

# THE EFFECT OF STEREOTYPE INCONGRUENT INFORMATION ON CONSUMERS' EVALUATIONS: DOES FAVORABLE FOREIGN PRODUCT MEAN FAVORABLE COUNTRY OF ORIGIN?

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## ABSTRACT

A multitude of studies on country of origin effects indicate that consumers hold stereotypes of foreign countries and these stereotypes are then used for product evaluation and purchase. While there is ample research that explored such an effect, little if any systematic research has explored either theoretically or empirically determinants of country of origin stereotype change or revision in response to new information. For example, when, how and why new product information affects country of origin stereotypes have not been fully investigated. To address this gap in the literature, this study seeks to explore the determinants of consumers' country of origin evaluation. It contributes to both theory and practice by connecting country of origin research to research in social psychology on stereotype change. In the present research contribution, we investigate how country of origin stereotypes change in response to stereotype-disconfirming information. We draw on the sub-typing model of stereotype change, social judgment theory and the cognitive elaboration model to hypothesize that product information type; consumers level of involvement as well as the typicality of the information presented affect the degree to which consumers may revise the country of origin stereotype they hold.

The country of origin effect refers to the potential bias in product evaluation that results from the knowledge of the country in which the product was made. This knowledge may be used to infer the quality of the product being evaluated and also affect purchase and consumption behavior. Prior literature shows that consumers tend to evaluate products made in countries associated with a negative image less favorably than comparable products. However, it was suggested that country of origin stereotypes are fluid and subject to change in response to new information. Similarly, considerable evidence is found in the social psychology literature that suggests that stereotypes people hold are revised and changed in response to stereotype-incongruent information. Subsequent research on stereotype change has suggested that the type of counterstereotypic information may influence the degree to which such information affects stereotype change. The majority of findings in such work have supported the idea that one's attitude is less likely to change in response to extremely counter-attitudinal messages as compared to moderately discrepant ones.

The resistance of stereotypes against change in response to extremely incongruent information is attributed to the subtyping model of stereotype change. According to this model, information that is extremely stereotype-incongruent is seen as atypical and unrepresentative and hence cognitively isolated. This isolation consequently leads to the insulation of the stereotype against change. In the present paper, we argue that product information that deviates significantly from its associated country of origin stereotype is likely to be especially surprising. When surprised, consumers are likely to engage in causal processing of information aimed at reconciling their prior expectations with the violating information. Creating a sub-category for the extremely incongruent information facilitates such reconciliation and allows consumers to maintain their pre-existing country of origin stereotypes while regarding the incongruent information as an exception. Using the sub-typing model, we argue that moderately disconfirming product information should have a greater influence on country of origin stereotype change than extremely disconfirming information as the latter is more likely to be dismissed as atypical and to be sub-typed.

Furthermore, we argue that country of origin stereotype change is channeled through the perceived typicality of the new information. Prior research suggested a "prototype version of the sub-typing model" in which greater association occurs between the incongruent information and the stereotype (leading to greater stereotype change) when the incongruent information is perceived as a typical representative of the stereotyped group. We also expect low involvement consumers who do not engage in comprehensive elaboration of information to be less likely to subtype compared to high involvement consumers. Findings of this research may have important implications for the design of interventions by countries of origin that suffer negative associations or by multinational companies that manufacture products in such countries intended to reducing or changing consumers' negatively held stereotypes. Negative country of origin stereotypes may be changed by advertising products that violate such stereotypes. However, attention should be given to the choice of featured products. Products that sharply contradict with consumers' stereotypes may be of little help in attenuating negative country of origin associations

References Available on Request