

## Attitudinal and behavioral response to coo cues for low involvement product

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### **Abstract**

A considerable number of empirical studies on country-of-origin had indicated its influence on consumer product evaluation as well as purchase intention. Previous research also suggests the outcomes of country-of-origin effect differ by product type investigated in addition to countries selected for examination. The main crux of this study to explore the role that country-of-origin cue plays on Malaysian consumer's product evaluation as well as purchase intention of a low involvement product i.e. toothpaste. This study considered both local (Malaysia – Colgate) and foreign (China – Darlie and Australia – Sensodyne) brands of toothpaste that were initially determined through a pre-test. Data was collected via a survey utilizing self-administered questionnaires by respondents aged 20 and above and analyzed using means, analysis of variance (ANOVA) as well as T-test. Findings revealed that Malaysians generally prefer products from developed nations as opposed to those made locally or imported from less developed countries. Additionally, it was also found that consumers tend to prefer local toothpaste when compared to the toothpaste made in China. Implications for management are discussed. This study is preliminary in nature and it will be a milestone for the potential contributors.

**Keywords:** COO; brands; low involvement product; Malaysia; Australia; China

## **Attitudinal and behavioral response to coo cues for low involvement product**

### **1. Introduction**

International organizations pursuing an edge over their competition had increasingly turned to cross boundary production especially to places that offer comparative advantages in labor, material and/or technology. Consequently, it is no longer unusual for products to be manufactured in more than one country, leading to consumers perceiving the label of country-of-origin differently. With this, the role that country-of-origin plays in consumers' evaluation of products had become increasingly meaningful to marketers and researchers alike. Since its publication in 1965 by Robert Schooler, country-of-origin had been defined in various ways by different authors (Papadopoulos & Heslop, 1993). Nagashima (1970) regards country-of-origin to be the typecast that consumers have of products from a particular country. On the other hand, some authors defined it simply as the country-of-manufacture (COM) or country-of-assembly (COA) (Al-Sulaiti & Baker, 1998; Ashill & Sinha, 2004). Additionally, consumers also tend to identify well-known brands to specific countries, thus, country-of-origin has also been referred to as country-of-brand (Ashill & Sinha, 2004).

Past studies on country-of-origin had earmarked its influence as a successful predictor of consumer product evaluation and purchase intention (Bilkey & Nes, 1982; Granzin & Olsen, 1998; Kaynak, Kucukemiroglu, & Hyder, 2000). Generally, country-of-origin is employed as the primary consideration in product evaluations when other product information is not easily accessible (Han, 1989). However, in some cases, it might even act as a surrogate for other product characteristics and form a 'halo effect' whereby it exerts a dominant influence on the consumer's perception (Han, 1989). This is likely to happen when the image associated with country-of-origin serves as a signal for general product quality through attributes like durability or reliability (Erickson, Johansson, & Chao, 1984). Bruning (1997) also indicated that consumers tend to rely on country-of-origin in evaluating products especially in terms of product performance. It was found that when product evaluations are positive, it will indirectly enhance consumer purchase intention (Bruning, 1997).

However, consumer's perceptions of country-of-origin cues are also influenced by the level of product involvement (Ahmed & d'Astous, 1999). Various reviews of related literature highlighted that these perceptions differ according to countries selected in the studies as well as whether the products considered were high or low involvement purchases. In general, products that originate from advanced i.e. developed countries are viewed in a more positive light as compared to their lesser developed counterparts (Wang & Lamb, 1983). This is so for the developed country label is taken as an assurance of product quality and/or performance (Kaynak, Kucukemiroglu, & Hyder, 2000). In addition, the majority of previous research on perceptions of country-of-origin cue revolved around high involvement purchases like automobiles (Sohail, 2004). Low involvement products like toothpaste (Kraetke, 2000) or other everyday consumer goods were neglected (Bruning, 1997). As such, for the purpose of this study, a low involvement product (toothpaste) was identified to examine the influence, especially of a halo effect, of its country-of-origin cues on Malaysians' product attitude and purchase intention.

### **2. Literature review**

The process of obtaining, assessing and assimilating product information or cues forms the foundation of a consumer's evaluation of products (Ahmed et al., 2004). More often than not, these product cues are utilized by consumers as a stimulus prior to purchase decision (Kaynak, Kucukemiroglu, & Hyder, 2000). These product cues can either be intrinsic (design, taste) or extrinsic (price, brand, country-of-origin label) (Verlegh & Steenkamp, 1999). In most cases, consumers tend to evaluate products based on extrinsic cues, especially in cases where intrinsic cues are difficult to assess (Scweiger, Otter, & Strebinger, 1997).

One such extrinsic product cue is country-of-origin. Numerous authors have defined country-of-origin using

a myriad of terms. For instance, country-of-origin has been defined as the country where a firm makes, manufactures or assembles its goods (Al-Sulaiti & Baker, 1998; Ahmed et al., 2004; Ashill & Sinha, 2004). On the other hand, other authors have stated that country-of-origin represents the stereotype that most consumers have of a particular country (Nagashima, 1970). Consumers also tend to categorize product brands with countries; hence country-of-origin is also acknowledged as country where the brand is located (Ashill & Sinha, 2004).

The significance of country-of-origin on consumer product perception has been documented extensively in past literature (Bilkey & Nes, 1982; Papadopoulos & Heslop, 1993; Granzin & Olsen, 1998; Ahmed & d'Astous, 1999; Kaynak, Kucukemiroglu, & Hyder, 2000). It is relatively common for consumers to assess product attributes like quality or performance with reference to country-of-origin labels (Erickson, Johansson, & Chao, 1984; Hong, Robert, & Wyer, 1989). For example, many consumers perceive Japanese electronics to be of excellent quality as a testament to the advanced technological ability of the Japanese as a whole (Hong, Robert, & Wyer, 1989). Such stereotyping influences consumer product categorization as either superior or vice versa depending on their perception of the country in question. In some cases, the country's image also serves as a 'halo effect' where it impacts a consumer's belief about a product and therefore, its overall evaluation (Erickson, Johansson, & Chao, 1984).

Subsequently, it comes as no surprise that consumers tend to have higher purchase intention for products deemed to come from countries with more positive images (Roth & Romeo, 1992). In these consumers, such positive images signal better/higher quality in the products (Hong, Robert, & Wyer, 1989). Nevertheless, in some cases, the consumers' perception of a country's positive image in a product attribute had been shown to not spill over to other attributes for the same product (Ahmed et al., 2004).

Regardless of the vital functionality of country-of-origin in consumer decision making, there are also past studies which had revealed opposite conclusions. Such opposing studies are said to occur because of differences in research context as well as methodology used (Bhaskaran & Sukumaran, 2007). These differences include differences in product groups being considered in the research (Bruning, 1997; Ahmed & d'Astous, 1999; Ahmed et al., 2004; Sohail, 2004) in addition to the various countries selected for conducting the research (Wang & Chen, 2004). Previous studies also denote that the impact of country-of-origin images on consumer product evaluation varies significantly in multivariable studies where other product cues like price and product brands were considered altogether. When consumers were given the opportunity to choose between several products cues, the significance of country-of-origin reduce significantly in terms of the influence it holds over consumer decision making (Thakor & Katsanis, 1997) as compared to when it is considered on its own.

### *2.1 The Cognitive, Affective and Normative Effects of Country-of-Origin Labels*

Recognizing that country-of-origin serves as one of the vital signals of product evaluation in consumers, much research had concentrated on understanding it as a cognitive cue (Erickson, Johansson, & Chao, 1984). The relationship between country-of-origin labels with product attributes had been found to be largely mediated by consumer perceptions of product country image (Erickson, Johansson, & Chao, 1984; Broniarczyk & Alba, 1994). These perceptions in turn, are shaped by individual differences that exist in consumers when interpreting the country-of-origin label on products (Obermiller & Spangenberg, 1989).

However, subsequent literature had also found that country-of-origin reacts as an affective image attribute that influences consumer product evaluations as well (Obermiller & Spangenberg, 1989). Normally, this affective association comes through direct contact with foreign countries and/or foreigners as well as ancillary means like culture, media and education (Hong, Robert, & Wyer, 1989). Additionally, when country-of-origin evokes strong symbolic/emotional meaning in consumers, it may also affect their preference or avoidance of a particular product. For example, Arab-Americans had been found to attach negative connotations to Israeli products despite their recognition of quality in those products (Obermiller & Spangenberg, 1989).

As such, it is not surprising to find that country-of-origin is also associated with normative images that

direct consumer product preference through instances of personal/social norms or national identity/patriotism (Obermiller & Spangenberg, 1989). When making purchasing decisions, consumers consider whether it is appropriate to purchase or not depending on country-of-origin label. In a study conducted by Verlegh and Steenkamp (1999), Australians were found to be reluctant to purchase products from France given that they object to the French practice of conducting nuclear tests in the Pacific. Consumers were also found to be influenced by loyalty to their home country when making purchase decisions. Americans in particular are prone in making purchases of local/domestic products given that it signals to them as helping the local economy and showing patriotism (Granzin & Olsen, 1998).

## *2.2 Country-of-Origin Labels and Purchase Intention*

The concept of purchase intention is construed as consumer willingness to buy (Jarvenpaa, Tractinsky, & Vitale, 2000). It involves the consumer making an evaluation about a product that influences their decision on whether the product is suitable to be acquired or not (Brucks, 1985). Brucks (1985) also noted that the intention to purchase in consumers is indicated by two influences i.e. brand familiarity as well as attitude towards the brand itself. As the notion of purchase intention has substantial influence in better understanding consumer behavior, efforts had been undertaken to devise a viable measurement method (Maheswaran & Sternthal, 1990). Maheswaran and Sternthal's (1990) attempt was among the few notable endeavors that made an effort to properly measure purchase intention. Nevertheless, there seems to be little consensus as to which measurement should be utilized as the standard for measuring purchase intention. A plausible explanation for this might be due to the fact that most researchers tend to adapt different measurement scales to reflect the objectives of their study.

Past research delving into the relationship between country-of-origin labels and purchase intention substantiates that country image cues do play a role in influencing consumers' product evaluations (Thakor & Katsanis, 1997; Ahmed & d'Astous, 1999; Kaynak, Kucukemiroglu, & Hyder, 2000; Ahmed et al., 2004). It was found that the more positive a product's country image is in the minds of the consumer, the more likely he or she will purchase said product (Roth & Romeo, 1992). However, there are also authors that revealed the low relevance of country image cue in consumer purchase intention (Hong, Robert, & Wyer, 1989; Lim & Darley, 1997; Ulgado & Lee, 1998). It was found that although country-of-origin may rate high during initial product evaluations, its influence seem to deteriorate in actual consumer purchasing activities (Lim & Darley, 1997). This is later confirmed in Ulgado and Lee's (1998) experiment involving the purchase intention of electronics. Consumers consider country-of-origin label to be equally vital as other product attributes when appraising products but tend to take the same cue lightly or not at all when making the final purchasing decision (Ulgado & Lee, 1998).

## *2.3 Perceptions of Country-of-Origin Labels in Relation to Level of Country's Development*

Previous studies associated with the effect of country-of-origin on consumer perceptions of products have shown a positive relationship between product attributes and the degree of country development. Consumers tend to perceive that products from developed countries are superior to products from developing countries (Bilkey & Nes, 1982; Roth & Romeo, 1992; Kaynak, Kucukemiroglu, & Hyder, 2000; Ahmed et al., 2004). This inference is due to consumer perception that developed countries enjoy higher income growth as well as technological advances and thus, are in a better position to offer better quality products (Hong, Robert, & Wyer, 1989; Thakor & Katsanis, 1997). Additionally, consumers especially those from developed countries, also tend to favor their own domestic products over foreign merchandise (Shimp & Sharma, 1987; Papadopoulos & Heslop, 1993). Findings suggest that such perception persists even though there are little to no difference in terms of product attributes researched between those domestically produced with ones imported from less developed countries (Shimp & Sharma, 1987). Thus, such preference is most likely due to consumer ethnocentrism (Shimp & Sharma, 1987). Nevertheless, it is important to note that the majority of these country-of-origin studies had concentrated in the West i.e. developed countries. The scarcity of available

research that is conducted in developing countries especially in Asia makes it difficult to infer viable conclusions for a similar context.

In most developing countries, consumers do exhibit a preference for foreign imported products as opposed to merchandises that are easily available locally (Essoussi & Merunka, 2007). Marcoux, Filialtrault, and Che'ron (1997) noted that these foreign goods tend to be sourced from Western countries and they are perceived to carry a 'higher' social status as well as demonstrate better product quality too (as cited in Essoussi & Merunka, 2007). Similarly, this preference is also reflected in Malaysia where there is a general perception amongst consumers that foreign products reign supreme over local domestic goods (Change Perception by Buying Malaysian, n. d.). As a consequence, Malaysian consumers tend to give preference to products from countries with established economic structures and technology savvy (Ghazali, Othman, Yahya, & Ibrahim, 2008). Findings concur that Malaysians infer products from more developed countries like Japan, Germany, United Kingdom and the United States to be ranked higher in terms of quality over local products. Additionally, when countries become more developed economically, the perception that consumers have of product quality from those countries will rise as well (Ghazali et al., 2008).

Part and parcel for such perceptions in Malaysians could have connotations to its long colonial history under the Portuguese, the Dutch and particularly the British. In the late 18th century, European power grew rapidly under the British intrusion with the occupation of Penang, Singapore and Melaka (Rashid, 1993). The British influence and power soon spread fast and wide with the integration of the Malay States under the Pangkor Treaty and thus, began the initial formation of the modern day Malaysia (Rashid, 1993). When Malaysia finally gained independence, it came as no surprise that it also inherited a British oriented influence and ideology in many of its national structures – political, judiciary and even the education system (Rashid, 1993). Hence, one long lasting aftereffect seemed to be an inclination towards a culture of western idolization by Malaysians which seem to be dominant even until today. To some extent, partiality for such foreign products is also partly facilitated by the increased exposure to such merchandises through advances in communications (internet and satellite), the improved level of education as well as travel (Essoussi & Merunka, 2007).

The Malaysian government had advertently taken steps to instill the spirit of national patriotism and to encourage the purchase of local merchandises as opposed to Western products. Tun Dr. Mahathir Mohamad's famous 'Look East Policy' for instance, advocates the cultivation of local culture/identity and self-autonomy through Asian development models instead of the standard Western ones (Rashid, 1993). Rashid (1993) also noted that Tun Dr. Mahathir had also shunned British goods before in what was now known as the 'Buy British Last' movement. However, unless there is a tangible improvement in the quality of local products that renders it competitive to Western goods, it seems that there will be little let up in the dominance of Western products in the Malaysian market for the near future (Change Perception by Buying Malaysian, n. d.).

#### *2.4 Involvement*

The notion of involvement can be understood as the amount of resources (time, thought and effort) that consumers invest into the purchasing process (Lin & Chen, 2006). It can be divided into three distinct classifications i.e. purchase involvement, advertisement involvement as well as product involvement (Lin & Chen, 2006). Purchase involvement has connotations to product evaluations and consumer buying habits while advertising involvement denotes the amount of influence that advertising has on consumer behavior (Lin & Chen, 2006). Product involvement on the other hand, concentrates on consumer perception of product attributes and/or performance (Lin & Chen, 2006).

In purchase involvement, consumers that exhibit a relatively high interest in the final purchase decision are said to display high product involvement (Ahmed & d'Astous, 1999). By contrast, it is considered to be a low involvement trait when consumers signal a low concern over the final product procured (Ahmed & d'Astous, 1999).

## 2.5 High and Low Involvement Products

Research had indicated that with high involvement products, consumers tend to seek for additional information on which to base their purchase decision (Ahmed & d'Astous, 1999; Piron, 2000; Lin & Chen, 2006). As such, high involvement products tend to be merchandises that carry high risk in terms of psychological, financial and even social acceptance (Lin & Chen, 2006). To date, available literature on the effect of country-of-origin in product evaluation had mainly concentrated on high involvement products like consumer electronics (Ahmed et al., 2004) and cars (Al-Sulaiti & Baker, 1998; Ahmed et al., 2004). These findings show that country-of-origin does exert an influence over consumers' product evaluations (Ahmed & d'Astous, 1999; Piron, 2000). Nevertheless, there were studies that denote the total opposite where country-of-origin labels were found to have less an impact on consumers' choice than predicted (Josiassen, Lukas, & Whitwell, 2008). This is especially true in instances where several high involvement product categories were being considered (Josiassen, Lukas, & Whitwell, 2008). In the study conducted, when consumers had to take into consideration country-of-origin labels of different products like watches, household appliances, small electronic gadgets and automobiles simultaneously, the cue's impact lessens significantly (Josiassen, Lukas, & Whitwell, 2008).

Products that are low involvement on the other hand, are merchandises that typically require little to no information search by consumers before the actual purchase activity (Lin & Chen, 2006). These products are stereotypically lower in cost and include everyday items such as bread and coffee (Ahmed et al., 2004) to alcohol (Phau & Suntornnond, 2006) and toothpaste (Kraetke, 2000). The decision to purchase low involvement products also tend to be almost automatic i.e. by buying accustomed brands or seeking only a 'satisfactory' solution as opposed to an ideal one (Kraetke, 2000). Past studies suggest that country-of-origin does impact low involvement products although the influence is somewhat weak (Ahmed et al., 2004). This is especially true in cases where other product cues such as price, packaging or brands come into play (Al-Sulaiti & Baker, 1998). Nevertheless, due to the scarcity of research delving into the effects of country-of-origin labels in terms of low involvement products (Ahmed et al., 2004), it is difficult to really ascertain the actual impact this cue has on consumer product evaluations and final purchase intention. As such, further studies are needed to yield additional inferences.

The above discussion of the literature then leads us to the following hypothesis:

- H1 There is a difference in the impact of country-of-origin cues on consumer attitudes, purchasing intention, and country image between a local (Malaysian) and foreign (China and Australia) toothpaste.
- H2 There is a difference in the impact of country-of-origin cues on consumer attitudes, purchasing intention, and country image Malaysia and Australia toothpaste, favoring Australia and hence a halo effect.
- H3 There is a difference in the impact of country-of-origin cues on consumer attitudes, purchasing intention, and country image Malaysia and China toothpaste, favoring Malaysia and hence a negative halo effect.

## 3. Methodology

This study aims to investigate the impact of country-of-origin cues on consumer attitude and purchasing intention towards a low involvement product i.e. toothpaste. Obermiller and Spangenberg's (1989) framework was followed, incorporating three brands representing toothpaste from China, Malaysia, and Australia. Malaysia was the control country, and Australia acted as the proxy of a developed Western country, while China represented an Eastern nation. Quota sampling was employed, based on age and gender (Sekaran, 2008).

A pretest was conducted to determine the most well known local and foreign brands of toothpaste. 32 respondents were asked to determine from a list of brands as to which was local or foreign and to indicate how familiar they were with the brand. A list of 3 local and 5 foreign toothpaste brands readily available in Malaysia

was adopted from a previous study conducted by Sabri Musa and Roslan Saub (1998). These brands include Colgate (Malaysia), Colgate Total (Malaysia), Fresh and White (Malaysia), Polleney (China), Darlie (China), Daun Sirih (Indonesia), Sensodyne (Australia) and Oral-B (Canada). The brand Colgate (local Malaysian brand), Darlie (China) as well as Sensodyne (Australia) was the most correctly identified and well known.

Once this was determined, a main survey based questionnaire study was conducted. The questionnaire used a seven-point Likert scale for a 26-item questionnaire. Respondents were asked to state their demographic measures and answer questions on the influence of country-of-origin cues on respondent's attitude and their subsequent purchase intention utilizing previously used scales of country-of-origin, purchase decision involvement, attitude towards product, purchase intention and word of mouth (Parameswaran & Pisharodi, 1994; Mittal, 1989; Maheswaran & Sternthal, 1990; Becker & Kaldenberg, 2000). A total of 330 questionnaires were distributed at shopping centers / supermarkets. Statistical Package for Social Sciences (SPSS) version 19 was used and the data analyzed using Means, Anova, and t-test.

#### 4. Findings

A total of 267 sets of questionnaires were usable. Those rejected were mainly incompletely filled in. The rate of return was 94 sets were for Malaysian toothpaste (Colgate), 93 sets for China toothpaste (Darlie) and 80 sets for Australian toothpaste (Sensodyne). Table 1 depicts the full profile of all the respondents considered in this study.

**Table 1**

*Respondents Profile*

	Items	Frequency	%
Gender	Male	134	50.2
	Female	133	49.8
Ethnicity	Malay	59	22.1
	Chinese	142	53.2
	Indian	12	4.5
	Iban	27	10.1
	Melanau	9	3.4
	Bidayuh	18	6.7
Age	20s	120	44.9
	30s	60	22.5
	40 and above	87	32.6
Education Level	SPM	77	28.8
	STPM	13	4.9
	Matriculation	8	3.0
	Diploma	63	23.6
	Degree	83	31.1
	Masters	23	8.6
Income	Below RM999	24	9.0
	RM1000-RM1999	75	28.1
	RM2000-RM2999	98	36.7
	RM3000-RM3999	23	8.6
	RM4000-RM4999	26	9.7
	RM5000 and above	21	7.9

Means of the variables observed are depicted in Table 2. The highest measurement of means between the three different toothpastes is the Australian (Sensodyne) toothpaste with the majority of its variables i.e. attitude towards product (M: 5.66, SD: 0.927), country image (M: 5.36, SD: 0.815), purchase intention (M: 4.71, SD:

1.632) and word of mouth (M: 5.61, SD: 1.085) stating the highest means. On the contrary, China (Darlie) toothpaste stated the lowest means for the bulk of its variables.

**Table 2**

*Means and Anova of Variables by Country-of-Origin*

Items	China (Darlie)		Malaysia (Colgate)		Australia (Sensodyne)	
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
Attitude towards Product (F=41.48, Sig= .000)	4.18	0.98	4.81	1.25	5.66	0.93
Country Image (F=32.51, Sig=.000)	4.32	0.66	4.57	1.08	5.36	0.82
Purchase Intention (F=9.010, Sig=.000)	3.73	1.48	4.45	1.66	4.71	1.63
Word of Mouth (F=43.08, Sig=.000)	3.90	1.03	4.77	1.45	5.61	1.09

The ANOVA indicates that there is a significant difference between the three countries by attitude, country image purchase intention and word of mouth. Further analysis using T-Test reveal that there were significant differences in the majority of the variables between the three different toothpastes considered in the study. Table 3 clarifies the varying impact of country-of-origin cues on the various variables tested with regard to the three countries. Findings from Table 2 and Table 3 support H1. H2 is partially supported, where purchase intention is the only variable not supported. H3 is supported.

**Table 3**

*Means and t-test of Variables by Country-of-Origin*

Items	China (Darlie)		Malaysia (Colgate)		Australia (Sensodyne)	
	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
Attitude towards Product	4.18	0.98	4.81**	1.25		
Country Image	4.32	0.66	4.57*	1.08		
Purchase Intention	3.73	1.48	4.45**	1.66		
Word of Mouth	3.90	1.03	4.77**	1.45		
Attitude towards Product			4.81	1.25	5.66**	0.93
Country Image			4.57	1.08	5.36**	0.82
Purchase Intention			4.45	1.66	4.71	1.63
Word of Mouth			4.77	1.45	5.61**	1.09
Attitude towards Product	4.18	0.98			5.66**	0.93
Country Image	4.32	0.66			5.36**	0.82
Purchase Intention	3.73	1.48			4.71**	1.63
Word of Mouth	3.90	1.03			5.61**	1.09

Note. \* $p < .05$ , \*\*  $p < .01$

## 5. Discussion

The research aims to study the effect of country-of-origin cues on Malaysians' attitude and behavior and whether there is any halo effect by COO of a low involvement product. Previous literature had noted that products from developed countries are usually perceived to be of better quality than those from developing countries (Kaynak, Kucukemiroglu, & Hyder, 2000; Ahmed et al., 2004). For this reason, this research tested the responses of Malaysians towards toothpaste from China (developing country) and Australia (developed country) against the domestic toothpaste. Findings from the study clearly depict the superiority of the Western toothpaste over toothpaste from China. The Australian product also outshone the Malaysian product, but not for purchase



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intention.

The above outcome can be further explained utilizing the framework proposed by Obermiller and Spangenberg (1989). When consumers' process country-of-origin cues, especially affectively, they tend to be influenced through their personal experiences of a country and/or its people as well as other means such as media and education (Hong, Robert, & Wyer, 1989). Hence, instances such as country stereotyping and even social status occur as a result of the symbolic/emotional significances that consumers attach to different countries (Batral, Ramaswamy, Alden, Steenkamp, & Ramachander, 1999). Malaysians generally favor products from a more developed country as opposed to merchandises made locally as well as those perceived to be from less developed nations. This mimics inferences found in previous research related to the influence of country-of-origin labels in high involvement products (Kaynak, Kucukemiroglu, & Hyder, 2000; Sohail, 2004).

One reason for such is that consumers commonly have a more positive perception of merchandises from developed countries (Wang & Lamb, 1983) than their lesser developed counterparts – country stereotyping. Such preference may also be due to past history of colonialism in Malaysia that induces perception of the superiority of Westerners/Western merchandises hence Western products are observed to carry a higher prestige (Marcoux, Filialtrault & Che'ron, 1997). Following this, it is logical that Malaysians will have different perception/credibility of the three selected countries (Australia, China and Malaysia) in this study due to the difference in the level of development in each country. Australia has the highest GDP (Central Intelligence Agency, 2010), followed by Malaysia with a GDP (Unit Perancang Ekonomi, 2011) while China brought up the rear (Central Intelligence Agency, 2010). Additionally, the preference for Australian toothpaste by Malaysians is also explained by Obermiller and Spangenberg's (1989) framework on normative processing. When consumers' process country-of-origin cues normatively, they are driven by the norms practiced by the society in which they live in as well as their own personal/individual models.

In Malaysia, there is a societal perception that Western merchandises reign supreme over local and/or products from less developed countries, the 'Mat Salleh' or Westerner syndrome (Change Perception by Buying Malaysian, n.d.). Marcoux, Filialtrault, and Che'ron (1997) noted that foreign goods from developed countries are perceived to be of a 'higher' status and therefore seen to exhibit better quality over the others. Moreover, such preference for Western merchandises by Malaysians in this study also correspond to another similar research where consumers were found to infer that developed countries produce better products in general (Ghazali et al., 2008). Therefore, it should also come as no surprise that when comparing toothpaste from Australia and China, Malaysians favor the Australian brand much more. However, this preference shown by Malaysians does not automatically confirm their willingness to purchase the Australian toothpaste, especially when seen in comparison to toothpaste produced domestically. This jive with inferences by previous researchers who noted that although country-of-origin cues may rate high during preliminary consumer assessments of a product, it may not necessarily translate into a desire to purchase (Hong, Robert, & Wyer, 1989; Lim & Darley, 1997; Ulgado & Lee, 1998). Price or the cost to purchase may also be a contributing factor. Products from developed countries tend to be more expensive due to exchange rate fluctuations, tariffs as well as transport costs when compared to goods produced locally or imported from less developed countries (Wang & Chen, 2004). Thus, the final decision to not purchase the Australian toothpaste by Malaysians may be well due to practical motivations as well.

Data generated from this study also suggested that Malaysians tend to favor the local toothpaste more when seen in comparison to toothpaste from China. Respondents' preference for the local toothpaste could be due as well to societal perception that merchandises from China is usually inferior in quality. The label that is associated to China automatically induces perceptions of questionable quality in Malaysians; a dodgy sub-standard product made to compete better in the demanding market (Chong, 2010). As such, Malaysians preference for local over China toothpaste seems to be based more on considerations such as quality (even more so as the product in question is toothpaste) as opposed to country loyalty or consumer ethnocentrism as proposed by Shimp and Sharma (1987).

## 6. Conclusion

The main focus of the study undertaken is to understand the extent of country-of-origin cues on Malaysians' attitude, purchase intention and halo effect on the purchase of a low involvement product. The findings support the hypotheses and shows that Malaysians have a positive halo effect for the Australian product and a negative halo effect for the China toothpaste. It is reasonable to assert that Malaysians are influenced by the level of a country's development in their evaluation of a low involvement product and similar to studies on high involvement products carried out elsewhere (Hong, Robert, & Wyer, 1989). Based on such an outcome, a foreign investor/company with a favorable country image should always emphasize their country-of-origin information in their marketing efforts in Malaysia while the opposite is true for those with an unfavorable country image (Ahmed et al., 2004). Bhaskaran and Sukumaran (2007) proposed that identification with a favorable country-of-origin image will also enable companies to adopt premium pricing strategies. One must also take note that as such, a different target market must be aimed for, as our findings indicate that purchase intention does not tally with the positive halo effect. The current bulk of literature on country image revolves around studies focusing on high involvement products (cars and consumer electronics) (Sohail, 2004). In addition, these studies also tend to focus only in Western and other equally developed countries (Wang & Chen, 2004). This paper looks at a low involvement product in an Eastern nation and how it responds to COO of Western and Eastern countries. Future research should incorporate other product cues such as brand, product types and price together with country-of-origin cues to investigate the cumulative effect on consumer attitude and purchase intention of a product. Thakor and Katsanis (1997) had noted that significance of country-of-origin cues may differ in multivariable studies as opposed to when it is only considered on its own. Researcher may also consider conducting a similar research using a comparison study of Asian versus Western countries for similar products. Watson and Wright (2000) stated that conducting country-of-origin studies in different countries and cultures will yield varied outcomes.

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