MEANING AND USE OF 'MADE IN EUROPE' LABELS: TOWARDS A SEMIOTIC APPROACH TO COUNTRY-OF-ORIGIN

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Introduction

This study proposes semiotic theory as an approach that can contribute to a better understanding of the meaning and use of country-of-origin (coo). The topic results from the observation that within the country-of-origin field, various researchers have expressed their discontent with the a-theoretical character of standard approaches traditionally followed when studying coo and its potential effects on the consumer's product evaluation process (e.g., Askegaard and Ger 1998; Ger, Askegaard and Christensen 1999; Verlegh and Steenkamp 1999). More specifically, our intention is to conceptualize coo within a semiotic framework and to propose the conception and use of 'Made in Europe' labels as a case study.

Paper overview

This paper will be structured as followed. First, we motivate the need to look for a theoretical approach which can improve traditional coo-concepts and state the central problem in a more detailed way. In second instance, we propose Morris's semiotic theory (1946, 1964) as offering possible applications to refine the coo-concept. Then, we motivate our decision to focus on the case of 'Made in Europe' labels. Finally, we discuss some methodological issues.

Motivation behind our research

According to Morello and Boerema the focus of attention within the coo-field is on "[...] the question to know whether consumers relate the image of a country to the image of products from that country. In other words: is the country of origin of a certain product relevant in the consumer's purchasing process?" (Morello and Boerema 1989: 6 – translation is ours). In general, it is agreed within the field that coo does affect purchasing processes (e.g., Bilkey and Nes 1982). Verlegh and Steenkamp even argue that "[b]ased on the average effect size of 0.39 found in [their] meta-analysis, the country-of-origin effect can be classified as a substantial factor in product evaluations." (Verlegh and Steenkamp 1999: 537-538). According to Johansson (1993) however, there is a tendency among marketers and academics to underestimate the importance of coo-effects since the phenomenon remains poorly understood. This is largely due to coo-researchers accentuating size measurements instead of focusing on the development of theoretical frameworks. Papadopoulos and Heslop (1993) for instance deplore the lack of conceptual transparency within the field. More specifically, and in line with Verlegh (2001), we believe the 'country image' concept needs to be further explored and worked out.

Problem statement

The adequate conceptualization of country images remains problematic due to some tenacious theoretical imprecisions. In our opinion, the images associated with coo-cues have been too narrowly defined by most coo-researchers. Roth and Romeo (1992) for instance, explicitly state that scholars should mainly focus on a country's production and marketing-oriented aspects when studying coo-effects. Other features related to a product's origin would be of minor importance. Wang and Lamb have opposed themselves to the exclusion of more general environmental origin features, arguing that "[...] consumers generalize their knowledge or perceptions of environmental conditions in foreign countries to the quality of products produced ... using environmental conditions as a surrogate for a great many other pieces of unknown information." (Wang and Lamb 1983: 72). More specifically, they demonstrated the influence of a country's economic, political and cultural environment on the consumer's product evaluation. Consequently, as argued by Wee, Lim and Tan, country image "[...] needs to be studied more through a detailed operationalization of its underlying variables." (Wee, Lim and Tan 1993: 335). Therefore, we ask ourselves whether there are still other environmental features (like history, religion, arts, language, climate, etc.) which should be considered when studying coo-effects. We believe it is most relevant to include such country-features when studying coo-effects, especially in cases where consumers are confronted with hedonic products where the role of utilitarian product attributes is assumed to be less important during the evaluation process. The importance of environmental country features is further supported by Johansson (1989) who believes that possible affective and normative effects generated by coo probably are not related to production and marketing characteristics of the coo, but to social, cultural, historical and religious factors.

In line with these critical reflections with regard to the traditional country image conceptualization, Verlegh and Steenkamp (1999) signal how **emotional and symbolic connotations** (**like patriotism, animosity, ethnocentrism, pride, status, cultural identity, etc.**) related to a product's origin also have been rather neglected within the field¹. In their review of the literature they established how most often coo appeared to function as a cognitively processed quality indicator. They believe this is due to the fact that most coostudies assume a consumer's product evaluation is based on judgements of quality attributes. Yet, the tendency of fixing attention on a product's quality attributes when studying consumers' evaluation and decision processes, has been criticized by branding and advertising

¹ The paper is provided with a reference list of those few studies that did focus on emotional and symbolic aspects of coo.

managers. According to Aaker (2002), consumers do not always care as much about a product's quality as they do about more emotional and symbolic benefits like style and status. Hedonic approaches towards consumption acknowledge this assumption and have proven that these emotional and symbolic benefits can be important product evaluation criteria (e.g., Hirschman and Holbrook 1982).

Despite these criticisms, only a few studies within the field tried to further explore these complex country images². Some of them pictured country images in so-called perceptual maps. According to Askegaard and Ger (1997) these maps indeed revealed the holistic character of country images, since they were provided with cognitive, affective, motivational and sensory aspects. At the operational level however, the majority of coo-studies still does not precise which country specific features should be included within the coo-concept. Additionally, Verlegh (2001) remarks that none of the studies which explored the country image concept in a more detailed way, presented empirical evidence for relationships between specific country features and the product evaluation process. Verlegh's doctoral scription (2001) can be considered as the only exception. More specifically, he demonstrated how cognitive as well as affective components of country image influenced the consumer's product evaluation process. Notwithstanding, based on the previous, it can be stated that coo-literature remains rather unclear on the questions of knowing what coo means to consumers and how this cue is used by them during the product evaluation process. Therefore, we intend to look for a more solid coo-concept and to examine how coo-related features affect the consumer's product evaluation process. Together with Askegaard and Ger (1998), we believe semiotic theory can make an important contribution to this issue. The conceptual model we propose draws on Morris's semiotics (1946, 1964).

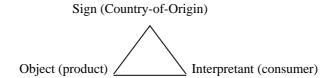
Morris's model of semiotics as conceptual framework for country-of-origin

Our decision to adopt a semiotic approach towards the study of origin-labels is not coincidental. Together with Denzin (1992), Heilbrunn (1998) states human beings act towards things based on the meanings that things have for them. Holbrook and Hirschman (1993) argue that products carry and communicate meaning. Yet, Douglas and Isherwood (1979) state that goods do not carry meaning by themselves. In line with this reasoning, Nöth (1988) believes a product's meaning is not inherent to the product itself, but generated by the association of the product with 'image attributes' which 'semantize' the product. Verlegh and

² The paper is provided with a reference list of those studies that did focus on the empirical analysis of coo.

Steenkamp (1999) believe that, besides indicating quality, the coo-cue can function as an image attribute which associates the product with emotional and symbolic meanings. This case of coo transferring its meaning to the product is considered by Nöth (1995) as an example of semiosis. Morris conceptualizes semiosis as a 3-way relationship among a *sign*, being anything that stands for something (*object* or *designatum*) to somebody (*interpretant*). According to Antonides and van Raaij (1998) this model can be translated to the product perception process with the product functioning as object, the coo-cue operating as a sign since it can refer to the product's attributes (whether these be utilitarian or socio-psychological), and the meaning consumers attach to the sign being the interpretant.

Figure 1: Conceptual model of country-of-origin as a sign



In our opinion, Morris's sign theory can be most valuable for our purpose of studying meaning and use of coo-labels since he assumes there are correspondences between a sing's signification (i.e. that what is taken account of by a sign's interpreter) and the way in which signs are used. With regard to a sign's signification, Morris (1946) distinguishes different modes in which a sign can signify: descriptively (i.e. signs signifying characteristics of objects), appraisively (i.e. signs signifying a preferred status of an object in relation to particular goals of an organism) and prescriptively (i.e. signs signifying how an object is to be reacted to by an organism). He further argues how each of these particular signifying modes seems to correspond with different ways in which a sign can be used. Signs signifying descriptively tend to be used informatively (i.e. used by an organism to act as if a certain object has certain characteristics), while signs signifying appraisively appear to be used valuatively (i.e. used by an organism to cause a preferential behaviour to certain objects). Finally, prescriptive signs seem to be used incitively (i.e. used by an organism to determine how he should act to certain objects). By informative use, we understand that consumers will use coo as a sign from which product-attribute information can be inferred. According to Obermiller and Spangenberg (1989), the coo-cue will generate a cognitive process where the coo-cue's impact on the consumer's overall evaluation will be mediated by the formation of attribute beliefs. By valuative use, we understand that consumers will use the coo-uce as a salient product attribute triggering an affective process. Obermiller and Spangenberg (1989) believe that in such a case, coo's impact on the consumer's overall evaluation will be of a

direct nature, bypassing the purely cognitive inferential evaluation. By incitive use, we understand that consumers will use the coo-cue as a rule of moral conduct. Obermiller and Spangenberg (1989) assume the coo-cue will function as a salient product attribute which generates a conative process where the coo-cue directly affects the consumer's behavioural intentions. Figure 2 (appendix 1) schematically retakes the most important ideas of the current section.

Case: 'Made in Europe' labels

Our decision to concentrate on the case of 'Made in Europe' labels is not accidental. Most scholars within the field studied coo-effects confronting subjects with national labels (e.g., Bilkey and Nes 1982). Yet, due to the increasing internationalization of the market, it becomes most relevant (1) to know what consumers understand by supranational concepts like 'Europe' and (2) to find out how they use labels associated with larger geographical units like 'Europe'. As for the case of 'Made in Europe' labels, the only tentative analysis within the field has been undertaken by Schweiger, Häubl and Friederes (1995). However, their study did not deal with the meanings associated with this particular label. With the accession of CEE countries into 'Europe', it might for instance become most interesting to examine how inhabitants of these new member countries interpret a 'Made in Europe' label. It might well be that Europe's favourable economic, industrial and technological image generates positive reactions towards products labeled as 'Made in Europe'. To the contrary, it might as well be the case that, due to patriotic feelings or to differences with regard to sociopolitical visions, 'Made in Europe' labels may engender rather negative reactions or may even be rejected.

Methodological issues

During the first stage of our project, we intend to study the meaning structures consumers attach to 'Made in Europe' labels. Therefore, we are conducting a first series of in-depth interviews. Our aim is to gather the items respondents think of when they hear the word 'Europe'. Based on first impressions, we ask ourselves the following 3 questions: (1) how can we develop a standardized structure of country (in this case Europe-) images? In other words, which dimensions are underlying country images? (2) If respondents mention various items they relate to a country (in this case Europe), how can we order them within this standardized structure of country images? (3) How can we determine whether items reported by respondents are designative, appraisive or prescriptive in nature?

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APPENDIX 1:

Figure 2: Signification and use of coo-image as a sign

