The impact of country image, country-of-origin image and consumer ethnocentrism on purchase decisions: A study about Azerbaijani food companies' entry into Hungarian Market

Ilkin Salmanli – Sevinj Omarli

The main aim of the study is to examine the impact of Azerbaijan's brand image as a country on the purchase intentions of Hungarians towards Azerbaijani products. Azerbaijani products are not on the Hungarian market yet, and this research identifies whether it would be wise for Azerbaijani food companies to launch their operations in Hungary or not, and what kind of prejudices and obstacles they would need to cope with so as to be successful. To this end, the impact of the country image of Azerbaijan, the country-of-origin of Azerbaijani products, and ethnocentrism among Hungarians on purchase intentions are analyzed to fulfil the objective of the research. It was identified that the country image of Azerbaijan in Hungary is neither highly negative nor highly positive because of the fact that Hungarians do not know much about Azerbaijan. However, values showed and proved that they are likely to have a positive attitude towards Azerbaijan as a country. As for COI, similar statistics were unearthed, and it was noticed that Hungarians do not have any objection towards Azerbaijani product COI. These two variables also confirmed, with statistical analysis of dependent variable of purchase intentions, there is a relationship between positive country image, COI and purchase intentions.

Keywords: country image, country-of-origin image, consumer ethnocentrism, purchase decisions

1. Introduction

The initial interest of this study is to look at the effect that the country image (CI), COI (COO or COI) and ethnocentrism is likely to have on the purchasing decisions of consumers towards fast-moving consumer goods. The influence of country-of-origin is about the impact of one's generalizations and perceptions on the evaluation of a particular country's products and brands (Elliot–Cameron 1994). Additionally, Elliot–Cameron (1994) state that COO is the impact of producing country's image on the consumer decision-making process, which can be influenced positively or negatively.

COO, as an extrinsic attribute, is used by buyers where they lack tangible factors. Not surprisingly, the country-of-origin of a product is of a great importance as an informative sign for consumers in making decisions (Solomon et al. 2016)

Furthermore, globalization (which is a buzz word in the modern day) has enabled companies to broaden their markets by expanding overseas, and the whole world has become much smaller than it was thought to be before and, therefore, for consumers to make a decision has turned out to be a cumbersome task. Willingness to

buy domestic/foreign products is influenced by country-of-origin and quality judgement (Cai et al. 2004). As a result, a great deal of research has been conducted to identify how consumers decide when faced with such a bewildering amount of choices in market places. Plenty of similar concepts have been unearthed and taken up in the literature in this context, such as country-of-origin, country image, made-in country image, country equity, etc. A country image is defined by Martin and Eroglu (1993), "as the total of all descriptive, inferential and informational beliefs one has about a particular country. The country image can be utilized by purchasers in product evaluations when they are not so much adept at defining the true quality of country's products before purchases".

Having a powerful country image along with a commensurate country-of-origin image is very important nowadays, especially in terms of boosting exports of a particular country. In light of this, the research problem to be examined is about how the perception of consumers is impacted by the information they get, and why consumers give preferences to a particular product focusing on its origin. Given the nature of similar fast-moving consumer goods (FMCG), how would consumers be likely to react were they to have no information about the product and vice versa.

The aim of this study is to explore if there is a positive impact of the brand image of Azerbaijan as a country on purchase intentions in Hungary, and how the country-of-origin image of Azerbaijani products and ethnocentrism levels among Hungarians affect purchases of Azerbaijani products by Hungarians in the food industry. We are looking to find the answer for the following questions: What brand image does Azerbaijan possess among Hungarian citizens? How favorable is the opinion Hungarians have of foreign-made products? What are the reactions of Hungarians towards Azerbaijani-made products? How successfully can an Azerbaijani food manufacturing company be operating in Hungary?

2. Literature review

2.1. Evolution of the concept of COI

Country-of-origin (COO) and country-of-origin image (COI) are inextricably linked concepts. COO is exploring the effect of national origin of a certain product which would impact on consumer assessments and preferences, whilst COI is the concept which elaborates more on the particular aspects of the country to drive consumer perception and attitudes towards products from a given country (Roth–Diamantopoulos 2009).

Having been investigated for in excess of 50 years, the COI concept has undergone a series of changes in terms of literature richness during this time frame. Early period studies were carried out to study the effect of country-of-origin as a product feature, and until the year of 1982, the effect of country-of-origin had been addressed as the only variable in the studies. Over time, different product groups and counties were evaluated and studied, and simple experimental designs used as a method of exploration.

In the food industry, the investigation of COI is still on the spotlight and researchers continue to investigate the field intensively. Consumers tend to shy away from calorific and animal welfare information in case their perception causes emotional perturbation such as guilt or cognitive dissonance, and knowing the origin information can serve merely to better results or it can result in the emergence of negative emotions (Beiermann et al. 2017). Feldmann and Hamm found there were research gaps in various areas including cross-national comparisons, the influence of different types of products and food product origin, and they found local food is not perceived to be very expensive, unlike organic food, however, buyers are prone to spend a premium for local food rather than the foreign-made (Beiermann et al. 2017).

Based on an extensive literature review of main COO related publications, it is possible to draw a conclusion that the research field in question still lacks an integrative theory which could make the COO phenomenon more universal and thus better understood and utilized. However, persistence of scholars has slowly started to pay off and an overall picture of the structure of COO seems to be emerging. Researchers are also keen to identify the process of how consumers incorporate information about product COO in forming their attitudes and expressing their buying intentions.

3. Theoretical Framework

The context and focus areas of this research are presented in the theoretical framework displayed in Figure 1. The case of Azerbaijani products entering Hungarian markets enables the creation of the context in which the effect relationship between country image, COI, consumer ethnocentrism, and purchase intentions is observed.

The image of a country, in the formulation of the overall image of a product, is one of the numerous extrinsic cues, such as price and brand name, and consumers are prone to approach brands based on portrayed positive or negative attitudes of a given country (Bilkey–Nes 1982). Products from developing countries are perceived to be riskier in comparison with the products from developed countries. Country image makes a considerable impact on consumer perception of product quality risk, purchase intention, and other similar valuables (Tran et al. 2017).

The image of an individual country may vary depending on the issues discussed. While there are areas where the image of each country is more positive or stronger, there may, however, be more negative perceptions than these. For example, while India is reminiscent of the exotic nature of its historical regions, its rapid development in information technology, and its qualified human power, millions of people living under the poverty line on the other hand also represent a different aspect of India's image. Another study investigated that the culture personality is a special case of country image (Gyulavári–Malota 2018) due to the medley of nations and societies living in countries.

Figure 1 The relationship between country image, COI, consumer ethnocentrism
and purchase intentions
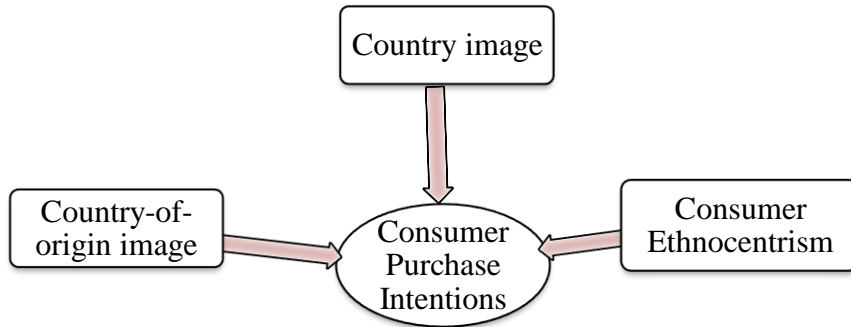
Source: Han (1989)

The concept of country image has been the subject of research especially on the basis of the perception of country-specific products. As a result of the increasing extent of globalization and international trade, Country-of-Origin Impact is highly relevant to both academics and practitioners as one of the important factors affecting purchasing decisions of users. In other words, it would be appropriate to consider the image of the country a concept that plays an increasingly important role in every aspect of the development of an overall country, which is related to the preference of commercial products.

One implication of country image is that, consumers tend to evaluate products from developed countries as better than less developed ones and, therefore, according to they use association of brand origin which is considered to be a place, region, or country to where the brand befits from the its target customers' point of view (Kilduff–Tabales 2016). Hence, it can be said that brand origin from a developed country is valued much more in comparison with less-developed or under-developed countries. For example, UK products have exclusively strong link with the United Kingdom which is their brand origin, however, they have less strong associations with an array of countries worldwide from where their parts are sourced (Eng et al. 2016). The impact of country-of-origin will be discussed in more detail in the following chapter.

COI is quite similar to brand image where associations with the origin tend to be meaningful to buyers and, consequently, buyers perceive the origin as a brand. The stereotypical judgments of the consumers concerning the countries and their products are the general perception of the quality of the products and services, and of the people of that country. In other words, consumers, by using COI to establish attitudes towards products, are stereotypically associating product categories with specific origins. Thus, it is absolutely essential to understand the consumer perceptions of the country. (Chattalas et al. 2008).

In the past, country-of-origin has solely been considered as the place where the goods were actually manufactured, but after a lot of research conducted in this field, the definition was later widened by Laroche and his colleagues to include "country of assembly, country of design, the location where the headquarters are situated, country of brand and geographic origin of a product" (Laroche et al. 2003).

According to Hong–Wyer (1989), the effects of country-of-origin on consumer behavior when consumers are given factors as country-of-origin, brand image or price of a product can be observed in two ways which include the Halo Effect and the Summary Construct.

A product's country-of-origin or product-country image influences consumer evaluations of it, thereby, German cars, Japanese electronic devices, French wines are distinguished from others and evaluated differently (Roth–Diamantopoulos 2009). For instance, a variety of products manufactured in China are generally perceived as cheap and low quality and the attitude towards Chinese products is also negative in terms of safety. On the other hand, German products, particularly in the automobile industry, are accepted as being of high quality, durable, and safe which also affects overall perception of consumers in making a decision to purchase products from the country (Kerbouche et al. 2012). According to Han (1989), if the consumers are familiar with product, the COI appears in the form of summary structure, while if there is no familiarity with products, the evaluation emerges in the form of a Halo Effect.

Country-of-origin can affect consumers in three ways: cognitive, emotional, and canonical (Verlegh–Steenkamp 1999). To elaborate, consumers giving preference to products based on the development level of their manufacturing country, and making judgements over their quality show that country-of-origin impact is, to a great extent, highly associated with cognitive comprehension. Additionally, having emotional ties with a certain country, in the framework of country-of-origin, can also impact on consumer opinions about the products in a positive way or adversely in a negative way. For example, a person who is fond of France, will be more likely to possess positive attitudes towards French products while a person who detests France will be prone to avoid French products on accounts of his negative opinion of France (Veselá–Zich 2015).

As a matter of fact, a positive impact of country-of-origin on the evaluation of products is observed for developed countries. However, as Balabanis–Diamantopoulos (2011) state, it is not only because of those countries' economic power, but also their cultural and technological development that play a great role, because it is not only for reasons of economic development that consumers buy French wine, German cars or Italian clothes, there are some other factors as well. Considering halo impact, consumer decisions are formed by their perceptions about countries and when there is insufficient familiarity with products, COI directly affects the purchasing decisions of consumers (Balabanis–Diamantopoulos 2011).

Along with halo-effect, Han (1989) determined another type of cognitive process called Summary Construct which is inextricably linked to Country Image influences. The main difference between the Halo Effect and the Summary Construct
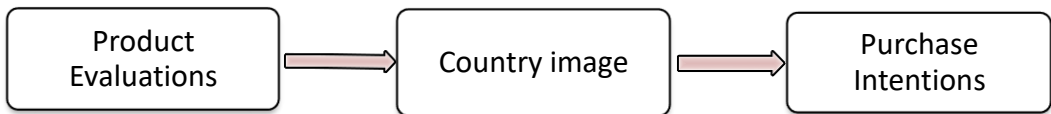
is whether the buyers of certain products are aware of or familiar with their country-of-origin or not, and where consumers are informed about the product originating from another country, the Summary Construct model is activated. Summary Construct is more considerable, by having a direct effect on consumer evaluations, and this construct with an array of information consumers possess about country, brands retrieve easily upon assessment (Han 1989).

Figure 2 Halo impact, Adapted by Han (1989)

| Country Image | → | Product Evaluations | → | Purchase Intentions |
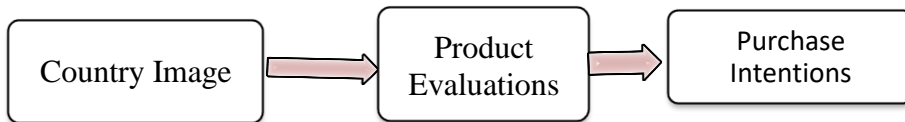
Source: Han (1989)

Figure 3 Summary Construct, Adapted by Han (1989)

| Product Evaluations | → | Country image | → | Purchase Intentions |

Source: Han (1989)

As shown in Figures 2 and 3, consumers develop their intention to purchase directly or indirectly through the framework of Halo Effect or Summary Construct mechanism owing to the influence of their prior knowledge, attitudes, beliefs, and country image perception about a certain country.

A long history of consumers' reactions to products, and about 1,200 studies on the country and its impact on origin, show that the effect of the country-of-origin is an important issue in international marketing. Examples related to the researches are listed below:

Akira Nagashima's research in 1970 found that the image of the country-of-origin is highly affected by familiarity with a particular country, the ease of buying the country's product, and the stereotypical reputation of that country. Some products representing countries have been seen to affect the overall image of the country. For example; popular products such as Coca Cola, Chevrolet, Ford, IBM, and Sunkist favor and positively affect American goods in a great number of countries such as Japan. On the other hand, Japan's leading products such as Sony, Nikon, Toyota and Honda are positively affecting the image of Japanese products on the American market. In this case, the poor image of Japanese products is improved by customer satisfaction results (Nagashima1970).

Ahmad Zafar and his colleagues conducted a study in 2004 that revealed that the origin country played a role in evaluating low involvement products but had a weak influence. The purchase decision in this product category is of minor importance and, therefore, consumers pay little attention to signs such as country-of-origin. Consumers will prefer popular, frequently preferred, and popular products instead of habits. However, the brand is more important than the country-of-origin in evaluating low-involvement products (Ahmed et al. 2004).

In a study conducted in Lithuania, Urbonavicius and his colleagues identified the automobile as a high involvement product class, revealing that the effect of the country-of-origin on the decision to buy a car was a significant effect (Urbonavičius et al. 2007).

According to Ozturk and Cakir's findings based on the research which was done in 2015, on the basis of various cultural patterns in different countries, the country-of-origin effect varies between cultures. Evaluators and conceptual responses show that individualist cultures value their country's products more positively, while only being competitive. The collectivists, on the other hand, came to the conclusion that they evaluated their country products positively, regardless of the superiority of the product. These results show that in strategies based on country-of-origin, it is necessary to take intercultural information into consideration. In another study they conducted, they investigated how new information was influenced as a determining factor in country-of-origin assessment. This research has shown that motivation, processing goals, and the type of information affect intergenerationally intertwined country-of-origin evaluations (Ozturk–Cakir 2015).

Yunus–Rashid, who were researching Malaysian consumers on Chinese mobile phone preferences, found that "Made in China" products can be seen everywhere in international markets but still have negative effects on consumers. However, it has been observed by researchers that since China became the second largest economy after the United States, this situation has gradually changed. Ultimately, this research concludes that Chinese origin information has a positive effect on the intention of Malaysian consumers to purchase in terms of Chinese brand telephone makes (Yunus–Rashid 2016).

4. Importance of Country-of-origin in the assessment of product from consumer perspective

Country-of-origin information encompasses a trait that is external to the product itself, serving as a surrogate for quality, performance, prestige etc. which cannot be precisely measured. The studies of COO-image, perceived product quality and risk have suggested that different COO-image in terms of a country's economic development influence the perceived product quality and risks (Laroche et al. 2003).

Obviously, by triggering the perceptions of the manufacturing country and general quality of products manufactured in a certain country, the COO-image may

have a positive or negative effect on the interpretation of other available information of product attributes and features (Magnusson et al, 2013). Some countries are successful in establishing a unique reputation for specific products. For example, Japan is known for technology especially in cars, cameras, and consumer electronics, France for perfumes, and Switzerland for chocolate (Aichner 2014). Furthermore, Swiss watches, French cosmetics and Argentinean beef are generally considered to be of high quality just because of their origin. Research found that the COO-image works as an information-cue regarding the quality, reliability, dependability, and value for money of the product when more specific information is not readily available (Roth–Romeo 1992). Research further concluded that in international marketing, the association between COO and perceived quality plays the foremost role in evaluating the product image even before the brand name (Magnusson et al. 2013). Similarly, the COO-image effects on a new brand have a similar role to family branding where the COO-image is generalized for the new brand (Ozturk–Cakir 2015). However, research suggested that the association between the COO-image and perceived quality can be moderated by some factors such as price and strong brand name (Aichner 2014).

According to Sharma (2011), COO-effects are also related to perceived risk, which has three dimensions: social, financial, and performance. Consumers have no favorable attitudes and lower intentions to purchase goods produced in countries with high perceived risk in terms of performance (Verleegh–Steenkamp 1999). Research has suggested that consumers perceive social and financial risk related to the products that are manufactured in a given country based on its manufacturing infrastructure, marketing sophistication and level of economic development (Sharma 2011). Consumer perceptions of perceived risk related to the product, together with perceived quality are important as they affect the consumer's choice of buying a product (Magnusson et al. 2013). The COO may be perceived as a risk evaluator, in which consumers perceive greater risk in purchasing products from countries with a poor reputation and image (Chattalas et al. 2008). On the other hand, they may seek to enhance their status by purchasing products from countries with a positive repute and image (Bilkey–Nes 1982). A research study by Sharma (2011) found that consumers in emerging markets show negative perceptions of the quality of products made in other emerging markets coupled with low purchase intentions due to higher perceived risks. Even with the recent boom of manufacturing in China and increased acceptance of Chinese products among consumers in other emerging markets such as India, consumers in Western countries have negative attitudes towards Chinese products due to quality concerns (Hamin et al. 2014).

Safety concerns, food safety issues, and harm associated with food brands are also topics of great importance nowadays. Consumers often construct product evaluations with incomplete information when they evaluate products in a retail stores and, therefore, consumers seem likely to make attribute-related inferences when country-of-origin information is disclosed in such restricted information provision environments (Tran et al. 2017). Berry et al. (2015) propose that a country-of-origin label inevitably activates general perceptions based on the specific country-of-origin,

which influences product-related inferences. Specifically, inferences related to food safety, taste, and freshness are highly positive for some countries and less positive for other countries. No wonder these attributes are likely to have a corresponding effect on the purchase intentions, and COO labelling is utilized as a cue in the evaluation of food-related attributes (Tran et al. 2017).

5. Consumer ethnocentrism

The concept of ethnocentrism, introduced by William Graham in 1906, is defined as "individuals tend to view their own group as superior to others", and are reluctant to deny things that are different and admit things that are alike with other groups (Çilingir 2014). According to this concept, people become highly proud of their own ethnic and social groups' norms and symbols while they regard other groups' norms and traditions as not important as theirs. Not surprisingly, ethnocentrism plays an important role in helping social, ethnic groups maintain unity (Abdolvand et al. 2016).

Consumer ethnocentrism is the dimension of ethnocentrism in consumer behavior studies, and it depicts more of consumption habits or feelings of consumers towards consumption (Sharma–Shimp 1995). As the product is the focal point of consumer consumption, the impact of product categories on ethnocentrism level is inevitable. To illustrate, in Russia the level of ethnocentrism in the consumption of fast-moving consumer goods is very high, whilst in more durable and long-lasting products such as electronics the level is very low.

Consumer ethnocentrism is an unavoidable phenomenon, still pervasive in the developing world. Some researchers have proved positive regard towards foreign goods from consumers and some have very severe opposition towards foreign products (Acikdilli et al. 2017). For instance, the demand for foreign goods has always been very high in India and this is due to the fact that Indian consumers seek status symbols, being burdened with inferiority complex, however, when it comes to Turkey, a developing country, consumers, based on the assumption that purchasing foreign product hurts the national economy, are inclined to avoid foreign products (Acikdilli et al. 2017).

Two important concepts; "The influence of the country-of-origin" and "consumer ethnocentrism" are two concepts that are closely related to one another, even though they are handled independently (Çilingir 2014). For the non-ethnocentric consumers, the country-of-origin is based on the ethnocentric relationship of the country-of-origin, accentuating that it is not essential where the foreign products are produced, but preference for those products that are beneficial in terms of other factors. Consumer ethnocentrism is a stimulus that motivates people to favor the products of their own country. The effect of country-of-origin is a factor that may cause individuals to prejudge their perceptions and make decisions in advance. Consumers who are sensitive to the country-of-origin of the products they don't buy, don't have to be ethnocentric, whereas ethnocentric consumers have to be extremely

sensitive about the country-of-origin of the products they purchase (Balabanis et al. 2001). According to Thelen, the most important factor for consumers with low ethnocentrism is the price, while the most important factor for consumers with high ethnocentrism is the concept of country-of-origin (Thelen et al. 2006).

The characteristics of consumer ethnocentrism have been described by Sharma et al. (1995) in three different terms:

1. This is due to the loss of control over the interests of the individual against the adverse consequences that one may have for himself and for others through buying imports and imported goods, owing to the excessive love and affection he has for his own country
2. Consumer ethnocentrism involves the importance of the inclination towards the rejection of foreign products. For consumers with a high level of ethnocentrism, buying a foreign product is not only economically relevant but also a moral issue. This moral issue leads consumers to buy domestic products, even if they are inferior in quality compared to foreign products. The purchase of domestic products is better, more accurate, more desirable and more nationalistic - patriotic behaviors, and the purchase of foreign products is intolerable, unwanted, and irresponsible.
3. Although the consumer in a social system thinks that the total level of ethnocentrism is the aggregation of individual tendencies, when viewed at the individual level, this represents a negative attitude towards foreign products.

As a result of research, it has been determined that many factors contribute to the formulation and development of consumer ethnocentrism. Ethnocentric tendencies, at the individual consumer level, are found in much of the individual's socialization experience. The first reason that comes to mind as a means of socialization is the family, and social extensions such as intellectuals, friends, and the mass media which influence the individual's development of ethnocentrism from early childhood. Just as a child accepts the religion that his or her family believes and follows its worship and lifestyle changes accordingly, consumer ethnocentrism begins to develop in the same way in childhood. If the level of ethnocentrism in the family is high, the child will be affected by these behaviors and the behavior against foreign products will be affected for this reason (Erdoğan–Burucuoğlu 2016).

The increase in ethnocentric trends towards indigenous products is increasing, especially in national security issues and economic crises (Lusk et al. 2006). The terrorist attack on the United States on September 11, 2001 caused considerable changes in the country and affected its population. This terrorist attack on American soil has brought a new sense of protection that is unparalleled in the history of the country. That is why Americans have a different perspective on their own country and world. These changes manifest themselves in areas ranging from voluntary work to charitable work and consumption habits. Recent surveys, after these attacks, show that the public is embracing the slogan of "Buy American goods" to an even greater extent now (Kam–Kinder 2007)

The sentiments of nationalism and patriotism are among the factors that trigger consumer ethnocentrism. The survey of Balabanis et al. (2001) on the existence of these elements showed that nationalism and patriotic feelings cause consumer ethnocentrism and these factors significantly affect consumer purchasing preferences for domestic and foreign products, According to the survey sample consumer ethnocentrism of the two countries relations with Turkey and the Czech Republic citizens were examined. While the Turks advocated increasing ethnocentrising as the level of patriotism rose, the Czechs' nationalist sentiment was found to be the most important factor causing ethnocentrism (Siamagka–Balabanis 2015).

All in all, ethnocentrism is a universal issue, and sources of past intercultural consumer behavior show us that the nationalist, patriotic, and ethnocentric tendencies of consumers influence the preference of domestic and foreign products. Positive effects are encountered when these concepts are investigated in countries where production of domestic products is limited in comparison to imported goods. Even if consumers conceive that imported products are necessary, they opt to buy domestic alternative in the interests of contributing to the country's economy, and it clearly results in the decrease of the unemployment rate and raise in the national economic level (Erdoğan–Burucuoğlu 2016).

6. CI, COI influence on decision process.

Consumers' consideration of country-of-origin when buying a product has increased the importance of studies on country-of-origin for businesses that want to evaluate every opportunity to increase their sales. In this regard, some researchers have fallen into disagreement and some have rejected other findings while agreeing that the country's origin has an effect on the purchase decision.

Johansson et al. (1994) carried out a study on the subject of selling a product of a low image country in the US. It was found that the consumer of products of Russian origin agriculture is quite satisfied and affected by the features and thus the effect of the country-of-origin effect on product sales was not observed (Johansson et al. 1994). In another study, the impact of the country's origin on luxury goods was investigated and it was seen that the brand name was the most important factor in the purchase decision, while the country name had little effect on the purchase intention

Lin–Chen (2006) have suggested that the country's origin is a major influence in Taiwanese decisions to purchase insurance and catering services. The authors asked about the country-of-origin, the product information (how much information about the consumer product) and the product dependency (how much thought before considering the consumer product) to provide insurance and catering services to Taiwanese. Correlation analysis in this regard resulted in the following findings: Country image has a positive influence on the decision to purchase original goods; product information has a positive influence on the decision to buy; product loyalty has a positive effect on the purchase decision; the country origin effect of the

consumer was not affected by product dependency; the effect of product information level was not influenced by product dependency (Lin–Chen 2006).

Ozturk–Cakir (2015) found that Turkish consumers prefer Turkish products rather than foreign-made products in certain product categories. However, they also show that rich Turkish people are more inclined towards foreign-origin products. Especially, it is observed that Turks aged between 33 and 40 have a stronger tendency to purchase foreign products. Along with this, many families and families with higher education levels are more interested in foreign products (Ozturk–Cakir 2015).

Vendrell-Herrero et al. (2018) have suggested that there is no impact of country of origin for digital products in the UK. There are, in general, studies that argue that the product's country-of-origin has little or no effect on the purchasing decision. Nonetheless, other researchers have been working on proving the influence of COI on purchasing in different product categories and have found different results.

As a result, although some studies claim that the effect of the country origin has no effect on the purchasing decision, many studies have achieved results that support COI influence in purchasing products. This effect has produced different results depending on the consumers and what the products or services received are.

7. Influence of ethnocentrism on decision process

Ethnocentrism is a universal issue, and sources of past intercultural consumer behavior show us that the nationalist, patriotic, and ethnocentric tendencies of consumers influence the preference of domestic and foreign products. Positive effects are encountered when these concepts are investigated in countries where production of domestic products against imported goods is limited. Even though consumers think that imported products are necessary, they prefer to buy a domestic alternative because of the contribution of this to the country's economy. These results clearly show that the unemployment rate and the national economic level raise the ethnocentric level.

Kavak–Gumusoglu (2007) identified ethnocentrism as having a significant influence over the intention to purchase. While Turkish consumers were investigating the effects of ethnocentrism on fast food preferences, they found that consumers with high ethnocentric preference opt for Doner Kebab and consumers with low ethnocentric preference prefer McDonald's (Kavak–Gumusoglu 2007)

Erdoğan–Burucuoğlu (2016) identified the fact that consumer ethnocentrism alone has not had a major effect, and that the relationship between product evaluation and the influence of country-of-origin is also negatively affected. Research has found that among consumers with high ethnocentric and low ethnocentric levels, consumers with high ethnocentric levels are more influenced by products of the local brand than those with low ethnocentric levels in product evaluation.

In the research conducted by Garmatjuk–Parts (2015), it is shown that ethnocentric tendencies are significantly related to demographic characteristics. For example, when the level of education increases, the ethnocentric tendency has been

found to decrease. In addition, it has been observed that young people and high-income individuals are less ethnocentric than older and lesser-income consumers, and that males have less ethnocentric behavior than females. Consumers with a high ethnocentric level had a negative attitude towards foreign products but a positive attitude toward domestic products. This study also concluded that people are much more willing to purchase non-domestic skin care products in Estonia and that this was not a matter of irresponsibility or erro on the part of consumers (Garmatjuk–Parts 2015).

Balogh et al. (2016) found that people with high ethnocentric inclination pay attention to where a product is produced. It is also observed that individuals with high ethnocentric inclination have a higher positive attitude that the country where the brand is from will inform the quality of the product. Another result is that people with high ethnocentric inclination respond more positively to the perception that the product quality produced in underdeveloped countries is lower than in other countries. It has been observed that consumer evaluations of domestic and foreign products differ according to ethnocentrism ratios in an established study. It is observed that individuals with high ethnocentric levels have a low level of brand loyalty during product evaluation. As a result of these reasons, consumers have exhibited negative results in purchasing foreign products in order to protect the domestic economy and business power (Balogh et al. 2016).

In Silili–Karunarathna's research, consumer ethnocentrism has been studied as one of the main factors affecting the intention to purchase on many global markets. In a study examining the intentions of Sri Lankan youth to buy domestic brands, it was concluded that the consumer has a positive effect on the intention to buy ethnocentrically, and that the demographic characteristics of the young consumers are higher than those of the low-income young consumers (Silili–Karuharathna 2014).

Mohammad Ali Abdolvand and his colleagues have explored the relationship between consumer awareness, ethnocentrism and loyalty in international brands in an investigation they conducted in Tehran, capital of Iran. In the research, it was concluded that consumer awareness is consumer ethnocentrism and consumer loyalty, and consumer ethnocentrism has an effect on consumer loyalty. In addition, there is a belief that domestic brands are better quality than foreign brands for ethnocentric consumers (Abdolvand et al. 2016).

Awdziej and his colleagues have done a research on local and foreign food product preferences among Polish consumers and they have reached the result that the ethnocentric level of the consumer increases as age progresses. Again, in the study, it has been found that the ethnocentric level of the consumer does not change according to sex, and the ethnocentric level does not decrease as the consumer grows wealthier. In addition to these results, it was observed that Polish consumers were exposed to foreign food products together with local food products (Awdziej et al. 2016)

Chiciudean and his colleagues studied Romanian consumers, the conclusion being that the CETSCALE scale was useful in determining the ethnocentric levels of consumers because it helped to determine the trends in the local product decision-making process (Chiciudea et al. 2015)

This review leads to the following hypotheses:

H1   High level of country image has a positive impact on consumers which lead to high purchase intentions
Similarly, considering positive COI causes more inclination to purchase from those countries, it inevitably has a positive impact on purchase decisions. For this reason, the next hypothesis will be as follows:

H2   High level of COI has a positive impact on consumers leading to high purchase intentions
When we look at the previous definitions and evaluations in evaluating the concept of consumer ethnocentrism, the origin of the products in consumer choice will be effective when we consider the concept of ethnocentrism only as nationalism. If we look at it in a broader sense, we can think of consumer ethnocentrism as being effective in selecting the economic, social, cultural, and social environment of the person. As mentioned before, high level of ethnocentrism leads to low level of willingness to purchase foreign products. Therefore, the next hypothesis will be as the following:

H3 High level of ethnocentrism has a corresponding negative impact on consumer which lead to low purchase intentions.

8. Methodology

8.1. Research Design

Data is gathered through the Internet to give a clear idea about Azerbaijan as a country and its leading companies which could potentially become huge exporters in the food industry. Later, based on the primary data obtained from questionnaire distributed among Hungarians, quantitative method technique is used to understand the brand image of Azerbaijan as a country, the COI of products from Azerbaijan, the ethnocentrism of Hungarian consumers and their relative impact on Hungarian consumer purchase intentions.

In order to evaluate the perception of Hungarians about Azerbaijan, country image scale by Martin and Eroglu (1993) and from Jenes (2012) is used, where the respondents are asked with 21 questions to rate the country based on the Likert scale ranging from one to seven.

Turning to the perception of country-of-origin, the scale from Pisharodi–Parameswaran (1994) was adapted and respondents were asked nine one to seven Likert questions to evaluate their perception of Azerbaijani products. The level of ethnocentrism among Hungarian citizens is analyzed by CETSCALE which was developed by Shimp–Sharma (1995), where the respondents are asked nine questions to rate the questions with 1 to 7 on the Likert scale.

The study is based on quantitative analysis by using regression analysis with 3 independent variables: country image, COI, and ethnocentrism level. The dependent variable of the study is the purchase intentions of the individuals which helps find out whether the independent variables affect the dependent variable in a positive way or not.

The validity of the first hypothesis is investigated by devoting the first part of survey to it which only contains questions about the evaluation of country image. In the second part of the survey, respondents are asked about their perception of the COI of Azerbaijani products. At the final level, respondents give their input based on the questions related to ethnocentrism and they also evaluate the dependent variable to what extent they would be willing to purchase Azerbaijani products.

All the analysis of primary data is made by using SPSS software tools.

8.2. Data Collection

In this research, the survey was distributed on the Internet by using the power of social media networks and the company email server of Deutsche Telekom. All questions were clear, and participants read and responded to each individual question. The sample size stood at 170 respondents. Females constituted 51% of all respondents whilst male respondents were slightly less at 49%. The largest age group partaking in the survey were 25–35-year-old respondents at slightly more than half the population.

9. Data Analysis

Country image scales consisted of 21 items and this scale was adapted from Martin–Eroglu (1993) and Jenes (2012). In order to check the reliability of the scales, Cronbach's Alpha is applied. The value is 0.867 for Country image, 0.775 is for COI scales, 0.838 is for Ethnocentrism scale, 0.818 is for Purchase intention scale (own developed). The alpha coefficient for all scales js very high, suggesting that the items have relatively high internal consistency as the reliability coefficients are higher than 0.70, which is considered acceptable.

Table 1 Model Summary

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.468[a]	.219	.205	1.32099	2.248
a. Predictors: (Constant), Ethnocentrism, Country_image, Country_of_origin_image					
b. Dependent Variable: Purchase_intentions					

Source: SPSS output based on a compilation of authors

It is found that the adjusted R² of our model is .205 with the R² = .219. This means that the linear regression explains 21.9% of the variance in the data.

The Durbin-Watson d = 2.248, which is between the two critical values of 1.5 < d < 2.5. Therefore, we can assume that there is no first order linear auto-correlation in our multiple linear regression data.

Table 2 F test

Model		Sum of Squares	df	Mean Square	F	Sig.
ANOVAᵃ						
1	Regression	81.285	3	27.095	15.527	.000ᵇ
	Residual	289.672	166	1.745		
	Total	370.957	169			
a. Dependent Variable: Purchase_intentions						
b. Predictors: (Constant), Ethnocentrism, Country_image, Country_of_origin_image						

Source: SPSS output based on a compilation of authors

The linear regression's F-test has the null hypothesis that the model explains zero variance in the dependent variable (in other words $R^2 = 0$). The F-test is highly significant, thus we can assume that the model explains a significant amount of the variance in purchase intentions.

Table 3 Coefficientsᵃ

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
(Constant)	0.024	0.674		0.036	0.972	–1.307	1.355					
Country_image	0.715	0.171	0.344	4.177	0.000	0.377	1.053	0.442	0.308	0.286	0.694	1.441
Country_of_origin_image	0.369	0.176	0.173	2.096	0.038	0.021	0.717	0.367	0.161	0.144	0.690	1.448
Ethnocentrism	0.054	0.090	0.042	0.603	0.547	–0.123	0.232	0.082	0.047	0.041	0.990	1.010
a. Dependent Variable: Purchase_intentions												

Source: SPSS output based on a compilation of authors

Table 3 shows the multiple linear regression estimates including the intercept and the significance levels. Subsequent analysis was run with the following statistically significant variables: country image and COI. Each variable has tolerance value in order of 0.694 and 0.690 and for both variables over 0.10, VIF value less than 10.

For this regression model F-value was significant for country image (0.00) and COI (0.033). (sig. = .00 <.05) meaning that the model was statistically significant (p= .00). Therefore, both of the independent variables, namely, CI and COI can explain purchase intention.

Regression analysis found that Ethnocentrism was not statistically significant (p-value = 0,547) and it means that we have to reject H3, that a high level of ethnocentrism has a corresponding negative impact on the consumer leading to low purchase intentions or vice versa. There is no identifiable relationship.

According to the regression analysis, the coefficient of determination is 0.344 which means that 34.4 % of the purchase intention can be explained by country image and 17.3% of purchase intention can be explained by the country-of-origin image in this regression model. The following equation for predicting customer satisfaction was obtained:

Purchase intention = β0 + 0.re344 (Country Image) + 0.173 (COO) + ε

We accept H1 and H2 hypotheses, which a positive country image has a corresponding positive impact on consumers which leads to high purchase intentions, and positive COI has a corresponding positive impact on consumer which leads to high purchase intentions.

10. Conclusion

The main aim of this research was to explore the impact of the country image of Azerbaijan in Hungary, its products' COI in Hungarians minds, and the effect of Hungarian ethnocentrism on purchase intentions towards Azerbaijani food products. For the research part, the theory was put into the practice with the help of the data obtained through survey. It was identified that the country image of Azerbaijan in Hungary is neither highly negative nor highly positive, simply because of the fact that Hungarians do not know much about Azerbaijan. However, values showed and proved that they are likely to have a positive attitude towards Azerbaijan as a country. As for COI, similar statistics resulted, and it was noticed that Hungarians do not have any objection towards Azerbaijani product COI. These two variables also confirmed, with statistical analysis of dependent variable of purchase intentions, that there is a relationship between positive relationship country image, COI and purchase intentions.

On the other hand, the study notes that this research did not provide statistical evidence for any relationship between ethnocentrism and purchase intention. However, there is, certainly, a large amount of research in the literature both proving the positive relationship and rejecting it.

11. Contribution and implications of the research

The research contributes to the existing information on Hungarian opinion of Azerbaijan and Azerbaijani products. It is an undeniable fact that the literature provides countless pieces of academic researches, articles about CI, COO and their impact on purchase intentions, however, there was not a single piece of information specifically regarding the relationship between Hungarian consumers and Azerbaijan as a COO.

Additionally, this research, by analyzing Hungarians' perceptions of Azerbaijan in a quantitative way, paves the way for Azerbaijani food companies in terms of making their task of market analysis more straightforward. The companies previously mentioned before such as AzGranata, Azersun and Veyseloglu could harness this advantage to make their entry to Hungary. However, one obstacle will also have to be overcome in the shape of intensive and integrated marketing plan to increase awareness of both Azerbajan and its products. In order to create a proper image and position for the country, firstly the current situation should be assessed and the strategy for how to reach the determined target prepared based on the current situation. Otherwise, the goals and targets will be unsuccessful no matter how rational the strategist and the strategic plan prepared. Because any such plans will only be believable and to be relied upon as a sound basis if the current situation is taken into consideration.

12. Limitations and Further research

Due to the target group which had to consist of solely Hungarians, along with time pressure, the sample size of the survey consisted of only 170 subjects. Additionally, the respondents surveyed were largely English-speaking urban people living in Budapest. Therefore, it would not be justifiable to make widespread generalizations about the whole Hungarian population.

Furthermore, the third hypothesis could not be proven owing to the fact that data received from the survey was not significant enough to measure the influence on purchase intentions. Therefore, the research cannot say whether ethnocentrism affects the purchase intentions in a positive or negative way.

Last but not least, there is a great scarcity of respondents in the age group of 55–64, which is represented by only one respondent.

The sample set of the research is not very widespread and consists of English-speaking urban people of Hungary. For further research, it would be advisable to consider the whole of Hungary, and to hear the opinions of people living in other cities and regions.

Moreover, in the sample the age group of 55–64 is merely represented with one person only, and there is no respondent from older age groups. For this reason, it would be better if the further researches focus on older age groups, as well, in order to get more comprehensive and thorough data.

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