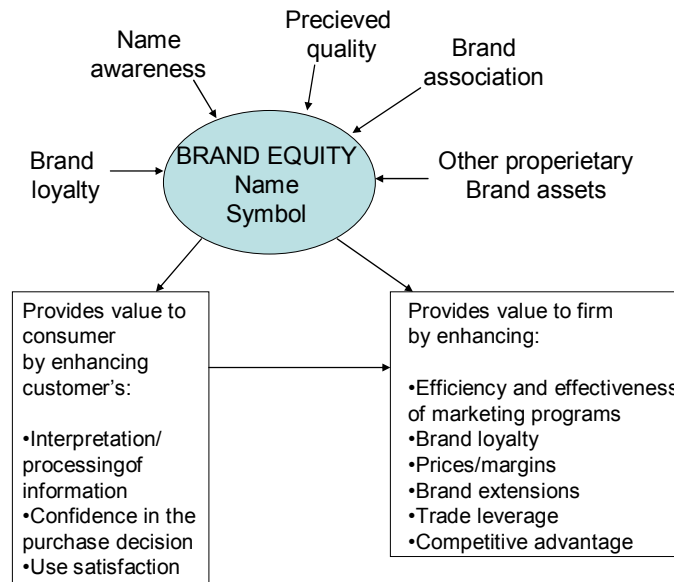
Figure: 3.5 Brand equity model
Source: Aaker, 1991, p 17

1. *Brand loyalty:* People are bound to a brand which decreases the weakness to other brands' movement.

2. *Name awareness*: A known brand has more chance to be selected and bought before an unknown brand, just because of reliability and familiarity to the recognized brand.

3. *Perceived quality*: How a brand's quality is seen by customers. Good quality can also mean higher price and a better gross margin. How to measure quality in different industries vary.

4. *Brand association*: A symbol or character that symbolizes a specific brand, for example Nike's "the swoosh".

5. *Other proprietary brand assets*: Something that discerns a specific brand from others: patents, trademarks, relationship channels etc.

These five factors are input to brand equity (fig. 3.5). They are the dimensions of brand equity. The "boxes" below are output to brand equity.

Brand equity provides value both to the company and the customers. Brand equity assets provide value to the customers in the way that the assets can help them to interpret, process, and store great quantities of information about products and brands. They also help the customers in the buying decision in terms of perceived quality and familiarity with the brand. Both perceived quality and brand associations may increase the customers' satisfaction. Just by knowing that the product is of a special brand may affect the experience and increase the satisfaction for the customers.

Brand equity can provide value to the firm by generating marginal cash flow in many ways. It can improve programs to attract new customers or recapture old ones. The perceived quality, brand associations and name awareness can increase brand loyalty. Brand loyalty is both one of the dimensions of brand equity and is affected by brand equity. Brand equity usually gives higher margins by permitting premium pricing and not so much reliance upon commercials. Further, it can also provide higher growth inform of brand extensions. A strong brand can also give more influence on the distribution channels. Finally, brand equity assets provide a competitive advantage to the competitors.

As mentioned above, Keller has done research about customer-based brand equity, where he describes brand equity from the customers' point of view, how the customers react to the marketing of a product with a brand compared to that of a product without a brand. *"Customer-based brand equity occurs when the consumer has a high level of awareness and familiarity with the brand and holds some strong, favourable, and unique brand associations in memory"* (Keller, 2003, p 67).

Positive customer-based brand equity occurs when the consumers react more positively to a product with a certain brand compared to the same product without a brand. If the consumers do not see any differences in the product with a brand compared to the product without a brand, the brand is less valuable. According to Keller (2003), brand equity consist of strong brand awareness and a positive brand image in the consumers' memory in

terms of strong, favourable, and unique brand associations. To better understand how to create brand equity, he uses the brand-knowledge concept in his CBBE- model. He believes that the strength of the brand is depending on what the consumers have experienced and remember of the brand, therefore the knowledge of the brand. Keller visualises brand knowledge as a network of nodes. The bigger the network is the greater the knowledge of the brand. The nodes are like hooks where the consumers put up their different memories and the links are connections between the different memories. These links together represent the brand equity. The consumers' knowledge of the brand consists of *brand image* (types, strength, grade of uniqueness and favourable associations) and *awareness* (recognition and brand recall).

The *brand image* exists in the consumers' mind and depends on what type of association appears and how this association is valued by the consumers in terms of strength, uniqueness and favourable associations.

Awareness consists of two parts, *recognition* and *recall. Recognition* is the extent to which consumers in a store recognise the brand that they have just been exposed to, for example in a commercial. *Recall* is the consumers' ability to recall the brand from memory when given a relevant indication, for example if consumers are going to buy cereals and recall Kellogg's Corn Flakes from memory. Brand awareness can be created by increasing the familiarity of the brand through repeated exposure (for brand recognition) and strong associations with the relevant product category and consumptions indications (for brand recall). Keller (2003) also states that feelings, experiences and the brand personality affect the brand equity.

3.2.3 Brand Awareness

In general, awareness describes peoples' perception and cognitive reaction to a condition or event. Awareness does not necessarily imply understanding as it is an abstract concept. Awareness may be focused on an internal state, such as an instinctive feeling, or on external events such as sensory

perception (Awareness – Wikipedia, the free encyclopedia, 10-16-05).

Marton and Booth (1997) give good examples of awareness: People have earlier experience of a certain situation and are aware of that. They are also aware of who they are, the background to the circumstances, where being located as well as the emotions to the place, what time of year it is and what day it is, and also what to do the rest of the day. Even though, there is awareness of everything at the same time, the intensity varies. Peoples' awareness is reshaping its structure constantly, and what we call awareness is the sum of the individual's experience. So it is possible to do one thing while still be aware of many other things.

Brand awareness is the capacity of consumers to recognise or remember a brand, and there is a linkage between the brand and the product class, but the link does not have to be strong. Brand awareness is a process from where the brand is just known to a level when the consumers have put the brand on a higher rank; the brand has become the "top of mind" (Aaker, 1991).
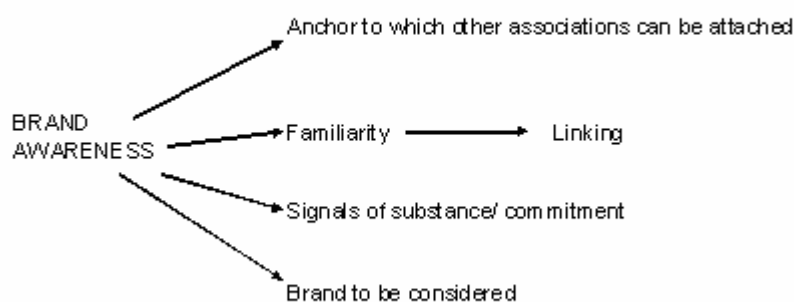
Figure: 3.6 Brand awareness
Source: Aaker, 1991, p 63

Anchor to which other associations can be attached is when a new product has to work to win recognition, because there are few purchase decisions that can be done without knowledge about the product. Moreover, without attained recognition it is difficult to learn about the character and advantages

of the new merchandise. With product identification it is easy to create a new relationship to the item. The explanation of *familiarity/linking* is that people like familiarity, and knowledge make the product and brand more well-known and familiar. This contains most of all low-involvement products like sugar, salt, paper towels, when the knowledge about the brand often makes the buying decision. The positive association between the number of experience and linking has been shown in studies. The incentives to this relationship are for example non-figurative pictures, names and jingles. *Substance/commitment* can be seen in name awareness which means existence, promise and matter; things that are important for the buyer. The consumers do not have to know a lot about the company, but as long as the buyers have positive brand awareness they will buy the product. In some cases, the brand awareness and understanding can depend on a buying situation and do all the effort for consumers in a buying process. The level of *brands to consider* is the first level to reach. When buying merchandise is to choose a collection of trade names to consider – a "consideration set" (Aaker, 1991).

Brand awareness is much about communication. This is how Aaker (1991, p 63) explains the awareness and recall of a name: *"A name is like a special file folder in the mind which can be filled with name-related facts and feelings. Without such a file readily accessible in memory, the facts and feelings become misfiled, and cannot be readily accessed when needed."*

Brand awareness is dependent upon both the situation and the level of achieved awareness.

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Unaware of Brand →  ¹ Brand Recognition → ² Brand Recall → ³ Top of Mind
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Figure: 3.7 Levels of brand awareness
Source: Aaker, 1991, p 62

1. *Brand recognition:* This level is the first stage of brand awareness. It is when the consumers can recognise a specific brand among others; "aided recall". Aided recall can also be explained as a situation where a set of given brand names from a given product class is shown. The task is then to identify the recognised names. Brand recognition is major when consumers face the buying procedure.

2. *Brand recall:* This is upon the consumers to name the trademark in a product class. Apart from level one, this is an "unaided recall" since there are not given any examples of specific brands. The role of brand recall can also be vital for regularly purchased products like coffee, detergent, and headache remedies, for which brand decisions usually are made prior going to the store. Further on, in some categories (such as cereal) there are so many recognised alternatives that the shopper is overwhelmed.

3. *Top of mind:* A brand that is "top of mind" is the first brand that consumers think of within a given product class (Aaker, 1991).

Brand awareness is important since a lot of the consumers feel that if the brand is well known it has good quality. Most important is not that the brand is well known, it is what it is known for (Melin, 1999). Further, awareness is a very important brand advantage, but it cannot sell the product, especially not if the product is new (Aaker, 1991).

In the literature there are many facts that show that brand awareness affects consumer choice and thereby their choice of brand. Lin and Chang (2003)

found by their research that brand awareness had the strongest effect on purchase decision on habitual behaviour of low involvement products. They also wrote that Hoyer and Brown (1990) examined the role played by brand awareness in consumer decision making process and found that it was a dominant factor. Likewise, Jiang's (2004) investigation also shows that brand name, in other words recognition of a brand, has an impact on consumers' choice.

3.2.3.1 Achieving Brand Awareness

Recognition and recall in attaining awareness, engage two responsibilities: to increase the brand name identity as well as linking the characteristics to the item. This is in particular vital when the product is new (Aaker, 1991).

Aaker (1991) has set up the following factors concerning how to achieve brand awareness:

- *Be different, memorable*: Today, many products seem alike and the communication in the product clusters is related. Therefore, it is important to differentiate the product, although, the bond between the product class and the brand has to exist for easier recognition.
- *Involve a slogan or jingle:* There can be a stronger linkage between a slogan and a brand because it involves a visual feature of the brand. By this, the jingle or slogan is powerful and can make a big change.
- *Symbol exposure:* It is important to have a known symbol, because it is easy to memorize and recall a visual illustration. A logo, either an already existing one or a developed one, which is connected to the brand, can take a huge part in forming and keeping awareness.
- *Publicity:* Advertising is a proficient way to get publicity and make awareness, since it can be customized to the communication and the addressees.
- *Event sponsorship:* The primary role of most event sponsorship is to create or maintain awareness.
- *Consider brand extensions:* To show the name or the logo on the products, and make the name more prominent, is one way to increase brand recall.

Examples of names that can be found, promoted, shown and publicized on other products, than the key product, are Coca-Cola, Heinz and Sunkist.

- *Using cues:* The package is one of the most important cues to a brand, since that is what the purchaser sees when buying the product. If not knowing the brand or the product, the only contact to the brand is the package.

- *Recall requires repetition:* It is easier to build up recognition than to build up recall of a brand. It can be compared to the fact that one can recognise a face of a person but do not recall the name. Therefore the link between the brand and the product class needs to be stronger and the brand needs to be more prominent than in the recognition of the brand. To receive a top of mind recall is even harder.

- *The recall bonus:* To keep a top position through regular publicity creates brand awareness as well as a strong brand which in turn leads to decreasing recall of competitive brands.

To achieve brand awareness, it is important to have a special hallmark because it is the hallmark that consumers recognise. It is easy to mix up consumer brand and corporate brand with hallmarks. A hallmark makes it possible to identify a brand. A hallmark is not the same as a symbol because it is much wider. A brand can have several hallmarks. They are usually divided into six groups:

1. *Word brand*, a name or word for example Coca Cola.
2. *Design*, Coca Cola's design of the bottle.
3. *Sound*, the melody of the ice cream truck.
4. *Scent*, perfumes.
5. *Pattern*, the square pattern of Burberry.
6. *Colour*, boxes of film for cameras; Kodak's boxes are yellow while Fuji's are green (Treffner & Gajland, 2001).

3.2.3.2 Measuring Brand Awareness

As mentioned above, Keller (2003) claims that brand awareness consists of recognition and recall and that brand awareness in its turn is a part of brand

knowledge. To measure brand awareness effectively it is important to know where most of the consumer decisions are made.

If many decisions are made at the point of the purchase, where the brand, logo, packaging etc. are visible, brand recognition measures will be important. If consumer decisions mostly are made away from the point of purchase the brand recall measures become more important. The most basic procedure of recognition is to ask the consumer which one of several listed items they have previously seen or heard of. There are different measures of brand recall depending on the types of signals given to the consumers: *unaided recall* and *aided recall*, which are described above. It is very important to be aware of *spurious awareness* in measuring brand awareness. It means that consumers may erroneously claim that they recall something that they really do not and even claim that they recall something that do not exist (Keller, 2003).

3.3 Other Factors Influencing Buying Behaviour

The consumers can have many reasons for buying a special brand. The reasons could be *rational, emotional* or *self-expressive* or the three combined (Uggla, 2001). In comparison, Williams (2002) concluded that the criteria for brand/product choice may relate to either *utilitarian criteria* (objective, economic, rational and functional) or *hedonic criteria* (subjective, emotional, irrational and symbolic). Examples of utilitarian criteria are low price, warranty, product features and well known brand name. Hedonic criteria include prestige, quality and style etc. (Baltas & Papastathopoulou, 2003).

A brand has many functions which can facilitate the choice for consumers Kapferer (1997, p 30) enumerates the functions of a brand for a consumer:

Function	Customer benefit
Identification	To be clearly seen, to quickly identify the sought-after products.
Practicality	To allow savings of time and energy through identical repurchasing and loyalty.
Guarantee	To be sure of finding the same quality no matter where or when you buy the best products or service.
Optimisation	To be sure of buying the best product in its category, the best performer for particular purpose.
Characterisation	To have confirmation of your self-image on the image that you present to others.
Continuity	Satisfaction brought about through familiarity and intimacy with the brand that you have been consuming for years.
Hedonistic	Satisfaction linked to the attractiveness of the brand, to its logo, to its communication.
Ethical	Satisfaction linked to the responsible behaviour of the brand in its relationship with the society (ecology, employment, citizenship, advertising which does not shock).

Table: 3.1 Functions of a brand

A brand of a product does not normally have all these functions for consumers. It depends on the product category. For example the function of the brand of products like milk, salt and flour is mainly identification, while guarantee of quality is a typical function for brands of food and whine etc. Brands of perfumes and clothing are examples of brands which function is to personalise the consumers' choice that is to confirm the self image (Kapferer, 1997). Identification is linked to brand awareness in that way that to identify the brand the consumers have to be aware of the brand and recognise it. As well as Kapferer, Uggla also claim that identification is a reason for consumers' brand choice. Identification is a rational reason. It helps the consumers to reduce the time in looking for the product. It reduces the "psychological coast" (the sacrifice) for the client. If consumers have decided to buy a car of a special brand it is much easier for them to choose between the different models of a special brand instead of choosing between all car brands. In consequence, the awareness of the brand saves the clients' time in the decision process. The identification often becomes stronger if the people are in unfamiliar environments. If consumers are in a foreign country and want to buy something they probably choose a product with a well-

known brand because that brand symbolises safety and permanency for them (Uggla, 2001).

3.3.1 Brand Loyalty

As described above brand loyalty is a part of brand equity. Brand loyalty affects the consumers' choice of brand to a high extent. When consumers are loyal to a brand, they buy the product of this specific brand on a regular basis. Through this behaviour, they can be sure to get what they pay for. Further, by being this loyal, the consumers close their eyes for other brands, which may be even better brands than the chosen one. In that way, brands with many loyal consumers have great advantages. They can handle competition in terms of lower price and improved products much better if they have many loyal consumers (Usiner, 2000). Therefore, there is low equity if the buyers have low care about the brand and its name. The other way around, there is high equity if the consumers focus on the brand or maybe even the logo and jingle, and have little respect if other brands have a better product and/or a lower price (Aaker, 1991).

Moreover, Aaker explains that loyalty is basically a measured capacity of how much a purchaser can be emotionally involved in a brand. It shows how much consumers are willing to change to another brand, especially when the other brand has a greater feature or a more positive price difference. By the time, when the loyalty gets higher, the consumers' platform and the competition against competitors get stronger. Brand loyalty can straight away explain upcoming sales, which is an indicator that brand equity is related to future profit. Further, there are different grades of loyalty; *non customers* are those who buy competitor brands or do not buy the product. *Price switchers* are those who are price sensitive. *The passive loyal* are those who buy the brand out of habit rather than reason. *Fence sitters* are indifferent between two or more brands and finally, the *committed* are the ones who are truly loyal (Aaker, 1991; 2002). According to Hankingson and Cowking (1996), Kotler has done a similar classification of brand loyalty. He has named the different levels as *switchers, shifting loyals, soft-core*

loyals and *hard-core loyals*. Brand awareness, perceived quality and an effective, clear brand identity can contribute to higher loyalty (Aaker, 2002).

3.3.2 Quality

Quality is another reason for customers to choose a brand. As described before, quality belongs to the product perspective of a brand's identity (Uggla 2001). In Kapferer's identity prism (fig. 3.4) quality is a part of the physique that the sender is sending out.

3.3.2.1 Perceived Quality

Perceived quality is how a brand's quality is seen by consumers. It is one of the key dimensions in Aaker's brand equity model (fig 3.5). There is a connection between price and experienced quality. A strong brand often has a higher price. The higher price becomes a sign of high quality to the consumers. The quality is highly associated with other reasons for buying a special brand. For example, consumers have to be aware of the brand and know the brand name to remember the good quality. Moreover, if the consumers' image of the brand is high quality, they may buy the brand because of the quality image that they have (Uggla, 2001; Aaker 1991). A positive link between loyalty and perceived quality has also been found by researchers. Perceived quality makes the consumers satisfied which make them repurchase the product which leads to loyalty (Lin & Chang, 2003). Further, perceived quality help consumers to reduce the risk; the consumers trust the brand and know what they will get (Uggla, 2001).

3.3.3 Price

It is possible to use price as a reason for brand choice in two ways: seek the lowest price to avoid financial risk or seek the higher price to gain product quality (Macdonald & Sharp, 2000). Söderlund (2000) states that three factors are important for which product the consumers will choose in purchasing every day products: price, place and brand. The place is often

given when it comes to every day products since they all can be found in the supermarket.

Explained by Aaker (1991), an analysis of frequently purchased, relatively low-priced consumer products, price was consistently found to be a strong quality indication; nearly as strong as brand name. When Chivas Regal raised its price, it became a quality cue while the product itself remained as it was. The higher price was followed by an increasing sale. If a person lacks the ability or motivation to evaluate the quality of a product, price will be more relevant. In general, a higher price leads to increased relative perceived quality.

3.3.4 Influence by Others

According to Kotler et al., (1999) personal influence plays a distinctive role in the consumers' decision process. Consumers consult each other for opinions of new products and brands and the advice of other people can strongly influence the buying behaviour. How much personal influence affects the buying behaviour and choice of brand depends on the situation and the individual. It has more influence on later adapters than on early adopters (fig. 3.3). Further, it is more important in the evaluation stage of the buying decision process (fig. 3.1) and in risky buying situations.

Influence by others is a factor that marketers cannot shape. A buyer can be influenced by its culture. It includes values, preferences, and behaviour that a person gets from its family or other institutions. Another factor can be more social. This is where a person is influenced by small groups like membership groups and family (Kotler & Armstrong, 2004).

As described before in the model by Kotler et al., (fig. 3.1) of the buying decision process, the purchase decision can be affected by an attitude of others. For example, a consumer has decided to buy Colgate. He or she meets a friend in the store that says that Stomatol makes the teeth look whiter. Then the consumer will probably buy Stomatol. This is known as

word of mouth communication.

3.3.5 Advertising

The purpose of advertising for marketers is to make the consumers purchase their brands. Advertising is one of the most visible forms of communication, and the set of associations the consumers have about a brand is the result of all the marketing efforts built up behind the brand. If the advertising, promotion, and packaging support a constant positioning strategy over time, the brand is likely to be strong (Aaker, 1991). Advertising is a one-way communication that can meet difficulties in an international market. Otherwise, it is one of the main ways to communicate and can reach a large number of small-volume consumers through media like television, radio, cinema, magazines and billboards. Advertising can also communicate through marketing and free samples in stores (Hollensen, 2004).

3.3.5.1 Packaging

Packaging involves designing cover of the brand/product. It is a form of advertising in that way that packaging has to perform many sale tasks from attracting the consumer, describing the product to making the sale (Kotler *et al.*, 1999).

3.3.6 The Consumer as an Innovator

Some individuals tend to try new brands and products more than others. If the consumer belongs to the innovator category in figure 3.3 by Kotler et al., (1999), the consumers will probably try a new brand or product when they come to a new country since innovators are adventurous and like to try new things. Dahlqvist and Linde (2002) have named consumers that all the time take risks and have a strong willingness to experience new things *surfers*. They can be likened with Kotler's innovators.

3.3.7 Image

According to Keller (2003) image of the brand exists in the consumers' mind and depends on the associations that consumers have; to have a good image the brand must have unique, strong and favourable associations. Kotler et. al. (1999, p 218) define brand image as *"the set of beliefs that consumers hold about a particular brand"*. Further, Uggla (2001) explains that identity is what the company is sending out and image is the consumers' view of the brand in their minds. Kapferer (1999) follows this line of reasoning in his hexagonal prism was he states that image is on the receiver's side and identity is on the sender's side. Many researchers, for example Porter and Claycomb (1997), state that a favourable brand image positively affect consumer buying decision. For example, consumers buy a special car brand because they want to identify themselves with the persons in the commercial and receive status and prestige etc. The consumers associate this car brand with status and prestige and therefore they buy it (Uggla, 2001). Dalqvist and Linde (2002) discuss different personalities such as "would-like-to-be". This personality seeks acknowledgement through attributes and symbols of status. Consumers with this personality tend to buy brands with an image of status. Examples of the other personalities are "surfer", "satisfied" and "faithful", these personalities buy brands for other reasons.

Brand image is closely related to brand awareness. If the consumers recognise and recall a brand they will probably even have some associations about the brand. Furthermore, in Keller's CBBE model, knowledge, which consists of image and awareness, is the key to creating brand equity. Söderlund (2000) and Aaker (1999) discuss the term brand personality which is a part of brand image. Aaker (1999, p 141) defines brand personality as *"the set of human characteristics associated with given brand"*. For example Coca-Cola was considered real and authentic in an investigation whereas Pepsi young, spirited and exciting. According to studies, brand personality tends to matter much when consumers choose a brand, especially if the brand has a strong personality in the mind of the

consumers who are loyal to this brand (Söderlund, 2000).

3.3.8 Convenience

Lin and Chang (2003) have done a research which showed that the channel convenience of the brands show significant influence on the buying behaviour. This means that the access of this product/brand in the store is important when purchasing low involvement products. Consumers will not go to another store just to find the brand that they want instead they choose another brand.

3.3.9 Culture

Culture reflects many things in consumers' behaviour and requirements. Everyone belongs to at least one culture that is why a buying pattern can change between nations or even between districts. There are many ways to explain culture. Since it is an unclear and theoretical word, there are several definitions.

In a dictionary one can find this definition: *"The word culture comes from the Latin root colere (to inhabit, to cultivate, or to honor). In general, it refers to patterns of human activity and symbolises structures that gives such activity significance"* (Culture – the free encyclopedia, 09-23-05).

As mentioned above, there are many different definitions of culture, and that is because it is a very complex and open theory. Culture is something that concerns everyone since religion, language, education, politics and technology are factors that people every day are affected by. Through these factors, culture can be divided in many different ways; not only by nationality and ethnic groups, but also by religion, lifestyle, clothing, and the way people communicate etc. Culture is something that changes and develops during a long time period. Culture is not easy to discern, but has these three features:

1. *Learned*: When something is not changed from time to time, from

generation to generation. Such things are countrywide culture as language and values, behaviour and traditions.

2. *Interrelated*: When a share of a culture is linked and bound with another culture, such as business, religion, marriage.

3. *Shared*: When the culture is transmitted by parents, school, friends etc. to a member of the same cultural diversity (Hollensen, 2004).

3.3.9.1 Elements of Culture

There are several elements explaining culture:

- *Language* shows much of the culture, because the words and expressions are like a mirror of the culture. By learning the language, people learn much about that specific culture. Language can be divided into *verbal* and *non-verbal language* such as body contact, physical space and communication quantity (Hollensen, 2004).

- *Manners and customs* may be seen as an inherited performance, but it is often learned beliefs and attitudes. These also affect the buying pattern through the different cultures (Kotler & Armstrong, 2004).

- *Technology and material culture* reflects the economic, monetary and communication resources. It also shows how society takes care of the resources and the social junction (Hollensen, 2004).

- *Social institutions* include for example family, policy and commerce forces. These forces give an idea about how people act and how they are linked to each other within a group. Through *reference groups*, like family, friends and organizations, the person's manner and actions will be shaped. In the different cultures, the reference groups are ranked differently (Hollensen, 2004).

- By e*ducation* people learn and experience useful theories and pull skills. Some even say that most human behaviour is learned. Through education people develop ideas and attitudes, matched to their culture (Kotler & Armstrong, 2004).

- Through v*alues and attitudes* persons will profile their own inner mind, thoughts of what is correct and incorrect, of what is vital and not. It is about central beliefs like religion; be traditionalist and conservative or take

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risks and broaden the mind (Hollensen, 2004).

- *Aesthetics* shows the importance of artistic things, like art, composition and drama, in a culture. These features have a symbolic importance for the cultural expression (Hollensen, 2004).

- *Religion* is important in industrial, political and learning decisions. Religion has a centre position in many countries and cultures. In some countries the church and the government are kept separate, while in other countries both parts work together. In this element holidays, rituals and even food are included (Kotler & Armstrong, 2004).

3.3.9.2 Culture as a Normal Distribution

Just because people in one way or another belong to the same culture, it does not mean that they have the same principles, statements and behaviours. Even if these factors have a wide range, there is an obvious focal point around an average, and the range is just a normal manner. For example, at the same time as the two cultures of the USA and France have much dissimilarity in their behaviour, they do have similarity as well. While the averages of the two cultures shape the similarities, the stereotypes from the two cultures form the dissimilarities (Trompenaars & Hampden-Turner, 2004).

USA   FRANCE

Stereotype   Norms and values   Stereotype
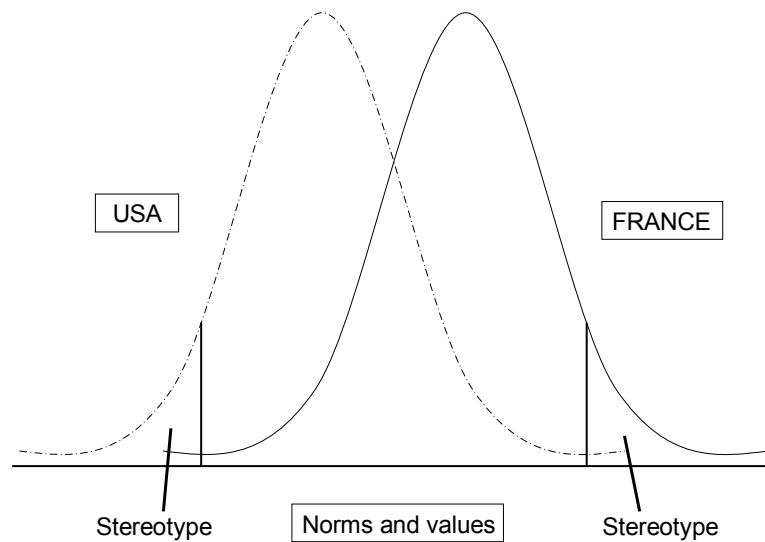
Figure: 3.8 Culture as a normal distribution
Source: Trompenaars Hampden-Turner (10-03-05)

3.3.9.3 The layers of Culture

Culture can be compared to an onion with several layers.

- *The outer layer: explicit products*

  The first impression of a new and unknown culture is visual and obvious. At this stage, the culture is *explicit*. Explicit in this phase are symbols like architecture, memorials, sustenance, language, design, etc. This stage tells us more about our background than about our judgements.

- *The middle layer: norms and values*

  This layer goes deeper into the culture and its signals. The *norms* are our appraisal of what is "right" and "wrong", while *values* are our appraisal of what is "good" and "bad".

- *The core layer: assumptions about existence*

  Sometimes there must be more detailed information about a culture and behaviour and then it is central to go back to where it all started. People have in all times worked hard to live and survive by the help of available resources. The word "culture" is related to the verb "to cultivate". In other

words, to farm the land; how people take care of the surroundings (Trompenaars & Hampden-Turner, 2004).

Culture can also be pictured as an iceberg where the explicit part is above the surface and the implicit much bigger part is below the surface (Trompenaars & Hampden-Turner, 2004).

3.3.9.4 Cultural Diversities

Trompenaars, a researcher from The Netherlands, has created an essential cultural theory. The study became official in 1994 and it is a result of a ten-year study. By sending out questionnaires to over 15 000 supervisors in 28 nations, he got at least 500 replies in each country that he could use in his work. His theory is based in five different parts (Universalism/ Particularism, Communitarianism/ Individualism, Neutral/Emotional, Achievement/ Ascription, Diffuse/Specific) which explain the human relationships to each other. Trompenaars' theory is parallel to Hofstede's theory (see below), but Trompenaars' is also focused on manners and feelings to time and situations. By learning from Trompenaars' hypotheses, multinational companies (MNCs) can do business in other cultures more successfully (Hodgetts & Luthans, 2004).

- *Universalism/Particularism*: People in a universal culture believe that the same ideas and traditions can be used all over the world. They also think that rules and laws are of more importance than relationship with family and friends. On the other hand, people in a particular culture believe the opposite.
- *Communitarianism/Individualism*: Communitarians see themselves as a member of a group, while individuals see themselves as individuals and independent persons.
- *Neutral/Emotional*: While neutral people hold their feelings in check, emotional people show their feelings by body language, face expression, intonation etc.
- *Diffuse/Specific*: These opposites show the extent between having a

blurred frame from personal life and public life (diffuse) and having a personal life that is well guarded with only a small amount of people included, and a greater public life.

- *Achievement/Ascription*: The achievement culture bases its philosophy and status on how people perform their job. On the other hand the ascription culture reflects that the person itself is more important and their age as well as years of experience within the company is more valuable (Trompenaars & Hampden-Turner, 2004).

Another Dutch researcher, Hofstede, also set up a theory of cultural dimensions. It was at first based on four parts (Power distance, Uncertainty avoidance, Individualism and Masculinity), which clarify peoples' behaviour in the different cultures. From 1967 to1973 he made a study in over 70 countries, where he sent out two different questionnaires to people who worked locally for IBM. He got over 116 000 respondents. This is the greatest research ever made with an organisational perspective. Later on, Hofstede added another dimension called long term orientation (Hodgetts & Luthans, 2004).

- *Power distance* is the degree of uneven distributed power within organisations and associations. In high power distance cultures, authority is obeyed without question.
- *Uncertainty avoidance* is the extent to which people feel insecure by uncertain positions. In high uncertainty avoidance, people are looking for more security and want to make safe decisions.
- *Individualism* is the extent to which people only look after themselves and their closest family.
- *Masculine* people look for 'masculine' values in society, such as success, money and things. Feminine societies are more caring for others and quality of life.
- The high *long term orientated* culture is based on tradition and it takes longer time to make changes. The low long term orientated culture is more focused on the moment and changes can easier be made (Hollensen, 2004).

To link the cultures in our research to theory, we compared the countries by using the models of Hofstede and Trompenaars.

	China	Iran	India
Trompenaars			
Individualism/ Communitarianism	*Communitaria-nism*	*Communitaria-nism*	*Communitaria-nism*
Specific/ Diffuse Relationship	*Diffuse*	*Specific*	*Diffuse*
Universalism/ Particularism	*Particularism*	*Particualism*	*Universalism*
Neutral/ Affective	*Neutral/ Affective*	*Neutral*	*Neutral*
Achieved/ Ascribed status	*Ascribed*	*Ascribed*	*Ascribed*
Hofstede			
Power distance	*Large*	*Large*	*Large*
Masculinity/ Femininity	*Masculinity/ Femininity*	*Femininity*	*Masculinity*
Uncertainty Avoidance	*Weak*	*Strong*	*Weak*
Individualism/ Collectivism	*Collectivism*	*Collectivism*	*Collectivism*
Long Term Orientation	*High*	*High*	*High*

Table: 3.2 Cultural diversities
Source: Hodgetts & Luthans, 2004; Trompenaars Hampden-Turner (10-03-05); China – Chinese Geert Hofstede Cultural Dimensions Explained (10-03-05)

3.3.9.4.1 People's Republic of China

China has 1.3 milliard inhabitants, which means that almost one fifth of the world's population lives in this country (Kina – Wikipedia, the free encyclopedia , 10-21-05). This country is mixed by differences in values, traditions, languages, environments as well as subcultures. People in the North of China might not make themselves understandable in speech and writing in the South. Moreover, they do not eat the same kind of food or have the same kind of nature. They both represent two different stereotypes of the Chinese culture (People's Republic of China – Society, 10-21-05).

The people in China can be described as diligent, easily satisfied and pleased. They live in hierarchy and respect those with more experience and are older, while they are tolerant people. They keep distance and are modest, want to live a life without disagreements and conflicts (Chinese history, culture, foreign invasion, 10-21-05).

China has until recently lived within thick Communistic walls. It is not until the 1980s that the country changed to a more liberal regulation, which these days is shown in the high economic growth. China is still today under Communistic rule (Kina – Wikipedia, the free encyclopedia, 10-21-05).

According to Geert Hofstede, China has the highest ranking of long term relationship, which characterises the Asian culture, while the country has the lowest rank (within Asia) in individualism. China scores 15 while the Asian average is 24. Hofstede thinks that the high rank of Collectivism can have something to do with the Communist rule when they see each other as a "group" and a "family". The Collectivist culture brings out a high level of loyalty, which also is mentioned above and can be shown in the relationship to other countries such as Vietnam and South Korea. The loyalty is also revealed in taking responsibility within "the group". The high rank of power distance, China scores 80 while an average in Asia is 60 and the world average is 55, shows the differences in power and wealth in the nation. According to Hofstede, this is not forced upon the people, but more a conventional behaviour by the public (China – Chinese Geert Hofstede Cultural Dimensions Explained, 10-21-05).

3.3.9.4.2 India

India has a population of over one milliard people (CIA – The World Factbook -- India, 10-27-05). It is a large country with 28 states and 120 dialects/languages. Indian consumers are known for being aware of the value of a product. This has labelled Indians as one of the most discerning consumers in the world.

In Indian culture the family is very important. Brands that support family values tend to be popular. Nurturing, care and affection are values that the Indian consumer value much higher than for example ambition and achievement. Due to the decreased illiteracy in the country, as people watch satellite television and read foreign newspapers and magazines to a higher extent, they have become more aware of western brands. There is now a growing western trend in India due to the media and Indians working abroad. Foreign brands have gained wide acceptance in India in products such as: beverages, packed food, personal care products and sportswear (CONSUMER BEHAVIOUR IN INDIA, 10-29-05).

The biggest religion in India is Hindu (81 percent). Next are Muslims at 12 percent followed by Christians at 2 percent. In Hofstede's model, India is a masculine country (56 compared to the world average of 51).This means that Indians focus more on masculine values such as success, money and things. That does not correspond with the above, that Indian people value care and affection more than achievement. This may be explained by the fact that the culture is not so significantly masculine. There are many countries in the world where masculinity is much higher. India's lowest ranking is uncertainty avoidance, 40 compared to the world average of 65. Further, India has large power distance (77) compared to a world average of 56.5. India also has relatively low individualism which means that it is more collectivistic and focuses more on the group than the individual. Finally, India has long term orientation (India Geert Hofstede Cultural Dimensions Explained, 29-10-05).

3.3.9.4.3 Islamic Republic of Iran

There are almost 70 million inhabitants in the Islamic Republic of Iran (Iran) (Iran, 10-25-05). The Iranians belong to different social groups: traditionalists, radical modernists and non-radical modernists. The traditionalists have no acceptance for dominant western culture, the radical modernists have some approval of the dominant western culture while the

non-radical modernists have full acceptance of the dominant western culture. Certain Swedish food such as blood and flesh of swine is according to the Koran and the Islamic tradition forbidden to eat. An animal that has not been slain correctly according to the Koran is forbidden to eat (Hosseini-Kaladjahi, 1997).

During the revolution in 1979, a hate against the USA and the West was established in politics and this made the bad connections with the West even worse. The Iranian culture is strongly affected by religion. The Swedish behaviour when it comes to raising children, sex, nudity, way of dressing is very different from the Iranian behaviour. Sometimes the Swedish behaviour in newspapers, TV, books and movies upset the Iranians living in Sweden (Karlsson, 1990).

People from Islamic countries who are getting their education in the west adapt very well, but when they return to their home country they prefer to live the Islamic way. Personal relationships are very important in Islamic countries. The ten most important things for the Iranians are: family security, family harmony, parental guidance, age, authority, compromise, devotion, to be very patient, indirectness, and hospitality (Helgesson, 1996).

According to Hofstede, Iran has high uncertainty avoidance and power distance. In comparison with other Muslim countries, Iran's uncertainty avoidance and power distance are lower. Hofstede made this survey in 1972 and since Iran due to the revolution in 1979 emerged into Islamic fundamentalism they could be more like the other Muslim countries today, with higher uncertainty avoidance and Power distance. Uncertainty avoidance is highest of the rankings in Iran at 59 while in the Arab countries it is ranked at 68. The high ranking of uncertainty avoidance indicates that society has a low level of tolerance when it comes to uncertainty. To minimize uncertainty there are strict rules, laws and policies. The result is that they do not like changes and avoid risks. Power distance is ranked at 58 in Iran compared to 80 in the Arab countries. The high ranking of power distance indicates that it is a high level of inequality of power and wealth in

Iranian society. The lowest ranking in Iran was individuality at 41 compared to the average of 38 in the Muslim countries. This indicates that society is collectivist instead of individualist (Iran – Iranian Geert Hofstede Cultural Dimensions Explained, 10-26-05).

4 Research model

The research model is presented and the different factors are described. It is based and linked to the theory.

After reading the literature, it seemed that brand awareness is the major factor influencing the consumer buying behaviour and choice of brand at the first purchase in an unfamiliar environment, given that there are brands that the consumers recognise. From this we made the research model.

In the research model a selection was made from the factors that according to the theories influence the consumers most when purchasing everyday commodities in a new culture. The factors image and convenience were excluded, since image can be seen as brand awareness; to have an image of the brand, there have to be brand awareness. Further, choosing a brand because of the image is more common when purchasing luxury goods and the research only dealt with everyday commodities and since it is the first purchase in an unknown buying situation, we did not consider it to be relevant.
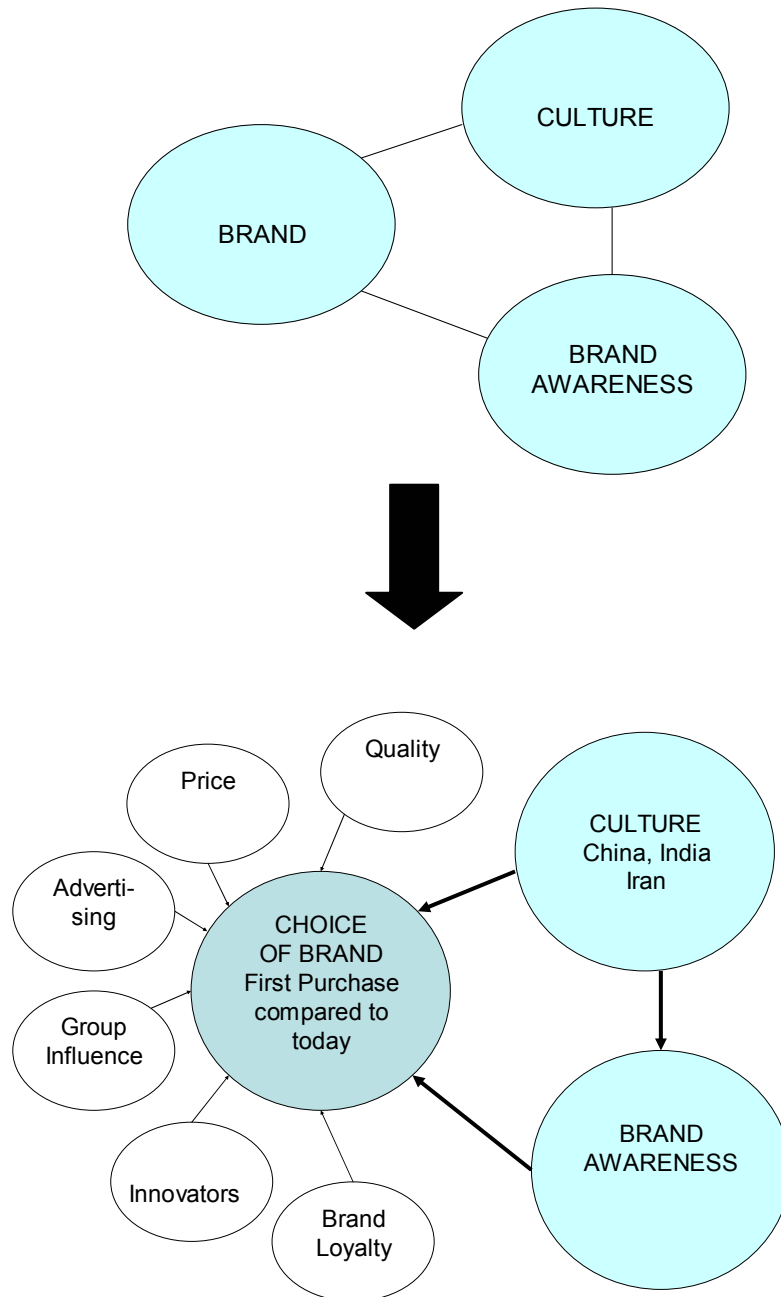
Figure: 3.9 Research model

The first part of the research model is describing our idea from the
beginning which was to make a research about brand and culture. Within the
subject brand we wanted to specify our research on brand awareness. We
had to narrow it down and identify our subject to find the research questions.
This is shown in the second part of our research model. A specific situation

was chosen to investigate; first purchase of everyday commodities in a new culture. One objective was to test brand awareness against other factors found in the literature. Following, we also wanted to see if the importance of brand awareness differs between students from China, India and Iran at Kristianstad University (HKR).

The *choice of brand* is placed in the middle since the research was about factors that influenced consumers' brand choice of everyday commodities the first time they purchase in a new culture. We also wanted to see if the students stated the same reasons for brand choice when purchasing today or if it has changed.

That *culture* is affecting the buying behaviour and choice of brand is quite obvious. Kotler et al., (1999) state that culture has the largest influence on consumer behaviour. This circle in the research model was made in a larger scale to show that this was a main part in our research. We wanted to see if we could discern any differences in the chosen cultures concerning brand choice. The question regarding culture in the questionnaire is whether the students are from China, India or Iran. One objective was to make a comparison between the answers to the other questions, regarding reason for choice of brand, to the question about culture to see if any cultural differences could be stated in the choice of brand. The arrow from culture to brand awareness in the model shows the interest to investigate if culture affects brand awareness.

After reading the literature and from our own experience it seems that *brand awareness* influences the consumer most at the first purchase of everyday products. Therefore this circle was made as large as the circle of culture. Moreover, there were many statements in the theories which showed that brand awareness affects the buying behaviour and the choice of brand. For example Uggla (2001) states that brand awareness decreases the consumers' buying decision process in the way that if the consumers recognise a brand, they rather choose that brand since they know what it stands for. Further, Keller (2003) claims that brand awareness alone is sufficient to make

consumers buy a brand at, for example, low involvement decisions, which was used in the research. Aaker (1991) also describes brand awareness as important in low involvement purchases; the familiarity often decides the brand choice. To measure brand awareness in our investigation the respondents were asked if there were any brands they recognised the first time they went shopping in Sweden. Furthermore, they were asked to fill in the importance of recognition of the brand for the choice of brand for each of the products.

Consumers who are *loyal to a brand* buy the same brand over and over again. Since the investigation concerns the situation "first purchase" in a new culture, the students might not find the brand that they are loyal to. However, if the students have become loyal to a brand here in Sweden could measured by comparing the first choice of brand with the choice of brand today.

People behave differently depending on what kind of individual they are. If the consumers that come to a new country are *innovators* they tend to try new products and brands. They are curious about new things and want to try them. They care less about the risk that they will not like the product. On the other hand if they are late majority they tend to choose familiar brands to reduce the risk of not liking the product. To see if there were any innovators there was a question that measured the importance of interest in trying a new brand as a reason for the brand choice.

Group influence may affect the students' choice of brand. If their friends or other exchange students have recommended a special brand the students would probable follow that advice because they did not posses complete information about the brands in the new culture. To visualise this in the questionnaire the respondents were asked to rate the importance of influence by someone else for their choice of brand.

The purpose of *advertisement* is to get consumers to buy the brand. It can be advertisements in the newspapers and on television etc., but also at the point

of purchase such as packaging, free samples and posters. The first question regarding advertisement in the questionnaire is about the effect of advertisement in the store, like packaging and free samples at the first purchase. The reason why these examples were in the first question regarding advertisement is that we thought that when students arrive in Sweden they have not been exposed to much advertisement before their first purchase. The second question regarding advertisement was about the effect of advertisement in general on the respondents' choice of brand today.

For some consumers the *price* matters much when purchasing everyday products, especially for students who usually have less money to spend, than employed people. The students may choose a brand just because it has the lowest price. Other consumers may choose a brand because it has a higher price compared to other brands because high price indicates high quality. To see the importance of price for choice of brand the students were asked how much price mattered in the choice of brand of each product.

Both Kapferer (1997) and Uggla (2001) claim that *quality* is a reason for consumers to choose a special brand. In Kapferer's model, functions of a brand, guarantee of quality is one function that makes consumers choose a brand. If the brand has good quality they can be sure to receive the same quality when buying the product of that same brand again. To measure the importance of quality for choice of brand another rating question was made in which the respondents were asked to describe the importance of quality for the choice of brand at the first purchase as well as today.

5 Empirical Method

In this chapter the empirical method is presented. It starts by presenting the research design. Further, it continues with the reliability, validity of the research, as well as the ethical issues, quantitative, qualitative data and the sample. Finally, the questionnaire and the pilot test are presented.

5.1 Research Design

The starting point of the research was the research model. As mentioned above, the research model is based on the "consumer buying behaviour (choice of brand); the first purchase and the purchase today" in a new country/culture. Questionnaires were handed out to the exchange students from China, India and Iran to see if there were any other factors affecting the consumer behaviour than the awareness, as we pointed out as the main feature. We contacted the students by email and arranged meetings with them where we handed out the questionnaires. We went to Hässleholm and Kristianstad, where the students were, several times to be present when they answered the questionnaire. The questionnaire had totally 23 questions. We chose the products in our questionnaire after reading Kapferer's (1997) research where he states that food products have a tendency to have the same marketing mix only within regions while cosmetics are more global branded. The questionnaire contained several everyday commodities because we wanted to find out what product the students recognised the most and what product most of them did not recognise. These two products were used in the analysis to find answers to the research questions.

In the research only everyday commodities were investigated. According to Kotler et al., this means than the students had a habitual buying behaviour/variety seeking behaviour (fig. 3.2).

5.2 Reliability and Validity in the Empirical Method

Reliability and *validity* is used to lessen the risk of prejudices in the response,

when transferring theory to empirical observations. The difference between reliability and validity is that reliability is concerned with whether the result is the same as what others would have observed, while validity is concerned whether the findings reflect the reality (Saunders *et al.*, 2003).

5.2.1 Reliability in the empirical method

According to Colin Robson (Saunders *et al.*, 2003), there are four threats to reliability: *subject or participant error, subject or participant bias, observer error* and *observer bias*.

Subject or participant error may appear if the respondents' feelings, such as stress, mental and physical conditions, are dependent factors when answering the questionnaire. The reliability of the survey can be reduced due to the low amount of respondents as well as if the respondents guess the answer or cannot read and understand the questions. We tried to eliminate the contaminations as far as we could. An easy language was used, since English is not the respondents' mother tongue. However, we made some language mistakes which may have lead to some misunderstandings. We wrote "interest to try something new" when it should have been "interest in trying something new".

The second threat, subject or participant bias, can be shown if the respondents do not have enough knowledge and experience; they might not want to show their insecurity and discuss the answers with others or mark an answer without knowing the context. To prevent guessing (*uninformed response*) from the respondents because lack of experience, we gave the alternative: "I have not bought this product in Sweden". We did this because we cannot be sure that all the respondents have purchased the products that are mentioned in the questionnaire. They may have brought the products from their home country or asked someone else to buy the products for them.

The advantage of a self administered questionnaire is that the respondents will not answer just to please us. On the other hand, they may discuss their

answers with others and by that contaminate their response. By being present we could answer the respondents' questions. When answering we tried to be objective, not to affect their answers (Saunders *et al.*, 2003). Because we were present at the time when the respondents answered the questionnaire, the observer error is small in our survey.

Observer bias is the greatest threat to reliability (Saunders *et al.*, 2003) and can appear in the result if we construe it according to how we interpret it. It might mean something else for the respondents. That some of the respondents have misunderstood our questions is shown when we asked the respondents if they recognised any brand of rice, toothpaste, yoghurt and shampoo. Some of those who answered that they did not, have also answered that recognition of a brand was important for their choice of brand. Recognition cannot be important for their choice of brand when they did not recognise a brand.

To increase the reliability of our questionnaire a pilot test was made. After our pilot test we corrected some unclear and hard questions, so our final respondents would find it easier to answer the questions and to increase the number of respondents.

5.2.2 Validity in the empirical method

We tried to formulate our questionnaire in order to receive answers that reflex our theories and to find answers to our research questions. The history of our respondents' past is important. Since all the respondents have entered a new environment, a new culture, the answers can be wrongly appraised and the marked answer is different from what the respondent actually wanted to forward. Even if we gave them the definition of global brand and local brand, they might not know the true meaning of the words, because they may not have experienced a global brand. We tried to use an easy language and simplify the questionnaire for the respondents, because we did not know their level of the English language, and even so, there were some misunderstandings and errors.

The given outcome of this dissertation can only be used in this context and specific survey. Therefore it is important not to generalise the conclusions of the end result. We cannot say that the result can be generalised to all the Chinese, Indian and Iranian students that come to Sweden. First, because the Indians represented a small sample (6 students), second because most of the Iranian students were women and most of the Chinese students were men. Also, most of the students live together, which may have harmonised their answers. The main reason was that the whole sample was too small to generalise.

5.3 Ethical issues

It was made clear that the participants of the research remained anonymous. The participation was voluntary. An explanation was made of how the data would be collected, and how the information would be used. We remained objective during the research (Christiansen *et al.,* 1998).

5.4 Sample

There are two sorts of sample techniques; probability and non-probability sampling. In probability samples all cases from the population have the chance to be selected whereas in non-probability samples the probability of being selected from the total population is not known.

The population was guest students in Sweden from China, India and Iran. It was difficult to get a list on every student from China, India and Iran studying in Sweden, so a non-probability sampling, a convenience sampling, was made. It is often the grade of availability that decides which people will be included in the convenience sample. The sample consisted of exchange students at HKR from China, India and Iran. A convenience sampling can be used when there is little variation in the population and we do not think that students from China; India and Iran at HKR differ much from students in other parts of the country that are from these specific countries

(Christiansen *et al.,* 1998; Saunders *et al.,* 2003). According to the International Relations office at HKR there was 40 Chinese, 22 Indians and 42 Iranians exchange students registered this semester. It was found out that several of the Indian students have dropped out and now they are only nine, while two of them are living in Copenhagen. The received answers were 81: 39 Chinese, 6 Indian and 36 Iranian. To get as high response rate as possible, we had a lottery where we gave two movie tickets to the winners.

5.5 Questionnaire

A questionnaire can deal with something that is happening or has already taken place, on one or several occasions. Direct observations and opinion poll can be more or less structured. A structured research is when questions are formed beforehand and several different alternatives are given as answers, while an unstructured research is more based on a normal conversation. Questionnaires can be dealt with different direct ways like interviews, and through media like the Internet, mail and telephone (Bäck & Halvarson, 1992). The questionnaire was self-administered; a delivery and collection questionnaire. We contacted the students by email and arranged meetings with them where the questionnaires were handed. In that way, we were able to be present during the time when the respondents answered the questionnaire (Saunders *et al.*, 2003).

5.5.1 Pilot Test

Before handing out the questionnaires to the students from China, India and Iran, a pilot test was made with a sample of other exchange students. There were 10 persons in the pilot test, which is suitable according to Saunders et al., (2003). After the pilot test the ranking questions were changed to rating questions on a one to seven likert scale so that it would be possible to measure the different factors' importance. Moreover, some definitions were changed because the persons in the pilot test did not understand everything. For example, the factor, "Curiosity to test a local/Swedish" brand was changed to "interest to try something new". Through the pilot test, it was

found out that the respondents thought that the same questions were used the twice. Many students did not understand that the first questions were about their first purchase in Sweden and the second questions were about when purchasing today. To clarify this, the words "first purchase" and "today" were underlined. Finally, the questionnaire was also tested on two other people who have experience from living in a foreign country.

5.5.2 Category Questions

In the questionnaire, there were 15 category questions, for example question number 1a, where the respondents marked whether they are male or female. In this type of questions, the respondents can only mark one suitable answer and the maximum number of categories should be five. Category questions are suitable when collecting data about feeling or behaviour (Saunders *et al.*, 2003). Category questions were used when asking for the demographic situation, if they recognised any brands at their first purchase in Sweden, and what kind of brands they chose the first time compared to today.

5.5.3 Rating Questions

There could also be found eight rating questions for example question 2c, where the respondents marked on a scale of seven how much recognition of a brand influenced their choice of brand. When using rating questions, the grade of importance can be seen for each factor. A suitable number of alternatives are six or seven rating points, but in some cases, like when having a telephone interview, the alternatives should be lower. It is important to inform the respondents how to rate the choices in a clear and understandable way (Saunders *et al.*, 2003). In the questionnaire rating questions were used when asking for the given factors' importance when purchasing different brands for the first time in Sweden as well as today.

6 Analysis

The results of the research is presented and analysed. Finally, the significance of the result is tested.

When analysing the data from our survey the statistic computer program SPSS was used. There were two types of scales in our questionnaire, nominal scale and ordinal scale. For example, the question about gender is a nominal scale and the questions about the importance of different factors are an ordinal scale.

According to Aronsson (1999), when having nominal and ordinal scale it is only possible to calculate mode and median as central values. To calculate the spread around the median or mode only the modal percent can be used. However, when talking to our teacher in statistics at HKR, Pierre Carbonnier, we realised that we may analyse the mean value although we have ordinal scale to compare the importance of different factors in the cultures; as long as we stay clear about what the numbers actually mean.

When having nominal and ordinal scale there are different statistic test that can be performed. This group of tests is called non parametric tests and they consist of for example Chi², Mann-Whitney and Kruskal-Wallis (Aronsson, 1999). Before we started our analysis we made some frequency tables in SPSS to see if there were any mistakes in the input of the data. The students who have not answered the questions for different reasons, so called missing value, have not been split up into system missing and user missing. They are all coded the same way. User missing appears when the respondent has not answered the question; the respondent could have missed it or should not answer it because of the question. System missing is the mistakes that the researcher has done while putting in data in SPSS (Aronsson, 1999).

The analysis starts by analysing which brands of each product (shampoo, toothpaste, yoghurt and rice) most students recognised. Further, in the analysis only the products that most students recognised and did not

recognise were analysed. The other products were excluded since they are not needed when answering the research questions. The first question to answer was: How much brand awareness matters when purchasing in a new culture compared to other factors? To know how much brand awareness matters, the students have to be aware of a brand and that is why the product that most students recognised was chosen. The second question to answer was; If you do not have brand awareness which factor is it then that decides the choice of brand? Therefore, the product that most students did not recognise was also included in the analysis.

6.1 Background to the Analysis

To better understand the analysis, cross tabs and bars were made to visualise the respondents' results.

Recognition of each brand; brand awareness

When analysing question number 2b in the questionnaire (recognition of a brand of rice) only 27 of 76 students (36 percent) recognised a brand of rice the first time they went shopping in Sweden. Among the Chinese no more than 15 percent recognised a brand of rice while 64 percent of the Iranians recognised a brand of rice.

Nationality * Regignition of a brand of rice

Count

		Was there any brand of rice that you recognised at the first time you went shopping?		
		Yes	No	Total
Nationality	Chinese	5	34	39
	Indian	2	4	6
	Iranian	20	11	31
Total		27	49	76

Table: 6.1 Recognition of a brand of rice

Concerning toothpaste (question 3b), there were 82 percent that recognised a brand of toothpaste. 84 percent of the Chinese students and all the 5 Indians

recognised a brand of toothpaste Among the Iranians there were 78 percent that recognised a brand of toothpaste.

Nationality * Recognition of a brand of toothpaste

Count

		Was there any brand of toothpaste that you recognised at the first time you went shopping?		
		Yes	No	Total
Nationality	Chinese	21	4	25
	Indian	5	0	5
	Iranian	25	7	32
Total		51	11	62

Table: 6.2 Recognition of a brand of toothpaste

After toothpaste recognition of a brand of yoghurt (question 4b) was analysed. Here, 23 of 59 students (39 percent) recognised a brand of yoghurt. Comparing the different nationalities, 47 percent of the Chinese, 20 percent of the Indians and 48 percent of the Iranians recognised a brand of yoghurt.

Nationality * Recognition of a brand of yoghurt

Count

		Was there any brand of yoghurt that you recognised at the first time you went shopping?		
		Yes	No	Total
Nationality	Chinese	7	15	22
	Indian	1	5	6
	Iranian	15	16	31
Total		23	36	59

Table: 6.3 Recognition of a brand of yoghurt

Finally, there were 58 of 64 students (91 percent) that recognised a brand of shampoo (question 5b). Among the different culture groups, there were 89 percent of the Chinese, 80 percent of the Indian and 93 percent of the Iranian students that recognised a brand of shampoo at the first purchase.

Nationality * recognition of a brand of shampoo

Count

		Was there any brand of shampoo that you recognised at the first time you went shopping?		
		Yes	No	Total
Nationality	Chinese	25	3	28
	Indian	4	1	5
	Iranian	29	2	31
Total		58	6	64

Table: 6.4 Recognition of a brand of shampoo

Summary

The conclusion from analysing the recognition of the different products was that most students (91 percent) recognised a brand of shampoo in the store the first time they went shopping. We could also see that the product that most of them did not recognise was a brand of rice (36 percent). The product that the Chinese and Iranian students recognised most was shampoo while the product that the Indians recognised most was toothpaste. Rice was the product that most Chinese and Indian students did not recognise. For the Iranians, yoghurt was the product that they least recognised.

A decision, to use shampoo and rice in the further analysis to answer the research questions, was made. Shampoo was selected because when all the students were put together, most of them recognised a brand of shampoo; although, 100 percent of the Indians recognised a brand of toothpaste. This corresponds to what Kapferer stated; brands of beauty products are most globilised. Further, rice was chosen, although there were fewer Iranians that recognised a brand of yoghurt, because all together there were least students that recognised a brand of rice. Finally, we decided to eliminate the Indian students from our further analysis because they where so few that the tests would not be significant.

Explanations of the different ratings

1 equals "not at all important"

2 and *3* equal "not so important"

4 equals "important"

5 and *6* equal "more important"

7 equals "very important"

Importance of brand awareness at the first purchase of shampoo (question 5c)

There were 24 students of 54 students that recognised a brand of shampoo at the first purchase who thought that it was "very important" for their choice of brand. Of the students that recognised a brand of shampoo at their first purchase in Sweden 25 were Chinese and 29 Iranians.

Nationality* Recognition of brand of shampoo* Importance of recognition of brand of shampoo

Count

Was there any brand of shampoo you recognised?			Importance of recognition of brand of shampoo at the first purchase							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	2	0	0	1	2	7	13	25
		Iranian	0	1	1	3	6	7	11	29
	Total		2	1	1	4	8	14	24	54
No	Nationality	Chinese		1	0	1	0	1		3
		Iranian		0	1	0	1	0		2
	Total			1	1	1	1	1		5

Table: 6.5 Importance of recognition of a brand of shampoo

It was more important with recognition of a brand (brand awareness), for the choice of brand of shampoo for the Chinese students compared to the Iranian students. The students that did not recognise a brand should have answered that recognition was not important at all. As can be seen in the bars below, they misunderstood the question and thought that we meant importance of recognition in general. It is impossible for them to say that recognition of a brand was important for their choice of brand when they did not recognise any brand.

The mean value of the importance of recognition for choice of a brand of shampoo was 5.83. For the Chinese students the mean value of importance of brand awareness is a bit higher than for the Iranians: 5.96 compared to 5.72. This means that both Iranians and Chinese thought that recognition of

a brand was "more important" for the choice of brand of shampoo.
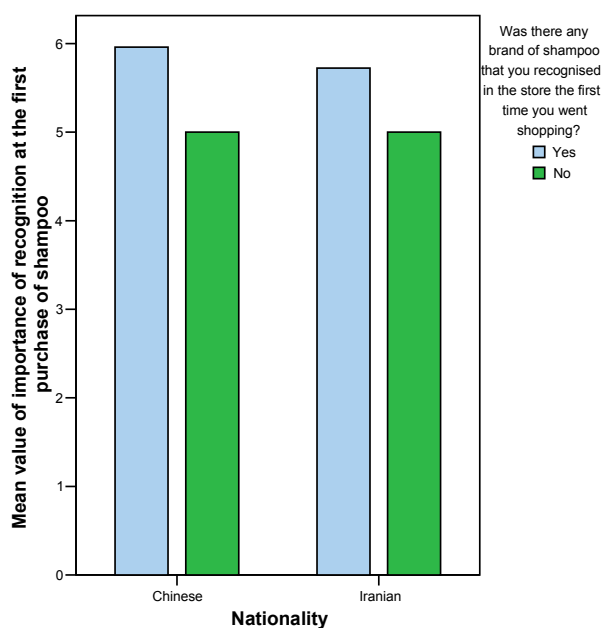
Figure: 6.1 Importance of recognition of a brand of shampoo

Importance of brand awareness at the first purchase of rice

Recognition of a brand is important for the choice of brand of rice. Everyone that recognised a brand of rice in the questionnaire thought that it meant something for their choice of brand. There were 8 students of those who recognised a brand of rice that thought recognition was "very important" for the choice of brand the first time they bought rice in Sweden. No one that recognised a brand of rice thought that it was "not so important" or that it was "not at all important".

Nationality * Recognition of a brand of rice* Importance of recognition of a brand

Count

Was there any brand of rice that you recognised?			Importance of recognition of a brand of rice at the first purchase							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese			0	2	1	0	2	5
		Iranian			4	5	3	1	6	19
		Total			4	7	4	1	8	24
No	Nationality	Chinese	13	1	4	11	3	0	2	34
		Iranian	1	0	1	4	2	3	0	11
		Total	14	1	5	15	5	3	2	45

Table: 6. 6 Importance of a recognition of a brand rice

As observed in the bars below, they misunderstood this question as well. The bars of the students that did not recognise a brand of rice should have been at *1* ("not at all important"). The mean value of importance of

recognition of brand of rice was 5.08. Once again, brand awareness was of more importance for the Chinese student's choice of brand of rice (mean value 5.40) than for the Iranians' (mean value 5.00).
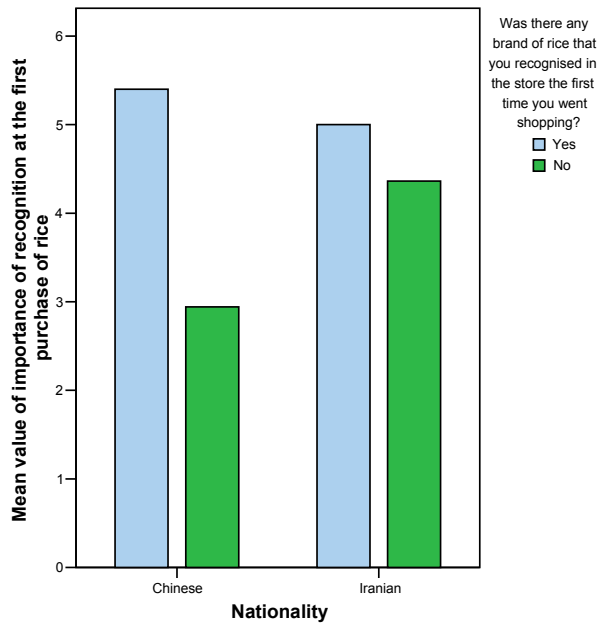
Figure: 6.2 Importance of recognition of a brand of rice

Summary

When comparing the importance of brand awareness to the different nationalities, brand awareness mattered more for the Chinese students that recognised a brand, regardless rice or shampoo, compared to the Iranian students that recognised a brand. This can be explained by the Communistic rule in China where people see each other as a "group" and a "family" and act as such; therefore they choose a familiar brand (China – Chinese Geert Hofstede Cultural Dimensions Explained, 10-21-05).

The importance of price at the first purchase of shampoo

Both most of the Chinese and Iranian students who recognised a brand of shampoo thought that price was "more important" for the choice of brand. Among the students who did not recognise a brand everyone thought that price was "more important" or "very important" for their choice of brand. None of the ones that did not recognise a brand of shampoo answered that price was "not at all important" or that it was "not so important".

Nationality * Recognition of brand of shampoo* Importance of price of shampoo

Count

Was there any brand of shampoo recognised?			Importance of price of shampoo at the first purchase							Total
			Not at all important	2	3	4	5	6	Very important	
Yes	Nationality	Chinese	0	4	0	6	4	6	5	25
		Iranian	1	0	2	8	4	9	5	29
	Total		1	4	2	14	8	15	10	54
No	Nationality	Chinese				0	1	1	1	3
		Iranian				1	0	1	0	2
	Total					1	1	2	1	5

Table: 6.7 Importance of price of a brand of shampoo

Price meant more for the Chinese students who did not recognise a brand of shampoo than for the Iranian students that did not recognise a brand.

When comparing the students that recognised a brand of rice the mean value did not differ so much between the two culture groups. The mean value of importance of price at the first purchase of shampoo when the brand was familiar was 5.02 (4.92 for Chinese and 5.10 for Iranians). This means that when recognising a brand it is the other way around, the price meant a little bit more for the Iranian students than for the Chinese students.
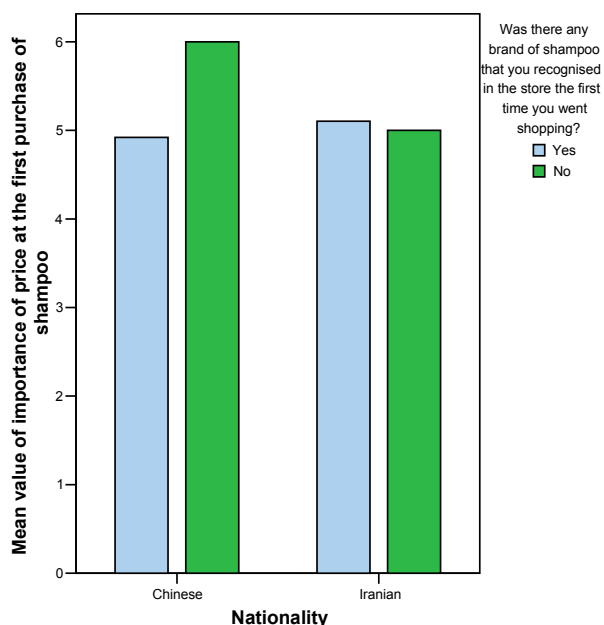
Figure: 6.3 Importance of price for choice of a brand of shampoo

The importance of price at the first purchase of rice

Of the students who recognised a brand of rice, 83 percent thought that

price was "important", "more important" or "very important".

There were 91 percent of the students that did not recognise a brand of rice that also thought that it was "important", "more important" and "very important". None of the students that recognised a brand of rice thought that price was "not at all important" for their choice of brand.

Nationality * Recognition of brand of rice* Importance of price

Count

Was there any brand of rice that you recognised?			Importance of price of rice at the first purchase							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese		1	1	1	1	0	1	5
		Iranian		0	1	7	1	6	2	18
	Total			1	3	8	2	6	3	23
No	Nationality	Chinese	1	1	2	7	1	6	2	18
		Iranian	0	1	3	8	2	6	3	23
	Total		1	0	1	8	8	6	10	34

Table: 6.8 Importance of price of a brand of rice

Comparing the mean value of the importance of price at the first purchase of rice with the different cultures, Iranian students that recognised a brand ranked the importance higher (mean value 4.94) than the Chinese students (mean value 4.20). However, when analysing the students that did not recognise a brand the Chinese students had a higher mean value (5.35) of the importance of price for their choice of brand of rice than the Iranian students that did not recognise a brand (mean value 5.18.).

Analysing the mean values of brand awareness (4.94) and the importance of price on the choice of a brand of rice (mean 4.94), shows that it is even between price and brand awareness for the Iranians.
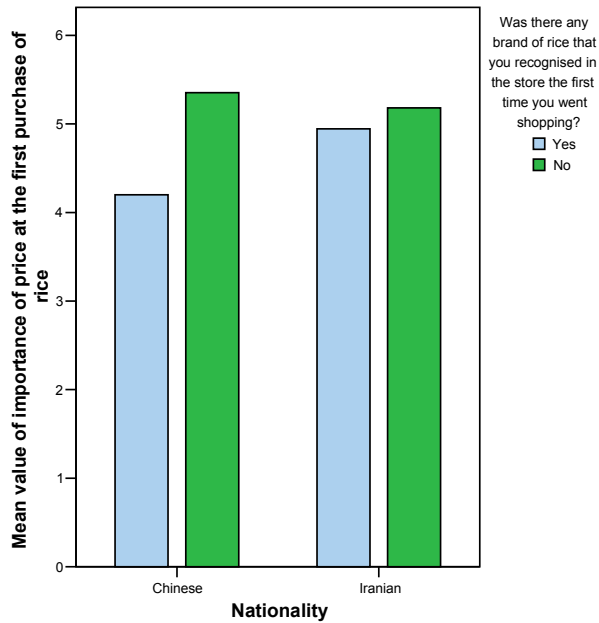
Figure 6.4 Importance of price of a brand of rice

The importance of being influenced by others at the first purchase of shampoo

Among the students who recognised a brand of shampoo at the first purchase the majority thought that influence by others was "important" still; most Iranians thought that it was "more important".

Nationality* Recognition of brand of shampoo* Importance of influence by others

Count

Was there any brand of shampoo you recognised?			Importance of influence by others at the first purchase							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	0	4	2	10	2	2	5	25
		Iranian	4	1	3	7	4	6	4	29
	Total		4	5	5	17	6	8	9	54
No	Nationality	Chinese	1		1		1			3
		Iranian	0		0		1			1
	Total		1		1		2			4

Table: 6.9 Importance of being influenced by others for the brand of shampoo

Comparing the mean values of importance of being influenced by others, the Chinese and Iranian students thought that the importance was almost the same. The mean value for the Chinese were 4.44 and for the Iranians 4.38. The total mean value of importance of influence by others at the first purchase was 4.41 (of those who recognised a brand).
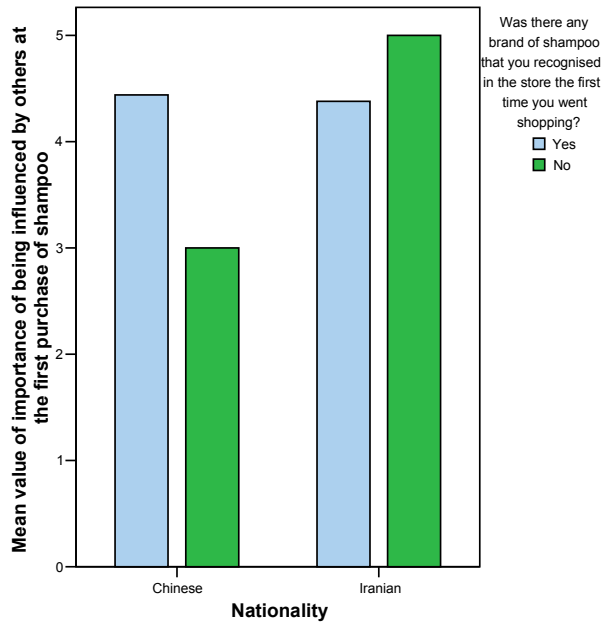
Figure: 6.5 Importance of being influenced by others of a brand of shampoo

The importance of being influenced by others at the first purchase of rice

Among the students that recognised a brand of rice most of them (61 percent) thought that being influenced by others was "important", "more important" or "very important" for their choice of brand at the first purchase.

Most of the students that did not recognise a brand ranked the importance of being influenced by others as "more important".

Nationality *Recognition of brand of rice* Importance of influence by others

Count

Was there any brand of rice that you recognised?			Importance of influence by others at the first purchase of rice							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	0	1	2	1	0	0	1	5
		Iranian	2	1	3	5	4	1	2	18
	Total		2	2	5	6	4	1	3	23
No	Nationality	Chinese	3	4	4	7	7	6	3	34
		Iranian	1	0	1	3	4	1	1	11
	Total		4	4	5	10	11	7	4	45

Table: 6.10 Importance of being influenced by others of a brand of rice

The Iranian students that did not recognise a brand of rice had a higher mean value, when they ranked the importance of influence by others on their choice of brand, than the Chinese students (4.45 compared to 4.21). This means that being influenced by someone else was more important for the

Iranians than for the Chinese students when they did not recognise the brand. The total mean value for the students that did not recognise the brand was 4.27.

Among the students that recognised a brand of rice the mean value of importance of influence by others was 4.00. For the Chinese it was 3.80 and for the Iranians 4.06.
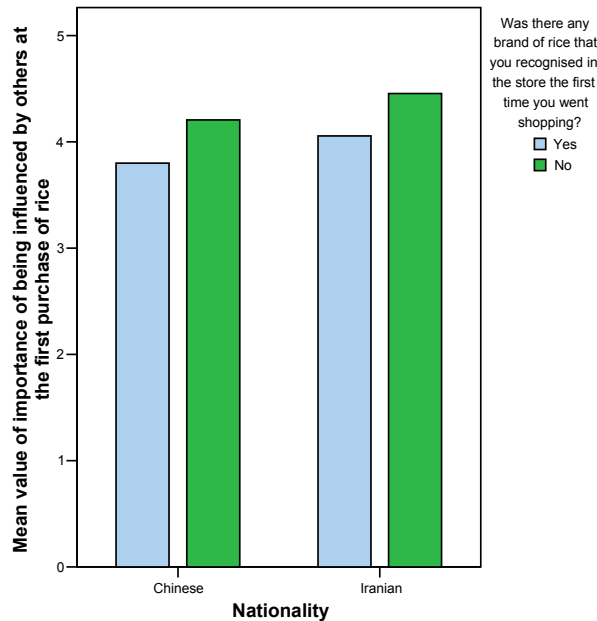
Figure: 6.6 Importance of being influenced by others of a brand of rice

The importance of interest in trying something new at the first purchase of shampoo

The majority of those who recognised a brand of shampoo thought that their interest in trying something new was "more important" for their choice of brand of shampoo the first time.

Nationality * Recognition of brand of shampoo* Importance of interest to try something new

Count

Was there any brand of shampoo you recognised?			Importance of interest to try something new at the first purchase							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	2	4	2	5	4	3	5	25
		Iranian	2	2	2	5	5	7	5	28
	Total		4	6	4	10	9	10	10	53
No	Nationality	Chinese	1	0	1	0	1			3
		Iranian	0	1	0	1	0			2
	Total		1	1	1	1	1			5

Table: 6.11 Importance of interest in trying something new of a brand of shampoo
The interest in trying something new meant more for the Iranian students'

choice of brand of shampoo than for the Chinese students' choice when the brand was familiar (mean value 4.79 compared to 4.36). The total mean value for the importance of interest in trying something new at the first purchase of shampoo when recognising a brand was 4.58.
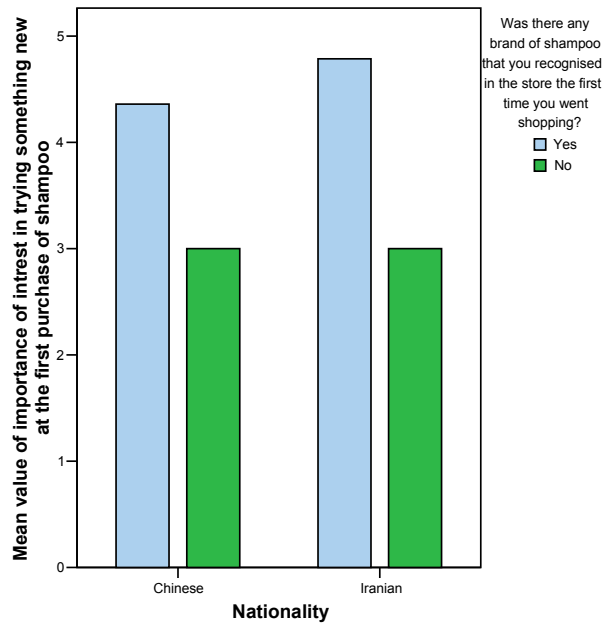
Figure: 6.7 Importance of interest to try something new of a brand of shampoo

The importance of interest in trying something new at the first purchase of rice

Most of the students who recognised a brand of rice at the first purchase thought that their interest in trying something new was "more important" for the choice of brand. Although, most of the Chinese students thought that it was "not so important". Even among those who did not recognise any brand, the most common answer was that interest in trying something new was "more important".

Count

Was there any brand of rice that you recognised?			Importance of interest to try something new at the first purchase							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	0		3	0	2	0	0	5
		Iranian	2		1	4	6	3	2	18
	Total		2		4	4	8	3	2	23
No	Nationality	Chinese	1	2	3	9	5	7	7	34
		Iranian	0	0	1	4	3	2	1	11
	Total		1	2	4	13	8	9	8	45

Table: 6.12 Importance of interest in trying something new of a brand of rice

The Chinese students who did not recognise any brand of rice had a higher mean value (4.88) of their ranking than the Iranian students (4.82) concerning their interest in trying something new. The total mean value when not recognising a brand of rice was 4.87.

When the students recognised a brand of rice the mean value of their interest in trying something new was 4.43. The Iranian students ranked it higher than the Chinese students (4.61 compared to 3.80).
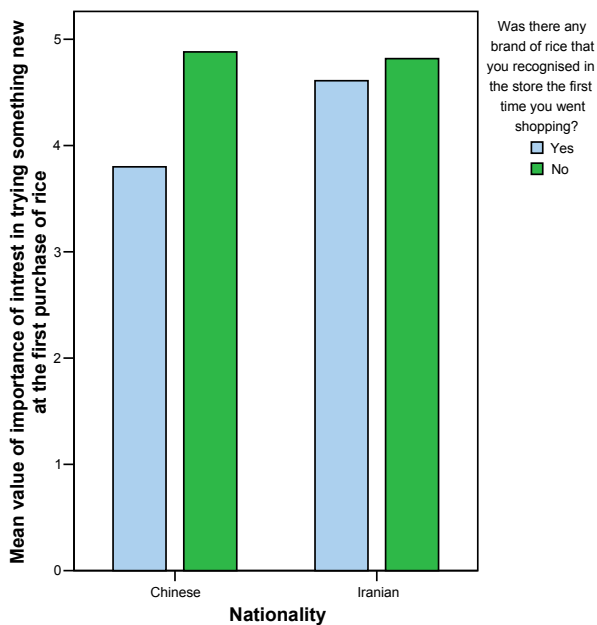
Figure: 6.8 Importance of interest trying something new of a brand of rice

The importance of advertisement at the first purchase of shampoo

The most frequent answer by the students who recognised a brand of shampoo and those who did not was that advertisement was "more

important" for the choice of brand. Further, none of the students who did not recognise any brand thought that advertising was "very important".

Nationality * Recognition of brand of shampoo* Importance of advertisement

Count

Was there any brand of shampoo you recognised?			Importance of advertisement at the first purchase of shampoo							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese		1	3	3	8	7	3	25
		Iranian		1	1	9	5	7	5	28
	Total			2	4	12	13	14	8	53
No	Nationality	Chinese	1			1	0	1		3
		Iranian	0			0	1	1		2
	Total		1			1	1	2		5

Table: 6.13 Importance of advertising of a brand of shampoo

When comparing the ones that recognised a brand and the importance of advertisement the two culture groups had almost the same mean rank (5.04 for the Chinese and 5.11 for the Iranians). The total mean rank for importance of advertisement when buying shampoo the first time was 5.08 (when recognising a brand of shampoo).
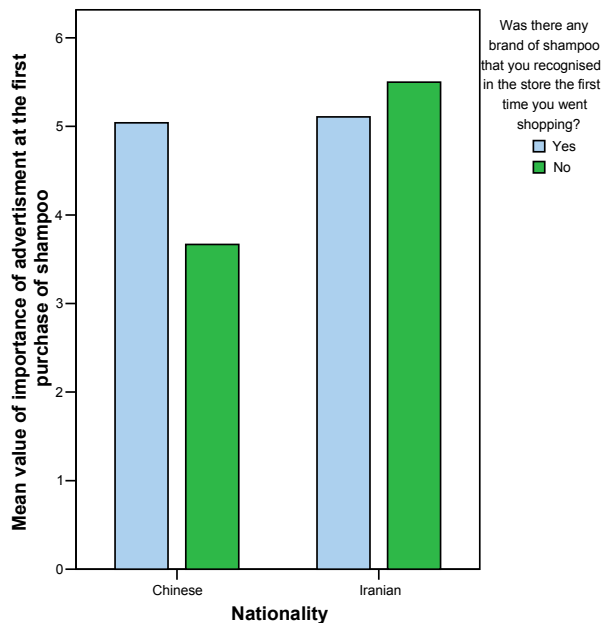
Figure: 6.9 Importance of advertisment of a brand of shampoo

The importance of advertisement at the first purchase of rice

Most of the students who recognised a brand of rice at the first purchase thought that advertisement was "more important" for the choice of brand of rice. It was the same for students who did not recognise any brand.

Count

Was there any brand of rice that you recognised?			Importance of advertisemet at the first purchase of rice							
			Not at all important	2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	1		0	1	1	2	0	5
		Iranian	0		4	3	5	5	1	18
	Total		1		4	4	6	7	1	23
No	Nationality	Chinese	1	2	7	6	6	8	4	34
		Iranian	0	0	0	3	3	4	1	11
	Total		1	2	7	9	9	12	5	45

Table: 6:14 Importance of advertisement of a brand of rice

Advertisement has higher impact on the Iranians' choice of brand than on the Chinese's choice of brand of rice when the brand is unknown (mean value 5.27 compared to 4.59). The summarised mean value for both culture groups was 4.76 (when not recognising any brand).

The mean value among the students who recognised a brand of rice was 4.70. The Iranians had a mean value of 4.78 while the Chinese had a mean value of 4.40. Consequently, advertising meant most for the Iranian students' choice of brand when recognising a brand.
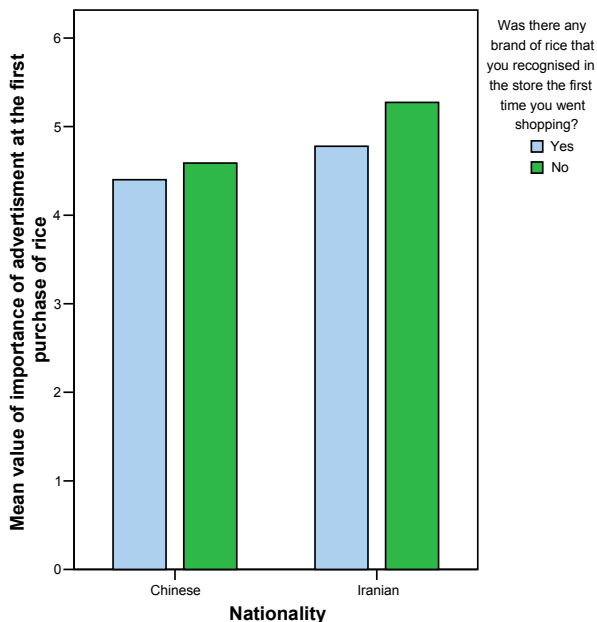
Figure: 6.10 Importance of avertisment for a brand of rice

The importance of quality at the first purchase of shampoo

Most of the Chinese students who recognised a brand thought that quality was "very important" for the choice of brand of shampoo while the Iranians

thought it was "more important".

Nationality * Recognition of brand of shampoo* Importance of quality

Count

Was there any brand of shampoo you recognised?			Importance of quality at the first purchase					
			3	4	5	6	Very important	Total
Yes	Nationality	Chinese	1	3	1	9	11	25
		Iranian	0	5	7	6	11	29
	Total		1	8	8	15	22	54
No	Nationality	Chinese		1			2	3
		Iranian		1			1	2
	Total			2			3	5

Table: 6.15 Importance of quality of a brand of shampoo

By comparing the mean value of the importance of quality for the choice of brand of shampoo we can see that the Chinese students have ranked it higher than the Iranian students when recognising a brand of shampoo (6.04 compared to 5.79).

The total mean value of importance of quality at the first purchase of shampoo was 5.91. When comparing the importance of quality and the importance of brand awareness for choice of brand of shampoo at the first purchase, we can state that quality meant more than brand awareness for both Chinese and Iranian students when buying shampoo.
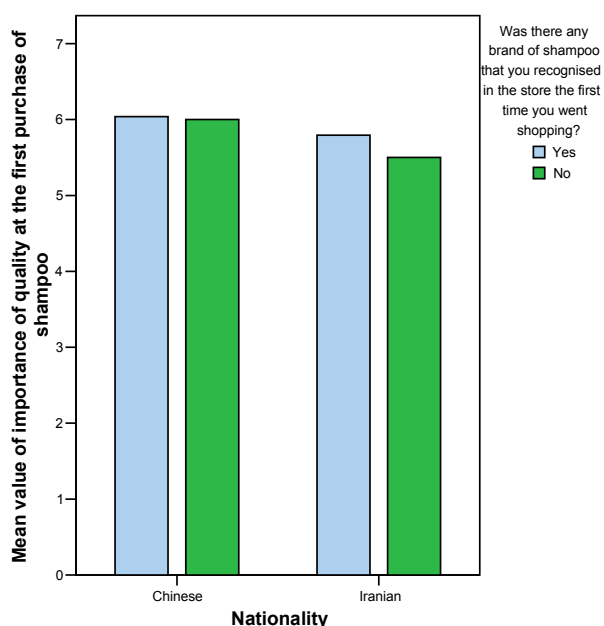
Figure: 6.11 Importance of quality of a brand of shampoo

The importance of quality at the first purchase of rice

Quality was "more important" for the majority of both the ones that recognised a brand of rice and for those who did not. Although the majority of the Chinese students who recognised a brand of rice thought that it was "important".

Nationality* Recognition of brand of rice* Importance of quality

Count

Was there any brand of rice that you recognised?			Importance of quality at the first purchase of rice						
			2	3	4	5	6	Very important	Total
Yes	Nationality	Chinese	0	0	3	0	1	1	5
		Iranian	1	2	2	2	8	3	18
	Total		1	2	5	2	9	4	23
No	Nationality	Chinese	2	3	2	6	11	9	33
		Iranian	0	0	2	3	3	3	11
	Total		2	3	4	9	14	12	44

Table: 6.16 Importance of quality of a brand of rice

The mean value of the importance of quality is highest for the students from Iran (5.64) when they did not recognise a brand of rice at the first purchase in Sweden but the difference between the culture groups is small. The mean value for the Chinese was 5.45 while the total mean value was 5.50.

For the students who recognised a brand the mean value importance was 5.22 (5.00 for Chinese and 5.28 for Iranians). By comparing the mean value of quality with brand awareness between the different countries we saw that quality (mean value 5.28) is more important than brand awareness (mean value 4.9) for the Iranians.
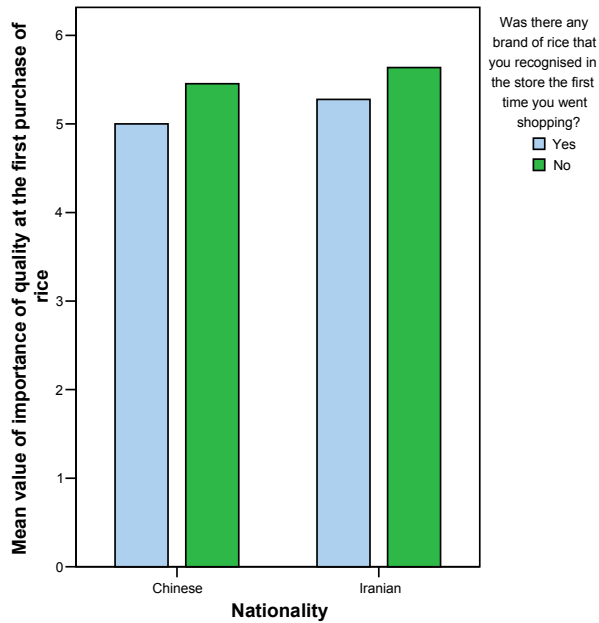
Figure: 6.12 Importance of quality of a brand of rice

Summary

How much did brand awareness matter compared to other factors in a new, unknown buying situation between the different cultures? To answer this question, a comparison between the mean values of price, influence by others, interest in trying something new, advertisement, quality (of rice and shampoo) and brand awareness was done.

The result was that quality (mean value 5.3) was more important than brand awareness for the Iranians' choice of brand of rice. Further, price (mean value 4.9) was as important as brand awareness to the Iranians concerning rice. For the Chinese, brand awareness was the most important factor; this agrees with the theory. When it comes to shampoo quality means more than brand awareness for both the Chinese and Iranian students.

We may say that the students have cognitive or rational behaviour since they think that quality and brand awareness is important for their choice of brand (Uggla, 2001; Dalqvist & Linde, 2002).

If the students do not have any recognition of the brands, what is it that most influenced the students' choice then? To answer this question rice was only

analysed, because rice was the product that most student recognised. Moreover, there were only 5 students who did not recognise any brand of shampoo. When comparing the mean importance of the different factors, quality meant most for the choice of brand of rice, both for the Iranian and Chinese students. The second most important factor for the Chinese students was price while for the Iranian it was advertisement.

The purchase today

To see if there were any differences in the buying behaviour, at the first purchase compared to the purchase today, an analysis of the questions 2e and 5e in our questionnaire was made.

Mean value of the different factors' importance today when purchasing shampoo

	Nationality	N	Mean
Recognition of shampoo today	Chinese	24	5,33
	Iranian	32	5,53
Price of shampoo today	Chinese	24	4,79
	Iranian	32	5,31
Influence by others today	Chinese	24	3,79
	Iranian	32	4,28
Interest to try something new today	Chinese	23	4,48
	Iranian	31	4,61
Advertisment shampoo today	Chinese	24	4,38
	Iranian	32	5,00
Quality shampoo today	Chinese	24	5,92
	Iranian	32	5,75

Table: 6.17 Different factors' importance of a brand of shampoo

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Mean value of the different factors' importance today when purchasing rice

	Nationality	N	Mean
Recognition rice today	Chinese	37	4,30
	Iranian	30	5,10
Price rice today	Chinese	37	5,03
	Iranian	30	5,53
Influence by others today	Chinese	37	4,35
	Iranian	30	4,40
Interest to try something new today	Chinese	37	4,76
	Iranian	30	4,87
Advertisement rice today	Chinese	37	4,22
	Iranian	30	4,97
Quality rice today	Chinese	37	5,84
	Iranian	30	5,47

Table: 6.18 Different factors' importance of a brand of rice

The importance of recognition of a brand of shampoo today

Recognition of a brand of shampoo is more important to the Iranian students (mean value 5.53) when choosing a brand of shampoo today than to the Chinese students (mean value 5.33). The total mean value of the importance of recognition of a brand of shampoo to the students' choice of brand when purchasing today was 5.45.

The importance of recognition of a brand of rice today

The Iranian students have ranked the importance of recognition of a brand of rice higher than the Chinese students for the choice of a brand of rice at the purchase today (The Iranians' mean value 5.10 compared to the mean value of 4.30 for the Chinese). The summarised mean value for both culture groups was 4.66.

The importance of price at the purchase of shampoo today

Concerning the influence of price on the choice of brand of shampoo today it is more important to the Iranians (mean value 5.31) than to the Chinese students (mean value 4.79). The summarised mean value for both culture groups was 5.09.

The importance of price at the purchase of rice today

Concerning rice, the Iranian students (mean value 5.53) also ranked the

importance of price for their brand choice higher than the Chinese students (mean value 5.03). The total mean value for both culture groups was 5.25.

The importance of being influenced by others at the purchase of shampoo today

The mean value of the importance of being influenced by others to the students' choice of brand of shampoo today was 4.07. The Iranian students had a higher mean value (4.28) than the Chinese students (3.79).

The importance of being influenced by others at the purchase of rice today

Concerning the importance of being influenced by others, for the choice of a brand of rice today, there is a small difference between the two culture groups. The mean values were almost the same between Chinese and Iranian students (4.35 compared to 4.40). The total mean value was 4.37.

The importance of interest in trying something new at the purchase of shampoo today

In this comparison of the mean value there was a slight difference between the cultures. Interest in trying something new meant more for the Iranian students' purchase of shampoo today (mean value 4.61) than to the Chinese students (mean value 4.48). The total mean value was 4.56.

The importance of interest in trying something new at the purchase of rice today

Comparing the importance of interest in trying something new when buying rice today with the first purchase, showed that the sides have shifted. Now the Iranian students have higher mean value (4.87) than the Chinese students (4. 76). The total mean value of importance of interest in trying something new today was 4.81.

The importance of advertisement at the purchase of shampoo today

Advertisement was more important for the Iranian students (mean value 5.00) than for the Chinese students (mean value 4.38) when choosing a

brand at their purchase of shampoo today. The total mean value was 4.73.

The importance of advertisement at the purchase of rice today

Advertisement was more important for the Iranian students than the Chinese students when purchasing rice today (mean value 4.97 compared to 4.22). This was also the case at the first purchase. The total mean value was 4.55.

The importance of quality at the purchase of shampoo today

Quality was more important for the Chinese students (mean value 5.92) than for the Iranian students (mean value 5.75) concerning their choice of brand of shampoo today. The total mean value was 5.82.

The importance of quality at the purchase of rice today

Regarding the importance of quality for choice of a brand of rice today, it was more important for the Chinese students than for the Iranian students (mean value for the Chinese students: 5.84, mean value for the Iranian students: 5.47 and total mean value 5.67).

Summary

To distinguish the factor that had most importance for the choice of a brand of shampoo today a comparison was made of the different factors' mean values. By doing it was found out that quality was the most important factor for both Chinese and Iranian students when choosing a brand of shampoo today. Brand awareness was the second most important factor for both culture groups when purchasing shampoo today. No differences were shown when comparing the purchase today with the first purchase. Also, at the first purchase quality was the most important factor and brand awareness was the second most important factor. So there were no huge differences in buying behaviour at the first purchase compared to the purchase today.

To distinguish the factor that had most importance for choice of a brand of rice today a similar comparison to the one with shampoo was made. It showed that quality was the most important factor for the Chinese students' choice of brand of rice today. On the other hand the most important factor

for the Iranian students when purchasing rice today was price. Brand awareness was the third most important factor for the Iranians while for the Chinese it was the fourth. The purchase today compared to the first purchase of rice showed differences in the culture groups. Brand awareness was the most important factor for the Chinese students at the first purchase of rice. At the purchase today quality was the most important factor for the Chinese students' choice of brand of rice. For the Iranian students, quality was the most important factor at the first purchase of rice and today it was price that was most important while quality was number two.

Loyalty

In the research model, loyalty was also a factor that may influence the choice of brand. It was not used as a factor in the rating questions since it was not known if there were any brands that the students were loyal to in Sweden. Instead the students were asked if they buy the same brand today when they are purchasing as they did the first time. By this it was possible to see if they had become loyal to a brand in Sweden. However, some criticism must be considered here; there might be students who are loyal to a brand although they do not buy the same brand today as at the first purchase. They might have tried several brands at first and now they have found a brand that they are loyal to. More criticism to this question is that it is not possible to say that the students are loyal just because they bought the same brand the first purchase as today.

Loyalty of a brand of shampoo

In the study, 33 of 59 students (56 percent) were loyal to the same brand of shampoo as they bought the first time in Sweden; 41 percent of the Chinese where loyal and 70 percent of the Iranian students were loyal. This means that most of the Iranians were loyal while most of the Chinese students were not loyal to the same brand of shampoo they bought the first time in Sweden.

Nationality * Purchase same brand of shampoo

Count

		Do you purchase the same brand of shampoo today?		
		Yes	No	Total
Nationality	Chinese	12	17	29
	Iranian	21	9	30
Total		33	26	59

Table: 6.19 Brand Loyalty, shampoo

Loyalty of a brand of rice

There were 59 percent of the students that answered this question who were loyal to the same brand of rice they bought the first time; 69 percent of the Chinese students where loyal to a brand of rice while 47 percent of the Iranian students where loyal to a brand of rice.

Nationality * Purchase same brand of rice

Count

		Do you purchase the same brand of rice today?		
		Yes	No	Total
Nationality	Chinese	27	12	39
	Iranian	14	16	30
Total		41	28	69

Table: 6.20 Brand Loyalty, rice

Summary

Most of the Iranian students were loyal to the same brand of shampoo that they bought the first time in Sweden. On the other hand, most of the Chinese students were loyal to the same brand of rice that they bought the first time in Sweden.

6.2 Statistical tests

After observing the results of the research, statistical tests were performed to see the statistical significance of the result. The significance level of 5 percent shows if the result is consequent and not haphazard. If the level of

significance is 5 percent, it means at the same time that there is a 95 percent probability that the null hypothesis is rejected. All the test results can be found in appendix I.

First purchase of shampoo and rice

A Mann–Whitney test was performed to test if there were any differences between the culture groups the first time they purchased in Sweden. The null hypotheses showed if there were any significant differences between the factors when buying shampoo and rice the first time, while the alternative hypotheses showed the opposite.

Null hypothesis;	H_0: recognition$_{Chinese}$ = recognition$_{Iranians}$
Alternative hypothesis;	H_0: recognition$_{Chinese}$ ≠ recognition$_{Iranians}$
Null hypothesis;	H_1: price$_{Chinese}$ = price$_{Iranians}$
Alternative hypothesis;	H_1: price$_{Chinese}$ ≠ price$_{Iranians}$
Null hypothesis;	H_2: influence$_{Chinese}$ = influence$_{Iranians}$
Alternative hypothesis;	H_2: influence$_{Chinese}$ ≠ influence$_{Iranians}$
Null hypothesis;	H_3: interest$_{Chinese}$ = interest$_{Iranians}$
Alternative hypothesis;	H_3: interest$_{Chinese}$ ≠ interest$_{Iranians}$
Null hypothesis;	H_4: avertisement$_{Chinese}$ = advertisement$_{Iranians}$
Alternative hypothesis;	H_4: avertisement$_{Chinese}$ ≠ advertisement$_{Iranians}$
Null hypothesis;	H_5: quality$_{Chinese}$ = quality$_{Iranians}$
Alternative hypothesis;	H_5: quality$_{Chinese}$ ≠ quality$_{Iranians}$

Significance level: 5%

The test showed no significant differences in the importance of the different factors between the culture groups when purchasing shampoo the first time in Sweden. Concerning the first purchase of rice there was no significant difference among those who recognised a brand within the culture groups. However, among those who did not recognise a brand there was a significant difference between the culture groups concerning the importance of brand awareness. In spite of this we could not use this fact as a scientific conclusion. We know that many students misunderstood the question. They answered that recognition of a brand was important for their choice of brand although they did not recognise any brand.

Today's purchase of shampoo and rice

All factors showed a significance level over 5 percent (0.05), and by that, the first hypothesis of each factor is applied. This means it is statistically proved that there is no difference between Chinese and Iranian students when purchasing shampoo and rice today.

Brand loyalty

A Mann-Whitney test was performed to see if there was any significant difference concerning loyalty between the different culture groups.

Null hypothesis;   H0: brand loyalty_rice$_{Chinese}$ = brand loyalty_rice$_{Iranians}$

Alternative hypothesis;   H0: brand loyalty_rice$_{Chinese}$? brand loyalty_rice$_{Iranians}$

Significance level: 5%

According to the test, there was a significant difference in brand loyalty of a brand of shampoo between the Chinese and Iranians students. The test's significance is 2.8 percent (0.028), which is below the significant level of 5 percent. The conclusion of this was that the Chinese students (mean rank 34.29) were more loyal to a brand of shampoo than the Iranian students (mean rank 25.85). As mentioned in the theory, Chinese are more loyal due to the Communistic rule in China. This may explain why they are more loyal to shampoo than the Iranians.

Ranks

	Nationality	N	Mean Rank	Sum of Ranks
Same brand of shampoo	Chinese	29	34.29	994.5
	Iranian	30	25.85	775.5
	Total	59		

Test Statistics^a

	Same_shampoo
Mann-Whitney U	310.5
Wilcoxon W	775.5
Z	-2.19
Asymp. Sig. (2-tailed)	0.03

a. Grouping Variable: Nationality

Table: 6.21 Mann-Whiteny, brand loyalty shampoo

The second test showed that there were no significant differences in brand loyalty between the Chinese and Iranian students at HKR concerning rice because the significance is 6 percent (0.060) and not below the 5 percent. In other words, a separation between the two culture groups cannot be done when brand loyalty of rice is measured.

Ranks

	Nationality	N	Mean Rank	Sum of Ranks
Same brand of rice	Chinese	39	31.62	1233.00
	Iranian	30	39.4	1182.00
	Total	69		

Test Statistics^a

	Same_rice
Mann-Whitney U	453.00
Wilcoxon W	1233.00
Z	-1.88
Asymp. Sig. (2-tailed)	0.06

a. Grouping Variable: Nationality

Table: 6.22 Mann-Whiteny, brand loyalty rice

In the questionnaire we had also gender and time of living in Sweden as grouping variables. A Kruskal-Wallis test was performed to test if there were any differences in the factors affecting brand choice between students who had lived in Sweden for one, two or more semesters. However, the test did not show that there were any significant differences. Concerning gender, another Mann-Whitney test was made. Neither this test showed any significant differences in importance between the factors affect on brand

choice. Consequently, in this situation, gender and time of living in Sweden did not have any impact on the students' choice of brand.

7. Conclusions

The conclusions are presented. First the research questions are answered and the result is linked to the theory. Second, the modified research model is presented and at last, suggestions for further research are made.

7.1 Answering research questions

The answer to the first research question, *What factors besides brand awareness affect the choice of brand at the first purchase in a new environment?*, can be found in the theory (chapter 3). After reading theories by different researchers, we selected factors that we thought were most important. The factors were brand loyalty, quality, price, influence by others, advertising, consumer as innovators, image, convenience and culture. Convenience and image were excluded from the research model.

When answering the second research question, *Between the different cultures, how much does brand awareness matter compared to other factors in a new, unknown buying situation?*, the results from the questionnaire were analysed. According to the theories, brand awareness is the most important factor when purchasing the first time in an unknown environment. A comparison between brand awareness and the other factors in our research model was made. When buying shampoo, quality meant more than brand awareness for both Chinese and Iranian students. Regarding rice, the Chinese students thought that brand awareness was the most important factor in this specific buying situation. The charts show that when buying rice, Iranians thought that quality was more important than brand awareness, while price was just as important as brand awareness, for their choice of brand. If not considering the nationalities, quality was the most important factor for brand choice both at the first purchase and the purchase today. This could be observed by comparing the mean values of all factors.

We believe that choosing a brand because it is familiar, is a sign of security and safe decision making. When applying this result to the cultural theory

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by Hofstede, the sample did not match with Hofstede's cultural diversities. In a culture with high uncertainty avoidance, people are looking for more security and want to make safe decisions (Hollensen, 2004). According to Hofstede, uncertainty avoidance is weak in China and strong in Iran. If our research followed this theory, the Iranians would have been the ones choosing brand awareness as the most important factor influencing their choice of brand. That the Chinese students thought that brand awareness was the most important factor when choosing brand of rice can be explained by China's communitarian society and that they have for many decades lived under Communistic rule. This may also explain that they are more loyal to a brand than the Iranian students.

The research results cannot be matched to the theory, as mention above; brand awareness is the most important factor at the first purchase. However, quality can be linked to brand awareness in the way that the students have to be aware of the brand and know the brand name to remember the good quality. In that case, brand awareness is still the most important factor for brand choice at the first purchase, and this agrees with the theory. From another perspective, the students may refer to quality as a visible quality in the store and then they did not have to be aware of the brand to judge the quality.

Although, certain differences could be discerned between the culture groups it could not be statistically proved. This may be explained by the theory about youth culture, that they have become more homogenous (Hollensen, 2004). Further, this can also be explained by the similarities in the theories by Hofstede and Trompenaars.

When investigating *if the students do not have any recognition of the brands, what is it that most influenced the students' choice then,* it was observed that quality was the most important factor for both culture groups. However, the second most important factor for the Chinese was price and for the Iranians it was advertisement. According to Kotler et al., (1999), innovators tend to

take more advantage of special promotions and samples. In this case, it is possible to say that the Iranians are more innovators than the Chinese. It is also possible to state that the Iranians are more innovators because they did not choose brand awareness as the most important factor when buying rice. Brand awareness might be linked to safe behaviour and no interest in trying anything new. Even in this case, it was not possible to statistically prove that there were any differences between the culture groups.

Further on, we wanted to investigate, *if there were any differences in buying behaviour between the cultures at their purchase today*. There were no differences in buying behaviour, concerning shampoo. For both Chinese and Indians, quality was the most important factor while brand awareness was the second most important, the same as in the first purchase. When purchasing rice, Chinese looked more at quality while Iranians looked at price. The differences compared to the first purchase is that for the Chinese students brand awareness was the most important factor at the first purchase, and today when they are shopping rice, it is quality. For the Iranians, quality was the most important factor at the first purchase and today it is price, followed by quality. This is not statistically proved. The conclusion is that there were no major differences in buying behaviour at the first purchase compared to today.

7.2 Changes and complements to the research model

The original research model was based on quality, price, advertising, group influence, innovators, brand loyalty, brand awareness and culture as factors influencing the brand choice. According to the theories, brand awareness and culture would affect the purchase decision more than the other factors, but the result was different.

After analysing the research result, we realised that all the factors, more or less, had the same effect on the choice of brand. Three factors distinguished more than others: quality, brand awareness and price. When not considering the culture groups, quality is the factor with the highest mean value, in both the first purchase and today, regardless the product. Although, this result is

not prominent, since all the factors have high means.

The changes of the research model were: excluding the culture factor and making all the other factors the same size. This was made since we could not prove that any differences between the culture groups where statistically significant, while all the other factors had almost the same level of effect.
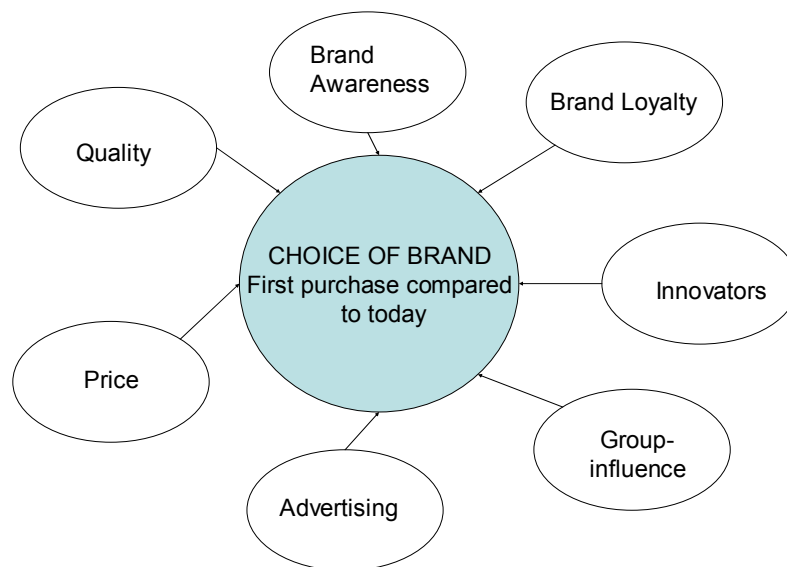
Figure: 6.13 Modified research model

7.3 Further research

The research model helped us to see if there were any differences in buying behaviour between cultures. A survey was made, where the results partly supported the model. The outcome also showed that the factors we used in the research model are consequent and describing the reality of a buying situation when a decision has to be made between a familiar and an unknown brand.

Further research, with our survey as a base, can be done. Suggestions for areas of further studies are:

- Our sample consisted of 81 people. A research with a greater sample would give a more dependable and generalised result. Even if the result was different from our result, it would give a more significant end result.

- Our research was made on students, which also means that the respondents have certain preference and economical limits that do not match people that are working and have an income. A research can be done on "white collars" and see if they have different buying behaviour than our sample.

- A survey with other explainable factors can be done. As said above, if the persons in the sample have a regular income and no economical limits, the behaviour would probably be different and that would also affect the depending factors like loyalty, influenced by others and quality. People with a high income are more dependent by brand loyalty than brand awareness.

- The factors are changing if the products in the survey are not everyday commodities. A person is more loyal when buying a car than a package of rice. A research on luxury goods, instead of everyday commodities, could be done.

- It would be interesting to see the result if other countries than China, India and Iran were included in the survey.

- It would also be interesting to see if the result differed if the same sample was used, but the survey was made in another area, like Northern Sweden, or in another country, like Germany.

Since, several students misunderstood certain questions in the questionnaire, we should have done a better questionnaire where the students could easier understand the questions.

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8 Appendices

Appendix I: Statistical tests

Test Statistics[b]

recognise_shampoo		Recognition_ shampoo1	Price_ shampoo1	Influence_ shampoo1	Interest_ shampoo1	Advertisement _shampoo1	Quality_ shampoo1
.	Mann-Whitney U	,500	,500	2,000	,000	,500	1,000
	Wilcoxon W	3,500	3,500	5,000	3,000	3,500	4,000
	Z	-1,225	-1,225	,000	-1,732	-1,225	-1,000
	Asymp. Sig. (2-tailed)	,221	,221	1,000	,083	,221	,317
	Exact Sig. [2*(1-tailed Sig.)]	,333[a]	,333[a]	1,000[a]	,333[a]	,333[a]	,667[a]
Yes	Mann-Whitney U	298,500	347,500	359,000	306,500	345,500	315,500
	Wilcoxon W	733,500	672,500	684,000	631,500	670,500	750,500
	Z	-1,176	-,267	-,062	-,786	-,082	-,857
	Asymp. Sig. (2-tailed)	,240	,790	,951	,432	,934	,391
No	Mann-Whitney U	3,000	1,500	,500	3,000	1,500	2,500
	Wilcoxon W	6,000	4,500	6,500	6,000	7,500	5,500
	Z	,000	-,889	-,943	,000	-,889	-,333
	Asymp. Sig. (2-tailed)	1,000	,374	,346	1,000	,374	,739
	Exact Sig. [2*(1-tailed Sig.)]	1,000[a]	,400[a]	,500[a]	1,000[a]	,400[a]	,800[a]

a. Not corrected for ties.

b. Grouping Variable: Nationality

Test Statistics[b]

Regignise_rice_brand1		Recognition_ rice1	Price_rice1	Influence_ rice1	Intrest_rice1	Advertisem ent_rice1	Quality_rice1
Yes	Mann-Whitney U	39,500	33,000	37,000	27,500	44,000	39,500
	Wilcoxon W	229,500	48,000	52,000	42,500	59,000	54,500
	Z	-,590	-,924	-,607	-1,341	-,077	-,426
	Asymp. Sig. (2-tailed)	,556	,355	,544	,180	,939	,670
	Exact Sig. [2*(1-tailed Sig.)]	,581[a]	,403[a]	,587[a]	,199[a]	,971[a]	,691[a]
No	Mann-Whitney U	100,500	179,500	173,500	176,500	142,000	180,000
	Wilcoxon W	695,500	245,500	768,500	242,500	737,000	741,000
	Z	-2,369	-,203	-,362	-,284	-1,213	-,042
	Asymp. Sig. (2-tailed)	,018	,839	,717	,777	,225	,967
	Exact Sig. [2*(1-tailed Sig.)]	,021[a]	,845[a]	,725[a]	,785[a]	,244[a]	,979[a]

a. Not corrected for ties.

b. Grouping Variable: Nationality

Test Statistics[a]

	Recognition_ shampoo2	Price_ shampoo2	Influence_ shampoo2	Interest_ shampoo2	Advertisment_ shampoo2	Quality_ shampoo2
Mann-Whitney U	366,500	311,000	319,500	344,000	322,000	346,500
Wilcoxon W	666,500	611,000	619,500	620,000	622,000	874,500
Z	-,302	-1,239	-1,101	-,222	-1,060	-,655
Asymp. Sig. (2-tailed)	,763	,215	,271	,824	,289	,513

a. Grouping Variable: Nationality

Test Statistics[a]

	Recognition_ rice2	Price_rice2	Influence_ rice2	Interest_rice2	Advertisem ent_rice2	Quality_rice2
Mann-Whitney U	413,000	457,500	527,000	546,000	421,000	437,500
Wilcoxon W	1116,000	1160,500	1230,000	1249,000	1124,000	902,500
Z	-1,828	-1,260	-,362	-,116	-1,721	-1,543
Asymp. Sig. (2-tailed)	,068	,208	,718	,907	,085	,123

a. Grouping Variable: Nationality

Test Statistics[a,b]

recognise_shampoo		Recognition_ shampoo1	Price_ shampoo1	Influence_ shampoo1	Interest_ shampoo1	Advertisement _shampoo1	Quality_ shampoo1
.	Chi-Square	2,000	2,000	,200	1,000	2,000	,333
	df	1	1	1	1	1	1
	Asymp. Sig.	,157	,157	,655	,317	,157	,564
Yes	Chi-Square	,631	1,550	2,260	,897	1,674	1,917
	df	2	2	2	2	2	2
	Asymp. Sig.	,730	,461	,323	,639	,433	,384
No	Chi-Square	,800	2,105	,889	,800	1,263	1,778
	df	2	2	1	2	2	2
	Asymp. Sig.	,670	,349	,346	,670	,532	,411

a. Kruskal Wallis Test

b. Grouping Variable: Semesters

Test Statistics[a,b]

Reginise_rice_brand1		Recognition_ rice1	Price_rice1	Influence_ rice1	Intrest_rice1	Advertisem ent_rice1	Quality_rice1
.	Chi-Square	,000	1,000	1,000	1,000	1,000	1,000
	df	1	1	1	1	1	1
	Asymp. Sig.	1,000	,317	,317	,317	,317	,317
Yes	Chi-Square	,302	,087	2,984	,421	3,658	4,254
	df	2	2	2	2	2	2
	Asymp. Sig.	,860	,958	,225	,810	,161	,119
No	Chi-Square	3,444	,031	,004	,318	,440	,759
	df	1	1	1	1	1	1
	Asymp. Sig.	,063	,860	,950	,573	,507	,384

a. Kruskal Wallis Test

b. Grouping Variable: Semesters

Test Statistics[a,b]

	Recognition_ shampoo2	Price_ shampoo2	Influence_ shampoo2	Interest_ shampoo2	Advertisment_ shampoo2	Quality_ shampoo2
Chi-Square	,907	4,257	,981	1,581	1,308	,147
df	2	2	2	2	2	2
Asymp. Sig.	,636	,119	,612	,454	,520	,929

a. Kruskal Wallis Test

b. Grouping Variable: Semesters

Test Statistics[a,b]

	Recognition_ rice2	Price_rice2	Influence_ rice2	Interest_rice2	Advertisem ent_rice2	Quality_rice2
Chi-Square	1,533	3,363	1,912	,184	,875	,876
df	2	2	2	2	2	2
Asymp. Sig.	,465	,186	,384	,912	,646	,645

a. Kruskal Wallis Test

b. Grouping Variable: Semesters

Test Statistics[b]

recognise_shampoo		Recognition_ shampoo1	Price_ shampoo1	Influence_ shampoo1	Interest_ shampoo1	Advertisement _shampoo1	Quality_ shampoo1
.	Mann-Whitney U	,500	,500	2,000	,000	,500	1,000
	Wilcoxon W	3,500	3,500	5,000	3,000	3,500	4,000
	Z	-1,225	-1,225	,000	-1,732	-1,225	-1,000
	Asymp. Sig. (2-tailed)	,221	,221	1,000	,083	,221	,317
	Exact Sig. [2*(1-tailed Sig.)]	,333[a]	,333[a]	1,000[a]	,333[a]	,333[a]	,667[a]
Yes	Mann-Whitney U	300,000	284,500	299,500	297,000	269,000	305,500
	Wilcoxon W	930,000	474,500	489,500	927,000	864,000	935,500
	Z	-,624	-,891	-,611	-,343	-1,027	-,514
	Asymp. Sig. (2-tailed)	,533	,373	,541	,732	,305	,607

a. Not corrected for ties.

b. Grouping Variable: Gender

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Test Statistics[b]

Reginise_rice_brand1		Recognition_rice1	Price_rice1	Influence_rice1	Intrest_rice1	Advertisement_rice1	Quality_rice1
Yes	Mann-Whitney U	58,500	41,000	50,500	31,000	53,000	48,000
	Wilcoxon W	94,500	77,000	86,500	67,000	173,000	84,000
	Z	-,349	-1,267	-,624	-1,925	-,465	-,805
	Asymp. Sig. (2-tailed)	,727	,205	,532	,054	,642	,421
	Exact Sig. [2*(1-tailed Sig.)]	,742[a]	,238[a]	,548[a]	,065[a]	,681[a]	,466[a]
No	Mann-Whitney U	241,000	223,500	194,000	201,000	174,500	229,500
	Wilcoxon W	472,000	523,500	494,000	432,000	405,500	439,500
	Z	-,259	-,666	-1,341	-1,186	-1,799	-,255
	Asymp. Sig. (2-tailed)	,795	,505	,180	,235	,072	,798

a. Not corrected for ties.

b. Grouping Variable: Gender

Test Statistics[a]

	Recognition_shampoo2	Price_shampoo2	Influence_shampoo2	Interest_shampoo2	Advertisment_shampoo2	Quality_shampoo2
Mann-Whitney U	304,000	344,000	339,000	334,500	338,000	282,500
Wilcoxon W	580,000	905,000	615,000	587,500	899,000	558,500
Z	-1,310	-,606	-,696	-,313	-,714	-1,703
Asymp. Sig. (2-tailed)	,190	,545	,487	,755	,475	,088

a. Grouping Variable: Gender

Test Statistics[a]

	Recognition_rice2	Price_rice2	Influence_rice2	Interest_rice2	Advertisement_rice2	Quality_rice2
Mann-Whitney U	521,000	554,000	516,000	488,000	502,500	546,500
Wilcoxon W	1116,000	1115,000	1111,000	1049,000	1063,500	1107,500
Z	-,512	-,090	-,578	-,938	-,747	-,189
Asymp. Sig. (2-tailed)	,609	,928	,563	,348	,455	,850

a. Grouping Variable: Gender

Appendix II: Questionnaire

HÖGSKOLAN KRISTIANSTAD

We will appreciate if you please fill in this questionnaire. It will not take more than a few minutes of your time.

This data will be used in our dissertation in Business Administration. The more answers we receive, the better results we will get.

Among all the respondents we will draw two persons that will win a movie ticket each. If you want to participate in the lottery please leave your email and name to us when handing in the questionnaire. The names will be treated separately from your questionnaire so we will guarantee anonymity.

Try to remember the **first time** you went to a grocery store in Sweden. You were probably put in a situation when you had to choose between, for you, a known brand (global brand) and an unknown brand (local brand). Was it difficult to choose brand? Why did you choose the brand?

If you have any questions please do not hesitate to ask us.

Thank you!

Christina Svensson, Hanna Bornmark & Åsa Göransson

Explanations:

Global Brand- A brand that can be found in many countries all over the world, e.g. Uncle Ben's, Colgate, Yoplait, L'Oreal.

Local Brand- A brand that can be found in only one country or region, e.g. ICAs, Stomatol, Skåne Mejerierna, Barnängen.

Mark only ONE alternative with an X.

1.a) Gender
□   Male
□   Female

1.b) Nationality?
□   Chinese
□   Indian
□   Iranian

1.c) How many semesters have you been living in Sweden?
□   This is my first semester
□   This is my second semester
□   More than two semesters

2.a) Which brand of shampoo did you choose the <u>first time </u>you went shopping in Sweden?
□   Well known, global brand, a brand I recognised.
□   Unknown, local brand.
□   I have not bought shampoo in Sweden. (Go to question nr 3a)

2b) Was there any brand of shampoo that you recognised in the store the <u>first time</u> you went shopping?
□   Yes
□   No

2.c) Please circle the number that matches the importance for your choice of brand of shampoo the <u>first time</u> you bought shampoo in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand was**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo the first time.**

2 **The price was**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo the first time.**

3 **Influence by someone else was**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo the first time.**

4 **My interest to try something new was**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo the first time.**

5 **Advertisement in the store; e.g. nice packaging, free samples was**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo the first time.**

6 **Perceived quality was**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo the first time.**

2.d) Do you purchase the same brand of shampoo today?

□ Yes

□ No

□ I have only bought shampoo once in Sweden. (Go to question nr 3a)

2.e) Please circle the number that matches the importance for your choice of brand of shampoo today when you buy shampoo in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand is**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo today.**

2 **The price is**…

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3 **Influence by someone else is**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing of brand of shampoo today.**

4 **My interest to try something new is**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of shampoo today.**

5 **Advertisement is**…

not at all important 1 2 3 4 5 6 7 very important **for me choosing brand of shampoo today.**

6 **Perceived quality is**…

not at all important 1 2 3 4 5 6 7 very important **for me choosing brand of shampoo today.**

3.a) Which brand of toothpaste did you choose the <u>first time</u> you went shopping in Sweden?

☐   Well known, global brand, a brand I recognised.

☐   Unknown, local brand.

☐   I have not bought toothpaste in Sweden. (Go to question nr 4a)

3b) Was there any brand of toothpaste that you recognised in the store the <u>first time</u> you went shopping?

☐   Yes

☐   No

3.c) Please circle the number that matches the importance for your choice of brand of toothpaste the <u>first time</u> you bought toothpaste in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste the first time.**

2 **The price was**…
not at all important 1 2 3 4 5 6 7 very important **for me choosing brand of toothpaste the first time.**

3 **Influence by someone else was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste the first time.**

4 **My interest to try something new was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste the first time.**

5 **Advertisement in the store; e.g. nice packaging, free samples was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste the first time.**

6 **Perceived quality was**…
not at all important 1 2 3 4 5 6 7 very important **for me choosing brand of toothpaste the first time.**

3.d) Do you purchase the same brand of toothpaste <u>today</u>?
□ Yes
□ No
□ I have only bought toothpaste once in Sweden. (Go to question nr 4a)

3.e) Please circle the number that matches the importance for your choice of brand of toothpaste <u>today</u> when you buy toothpaste in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste today.**

2 **The price is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste today.**

3 **Influence by someone else is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste today.**

4 **My interest to try something new is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste today.**

5 **Advertisement is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste today.**

6 **Perceived quality is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of toothpaste today.**

4.a) Which brand of yoghurt did you choose the <u>first time</u> you went shopping in Sweden?
☐ Well known, global brand, a brand I recognised.
☐ Unknown, local brand.
☐ I have not bought yoghurt in Sweden. (Go to question nr 5a)

4 b) Was there any brand of yoghurt that you recognised in the store the <u>first time</u> you went shopping?

□   Yes

□   No

4.c) Please circle the number that matches the importance for your choice of brand of yoghurt the <u>first time</u> you bought yoghurt in Sweden.
1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of yoghurt the first time.**

2 **The price was**…
not at all important 1 2 3 4 5 6 7   very important **for me when choosing brand of yoghurt the first time.**

3 **Influence by someone else was**…
not at all important 1 2 3 4 5 6 7 very   important   **for   me** choosing brand of yoghurt the first time.

4 **My interest to try something new was**…
not at all important 1 2 3 4 5 6 7   very important **for me when choosing brand of yoghurt the first time.**

5 **Advertisement in the store; e.g. nice packaging, free samples was**…
not at all important 1 2 3 4 5 6 7   very important **for me when choosing brand of yoghurt the first time.**

6 **Perceived quality was**…
not at all important 1 2 3 4 5 6 7   very important **for me when choosing brand of yoghurt the first time.**

4.d) Do you purchase the same brand of yoghurt <u>today?</u>

□   Yes

□   No

□   I have only bought yoghurt once in Sweden. (Go to question nr 5a)

4.e) Please circle the number that matches the importance for your choice of brand of yoghurt <u>today</u> when you buy yoghurt in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of yoghurt today.**

2 **The price is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of yoghurt today.**

3 **Influence by someone else is**…
not at all important 1 2 3 4 5 6 7 very   important **for   me choosing brand of yoghurt today.**

4 **My interest to try something new is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing of brand of yoghurt today.**

5 **Advertisement is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of yoghurt today.**

6 **Perceived quality is**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of yoghurt today.**

5.a) Which brand of rice did you choose the <u>first time</u> you went shopping in Sweden?

☐ Well known, global brand, a brand I recognised.

☐ Unknown, local brand.

☐ I have not bought rice in Sweden. (Thank you for your cooperation.)

5 b) Was there any brand of rice that you recognised in the store the <u>first time</u> you went shopping?

☐ Yes

☐ No

5.c) Please circle the number that matches the importance for your choice of brand of rice the <u>first time</u> you bought rice in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of rice the first time.**

2 **The price was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of rice the first time.**

3 **Influence by someone else was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of rice the first time.**

4 **My interest to try something new was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of rice the first time.**

5 **Advertisement in the store; e.g. nice packaging, free samples was**…
not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of rice the first time.**

6 **Perceived quality was**…

not at all important 1 2 3 4 5 6 7 very   important **for   me choosing brand of rice the first time.**

5.d) Do you purchase the same brand of rice <u>today?</u>

□   Yes

□   No

□   I have only bought rice once in Sweden.(Thank you for your cooperation!).

5.e) Please circle the number that matches the importance for your choice of brand of rice <u>today</u> when you buy rice in Sweden. 1 means that it is not important at all and 7 that it is very important for your choice.

1 **Recognition of the brand is**…

not at all important 1 2 3 4 5 6 7 very important **for me when choosing brand of rice today.**

2 **The price is**…

not at all important 1 2 3 4 5 6 7   very important **for me when choosing brand of rice today.**

3 **Influence by someone else is**…

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Thank you for your cooperation!

Hanna Bornmark, Åsa Göransson, Christina Svensson