

## THE INFLUENCE OF THE BRAND AND THE EFFECT OF THE COUNTRY OF ORIGIN ON THE PURCHASE

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### Abstract:

The purpose of this extended abstract is the presentation of the research problem in the doctoral dissertation which is being prepared at the Maria Skłodowska-Curie University in Lublin entitled: The influence of the brand and the country of origin on the purchase decisions of a car in the circumstances of internationalization of the companies within the industry.

*Keywords: purchase decisions, internationalization, brand, cars*

### Extended Abstract

The fundamental research problem of the proposed dissertation is the reference to the processes of internationalization within the automotive industry to the changes of the behaviours of consumers with respect to their choices in purchasing a car, including the choice of brand, whether new or used, taking into consideration the phenomenon of consumer ethnocentricity and the effect of the influence of the country of origin on the aforementioned transaction decisions.

Companies in the automotive industry throughout the past 30 years have strongly internationalized their activity among others by moving production from one country to another, making merges and purchases of shares, modifying their marketing strategies, including different management of the brands than before. They still attempt to build the best possible image of their company and the quality of the cars offered, constructing the “legend” of their own brand. The often emphasize stereotypical information, not necessarily reflected in reality, pointing to stereotypes well perceived in a given brand. For example German car manufacturers in various countries emphasize in other countries the Germanic origin of the model, whereas French cars are promoted as examples of state-of-the-art and creative technology. Japanese (or more broadly far eastern) cars can be associated with precision and good quality confirmed by a long-term guarantee. Such a message is a result of among others the folders or advertisements of the manufacturers.

It is worth asking the following questions:

- In what way does the country of origin influence the purchase decisions of individual customers?
- Are they aware of the actual and current owners of the brand?
- Are they able to precisely identify it with a specific country?

It is worth explaining why some brands such as Volvo are trying to maintain a different image than the actual one. At Volvo in opposition to legendary, robustness and reliability of the Swedish brand is the Chinese ownership, of which only a few buyers are aware - vehicles still are seen as a Swedish or Dutch, because there are produced, and therefore positive example of the effect of the country of origin takes action. It is advisable to also reflect on why Americans appreciate also domestic producers? One potential answer is the high level of consumer ethnocentrism of an average American. The modern automotive industry is highly globalized and internationalized, but apparently it does not prevent individual corporations stubbornly refer to the national character of the brand. These problems require economic and marketing analysis according to the author which will be made in the planned dissertation.

The area of the planned research is the automotive industry and the purchasing behaviour of consumers towards its products (including the market of second-hand cars). Such constructs shall be studied such

as: consumer ethnocentrism, the effect of the country of origin on the product, stereotypes against countries and brands, internationalization processes as well as knowledge of the consumer about the automotive market. The author intends to confront the reality of stereotypes still operating in Poland about car companies and their products. The author also intends to ask among other things about the knowledge of the geographical and capital relationships of the carmakers and management of the brands. At this point, one should ask the following questions, such as:

- How large is the group of people which will know about the cooperation and capital links between various car manufacturers, e.g. Nissan with Renault, Mazda and Toyota, Saab and Opel, SsangYong with Mercedes and many other brands with respect to the exchange of mechanical components (engines, floor plate, etc.) or technology?
- How big is the group of Poles who have knowledge about the capital links between the companies within the automotive industry?
- Are the customers aware that brands such as Audi, Skoda, Seat, Bentley, Bugatti owned by the Volkswagen group?
- Is the behaviour of these brands – Czech, Spanish, English – a manifestation of the impact of consumer ethnocentrism on consumer choices in these countries?

It is worth asking whether the choice of a particular brand by the governmental services of European countries is determined exclusively by distinctly economic reasons or also by the ethnocentrism of the authorities and are an effect of the country of origin? It should be emphasized that the brand of the police car or other vehicles of public services in France, the US, Italy, Germany is strongly connected with the given country, taking into consideration its origin. Therefore in Italy we shall see alfa Romeo police cars, Citroens and Peugeots in France. It is difficult to imagine for the American police to use other cars than those manufactured in the US.

The basic object of my analysis shall be consumers in Poland. An analysis of advertising communication shall be undertaken with respect to the actions of the company's activity. The planned research effect of the doctoral dissertation is to acquire knowledge on the topic of the perception of brands and companies that own them.

An additional justification of the choice of the aforementioned topic is apart from that the author's long-term interest in the automotive industry. The hitherto state of research described in the latter part of the concept is linked with the theme mainly by referring to the international situation, less so the circumstances in Poland. There is no description of the effect of the phenomenon of ethnocentrism and the effect of the country of origin on the individual purchase decisions of Poles in the light of the processes of the internationalization of production within the automotive industry. Research of this sort would be one of the first of the kind in Poland and its results will have a high applicational value.