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COUNTRY AFFECT – SCALE DEVELOPMENT AND VALIDATION

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For my parents

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1 Introduction

In times of progressing globalization the challenges for international marketers are rising, as well as the opportunities that evolve from this situation. The increasing globalization of markets leads to an excessive supply of products from all over the world. Therefore, consumers are overwhelmed with a wide range of local and foreign products. As consumers nowadays have more access to information about foreign countries than several years ago, it is easier for them to construct stereotypes about countries, which further also influences consumers' buying decisions. Consequently, product judgments are not longer based only on cues such as product quality, but also the country-of-origin of a product serves as the basis for consumers' decisions. The stereotypes derived from a products' country-of-origin might have positive effects, but also negative effects can arise from negative images, which create significant barriers for marketers trying to enter a market or to position their products in a market (Knight and Calantone 2000). Thus, marketing studies are interested in developing concepts that help to explain how consumers' consumption behavior is influenced by a products' country-of-origin.

At the beginning, marketing research concentrated more on the general construct of country-of-origin (e.g., Dichter 1962; Schooler 1965), but in the course of time the construct of country image emerged, which is said to have a considerable influence on consumers' evaluation of products and their buying decisions (e.g., Martin and Eroglu 1993; Knight and Calantone 2000; Laroche, Papadopoulos, Heslop, and Mourali 2005). Country image can be defined as "mental representations of a country's people, products, culture and national symbols" (Verlegh and Steenkamp 1999, p. 525) and is said to consist of a cognitive and an affective component (Verlegh 2001a). Although the importance of this construct is established and quite many articles in the literature investigate the construct of country image intensively, disagreement exists about the conceptualization of the country image construct (Laroche et al. 2005). In most studies, the research focus is mainly on country beliefs (e.g., Roth and Romeo 1992; Martin and Eroglu 1993), whereas the impact of country affect is not taken into consideration at all. The few studies which try to also incorporate country affect in their research model, fail to present a sufficient implementation of this distinction at the operationalization stage

(Roth and Diamantopoulos 2009). Due to this reason, a substantial research gap emerges, as it might be of importance for marketers to not only include the cognitive component of country image in their considerations, but also to regard country affect as an important factor of consumer behavior.

1.1 Research Objectives

The research objective of this diploma thesis comprises the closure of the above mentioned research gap, which stems from the fact that the importance of country affect is widely disregarded in the literature. As previous research has not concentrated on the construct of country affect at all and therefore no clear definition exists which determines what is included into the construct of country affect, the first objective of the present study focuses on the development of a definition which determines the characteristics of country affect and makes clear what should be understood by the term ‘country affect’. Based on the developed definition, the next objective concentrates on the development of a scale, which measures country related emotions towards countries in general. This objective should be reached by the application of a thorough scale development process. Once the scale is developed, it should be possible to answer several research questions to close the existing research gap by finding out (a) if country affect actually has an influence on consumers’ decisions, (b) how emotions toward countries in general influence these decisions, and (c) if the influence of country beliefs or the influence of country affect on consumers’ decisions is stronger. Concerning the chosen outcome variables, the impact of country affect on the following three outcomes shall be explored: (1) the intention to purchase products from a particular country, (2) the intention to invest in a country and (3) the intention to visit a country. A final research objective considers the proposition of managerial implications of how the results obtained for the country affect construct can be practically applied and further on, the way shall also be cleared for further research in the future.

1.2 Structure of the Thesis

The diploma thesis is divided into eight chapters. After this introduction, a thorough literature review is presented in chapter 2, which is the first recommended step in the scale development process (Netemeyer, Bearden, and Sharma 2003). In the literature

review the various concepts that are of importance for the development of the country affect scale will be discussed. At the beginning, attitude theory and its several available models are described, as the theoretical framework of this diploma thesis is built on that theory. In the following subchapter, country image and its relevant subcomponents country cognition, country conation and country affect are described in more detail. With regard to the topic of the diploma thesis, the focus is clearly on the construct of country affect, leading to a detailed description of its characteristics. Furthermore, a definition of country affect is also derived in this chapter. Finally, two related constructs, namely the constructs of consumer affinity and consumer animosity, will be discussed and contrasted to the concept of country affect.

In chapter 3, the literature review is followed by a description of the development of the research model and the associated hypotheses, which are designed with regard to the theoretical implications found in the literature and the assumed relationships between the single constructs and the chosen outcome variables.

Afterwards, chapter 4 includes a detailed description of the accomplished scale development process, which is taken from Netemeyer, Bearden and Sharma (2003). Here, all steps that are essential for the development of the country affect scale are thoroughly explained. Firstly, a precise explanation will be given of how the initial item pool is generated, from which the appropriate items for the country affect scale are afterwards chosen. Then the chapter continues with a description of the measures taken (e.g., expert screenings) to derive a final pool of items which best measures the proposed construct of country affect. Secondly, a questionnaire is developed which further includes besides the newly developed country affect scale several other constructs that are of interest in this particular research setting. The choice of constructs that are used in order to answer the research questions posed is described in more detail in chapter 4 as well. Finally, this chapter also contains a summary of the pretest, which was conducted to prove the comprehensibility of the questionnaire developed. To conclude this chapter, the data collection procedure used and the characteristics of the final sample are discussed.

Chapter 5 focuses on the analysis of the data obtained from the conducted survey as to test for the before developed hypotheses and in order to answer the posed research questions. By means of an exploratory factor analysis, the structure of the country affect will be analyzed, which leads to the finalization of the scale. Further on, the reliability and validity of the scale are tested. Furthermore, several other analyses will be carried out, which are used to explore the relationships between country beliefs, country affect and the three chosen outcome variables. Another point is concerned with how to weigh country beliefs and country affect with regard to their importance on consumers' decision making. Moreover, it will be attempted to distinguish the construct of country affect empirically from the construct of country beliefs and the construct of consumer ethnocentrism.

Further on, chapter 6 discusses the results of chapter 5. To complete this diploma thesis, chapter 7 presents the contributions of this work and elaborates among other things also on the managerial implications that can be drawn from the obtained results. Finally, the limitations of the current study and the possibilities for future research are presented in chapter 8.

2 Literature Review

In order to get a better understanding of the concept of country affect, which is introduced in this diploma thesis, it is of great importance to get insights into the theoretical framework used for the conceptualization of this concept. Therefore, the literature review starts with an overview of attitude theory and its various available models. Then the topic of country image is introduced and a more detailed description of the single constructs of which country image consists, namely beliefs, affect and conations, is given. Furthermore, the construct of affect will be discussed in more detail, as it is important for an understanding of the construct of country affect. At the end of this chapter a distinction between country image and two related constructs, namely consumer animosity and affinity, is drawn.

2.1 Theoretical Framework – Attitude Theory

The theoretical basis for the development of a framework to measure country affect, which captures emotions towards a country, is provided by attitude theory. Fishbein and Ajzen (1975, p. 6) define attitudes as “a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object”. Zanna and Rempel (1988, p. 321) regard attitudes as “the categorization of a stimulus object along an evaluative dimension [...]”. Rosenberg and Hovland (1960, p. 1) refer to attitudes as “predispositions to respond in a particular way toward a specified class of objects”. Katz and Stotland (1959, p. 428) use a similar definition when they speak of attitudes as being “[...] an individual’s tendency or predisposition to evaluate an object or the symbol of that object in a certain way”. Kotler (2003, p. 199) defines an attitude as “a person’s enduring favorable or unfavorable evaluations, emotional feelings, and action tendencies toward some object or idea”. Concerning these definitions it is possible to conclude that attitudes are not innate, they rather are acquired due to information about or direct experience with the attitude object and can be expressed as favorable or unfavorable feelings. Attitudes are not overt behaviors that can be observed directly, they rather can be seen as unobservable, internal reactions (Lutz 1981, p. 233). Nevertheless, attitudes are viewed as predispositions that lead to actual overt behavior. According to Lutz (1981) the attitude object does not necessarily have to be a true object, like a product, but it can also be an issue, a behavior or a person.

As attitudes are predispositions, the question arises if people hold only one attitude towards the attitude object. Ajzen (2001) respond to this issue that even though in former research the simplistic conception (i.e., containing only one attitude) exists, recent work however attempts to see this conception in a more complex way. Wilson, Lindsay, and Schooler (2000) refer to this theory as the model of dual attitudes. The term ‘dual attitudes’ means that the same object can be evaluated in different ways, leading to the possibility that people do not only hold one attitude towards an object or issue, but due to a change in attitudes over time a new attitude can occur. The authors point out that the new attitude doesn’t replace the previously formed attitude, it only overrides the old one and the two coexist. An example for this would be that a person learns some attitudes in childhood but as an adult he/she forms his/her own attitudes due to different experiences, but it is still possible that the old attitudes can be restored in special situations. Ajzen (2001) refers to this complex conception as well.

Attitudes are “useful predictors of consumers’ behavior toward a product or service” (Mitchell and Olson 1981, p. 318). This argument is confirmed by Fishbein and Ajzen (1975, p. 8) who write that an “attitude is typically viewed as a latent or underlying variable that is assumed to guide or influence behavior”. Depending on which direction the behavioral intention places its emphasis, Katz and Stotland (1959) talk about positive attitudes (e.g., if the person tries to aid the object) or negative attitudes (e.g., if the person tends to destroy the object). Specifically, the character of attitudes can be determined by five factors (Engel, Blackwell, and Miniard 1995). The first factor mentioned is the *valence*, which defines if the attitude is positive, negative or neutral. Further, attitudes can vary in their *extremity*, which refers to the degree of liking or disliking. Another aspect of attitudes that can vary is their *resistance*, which measures if an attitude is immune to change or not. The *persistence* of attitudes may also vary and represents the possibility that positive and negative attitudes may develop towards a more neutral direction in the course of time. Finally, the *degree of confidence*, which refers to a person’s belief about the grade of correctness of her or his attitude, may not be the same among all attitudes.

The conceptualization of attitudes is manifold. The first key concept is named the *three-component or tripartite view*, as it sees attitudes to consist of three dimensions, which are cognitive, affective and conative (e.g., Smith 1947; Katz and Stotland 1959;

Rosenberg and Hovland 1960). Rosenberg and Hovland (1960) popularized the three-component view in the early 1960s and it was further used in social sciences. This historical view states that attitudes are very complex as they include a person's beliefs and accordingly the information he or she holds about an object (i.e., cognitive), the favorable or unfavorable feelings toward the object (i.e., affective) and the intended behavior with regard to the object (i.e., conative). The three components are seen as being most predictive of behavior when observed simultaneously. Considering this inclusive view of attitudes, a strong attitude-behavior relationship is assumed (Fishbein and Ajzen 1975). But although the three-component view of attitudes is so extensively used in the literature, it has an important shortcoming in order to describe attitudes: all three components are dependent of each other and they are therefore causally related (Mackie and Hamilton 1993).

The second view, which is used in more recent studies, is referred to as the *two-component view* of attitudes. Theorists like Bagozzi and Burnkrant (1979), Schlegel and DiTecco (1982), Zajonc and Markus (1982), and Engel, Blackwell, and Miniard (1995) apply this approach. Here, the conative dimension (i.e., intended behavior) is removed from the attitude equation. Consequently, attitudes consist only of the two dimensions cognition and affect, which in return determine the behavioral intentions. Katz and Stotland (1959) also follow this approach as they claim that an attitude has to cover an affective and a cognitive component only, but that it does not need to contain a conative one. According to Katz and Stotland (1959, p. 429) the affective component is the central part of an attitude as it is "the most closely related to the evaluation of the object". The authors indicate that even though a person may not know very much about an object, he or she may still evaluate the object highly or low. Fishbein and Ajzen (1975), who agree with this statement, support the latter as well. Nevertheless, the cognitive part is at least necessary to identify the object, but may also contain a "full and detailed description of the object and beliefs about it" (Katz and Stotland 1959, p. 431). According to Bagozzi and Burnkrant (1979, p. 915) the affective component "measures the degree of emotional attraction toward an attitude object", while the cognitive component "accounts for the perceived relationship between attitude object and other objects or concepts". Following Ostrom (1969, p. 16), the cognitive part comprises "beliefs about the object, characteristics of the object, and relationships of the object with other objects". As Engel, Blackwell, and Miniard (1995) state, it depends on

the nature of the attitude object whether the primary determinant of an attitude is the cognitive or the affective component. It is also possible that both cognitive and affective components influence the formation of the attitude. This statement is confirmed by Katz and Stotland (1959) as well. They support the assumption that the degree of impact of both the cognitive component – depending on the extent of knowledge about the object – and the affective component can be variable.

Another possibility to describe attitudes is along a *hierarchy-of-effects* (or ABC, standing for attitude-beliefs-conation) *sequence*. The most popular and influential model is the attitude-behavior model or theory of reasoned action, which has been developed by Fishbein and Ajzen (1975). Their attempt is to propose a clear differentiation between the different constructs of beliefs, attitude, behavioral intentions and actual behavior. ABC theory starts with the assumption that people are reacting rational and use information that is available in a systematic manner. This means that the theoretical conceptualization is based on the claim that beliefs are the fundamental component. Due to the beliefs received from direct observation or outside information sources a person forms evaluations. These evaluations are seen as the attitude component in the ABC model, as the authors view attitudes as evaluative or affective in nature. The evaluative component has in turn an influence on the behavioral intentions with respect to the object. In the end, the intended behavior leads to the corresponding behavior towards the object (Fishbein and Ajzen 1975).

The advantage of the ABC model is that the provided insights into the reasons of behavior are much richer than in other models (Engel, Blackwell, and Miniard 1995). But the model has also its shortcomings, as Liska (1984) found out when examining the causal structure of the Fishbein/Ajzen attitude-behavior model. In the attitude-behavior model, attitude formation and change are ascribed to the processing of information. Liska (1984, p. 66-67) criticizes this point of view and claims that beliefs and attitudes are not related to each other, so to say that these constructs “may vary independently and may independently affect intentions and behavior”. Furthermore, Liska (1984) points out that Fishbein and Ajzen ignore the fact that behavior is not only the outcome of the chain but that behavior can also influence the foregoing constructs like intentions and attitudes.

2.2 Country-of-Origin Image

Products can be judged by a wide range of factors, e.g., quality, performance, brand name, etc. This judgment is built on cues, which are stimuli of minor impact and which are determining “when, where and how a person responds” (Kotler 2003, p. 197). According to the direction of the affect, cues can be either intrinsic or extrinsic. Intrinsic cues affect physical product characteristics (e.g., design, ingredients, performance, ...), while extrinsic cues do not directly affect the product performance. In other words, extrinsic cues are related to intangible product attributes (e.g., brand name, price, ...) (Peterson and Jolibert 1995). Country-of-origin belongs to the group of extrinsic cues.

The term country-of-origin is usually defined as “the country with which a firm is associated” (Gillespie, Jeannet, and Hennessey 2007, p. 195). Country-of-origin is a perceived concept, meaning that the country a consumer associates with a firm does not necessarily have to be the actual country-of-origin. One of the earlier country-of-origin investigators who refers to the importance of a product’s country-of-origin is Dichter (1962, p. 116), who argues that the country-of-origin may have a “tremendous influence on the acceptance and success of products”. Among the first who empirically report about country-of-origin effects is Schooler (1965, p. 396), who writes about the detection of “significant differences in the evaluation of products, identical in all respects except the name of the country appearing on the label [...]”. After the publication of Schooler’s article, the systematic research on these effects begins (for a detailed review of the earlier literature on country-of-origin effects see Bilkey and Nes 1982; Roth and Romeo 1992; Peterson and Jolibert 1995; Verlegh and Steenkamp 1999; Usunier 2006; Roth and Diamantopoulos 2009).

Origin bias exists for both end-users as well as for industrial buyers and concerns general product categories as well as specific product categories (Verlegh and Steenkamp 1999; Laroche et al. 2005). Klein, Ettenson, and Morris (1998, p. 89) remark that “it is possible, however, that a product’s origin (signaled by the place of manufacture and/or brand name) will affect consumers’ buying decisions directly and independently of product judgments”. Specifically, Botschen and Hemetsberger (1998) state that not only product quality is linked to country-of-origin, but that consumers also associate memories of past vacations and feelings of national pride with it. Verlegh and

Steenkamp (1999, p. 523) also mention “that country of origin is not merely a cognitive cue for product quality, but also relates to emotions, identity, pride and autobiographical memories”.

From the country-of-origin literature, a central construct emerged, namely the country-of-origin image, which is referred to further on as country image. While country-of-origin focuses on the question *if* consumers have preferences for some products over others, based on the origin of a product, country image tries to identify *why* these preferences exist (Roth and Diamantopoulos 2009).

Regarding the development of country image, there are different possibilities of how consumers form the beliefs and emotions they have toward a country: firstly, due to direct experience with the country (e.g., gained by traveling); secondly, due to influence by outside sources of information (e.g., through advertisements); or thirdly, by inferences (e.g., based on past experiences with products from the particular country), which may be correct or incorrect (Martin and Eroglu 1993).

According to Roth and Diamantopoulos (2009, p. 727) country image can be conceptualized on three different levels, namely focusing on (1) the general image of countries (i.e., country image), (2) the image of countries and their products (i.e., product-country images) and (3) the images of products from a country (i.e., product image). With regard to the first group, country image is defined as a more general concept, which is not only built on a statement about the products from this country, but also includes other country-specific variables. The factors which constitute this general concept are numerous, as country image “results from its geography, history, proclamations, art and music, famous citizens, and other features” (Kotler and Gertner 2004, p. 42). Other authors that are using a similarly broad definition are for example Verlegh and Steenkamp (1999, p. 525), as they talk about “mental representations of a country’s people, products, culture and national symbols” and Allred, Chakraborty, and Miller (1999, p. 36), who define country image as “the perception or impression that organizations and consumers have about a country. This impression or perception of a country is based on the country’s economic condition, political structure, culture, conflict with other countries, labor conditions, and stand on environmental issues”. Further definitions can be found in the review of Roth and Diamantopoulos (2009).

Particularly noticeable among the definitions is the fact that most authors speak only about factors concerning cognitive beliefs, ignoring the affective component of country image. Although Boulding (1959, p. 120) remarks that a national image must be seen as “the total cognitive, affective and evaluative structure of the behavior unit”, the affective component is not taken into account by most definitions.

The second group of definitions concentrates mainly on country image as being perceived as the origin of products, the so-called product-country image. Nebenzahl, Jaffe, and Usunier (2003, p. 388) define country image as “consumers’ perceptions about the attributes of products made-in a certain country; emotions toward the country and resulted perceptions about the social desirability of owning products made-in the country”. When taking a closer look at this definition, it can be said that product-country image consists of the two concepts country image and product image, which are distinct but related. Furthermore, the perception of the country implies whether buying products from this country is preferable or not. Therefore, country image does have an influence on product image. This implication is also supported by Roth and Romeo (1992) who found out that when consumers have a positive country image, this can further lead to a positive product image and against enhancing willingness to buy products from this particular country.

The third group of definitions concentrates solely on product images and is first introduced by Nagashima (1970, p. 68) who defines country image as “the picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country. This image is created by such variables as representative products, national characteristics, economic and political background, history, and traditions”. Regardless of the fact that the term ‘country’ is used, the definition is related to the products of a specific country, so that in this context the term ‘product image’, instead of the term ‘country image’, is the more accurate one used for this conceptual definition. But not only Nagashima (1970) conceptualizes country image in this way, also other researchers define the concept as product image rather than country image (e.g., Han 1989; Roth and Romeo 1992; Bilkey 1993).

According to the above mentioned general definitions, characterizing country image as a construct consisting of *beliefs* as well as of *affective factors*, country image can also

be described as an attitude toward a country, as attitudes were above defined as “a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object” (Fishbein and Ajzen 1975, p. 6). Therefore, attitude theory can be said to best explain favorable or unfavorable country evaluations (Roth and Diamantopoulos 2009). Furthermore, as Knight and Calantone (2000) and Papadopoulos, Heslop, and Bamossy (1990) suggest, the perceptions a consumer has with regard to a given product’s country image are based on cognitions (e.g., consumers’ beliefs about a specific country), affect (e.g., the related emotions towards the country) and conations (e.g., the consumers’ behavioral intentions towards this country). Thus, parallels to attitude theory (see chapter 1.1) can be identified. Further on, country image, as well as attitudes, has at least a cognitive and an affective component. Summarizing these statements and definitions, there is evidence that attitude theory is the best way to conceptualize country image.

In line with attitude theory, this diploma thesis assumes that country image is composed of the three components mentioned above, which are cognitive, affective and conative. The next sections describe these components. As the emphasis of the diploma thesis is placed on country affect, this part will be illustrated in more detail.

2.3 Country Beliefs

According to Roth and Diamantopoulos (2009), country beliefs can be operationalized along two dimensions that are also usually used in the literature (for a review refer to the study of Roth and Diamantopoulos 2009 mentioned above), namely a country facet and a people facet. The country facet includes factors like for example economy, politics, climate, technology, culture and landscape or environment, while the people facet is based on factors like standard of living, training, labor, competence and creativity.

Some researchers tried to develop and refine a scale to measure country image, concentrating on country beliefs (e.g., Parameswaran and Yaprak 1987; Knight, Spreng, and Yaprak 2003), but one weakness of these scales is the fact that they can lead to different factor structures across applications, also depending on the number of items

used (e.g., Martin and Eroglu 1993; Knight, Spreng, and Yaprak 2003; Roth and Diamantopoulos 2009).

Another way to measure country beliefs and an alternative to the country image scale is the construct of country personality, which was introduced by d'Astous and Boujbel (2007). Here, the basic idea is to position countries on personality dimensions that are related to human beings. Respondents have the possibility to assign different adjectives to a country in order to determine how they perceive the personality of this country. The authors identify six personality dimensions: agreeableness, wickedness, snobbism, assiduousness, conformity and unobtrusiveness. Using these dimensions, it is possible to “position countries as well as to estimate the impact of each personality dimension on attitudes towards countries in general, countries as producers of consumer goods, and countries as travel destinations” (d'Astous and Boujbel 2007, p. 238). The advantage of this scale is that diverse countries can be described without the necessity to adapt the scale to a specific study setting (Roth and Diamantopoulos 2009). However, the study of d'Astous and Boujbel (2007) also shows that not every dimension has a significant impact on every outcome, as for example assiduousness, snobbism and unobtrusiveness show no significant impact on travel destination attitudes, even though they were significant for the other outcome variables.

The decision, which cognitive factors to use for the analysis should be based on the study context. It is therefore for example recommendable to include the factors climate and expertise when trying to measure the influence of country image on the intention to buy food from this country (van Ittersum, Candel, and Meulenberg 2003), whereas the political system may not be such an important factor in this context. Roth and Diamantopoulos (2009) mention that one of the reasons why researchers do not get consistent effects of country beliefs on different outcome variables is that the context-specificity of chosen factors is often disregarded.

2.4 Country Conations

Country conations are defined as the behavioral consequences that are activated because of the cognitive and affective components of country image. Although the majority of studies concentrate on the outcome variables of product evaluations and/or preferences

(e.g., Bilkey and Nes 1982; Laroche et al. 2005), these should not be the only variables under investigation (Roth and Diamantopoulos 2009). In their review of the country-of-origin literature, Papadopoulos and Heslop (2003, p. 424) express the need “to broaden the perspective of PCI research beyond the traditional notion of ‘product’ in the sense of tangible goods [...]. This incorporates, among others, services, tourism, FDI, and even the need to attract a qualified workforce to particular countries or places within them”. As noted above, Kotler and Gertner (2004) also refer to the further influence of country image on investments, traveling, or change of residence, leading to the conclusion that these are also variables of interest that could be included in the research of country image. Roth and Diamantopoulos (2009) therefore stress that country conations do not only comprise product purchase, but also intentions to invest in that country, and visit the focal country.

2.5 Country Affect

The main focus of attention in this work is on country affect, or, briefly described, on the emotions someone can hold toward a country. Although a lot of literature on the topic of country image exists, the major part of available studies concentrates on the cognitive part of country image only, discounting the affective part of the construct (Roth and Diamantopoulos 2009). In addition, Verlegh (2001a, p. 51) comments that “country-of-origin research has paid little attention to the role of feelings evoked by country-of-origin”. Roth and Diamantopoulos (2009) further remark that the few studies which conceptualize country image as a construct consisting of cognitive, affective and conative facets, fail at a sufficient implementation of this distinction at the operationalization stage. Nevertheless, the affect facet is of importance for the country image construct as indeed Russell and Snodgrass (1987, p. 246) state that “behavior may be influenced by the (estimated, perceived, or remembered) affective quality of an environment rather than by its objective properties directly”. Unfortunately, there is no proper measurement for country affect. This fact is also touched upon by Nebenzahl, Jaffe, and Usunier (2003, p. 385) who claim that “lacking [...] are sufficient descriptors that measure emotive and social influences on consumer choice”. Concluding, the development of a tailor-made scale for measuring country-related emotions is needed.

In the following section, the importance of affect shall be outlined at the beginning, followed by a definitional delineation of the main facets of country affect in order to avoid confusion, as the existing definitions in the literature are not consistent with each other and used interchangeably. Further on, the terms ‘emotion’ and ‘feeling’ are contrasted. Afterwards, a discussion on the structure of country affect follows. This discussion includes the identification of the characteristics and of the conceptual domain of country affect. Based on these foregoing steps, finally a new adequate definition of country affect is provided, which is utilized later on in the diploma thesis.

2.5.1 Conceptual Delineation of Affect in General

Affect is coloring our behavior and our reactions toward the world. Specifically, as Moore and Isen (1990, p. 1) point out, “[...] our responses to ourselves and others depend on our feelings”. According to Fredrickson (2000, p. 577), “people’s past and ongoing affective experiences guide their decisions about the future” and Schwarz (2000, p. 433) stresses that “our everyday experiences leave little doubt that our emotions can influence the decisions we make, much as the outcome of our decisions can influence the emotions we experience”. These citations already highlight the importance of affect and its several facets, as they influence our daily life. Whereas some theorists regard affect as having a dangerous influence on thinking by disturbing the rational decision-making process, the contrary view states that affect is a useful complement to rational thinking (Forgas 2001). In addition, positive affect is known for having (positive) influence on behavior and for facilitating thinking (Isen 1999). Definitely, affect is part of the country image construct and, together with the component of cognition, responsible for how people react and for the decisions they make.

Looking at the citations above as well as at the existing literature on affect in general, it appears that the term ‘affect’ is often used synonymously with the terms ‘emotion’, ‘mood’ and ‘feeling’. Therefore, a determining factor is the identification of which elements are included in the concept of affect, as little consistency prevails in the literature. For this purpose, a clear distinction between these terms should be drawn at the beginning of this work. This distinction should be reached by listing the

characteristics of the constructs of affect, emotion, and mood, followed by a discussion of the relationship between emotions and feelings.

- **Affect:** A commonly accepted view refers to affect as “a broad and inclusive concept referring to both moods and emotions” (Forgas 2001, p. 6). Affect is defined further as “emotions, moods, and other subjective states like pleasure and pain, liking and disliking, hope and dread” (Fredrickson 2000, p. 577). Bagozzi, Gopinath, and Nyer (1999, p. 184) see affect as “[...] a general category for mental feeling processes”, meaning that affect is covering a set of mental processes, “[...] including emotions, moods, and (possibly) attitudes”. According to the literature, the construct of affect can be summarized as an umbrella term covering both emotions and moods.
- **Emotion:** Bagozzi, Gopinath, and Nyer (1999, p. 184) define emotions as “[...] mental states of readiness that arise from appraisals of events or one’s own thoughts”. The authors describe emotions by characteristics such as a phenomenological tone, the accompaniment of physiological processes, a physical expression and actions to manage and confirm the emotion. Fredrickson and Branigan (2001, p. 126) define emotions as being “about some personally meaningful circumstance”, meaning that emotions are directed at an object. Furthermore, Bower and Forgas (2000) regard them as being only of short duration and having an identifiable cause. Moreover, they are of the opinion that a person is conscious of the emotion, meaning that “[...] emotions typically have high cognitive involvement and elaborate content” (Bower and Forgas 2000, p. 89). Concerning the intensity, the personal perception of emotions is very intense (Forgas 2001). Bagozzi, Gopinath, and Nyer (1999) also remark that many emotions involve action tendencies and explicit actions. According to the literature, emotions are seen to be either positive or negative (Clore, Ortony, and Foss 1987; Isen 1999). While it might seem as if the two constructs of positive and negative emotions are polar opposites, Watson, Clark, and Tellegen (1988) state that these factors effectively are found to be highly distinctive dimensions and can therefore be regarded as different constructs (see also Cacioppo and Berntson 1994; Watson, Wiese, Vaidya, and Tellegen 1999; Larsen, McGraw, and Cacioppo 2001; Schoefer and Diamantopoulos 2008). Cacioppo and

Berntson (1994) refer to the fact that it is possible to co-activate positive and negative emotions, meaning that it is possible that both constructs occur at the same time. According to these findings, it is for example possible to feel happy and sad at the same time (Larsen, McGraw, and Cacioppo 2001). This co-activation can only be possible if positive and negative emotions are treated as distinct dimensions on a bipolar scale (Schoefer and Diamantopoulos 2008). Further, Isen (1999) remarks that positive and negative emotions are asymmetrical or not parallel in their effects. Thus, the impact of positive emotions and negative emotions is not the same, neither for social behavior nor for cognition (see also Cacioppo and Gardner 1993). For example, while a positive emotion like a feeling of happiness leads to the promotion of sociability in most situations, the opposite has not always found to be true for negative emotions (Cacioppo and Gardner 1993).

- **Mood:** Oversimplified, moods can be said to be the contrary of emotions, when comparing their characteristics. Unlike emotions, moods are not directed at an object. They last longer than emotions and are kept more in the background of consciousness (i.e., a frame of mind) (Bower and Forgas 2000). Bagozzi, Gopinath, and Nyer (1999) remark that the personal perception of a mood is of lower intensity than the perception of an emotion. Further on, moods are not linked to action tendencies and definitive actions like emotions.

Now that the three terms ‘affect’, ‘emotion’ and ‘mood’ are explained in more detail, there is another point that needs to be clarified more precisely, as further confusion can be caused by the term ‘feelings’. When looking at the literature, the terms ‘emotions’ and ‘feelings’ are often used interchangeably, or emotions are said to consist of positive and negative feelings (Clore, Ortony, and Foss 1987; Isen 1999; Oberecker, Riefler, and Diamantopoulos 2008). Here the question presents itself, if feelings and emotions are the same or if they are different constructs. Clore, Ortony, and Foss (1987) explain that a person can experience a lot of different feelings, but that not every feeling refers to an emotion. The authors refer to the fact that ‘feeling something’ does not automatically indicate that it also triggers an emotion. For example, if someone is feeling hungry, this is a feeling, but not an emotion, as emotions are more related to ‘being something’ than to ‘feeling something’. For example, if someone is happy, this can be seen as an

emotion. Another definition is provided by Damasio (2001, p. 781), who describes an emotion as “a patterned collection of chemical and neural responses that is produced by the brain when it detects the presence of an emotionally competent stimulus - an object or situation, for example”, whereas “feelings are the mental representation of the physiological changes that characterize emotions”. Therefore, emotions can be seen as the more comprehensive concept that provides an immediate response to an experienced challenge or an opportunity, whereas feelings provide the associated mental alertness. On the whole, a strong distinction between the terms ‘emotions’ and ‘feelings’ is mostly used by neuropsychologists and brain researchers (e.g., Scherer 2005), while in other fields and especially in the field of marketing these two terms are treated synonymously in the majority of cases (e.g., Burke and Edell 1989; Homer and Yoon 1992; Dehler and Welsh 1994) or with fine distinctions only (e.g., Plutchik 1980; Hansen 2005). As there is no general agreement on this topic and in order to simplify matters, in this diploma thesis emotions and feelings will be seen as being the same and the two terms will be used interchangeably.

2.5.2 Conceptual Delineation of Country Affect

In the preceding section, the three constructs of affect, emotion and mood, as well as the relationship between emotions and feelings, are defined. In the context of country affect, not all of the three above explained constructs will be of importance. While in the literature affect is said to contain both emotions and moods, the latter will not be considered to be part of the country affect construct as moods are said to be not directed at an object and do not involve any direct action tendencies and definitive actions. Clore, Ortony, and Foss (1987, p. 751) note that the conceptualization of affect is more general than the conceptualization of emotions, as “all emotions are affective, but not all affective conditions are emotions”. Additionally, Johnson and Stewart (2005) remark that a large part of the literature has recognized that emotions are one of the most important factors that have impact on consumer behavior. Resulting from these three conditions, the country affect construct consists largely of emotions (e.g., joy, anger, fear), and if necessary and relevant for the validity of the country affect construct, some other subjective states (e.g., like) are implemented. This approach should allow covering the whole range of emotional reactions that are possible to emerge with regard

to the emotions someone could have toward a country. Holbrook and Batra (1987) support this view as well.

In order to return to the discussion on the structure of country affect, the focus will now be on the question of what should be enclosed in the conceptual domain of country affect. As the literature shows, emotions are said to be positive or negative (Clore, Ortony, and Foss 1987; Isen 1999). Also Verlegh (2001b) and Brijs (2006), who have done extensive research on country image, claim that affect consists of positive and negative emotions. But when thinking about the wide range of emotions that exists, the question arises if the currently modeled approach is defined too narrowly (Roth and Diamantopoulos 2009). This consideration is strengthened by the findings of the qualitative study of Oberecker, Riefler, and Diamantopoulos (2008), who report that respondents not only refer to emotions, but also to a list of arousal items (e.g., “Country X is of importance for me”) which do not capture emotions per se. This indicates that the range of emotions is not complete by including positive and negative emotions, and that the insertion of so-called arousal items is advisable to cover the full spectrum of emotions. Arousal is also mentioned in the article of Bagozzi, Gopinath, and Nyer (1999, p. 193) who state that “arousal is a key part of emotional functions in the brain that underlies much of its automaticity”. Moreover, Moore and Isen (1990, p. 4) mention that affect is often seen as including a complex dimension of arousal. Russell (1980, p. 1163) represents affect as a circumplex model, in which “the horizontal (east-west) dimension in this spatial metaphor is the pleasure-displeasure dimension [i.e., positive versus negative affect], and the vertical (north-south) dimension is arousal-sleep [i.e., arousal versus nonarousal]”. As can be seen at the circumplex model of affect, arousal can be interpreted as the emotional counterpart to negative and positive affect (Mehrabian 1995). According to Russell (1980), these three variables form rather independent dimensions. As Watson and Tellegen (1985) point out, negative and positive affect, as well as arousal have emerged as the major dimensions in several studies. As a consequence, the conceptual domain of country affect contains not only a positive and a negative component, but the conceptual domain is rather enlarged by an arousal component.

The terms of positive and negative affect are rather self-explanatory: positive emotions comprise positive feelings toward a country, whereas negative emotions include

negative feelings toward a country. Watson, Clark, and Tellegen (1988, p. 1063) refer to a negative emotion as “a general dimension of subjective distress and unpleasurable engagement that subsumes a variety of aversive mood states, including anger, contempt, disgust, guilt, fear, and nervousness”, while a positive emotion “reflects the extent to which a person feels enthusiastic, active, and alert”. The term of arousal refers to a “level of physical activity and/or mental alertness” (Mehrabian 1995, p. 342); in the case of country affect the mental alertness is seen to be directed at a (foreign) country.

As stated at the beginning, country affect is a rather unexplored construct and therefore no concrete definition exists which covers this construct. Thus, an adequate definition, which should be used further in the context of this diploma thesis, has to be derived from the country image literature as well as from the definition of affect in general and the above mentioned assumptions on country affect. (General) Country image is defined by Verlegh (2001a, p. 25) as “a mental network of affective and cognitive associations connected to the country”. While other concepts such as affinity or animosity (see chapter 2.6) are related to a specific country (i.e., an animosity or affinity country), the construct of country affect should be related to countries in general. As the main focus lies on the affective associations only, which in this context only include emotions and other subjective states, the definition of affect from Lutz (1981, p. 234) fits very well, where the author defines affect as “positive or negative emotional reactions to the object”. Emotions are said to lead to clear action tendencies as well as actions and they are directed at an object. Further on, the definition will be based on the assumption that emotions can not only be experienced as being positive or negative, but that the range of emotions should also be enlarged by a state of arousal, which has been explained above in more detail. When considering these assumptions and combining them with the two afore mentioned definitions, the definition of country affect can be the following:

Country affect refers to positive or negative emotions, other subjective states or also to a state of arousal, which consumers can experience toward any (foreign) country and which further lead to particular action tendencies and explicit actions.

2.6 Related Constructs

Countries can evoke a broad set of affective responses, ranging from positive to negative characteristics. Therefore, a variety of different constructs measuring these different levels of affective responses exists. These constructs can help marketers to get a better understanding of the factors underlying consumer attitudes regarding foreign or even national products. Two of them, animosity and affinity, are worth to be defined in more detail in the context of this diploma thesis so as to distinguish them from the constructs of country image and country affect.

2.6.1 Consumer Animosity

Klein, Ettenson, and Morris (1998, p. 90) define the construct of animosity as “the remnants of antipathy related to previous or ongoing military, political, or economic events”. As the authors claim, animosity can arise from different sources. These sources can range from harmless situations like countries sharing a border between them to more serious contexts like an ongoing military event or economic or political conflicts. Based on this definition, Klein, Ettenson, and Morris (1998) differentiate between war-based and economic-based animosity. When looking at the reasons for economic-based animosity, Riefler and Diamantopoulos (2007) list three reasons: firstly, animosity may be caused by trade practices seemingly unfair to the home country; secondly, by the economic power of the foreign country or thirdly, as consequence of unreliable trading partners. On the contrary, the reasons for war-based animosity are seen to be more country-specific. This kind of animosity may emerge due to misdoings during historical occupations (e.g., the occupation of The Netherlands by Germany) or during a war (e.g., Germany and the Holocaust). Another point mentioned by Riefler and Diamantopoulos (2007) is that countries, which are culturally dissimilar compared to the home country, are even more likely to be the target of animosity. Furthermore, Ang, Jung, Kau, Leong, Pornpitakpan, and Tan (2004) identify four more types of animosity: stable versus situational and personal versus national. By the term stable animosity the authors refer to negative feelings developed from historical economic or military events, which are passed on and remain stable from generation to generation, even if individuals do not have personal experiences with these events. Situational animosity, however, concerns negative feelings that are linked with a specific circumstance. The third type of

animosity, personal, refers to personal experiences with the foreign country or its inhabitants that lead to animosity. On the contrary, national animosity deals with the perceptions on how the home country is treated by the foreign country.

As Klein and Ettenson (1999, p. 6) remark, animosity can be “a significant predictor of consumers’ willingness to purchase foreign products”. According to the findings of Klein, Ettenson, and Morris (1998), animosity can be said to have no influence on the quality perception of a product from a specific country, it is rather pure hostility toward a country, leading to the rejection of products from the focal country. Such actions can also be seen as an a-moral action (Verlegh and Steenkamp 1999), meaning that consumers try to force their point by deciding to, in the case of animosity, avoid products from the respective country. An important fact to mention is that consumers holding feelings of animosity only have these feelings toward a specific country and not towards product purchase from foreign countries in general (Riefler and Diamantopoulos 2007).

The constructs of animosity and country image can be easily distinguished, as country image comprises a belief component as well as an affect component, whereas animosity concentrates only on the affective part. Looking at the constructs of animosity and country affect, animosity targets a specific country (i.e., an animosity country), while country affect is applicable for all countries and can therefore be defined as the more general concept. Furthermore, animosity comprises only strong negative feelings toward the animosity country. By contrast, country affect is assumed to be composed of a wide range of affective states, like negative or positive feelings, other subjective states or different states of arousal. Whereas country affect emerges from the confrontation with any country itself, the reason for the development of animosity is in the majority of cases economic-based or war-based.

2.6.2 Consumer Affinity

The second construct, which has to be distinguished from the country affect construct, is called consumer affinity. While the impact of negative attitudes toward foreign countries has been subject of great interest in the literature, the concept of consumer affinity, which is based on favorable attitudes towards a country, is rather unexplored.

Jaffe and Nebenzahl (2006) introduce the concept of consumer affinity as a basis for the segmentation of consumers. They do not provide a formal definition of affinity but describe the concept as an (favorable) attitude toward foreign countries and their products. The first who are trying to advance this construct further are Oberecker, Riefler, and Diamantopoulos (2008, p. 26), who define consumer affinity as “a feeling of liking, sympathy, and even attachment toward a specific foreign country that has become an in-group as a result of the consumer’s direct personal experience and/or normative exposure and that positively affects the consumer’s decision making associated with products and services originated from the affinity country”. The conceptualization of consumer affinity can be based on attitude theory (e.g., favorable feelings toward an object, see chapter 1.1) and social identity theory. Social identity theory acts on the assumption that people are classifying themselves and others into different social categories, like for example based on age, gender, occupational group, etc. (Ashforth and Mael 1989). Social identity theory differentiates between in- and out-groups. In-groups can be defined as “those groups with which the individual identifies him or herself” whereas out-groups are defined as the opposite, namely groups “with which he or she does not have a sense of belonging and which are considered as antithetical to the in-groups” (Durvasula, Andrews, and Netemeyer 1997, p. 75). As the literature review of Oberecker, Riefler, and Diamantopoulos (2008) on social identity theory shows, the marketing literature assumes the in-group to be preferred with regard to other groups. However, it is also possible that people are positively attracted towards other out-groups, including out-groups from the home country as well as from other nations.

Oberecker, Riefler, and Diamantopoulos (2008) derive seven categories that may lead to consumer affinity. These categories are lifestyle (e.g., lifestyle, personal traits, and mentality of the country’s citizens), culture (e.g., values, traditions, a country’s history, commonalities like language, religion, etc.), scenery (e.g., location, landscape, environment and climate), politics and economics (e.g., economic, legal and political system), stay abroad (e.g., personal experience based on a longer stay abroad), travel (e.g., personal experience based on short visits) and contact (e.g., personal contact with relatives, friends or other representatives of a country).

Regarding the importance of the consumer affinity construct in a marketing context, Jaffe and Nebenzahl (2006, p. 100) point out that consumers are “most likely to purchase imported products from that source” when they are showing a tendency to prefer buying foreign products and are having favorable feelings toward that particular foreign country. Also Oberecker, Riefler, and Diamantopoulos (2008) remark that due to the above mentioned effect, marketers are well advised to get their country linked with positive feelings.

Like in the case of animosity, country image can be differentiated from the affinity construct, as consumer affinity comprises only affect, whereas country image covers beliefs, affect and, depending on the model which is used, possibly also conations. To distinguish consumer affinity from the country image construct, Oberecker, Riefler, and Diamantopoulos (2008) remark that the conceptualization of consumer affinity is purely affective with regard to a specific country (i.e., an affinity country), whereas consumers can hold several country images, based on beliefs, for multiple countries. This assumption can also be transferred to the relationship between affinity and country affect, as country affect can be applied to any country and is not only applicable to a specific (affinity) country. When examining the conceptual domain of country affinity, one can see that affinity is related to strong positive feelings and leads to a strong emotional bonding, whereas country affect is the more general concept, as the conceptual domain of country affect is defined to comprise negative and positive emotions. Furthermore, country affect enables the incorporation of other subjective states as well as of several states of arousal. In contrast to this assumption and according to the definition of affinity, arousal is not of importance for the construct of affinity.

3 Research Model and Hypotheses

As now a close look at the literature has been taken and the concepts relevant for the discussion (i.e., attitude theory, country image, country beliefs, country conations, and country affect) are clarified, the next step is to develop the research model as well as the hypotheses in order to narrow down the focus of this diploma thesis.

As already noted in the literature review (see chapter 2.2), country image research concentrates largely on the cognitive component, while most researchers disregard the affective component and its influence. The few studies which have tried to incorporate both components have failed to keep this distinction at the operationalization stage (see also Roth and Diamantopoulos 2009). This indicates that the influence of country affect on behavioral intentions/actual behavior is still unexplored and further research is necessary in order to identify the role of country affect. Furthermore, as claimed earlier, no proper scale for measuring country affect exists. Therefore, the aim of this diploma thesis is the development of a tailor-made scale that enables the measurement of country affect in order to identify the influence of country affect on behavioral intentions/actual behavior.

Attitude theory (see chapter 2.1) is assumed to be the basis for the conceptualization of country image and provides a wide range of alternative models that can be used for this purpose (i.e., the three-component view, the two-component view of attitudes as well as the hierarchy-of-effects model). In this study, the two-component view of attitudes is selected for the following reasons. Firstly, it suits best to serve as a guideline for finding out whether cognitive or affective components are more important in consumer decision-making. Secondly, in order to be able to investigate the importance of the two components, it is necessary that country beliefs and country affect “may vary independently and may independently affect intentions and behavior” (Liska 1984, p. 66), which is assured by the two-component view of attitudes as conations are perceived as being caused by the interplay of the cognitive and the affective component. Thirdly, this model has also widely been used by research streams such as the tourism literature (e.g., Baloglu and Brinberg 1997; Ekincy and Hosany 2006; Hosany, Ekincy, and Uysal 2006). Consequently, country image is now regarded to consist of a cognitive (i.e., country cognition) and an affective (i.e., country affect) component, which both have

influence on conations. Thus, conations are an output of these two components and are treated as a separate construct.

With respect to the conation facet, different outcome variables should be used. As discussed earlier, not only purchase intentions are worth to be considered as an outcome variable (Papadopoulos and Heslop 2003), as country affect can also influence other aspects, like services, tourism, etc.. Accordingly and with reference to the study of Roth and Diamantopoulos (2009), three key outcome variables are under investigation: consumers' intentions to (1) buy products from a particular country (e.g., Knight and Calantone 2000; Laroche et al. 2005), (2) invest in the country (e.g., Heslop and Papadopoulos 1993; Heslop, Papadopoulos, Dowdles, Wall, and Compeau 2004), and (3) visit this country (e.g., Um and Crompton 1990; Javalgi, Thomas, and Rao 1992).

Figure 1 below shows the research model, which is the background of the diploma thesis and results from the currently mentioned conditions.

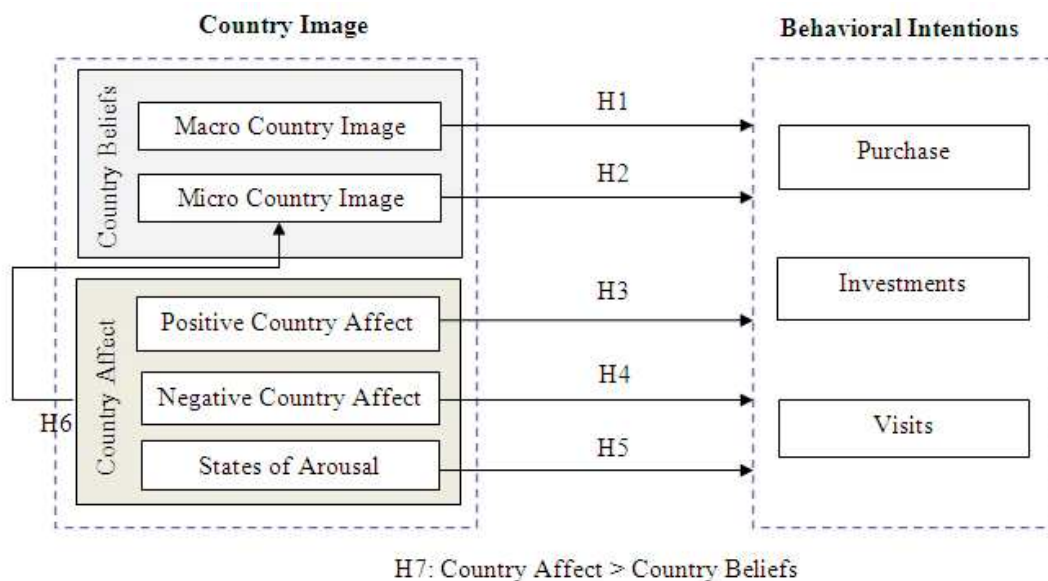


Figure 1: The Research Model

As the necessary conditions on which the research model is built have been discussed, the development of the hypotheses shall follow. Therefore, the single parts of the research model are discussed, which leads to the formulation of research questions and finally hypotheses which should be answered in the framework of this diploma thesis.

The first part of the research model concentrates on country beliefs. As can be seen in the literature review, country beliefs are treated as a very important part of country image, as the majority of available studies on country image research focus on this cognitive component. In the current research model not only the influence of affect shall be examined, but also the impact of country beliefs on the chosen outcome variables will be measured. The country beliefs component can be divided into two subcomponents: the macro country image and the micro country image (Pappu, Quester, and Cooksey 2007). While the macro image is defined as “the total of all descriptive, inferential and informational beliefs one has about a particular country” (Martin and Eroglu 1993, p. 193), the micro image concentrates on “the overall perception consumers form of products from a particular country, based on their prior perceptions of the country’s production and marketing strengths and weaknesses” (Roth and Romeo 1992, p. 480). As Parameswaran and Pisharodi (1994, p. 45) state, it is proved that “consumers’ willingness to purchase a product is related to economic, political, and cultural characteristics of the product’s country of origin”. Heslop et al. (2004) point out that frequently country information has a greater impact on consumers’ decisions than other variables like brand or price. Consumers are said to be more likely to buy products from a foreign country if they have a positive image of this country and vice versa (Roth and Romeo 1992). In the tourism literature the cognitive component is also included into the construct of destination image, showing that beliefs also have an impact on visits (e.g., Um and Crompton 1990; Ekinci and Hosany 2006; Hosany, Ekinci, and Uysal 2006). According to these statements, it is assumed that macro country image or micro country image respectively lead to a positive influence on consumers’ decisions. Following the above mentioned findings, the following hypotheses are formulated:

Hypothesis 1a: Macro country image positively impacts purchase intentions toward products from a specific country.

Hypothesis 1b: Macro country image positively impacts investments in a specific country.

Hypothesis 1c: Macro country image positively impacts the decision to visit a specific country.

Hypothesis 2a: Micro country image positively impacts purchase intentions toward products from a specific country.

Hypothesis 2b: Micro country image positively impacts investments in a specific country.

Hypothesis 2c: Micro country image positively impacts the decision to visit a specific country.

The second part of country image concerns country affect, which is still a rather unexplored construct. Consequently, the arising research question of interest is whether country affect is a component that influences country image and if so, in which direction country affect does influence the chosen outcome variables. Above, country affect has been defined to consist of three parts: positive country affect (including positive emotions and other positive subjective states), negative country affect (including negative emotions and other negative subjective states) and arousal.

According to Malhotra (2005, p. 478), positive affect can show “a favorable biasing effect on product attitudes”. Further it is said that positive affect towards a certain object results in a more positive evaluation of this referent (Burke and Edell 1989; Mackie and Smith 1998; Honea and Dahl 2005). Lee, Lee, and Lee (2005) highlight that between positive feelings towards a country and future behavioral intentions in consumption, a positive relationship can be found. Preexisting positive affect is said to show an important positive influence on a variety of behaviors and experiences, which also includes purchase intentions (Mano 1999). Wong (2004) also highlights that positive emotions towards an object are connected to positive behavioral intentions. White and Yu (2005, p. 413) describe the relationship between affect and consumers’ behavioral intentions in such a way that “positive emotions tended to be associated with positive outcomes”. The above mentioned statements discuss the impact of positive affect on behavioral intentions and outcomes in general, which leads to the assumption that these outcomes can not only be purchase intentions, but that the mentioned outcomes can also be extended to intentions to invest in a country and intentions to visit a country. Based on these statements and assumptions, positive country affect is expected to have a positive influence on the chosen outcome variables. Consequentially, the following hypotheses are formed:

Hypothesis 3a: Positive country affect¹ positively impacts purchase intentions toward products from a specific country.

Hypothesis 3b: Positive country affect¹ positively impacts investments in a specific country.

Hypothesis 3c: Positive country affect¹ positively impacts the decision to visit a specific country.

Negative affect towards a certain object is said to result in a more negative evaluation of this referent (Burke and Edell 1989; Mackie and Smith 1998; Honea and Dahl 2005). Wong (2004) confirms this assumption by stating that negative emotions are linked to negative behavioral intentions. Contrary to the assumption concerning the effect of positive affect, White and Yu (2005, p. 413) indicate that “negative emotions tended to be associated with negative outcomes”. According to Andrade and Cohen (2007, p. 283), people tend to “respond [...] unfavorably to experienced and anticipated affectively [...] negative states”, meaning that people try to avoid objects or actions which they sense as being bad or which imply bad consequences. In the case of negative country affect, this assumption can be interpreted in a way that if someone has negative or bad emotions towards a country, he or she tries to avoid (1) purchasing products from this country, (2) investing in this country and (3) visiting this country. The following hypotheses result from the assumptions discussed above.

Hypothesis 4a: Negative country affect² negatively impacts purchase intentions toward products from a specific country.

Hypothesis 4b: Negative country affect² negatively impacts investments in a specific country.

Hypothesis 4c: Negative country affect² negatively impacts the decision to visit a specific country.

The third part of country affect covers the dimension of arousal. Arousal is a construct that is mainly used in the field of psychology. Therefore, no applicable information on the influence of arousal on the three chosen outcome variables (i.e., purchase intentions, intention to invest in a country, and intention to visit a country) can be found in the

¹ Including positive emotions and other positive subjective states

² Including negative emotions and other negative subjective states

marketing research literature. Hence, the hypotheses have to be derived from the scant information available. According to psychology literature, the degree of arousal varies from arousal to nonarousal (Russell 1980). Russell and Mehrabian (1974, p. 79) state that arousal “ranges from sleep to frantic excitement”. Resulting from these definitions, it is assumed that the direction of arousal might be interpreted as ranging from positive (i.e., high mental alertness) to negative (i.e., sleepiness) arousal. Further on, Mehrabian (1995) describes arousal as a counterpart of positive and negative affect. Thus, in the current study it is assumed that positive and negative arousal respectively have a similar influence on the outcome variables as is defined above for positive and negative country affect. Mano and Oliver (1993) support this assumption as they consider arousal to have an either positive or negative influence on consumption. In the current study, arousal is not further divided into positive and negative arousal but rather conceptualized as a semantic differential scale (e.g., ranging from ‘not interested’ to ‘very interested’). Therefore, the impact on the chosen outcome variables is expected to be positive, which means that high degrees of arousal are associated with high degrees of purchase, investment and visit intentions. Accordingly, low degrees of arousal are associated with low degrees of purchase, investment and visit intentions. Hence, one can put forward the following hypotheses:

Hypothesis 5a: Arousal positively impacts purchase intentions toward products from a specific country.

Hypothesis 5b: Arousal positively impacts investments in a specific country.

Hypothesis 5c: Arousal positively impacts the decision to visit a specific country.

Another interesting question is if positive country affect, negative country affect and states of arousal also have an influence on a country’s micro image. As micro country image is seen to consist of consumer’s evaluations about products from a country (e.g., Nebenzahl, Jaffe, and Usunier 2003; Jaffe and Nebenzahl 2006) and emotions are said to be closely connected to evaluations (Jaggar 1997; Scherer 2005), it is assumed that positive and negative country affect also impact on micro country image. Arousal is also said to influence consumers’ evaluations of products from a certain country, as arousal is assumed to have an influence on evaluative responses (Gorn, Pham, and Sin

2001). According to these assumptions and the characteristics of the three dimensions discussed before, the hypotheses are defined as follows:

Hypothesis 6a: Positive country affect positively impacts micro country image.

Hypothesis 6b: Negative country affect negatively impacts micro country image.

Hypothesis 6c: Arousal positively impacts micro country image.

Finally, the last research question concentrates on the clarification of how to weigh the two constructs (i.e., country beliefs and country affect). Therefore, it needs to be examined which of the two constructs influences consumer behavior most. Although Morris, Woo, Geason and Kim (2002) point out that no convincing answer exists whether beliefs or affect are dominating the consumer decision process, a number of clear statements to this topic exist in the literature. Evidence for the importance of emotions is for example provided by Shiv and Fedorikhin (1999), who find out that, although both cognitive and affective processes arise during a consumption process, affect tends to proceed the impact of cognitions in consumption decisions. When testing for the influence of beliefs and affect in product-trial experiences, Kim and Morris (2007, p. 95) show that “affective response overrode cognitive structure under all experimental conditions”. Derbaix (1995, p. 471) also argues that “the more detailed, slower cognitive system may be predominated by the faster, cruder, affective system”. Additionally, Erevelles (1998) states that behavior is often primarily motivated by affect and that the construct of cognition is often inadequate in explaining purchase intentions and other decisions. According to these findings from the literature, it is assumed that country affect has a stronger impact on the chosen outcome variables than country beliefs have, leading to the development of the following hypotheses:

Hypothesis 7a: Country affect has a stronger impact on purchase intentions toward products from a specific country than country beliefs.

Hypothesis 7b: Country affect has a stronger impact on investments in a specific country than country beliefs.

Hypothesis 7c: Country affect has a stronger impact on the decision to visit a specific country than country beliefs.

In order to be able to answer the hypotheses stated above, a country affect scale will be developed in the next section (i.e., chapter 4), as no appropriate measurement exists which could be applied in this context. Using an Austrian consumer sample, the hypotheses are empirically tested in chapter 5, with the objective to identify the role of country affect and its impact on consumers' decisions.

4 The Scale Development Process

So far, an extensive literature review has been given as well as definitions of the hypotheses and research questions, which should be evaluated within the scope of this diploma thesis. This chapter will now focus on the several steps undertaken to develop a reliable tool to measure country affect.

As (country) affect is a part of attitudes, which have been previously defined as being unobservable internal reactions (Lutz 1981), country affect consequently can also be seen as a latent construct. While some constructs like the weight or the height of a person are easy to observe by putting the person on scales or by measuring the person, the construct of country affect is not directly observable as it deals with emotions and other subjective states. For this reason, a scale has to be constructed in order to be able to explore the latent construct (Netemeyer, Bearden, and Sharma 2003). As most constructs are very complex, Netemeyer, Bearden, and Sharma (2003) point out that scales, which measure latent constructs, should be based on multiple items or statements, as this enhances the accuracy of the scale and also covers its different levels.

For the purpose of developing a new scale, a comprehensive scale development process is essential. Netemeyer, Bearden, and Sharma (2003) provide a four-step process for scale development, which is shown in Figure 2. With regard to the recommended steps of the authors, the scale development process is conducted in the following way: at the beginning, after an extensive literature review the construct as well as the content domain are defined (see chapter 2.2 ff). Thereafter, an initial pool of items, which appears of importance for the country affect scale, is generated. The item pool generation is followed by two extensive expert screenings, which are conducted in order to detect the items that are considered to be of relevance for this topic by the experts polled. Afterwards, the questionnaire is formulated, including also the previously developed country affect scale. Before the survey can be conducted, the next step requires a check of the questionnaire by means of another pretest. Finally, this chapter concludes with a description of the data collection process as well as with a description of the sample used.



Figure 2: The Scale Development Process (adopted from Netemeyer, Bearden and Sharma 2003)

4.1 Item Pool Generation

Following the procedure guideline of Netemeyer, Bearden, and Sharma (2003), after the definition of the construct and the content domain, which is already carried out in chapter 2, the next step attempts to generate an adequate item pool from which the final scale can be derived. This process shall be addressed in more detail in this chapter.

As the literature recommends, it is at the beginning of importance to start with a large pool of items in order to get a scale measure that best covers the construct domain. For this reason, it is better to have a pool of items that is overinclusive with regard to the domain of the construct as it provides a better starting point than an underinclusive item pool (DeVellis 1991; Netemeyer, Bearden, and Sharma 2003). Therefore, it is necessary to consult many different sources, including those which go beyond the target construct (Netemeyer, Bearden, and Sharma 2003). For that reason, a thorough review of the relevant literature as well as of already existing measurement instruments is required. The literature, which focuses on the measurement of emotions in a consumption context (e.g., Richins 1997) as well as the available literature on attitudes in general (e.g., Russell 1980) provides a good starting point for the development of a scale to measure emotions and other subjective states in a country context. In total 24 scales, resulting in 245 items, have been identified and used for the development of the country affect scale

(see Appendix Table 1). These scales are not only developed for the domain of marketing research, but also for other context domains. The scales used are derived from different research areas, which are (1) clinical psychology (e.g., Diener and Emmons 1985; Watson, Clark, and Tellegen 1988), (2) consumer research (e.g., Richins 1997; Schoefer and Diamantopoulos 2008), (3) travel research (e.g., Echtner and Ritchie 1993; Ekinci and Hosany 2006), (4) psychological research (e.g., Plutchik 1980), (5) economic psychology (Caprara, Barbaranelli, and Guido 2001) and (6) country image research (Verlegh 2001a). On the whole, only eight scales originate from the domain of marketing research, whereas 16 scales are derived from different research fields.

Even though the approach proposed by Netemeyer, Bearden, and Sharma (2003) is very helpful in detecting a wide range of possibly relevant items, one shortcoming of this method is the fact that the scales used were developed for different context domains (e.g., clinical psychology, consumer research, etc.). While the emotion measures shown in Appendix Table 1 have proved to be useful in the intended context, they are not necessarily useful in the context of country affect. Emotions that are experienced in the context of country affect can definitely differ from emotions experienced in a consumption context. Therefore, it is necessary to choose only those items from the scales that are applicable in a country context to ensure content validity. Content validity refers to “the extent to which a measure appears to measure the characteristic it is supposed to measure” (Diamantopoulos and Schlegelmilch 2002, p. 34). Therefore it has to be assured that the items chosen represent the content areas caused by the country affect construct (Netemeyer, Bearden, and Sharma 2003). Consequently, it is necessary to choose only those items that (1) really capture emotions, other subjective states or states of arousal and which are (2) applicable in a country context.

Concerning the quantity of the item pool, DeVellis (1991) advises to start with an initial item pool that is twice the size of the final scale. In the case of the country affect scale, the objective is to create a final scale containing around 30 to 40 items, which results in an initial item pool that should include around 80 items. As the initial item pool now consists of 245 items, the first task is to decrease the number of items to a manageable level to simplify the item screening by experts. To scale down the item pool, the procedure starts by going over the items from the 24 scales shown in Appendix Table 1.

Furthermore, based on the knowledge about emotions retrieved from the literature review and the above stated definitions, it can be tried to locate adequate emotions, other subjective states and arousal items. As already claimed in chapter 2.5.2, the item pool should consist of positive and negative emotions, as well as of arousal items and other subjective states. Therefore, the chosen items are categorized according to the following groups: (1) positive items (including emotions and other subjective states) which seem to be applicable in a country context, (2) negative items (including emotions and other subjective states) which appear to be applicable for the country affect scale, (3) adequate arousal items, (4) items that cannot be defined as an emotion or another subjective state and (5) items that are not useable in this research context because of their non-applicability. After this categorization, the initial item pool of 245 items gets reduced to 90 items, containing 37 positive emotions and other positive subjective states, 46 negative emotions and other negative subjective states, as well as seven arousal items. The remaining 155 items are distributed among the categories of items that are no emotion at all and items that are not applicable in a country context. As the initial item pool has now been minimized, the next step includes screening the first experts on this topic, as to further narrow down the number of applicable items.

4.2 Expert Screenings

After the initial pool of items is created, the next step recommended by Netemeyer, Bearden, and Sharma (2003) is the consultation of experts working in the field of marketing and country image research respectively. These experts, who are familiar with the targets under consideration, are an important source for the development of the country affect scale, as they are able to judge items with regard to their relevance for the construct as well as they may have other recommendations and ideas that can lead to a successful implementation of the scale. This can be particularly important in the case of the development of the country affect scale, as hardly any literature on the topic of country affect is available. Still, not only experts are a source of items, also the scale developer has to be included in this step (Netemeyer, Bearden, and Sharma 2003). Therefore, two expert screenings are conducted, which are described in more detail in the following subsections.

4.2.1 Expert Screening 1

After the number of items contained in the initial item pool has been limited (see chapter 4.1), the first expert screening can be conducted. The objective of the screening is to further eliminate unfitting items in order to come to a clearly arranged item pool for the second survey of experts. This process is supported by four academics, who have tremendous knowledge on the topic of country image and are fluent in English. The procedure is carried out as follows: firstly, the item list is presented and further screened by the experts. They discuss the single items and choose the items that they consider applicable in the research context and eliminate those which are considered unimportant. In the case at hand, the experts recommend to add six other items to the initial list, which are ‘feeling connected’, ‘feeling sympathy’, ‘favorable feelings’, ‘attach importance’, ‘feeling of attraction’ and ‘love’, and chosen from the affinity scale of Oberecker, Riefler, and Diamantopoulos (2008) and from the affective lexicon of Clore, Ortony, and Foss (1987). After the completion of the task, the item pool is reduced to 80 items. Out of these 80 items, 30 items are classified as positive emotions or rather positive subjective states (e.g., happy), 44 items belong to negative emotions and negative subjective states (e.g., afraid) and finally, six items are part of arousal (e.g., interested). As can be seen by these numbers, the current item pool contains a lot more negative affect items than positive affect items. This fact is not surprising, as in the literature more negative than positive items are used. Fredrickson and Branigan (2001, p. 123) also remark that the major part of the scientific literature has engaged in the exploration of negative emotions, whereas positive emotions play a less significant role. Nevertheless, for the development of the country affect scale a balanced item set would be preferable. To approach this desired item balance, a second expert screening is conducted in order to decrease the number of applicable items further.

4.2.2 Expert Screening 2

After the completion of the first expert screening, a second screening is conducted. The purpose of this screening is on the one hand to reduce items covered in the item pool further and on the other hand, to assess the importance of the items for the development of the country affect scale. To be able to participate in this screening, the chosen experts have to fulfill two prerequisites: (1) it is necessary that they have sufficient expertise in

the field of marketing or in the field of psychology and (2) an extensive knowledge of the English language is necessary, in order to ensure that they understand the items chosen correctly, which are all in English. Regarding these requirements, it was possible to find 20 experts who are willing to participate in this item screening. To administrate the expert screening, a small questionnaire has been developed, which contains the above-mentioned 80 items. Furthermore, four control items are inserted, which are definitely not applicable in a country context, which are 'up-to-date', 'informed', 'rural' and 'busy'. Because of these control items it is possible to observe the quality of the completed questionnaire, as they allow to control the level of attention the respondent has put on filling out the questionnaire and further indicates if the results of this respondents are useable or not.

By the aid of the questionnaire, the experts are asked to examine the list of items and to advance their opinion on the degree to which the chosen items are relevant for them in the context of country affect. For this reason, they have to indicate if each of the items is 'not relevant', 'maybe relevant' or 'very relevant' for the development of the country affect scale and they have the possibility to remark comments on each of the items as well. Furthermore, in order to control how the valence of the items is perceived by the experts, they are also asked to state if they think that the particular item should be classified as being a positive item, a negative one or an arousal item. By undertaking this step, it should become clear if different persons understand the meaning and the classification of the items in the same way or if differences in the perception exist which could further lead to problems because wording clarity is not reached. At the end of the questionnaire, the experts are also given the possibility to make other proposals for items which are not in the original list, but which they consider as being of importance for the country affect scale.

After the survey is completed, the 20 questionnaires are analyzed. Here, it is totaled how often the experts categorized each item as being 'relevant', 'not relevant' or 'maybe relevant' and also the valence classifications are summarized. This makes it possible to detect which items are on the whole seen to be of importance and which ones are considered to be not important at all. Furthermore, according to the classification of the item valence, some items can be detected that are classified on two different levels (e.g., positive as well as arousal), leading to the conclusion that these

items may cause problems. The outcomes of this survey are discussed by the expert group from the first expert screening, leading to a further elimination of items, which is discussed in more detail in the following subchapter. Additionally, three items, which are proposed by the surveyed experts, are included in the initial items list. These items are ‘feeling attached’, ‘admire’ and ‘engaged in’. The first item is classified as a positive affect item and the other two are classified as arousal items.

4.3 Item Elimination Procedure

Now that the second expert interview is completed, the next step is to eliminate those items that are found to be not of importance for the construct of country affect according to the experts in the survey. The item elimination procedure starts out from a number of 87 items after the accomplished pretest. The steps in which the procedure is examined, are described as follows:

Step 1: At the beginning, the four control variables are eliminated, so that only the 80 originally chosen items plus the additional inserted three items are left. Eliminated items: ‘up-to-date’, ‘informed’, ‘rural’, ‘busy’.

Step 2: In a next step, the proposed approach of Schoefer and Diamantopoulos (2008) is adopted in which six items of close semantic similarity to already included items are removed (e.g., ‘unhappy’ and ‘dislike’ are removed because happy and like are already in the item pool), leading to 77 *items* left. Eliminated items: ‘unhappy’, ‘dislike’, ‘left me with a negative feeling’, ‘negative’, ‘uncomfortable’, ‘sad’.

Step 3: The remaining items are checked for synonyms, in order to avoid repeating words of similar meaning (and to reduce the extensiveness of the item pool by eliminating them). When finding synonyms, also the results of the relevance check are considered and if the value of relevance of the item shows that it is rather seen as not relevant, an additional reason for eliminating this specific item is at hand. The following example should illustrate this approach. For example, ‘mad’ is the synonym for ‘angry’ and as ‘mad’ achieves worse results in the ranking of its applicability than ‘angry’ does, ‘mad’ is eliminated,

whereas ‘angry’ is left in the pool. By applying this method, ten other items can be removed, resulting in a pool of 67 *items*. Eliminated items: ‘mad’, ‘repentant’, ‘positive’, ‘feeling revulsion’, ‘glad’, ‘left me with a positive feeling’, ‘hopeful’, ‘scornful’, ‘distressed’, ‘positive feelings’.

Step 4: Further on, the items left are evaluated according to their relevance in a country context, consulting the values retrieved from the expert screening and also considering the comments that the experts made on some of the items. Those items, which are selected by the experts as being rather or definitely not relevant in a country context, are deleted in this step (e.g., ‘defensive’ is commented as being better applicable in situations – ‘don’t be so defensive’ – than in a country context; furthermore, 15 out of 20 experts indicated that ‘defensive’ is not relevant). After this last step, 52 *items* remain in the item pool. Eliminated items: ‘competitive’, ‘panicky’, ‘embarrassed’, ‘jealous’, ‘defensive’, ‘humiliated’, ‘homesick’, ‘comfortable’, jittery’, ‘nervous’, ‘miserable’, ‘melancholic’, ‘frustrated’, ‘pleased’, ‘delighted’.

Step 5: The translation of the items into German (for a description of the translation process see chapter 4.4) results in the further elimination of eleven items. Ten items are removed because of their similar meaning when being translated into the German language. To give an example, the translation of ‘scared’ into German is the same as of ‘afraid’, leading to the elimination of ‘scared’ as ‘afraid’ has got better values in the second expert interview than ‘scared’. Another difficulty with which the researcher is confronted when translating into another language is that translations provoke difficulties due to language- or culture-bound characteristics of many words (Craig and Douglas 2005). For this reason, another item, namely ‘awed’, has to be eliminated. Whereas ‘awed’ has a positive meaning in English, the common German translation (‘eingeschüchtert’) has a negative connotation. Thus, the item pool is further minimized to 41 items. Eliminated items: ‘enraged’, ‘gloomy’, ‘scared’, ‘fearful’, ‘feeling attracted’, ‘awed’, ‘warm feelings’, ‘friendly feelings’, ‘upset’, ‘despairing’, ‘engaged in’.

After having completed these five steps, the item elimination procedure is finished. For the country affect scale, this process results in a total of 41 items (see Table 1) which are included in the scale and should cover all possible dimensions of the country affect construct. The 41 items are allocated as following: 21 items are categorized as positive affect, 15 items are classified as negative affect and another five items are among the states of arousal. As can be seen by these numbers, the two categories of positive affect and negative affect are nearly balanced, so it can be said that the objective to achieve a balanced scale has been accomplished.

Valence	Items
POSITIVE AFFECT (including positive emotions and other positive subjective states) (21 items)	moved, admire, happy, excited, enthusiastic, proud, sentimental, inspired, captivated, feeling connected, like, loyal, pleasant feelings, feeling sympathy, optimistic, passionate, favorable feelings, compassionate, love, feeling attached to, envious
NEGATIVE AFFECT (including negative emotions and other negative subjective states) (15 items)	angry, afraid, annoyed, depressed, hostile, worried, tense, ashamed, aggressive, irritated, guilty, disappointed, distrustful, contemptuous, disgusted
AROUSAL (5 items)	interested, alert, curious, indifferent, attach importance

Table 1: Final Item Pool

4.4 Finalizing the Country Affect Scale

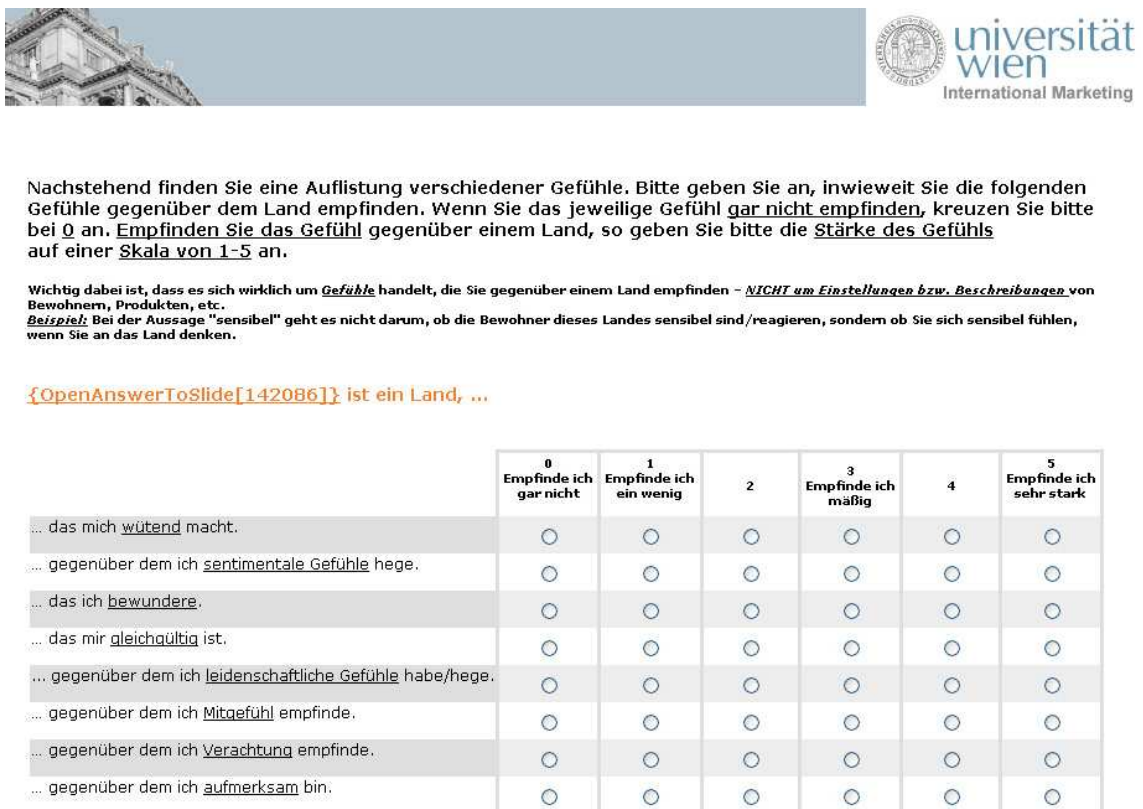
Now that the items that constitute the country affect scale have been determined, the final step in the scale development process is the actual formulation of the scale in order to prepare it for incorporation into the final questionnaire.

As the survey has been conducted in Austria, the first step includes the translation of the English words into German. To accelerate the translation process, a simultaneously done back- and forward translation process is performed, also called parallel blind technique or parallel translation (e.g., Behling and Law 2000; Craig and Douglas 2005).

The advantage of this translation process is that it can be conducted very quickly, as the two groups of translators are working parallel rather than in sequence. Moreover, the possibility to check the translations against each other increases the accuracy of the translation (Behling and Law 2000). For this approach, some preliminary work has to be done first. Here, the English items are translated into German by the scale developer, leading to a first proposal of translations. Then two further lists are prepared: one list contains the original English item with its proposed German translation, whereas the second list shows the listing in reverse order. These proposals are then given to a group of ten translators, consisting predominantly of native speakers, professors teaching English at University, and additionally to some persons studying English and German. This group is divided into two parts: The first group is occupied with checking the translation of the items from English into German in terms of their accuracy, whereas the second group is working on the proposed translation from German into English at the same time. If the translators do not agree with the proposed translation, they are asked to indicate how they would be translating the respective item. After the procedure is completed, the proposals are compared, differences are resolved and the final translation is determined. Based on this procedure, it is possible to eliminate further items from the item pool because of their similarity in the German language and difficulties with regard to language-bound characteristics, leading to the conclusive number of 41 items.

In a next step, the remaining 41 items have to be phrased into full sentences. Starting with the phrase “X is a country, ...” all items are adopted to the structure (e.g., “... which makes me happy”). In order to check if the rephrased sentences are comprehensible, a small pretest is done. Therefore, nine consumers are asked to participate in this pretest and to indicate whether the phrases are comprehensible or if they are not. For this purpose, a 7-point Likert scale is used, ranging from 1 – “not comprehensible at all”, to 7 – “totally comprehensible to me”. At the end, the respondents also have the possibility to give some comments on the proposed phrases if they have other suggestions or objections. After comparing the results of this pretest, some phrases are adjusted, according to the comments given by the respondents. After this step, the scale is nearly ready for use.

Regarding the response format chosen for the country affect scale, respondents are provided with two possibilities (see Figure 3). First, if the respondent doesn't experience any emotion or other affective state toward the country, he or she is able to indicate this fact by choosing the option that he or she doesn't have this emotion (i.e., 0 = "I'm feeling it not at all"). Further, if he or she is feeling the particular emotion or other subjective state, a 5-point likert scale is used on which the respondent can declare how strong the emotion is experienced (i.e., 1 = "I'm feeling it a little bit" to 5 = "I'm feeling it very strong"). This approach is chosen with regard to the presumption that not every respondent necessarily feels every emotion. Therefore, it is better to allow these two options in order to ensure that the results cannot be falsified by respondents indicating a certain degree of sensation while in fact they do not feel the particular country affect at all.



Nachstehend finden Sie eine Auflistung verschiedener Gefühle. Bitte geben Sie an, inwieweit Sie die folgenden Gefühle gegenüber dem Land empfinden. Wenn Sie das jeweilige Gefühl gar nicht empfinden, kreuzen Sie bitte bei 0 an. Empfinden Sie das Gefühl gegenüber einem Land, so geben Sie bitte die Stärke des Gefühls auf einer Skala von 1-5 an.

Wichtig dabei ist, dass es sich wirklich um Gefühle handelt, die Sie gegenüber einem Land empfinden – NICHT um Einstellungen bzw. Beschreibungen von Bewohnern, Produkten, etc.
Beispiel: Bei der Aussage "sensibel" geht es nicht darum, ob die Bewohner dieses Landes sensibel sind/reagieren, sondern ob Sie sich sensibel fühlen, wenn Sie an das Land denken.

{OpenAnswerToSlide[142086]} ist ein Land, ...

	0 Empfinde ich gar nicht	1 Empfinde ich ein wenig	2	3 Empfinde ich mäßig	4	5 Empfinde ich sehr stark
... das mich <u>wütend</u> macht.	☐	☐	☐	☐	☐	☐
... gegenüber dem ich <u>sentimentale Gefühle</u> hege.	☐	☐	☐	☐	☐	☐
... das ich <u>bewundere</u> .	☐	☐	☐	☐	☐	☐
... das mir <u>gleichgültig</u> ist.	☐	☐	☐	☐	☐	☐
... gegenüber dem ich <u>leidenschaftliche Gefühle</u> habe/hege.	☐	☐	☐	☐	☐	☐
... gegenüber dem ich <u>Mitgefühl</u> empfinde.	☐	☐	☐	☐	☐	☐
... gegenüber dem ich <u>Verachtung</u> empfinde.	☐	☐	☐	☐	☐	☐
... gegenüber dem ich <u>aufmerksam</u> bin.	☐	☐	☐	☐	☐	☐

Figure 3: Country Affect Scale

4.5 Questionnaire Development

For collecting the data, a self-administered questionnaire is designed and afterwards presented to the respondents in the form of an online survey. Using an online survey-

building tool, the respondents participate by means of an interactive questionnaire. The choice of the online survey as a research instrument facilitates the achievement of a large sample and it is also easier to reach the desired target groups with reduced costs. Another advantage is the possibility to personalize the questionnaire for each respondent without a lot of effort as the survey-building tool can do that rather easily. Thus, the generation of the online survey, the delivery of the invitation to the participants as well as the analysis of the results can be easily realized (Wilson 2006).

The choice of constructs that are incorporated into the questionnaire is matched with the hypotheses developed in chapter 3. Besides the country affect scale, the following constructs are chosen for the development of the questionnaire: willingness-to-buy (Putrevu and Lord 1994), micro country image (Roth and Romeo 1992), country knowledge items, macro country image (Martin and Eroglu 1993; Pappu, Quester, and Cooksey 2007), intentions to invest in a country (Heslop and Papadopoulos 1993; Heslop et al. 2004), and intentions to visit the country (Um and Crompton 1990; Javalgi, Thomas, and Rao 1992). Relating to the response format that is used for these constructs, the literature recommends the use of 5 to 9-scale points, as scale reliability and validity will not necessarily be enhanced by providing a wider range of response possibilities. As 5 or 7-point formats are said to be sufficient, these formats are also most often used in the questionnaire, as this choice makes answering and analyzing easier and more meaningful for the respondents and the scale developer (Netemeyer, Bearden, and Sharma 2003).

To make a comparison of the results possible, several types of countries are needed. As Mitchell and Vassos (1997) point out, the countries chosen for comparison have to differ significantly in some way but they also have to be somehow similar as to allow meaningful comparisons. For this reason, an ‘affinity country’, a ‘neutral country’ and an ‘animosity country’ have been selected as they all refer to the same object (i.e., countries) but differ with regard to consumers’ degree of how much they like that object. Therefore, the requirement of similarity and dissimilarity should be fulfilled. Based on these requirements, the survey is conducted in two different settings. This means that one half of the respondents answers the posed questions with regard to their affinity country (i.e., the respondent has an extremely positive attitude toward this country) and their neutral country (i.e., the respondent has a neutral attitude toward this

country), whereas the second half concentrates on their affinity country and their animosity country (i.e., the respondent has an extremely negative attitude toward this country). In both cases, the respondents have the possibility to indicate the two countries by themselves, resulting in improved answers as it is to be assumed that the respondents will be familiar with the countries chosen.

Concerning the sequence in which the chosen constructs are positioned in the questionnaire, the recommended way is to follow a funnel sequence, meaning that the questionnaire starts with the more general questions and moves then to the more specific questions (Wilson 2006). Furthermore, the order in which questions are presented might have an influence on the answers given by respondents (Podsakoff, MacKenzie, and Lee 2003; Craig and Douglas 2005). Therefore, it is important to attract the respondent's interest at the beginning of the questionnaire by starting with the more interesting and straightforward questions. Additionally, questions on similar topics should be grouped together, as to allow the respondent to concentrate on one topic and then continue with the next.

The questionnaire designed in the course of this diploma thesis starts with two classification questions, which are about the gender and age group as in order to screen the respondents for fulfilling the quota sample reflecting the Austrian population structure. In the next part, the questionnaire shall be personalized further. Depending on the setting, the respondents are now asked to state (1) their affinity country and their neutral country or (2) their affinity country and their animosity country. Afterwards, the countries chosen by the respondent are automatically inserted in each following question. The order of the questions is as follows: the questions which concentrate more on the affective part are positioned at the beginning whereas the questions which have to be answered based on cognition are put behind those affective questions. By putting the questions in this sequence, the respondent is not too focused on the cognitive part, and therefore the emotions which the respondent has toward the two countries, are not biased too heavily by cognition (Derbaix 1995).

As the country affect scale is already described in chapter 4.4, the following listing includes only the other constructs mentioned above, together with a brief characterization of each scale.

4.5.1 Willingness-to-Buy

After the respondent has stated his or her affinity and neutral country and in the second setting the affinity and animosity country respectively, the questionnaire continues with the willingness-to-buy scale taken from Putrevu and Lord (1994). Whereas Putrevu and Lord (1994) have tried to measure the intention to buy different brands, in this context the focus is on products in general. To match this setting, the three original items have to be adapted, leading to the following phrases: “It is very likely that I will buy products from country X.”, “I will purchase products from country X if I need new ones.” and “I will definitely try products from country X.”. With regard to the response format, a 7-point Likert scale is chosen (e.g., 1 = “strongly disagree” to 7 = “strongly agree”).



Kaufbereitschaft

Wenn Sie an {OpenAnswerToSlide[140210]} denken, inwieweit treffen folgende Aussagen zu?

	1 trifft gar nicht zu	2	3	4	5	6	7 trifft voll zu
Es ist sehr wahrscheinlich, dass ich Produkte aus {OpenAnswerToSlide[140210]} kaufen werde.	☐	☐	☐	☐	☐	☐	☐
Ich werde Produkte aus {OpenAnswerToSlide[140210]} mit Sicherheit probieren.	☐	☐	☐	☐	☐	☐	☐
Ich werde Produkte aus {OpenAnswerToSlide[140210]} kaufen, wenn ich neue Produkte brauche.	☐	☐	☐	☐	☐	☐	☐

Figure 4: Willingness-to-Buy Scale using Likert Type Response Format

4.5.2 Micro Country Image

Right after the willingness-to-buy scale from Putrevu and Lord (1994), the objective is to find out about how the respondent evaluates products in general from the two countries that are chosen at the beginning of the questionnaire. Roth and Romeo (1992) have defined four general country image dimensions, which have been widely adopted by subsequent research: innovativeness (i.e., the use of new technology and engineering advances), design (i.e., appearance, style, color, and variety), prestige (i.e., exclusivity, status, brand name reputation) and workmanship (i.e., reliability, durability, craftsmanship and manufacturing quality). In this study, the scale is used to measure the evaluation of products from a certain country-of-origin in general, which is different to Roth and Romeo (1992) who measure certain product categories. The response format is the same as in the original scale, namely a 7-point semantic differential scale. This

type of scale enables the selection of a set of bipolar adjectives (e.g., 1 = “unattractive design”, 7 = “very attractive design”). Furthermore, these adjectives are separated by the 7-point scale and the respondent is asked to rate the product for each of the adjectives chosen along this scale (Wilson 2006).



Wie würden Sie das DESIGN von Produkten aus den beiden Ländern einschätzen?

Hierbei werden unter „Design“ Faktoren wie Form, Gestaltung, Aufmachung, Stil und Farbe des Produkts verstanden.

	1 unattraktives Design	2	3	4	5	6	7 sehr attraktives Design
Produkte aus {OpenAnswerToSlide[142086]}	☐	☐	☐	☐	☐	☐	☐
Produkte aus {OpenAnswerToSlide[142101]}	☐	☐	☐	☐	☐	☐	☐

Figure 5: Micro Country Scale using Semantic Differential Response Format

4.5.3 Country Knowledge

Afterwards, the respondent is asked about his or her country knowledge. Country knowledge is seen as the individual’s perceived knowledge and understanding of the particular country and also includes experience with the particular country. To measure this construct, a single item measure was adopted from the 5-item measures proposed by Beatty and Smith (1987) and Beatty and Talpade (1994). In addition, respondents are asked how often they have already visited the country. Here the response format chosen is a 7-point Likert scale ranging from “never” to “more than five times”. In a next step, the respondents have to state how familiar they think they are with the country. A 7-point semantic differential scale with the bipolar adjectives of “not familiar at all” and “very familiar” measures the country knowledge.

4.5.4 Macro Country Image

In a next step, the respondents are asked about the beliefs they may have toward the two countries. The term ‘beliefs’ is defined as the impressions someone has about a country. The impressions are based on various perceived ratings on several dimensions of a country. These dimensions can be defined among economic, social, technological and

political characteristics (Martin and Eroglu 1993). In line with Martin and Eroglu (1993) a 7-point semantic differential scale is used and the points are not explained neither by numerical nor verbal labels. The eight items chosen and their opposites are mainly drawn from Pappu, Quester, and Cooksey (2007), who have further developed and refined the scale of Martin and Eroglu (1993). The items used are shown in Figure 6. One item (i.e., high labor costs), which is contained in the work of Pappu, Quester, and Cooksey (2007) is excluded in this study because a great part of the respondents who participated in the questionnaire pretest have remarked the item as being very difficult to answer and problematic.



Wie Sie wahrscheinlich bereits bemerkt haben ist es für uns wichtig herauszufinden, was Sie über andere Länder denken:

Wenn Sie jetzt wieder an {OpenAnswerToSlide[140210]} denken, welche der folgenden Eigenschaften glauben Sie treffen am ehesten auf {OpenAnswerToSlide[140210]} zu?

Innerhalb der beiden gegensätzlichen Antwortoptionen können Sie gerne abstimmen. Wenn Sie genau in der Mitte ankreuzen bedeutet das, dass Sie glauben, dass weder die eine noch andere Eigenschaft auf das Land zutrifft.

Hoher Industrialisierungsgrad	☐	☐	Niedriger Industrialisierungsgrad
Hoher Lebensstandard	☐	☐	Niedriger Lebensstandard
Gut ausgebautes Sozialsystem	☐	☐	Schlecht ausgebautes Sozialsystem
Demokratisches System	☐	☐	Undemokratisches System
Zivile Regierung	☐	☐	Militärische Regierung
Freie Marktwirtschaft	☐	☐	Zentrale Planwirtschaft
Gut entwickeltes Wirtschaftssystem	☐	☐	Schlecht entwickeltes Wirtschaftssystem
Hohes Niveau in der Innovationsforschung	☐	☐	Niedriges Niveau in der Innovationsforschung

Figure 6: The Macro Country Image Scale

4.5.5 Intention to Invest in a Country

Another outcome variable that has to be examined is consumers' intention to invest in a country. For this purpose two items proposed by Heslop and Papadopoulos (1993) and Heslop et al. (2004) are selected: "I would like to do business with companies from Country X" and "I would like to invest in projects (e.g., stock, estate) from Country X". To measure the responses, again a 7-point Likert scale is utilized with the endpoints of 1 = "strongly disagree" and 7 = "strongly agree".

4.5.6 Intention to Visit a Country

The next point measures the respondents' attitude with regard to the choice of a travel destination of their preference. With the help of four items, which are derived from the studies of Um and Crompton (1990) and Javalgi, Thomas, and Rao (1992), the last outcome variable should be measured. The four items which are chosen from the two studies are: (1) "A short trip to country X will be a lot of fun", (2) "I would also recommend a holiday in country X to others" (Um and Crompton 1990), (3) "Country X is the country which I dreamed of visiting", and (4) "Country X is a place popular with travelers" (Javalgi, Thomas, and Rao 1992). Regarding the response format, a 7-point Likert scale is utilized, ranging from the points 1 = "strongly disagree" to 7 = "strongly agree".

4.5.7 Demographics

In the final section, the respondent is asked to give information on his or her personal data. Although gender and age group are already asked at the beginning of the questionnaire to allow the screening of the sample in order to adjust it to the Austrian population structure, the remaining demographic questions are placed at the end of the questionnaire. This approach is suggested by Wilson (2006), who advises to start with those questions which may be interesting for the respondent and to put the not so exciting questions like the classification questions at the end. Thus finally, the respondent is requested to indicate his or her age in years, highest level of education attained, current occupation and net income.

4.6 Pretest

Before the questionnaire is presented to the final sample, it is advisable to first conduct a pretest with a small number of potential respondents. With the help of the pretest, possible weak points in the questionnaire design, the instructions given or other problem areas concerning the questionnaire may be identified and corrected. This is of particular importance as in self-administered questionnaires no interviewer is involved who may clarify questions or responses. Further on, the pretest also allows inspection of how long it takes the respondents to fill out the questionnaire in order to determine if the

questionnaire length is appropriate. If the questionnaire is too long, this may result in a loss of the respondent's interest, leading to unfinished questionnaires or inaccurate responses. Another point is that the layout is tested within the limits of the pretest as well, because an attractive, uncluttered and easy understandable questionnaire results in higher response rates (Del Greco and Walop 1987; Wilson 2006).

By using a convenience sample approach, the pretest is conducted among family members and friends. The relevant persons are contacted by email including an invitation to participate in the pretest. As it is recommended to administrate the questionnaire by the same method as is used for the final sample (Wilson 2006), the respondents in the pretest have to fill out the online questionnaire as well. The respondents are asked to pay attention at the comprehensibility of the instructions given and the various questions respectively. Moreover, the respondents are confronted with the task to record how much time they have spent on filling out the questionnaire and whether the questionnaire length is in their opinion appropriate or not. Finally, they are requested to give comments on the questionnaire and its design or propositions for changes and refinement. In total, 28 persons participated in the actual pretest.

On average, it took respondents around 23 minutes to fill out the questionnaire. As the questionnaire has been expected to take about 20 minutes because of its comprehensiveness, the average time seems to be quite appropriate and therefore the questionnaire length has not been changed after the pretest. The majority of the respondents do not have any objections with regard to the instructions and the questions given, leading to the conclusion that they found them understandable and clearly formulated. Only four persons mentioned that filling out the part containing the country affect scale seemed to last too long as this part had to be completed for both chosen countries, which leads to a total of 82 items to answer. But as this is the first time that the scale is used in a questionnaire, it is at this point in time not possible to minimize the number of items used further. With regard to the macro country image scale, one item was mentioned to be problematic by most respondents, as they did not know how to understand the item and consequently how to answer the question. In order to avoid further confusion when conducting the final study, the item 'high labor costs' is excluded from the macro country image scale. Other points mentioned by the respondents concerned only some smaller adjustments, including adaptations of the

layout or correcting a few typing errors. After having completed these final adjustments, it can be said that the questionnaire seems to be clearly formulated and understandable. Therefore, the adjusted version of the questionnaire is presented to the final sample.

The structure of the final version of the questionnaire is illustrated in Figure 7:

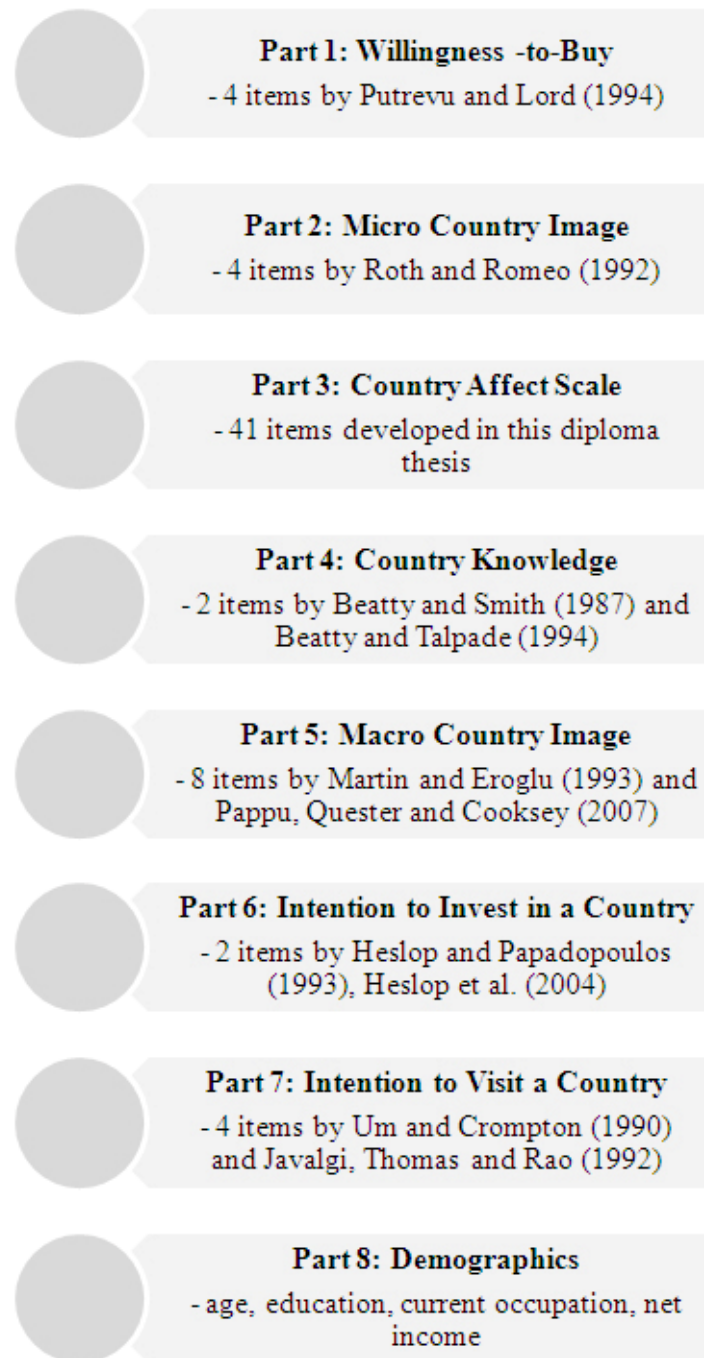


Figure 7: Structure of the Final Questionnaire

4.7 Data Collection and Sample Description

Now that the final version of the questionnaire is derived, the next step is to decide on the target population, to choose the sampling method and determine the sample size. After all these steps are done, the sampling procedure is implemented (Wilson 2006).

By the term ‘target population’, or sometimes also referred to as the ‘population of interest’, one understands the complete group of people from which the researcher wants to obtain information (Wilson 2006). In this research setting, as the objective is not to gather information from a specific group but rather to get very general insights, the Austrian population is chosen as being the target group. Resulting from this choice, a quota sample is used that is representative for the Austrian population with regard to gender and age. As two different research settings are under investigation, it is necessary to question two samples. In order to define the target population, current information concerning age and gender of the Austrian population are taken from Statistik Austria. The available statistics lead to the conclusion that the samples should consist of around 49,7 % male and 50,3 % female respondents in order to match the Austrian population. According to age, the following distribution should correspond to the samples: 21,5 % of the population are between 18 and 29 years, 44,5 % are aged between 30 and 49 years whereas 34 % are in an age between 50 and 70 years. Under-18-years old are not included, as they are legally not allowed to fill out questionnaires without the permission of their parents. Additionally, persons over the age of 70 are not asked to participate as it seems that most persons in this age group are not that familiar with computers and therefore the online survey does not seem to be appropriate for them.

In December 2008, the data was collected with the help of an Austrian research agency, which has a representative online panel consisting mainly of Austrian inhabitants. In total, 432 questionnaires were filled out, resulting in 216 respondents for each of the two settings. As each panel member who had been invited to participate in the survey has also participated in the study, the response rate can be put at 100%. Unfortunately, some questionnaires had to be excluded, as some participants did not answer correctly with regard to the two countries asked at the beginning, leading to the uselessness of these questionnaires. Due to this reason a total of 21 questionnaires had to be excluded,

which leads to a final sample of $N = 411$. This final number is distributed between the two samples in the following way: 210 questionnaires were filled out under the setting of a neutral and an affinity country, whereas 201 questionnaires fall under the setting of an affinity and an animosity country. Both samples are representative of the Austrian population, which provides the researcher with a good starting point considering whether the research findings can easily be generalized. The demographic profile of both samples is shown in Table 2.

Sample 1 (affinity country and neutral country)			
	n	Percentage	Census Percentage*
<u>Gender</u>			
Male	104	49,5	49,7
Female	106	50,5	50,3
Total (18-70 years)	210		
<u>Age</u>			
18-29	34	16,2	21,5
30-49	125	59,5	44,5
50-70	51	24,3	34
Sample 2 (affinity country and animosity country)			
	n	Percentage	Census Percentage*
<u>Gender</u>			
Male	93	46,3	49,7
Female	108	53,5	50,3
Total (18-70 years)	201		
<u>Age</u>			
18-29	42	20,9	21,5
30-49	96	47,8	44,5
50-70	63	31,3	34

*Source: Statistik Austria (2008)

Table 2: Demographic Profile of the Final Samples

5 Analysis

Up to this point, a scale to measure country affect and a questionnaire have been developed. A data collection procedure follows this development process in order to obtain the relevant data that is necessary to finish the scale development procedure. All of these empirical steps are outlined in the preceding chapters. Now that the necessary data is at hand, the next step focuses on the analysis of the data that has been obtained from the final sample of 411 Austrian respondents. In order to explore the data, the items are first analyzed according to some basic criteria. Afterwards, an exploratory factor analysis and a confirmatory factor analysis are conducted, which are followed by various measures to determine the scales' reliability and validity. A useful instrument for this purpose is the statistical analyzing software SPSS 15.0, which is also applied in this case.

5.1 Item Analysis

Before the exploratory factor analysis can be applied to determine the dimensionality and item-factor-structure of the country affect scale, it is necessary to start with an analysis of the items. This step is essential, as in order to identify the appropriate items which constitute an internally consistent scale each single item should be analyzed with regard to its performance (DeVellis 1991). In the literature, some basic criteria can be found for which the items should be screened, which would be (1) the mean, (2) the range, (3) the variance, and (4) inter-item correlations.

The first criterion for which the obtained data is screened is the mean of the items. According to DeVellis (1991), a mean that is close to the middle of the range of possible scores is preferable. In theory, a mean of around 3.5 is recommended if items are measured according to a 6-point scale, which is the case for the country affect scale. Yet due to the nature of the different items, this rule cannot be applied that easily in this case, as for example the mean for positive items in connection with an affinity country is expected to be relatively high, whereas for negative items the mean is expected to be rather low. With this background, the means are screened separately for each country (i.e., affinity country, neutral country and animosity country) and each dimension (i.e.

positive country affect, negative country affect and arousal) and finally approved, as all of them showed the expected pattern.

Another point to consider is the range of the items (DeVellis 1991). Preferably, the range should be as wide as possible. The screening for the range of the items shows that for all items the possible range is fully utilized and the highest possible range is obtained in all cases.

In a next step, the variances of the items are examined, as relatively high variances are desirable for scale items (DeVellis 1991). High variances indicate that the answers given on the various items are very diverse which is preferable as it shows that differentiation between the respondents is possible. But in this case, one can expect some items to be answered relatively similar by the respondents according to the particular research setting. If for example the respondents are asked if they love their affinity country, the majority of respondents is expected to answer this question in a similar way. Due to this reason it is defined in advance that items should not be eliminated because of a lower variance and hence it is decided to retain all items with a variance about .5. As all items pass this test, the number of items remains the same.

Another aspect to consider when analyzing the items are inter-item correlations. A set of highly and positively intercorrelated variables is preferable, as this indicates that the items measure the same underlying construct (Netemeyer, Bearden, and Sharma 2003). If items are negatively correlated, this may be an indicator for inconsistent relationships and therefore it may be better to delete those items which may cause problems (DeVellis 1991). In the present case, the items correlate with the other items of the particular dimensions, meaning that the items of the positive country affect dimension correlate separately. The same is done for the negative country affect dimension and the dimension of arousal. The reason for this procedure is that each dimension is treated as being rather independent and it is assumed that all three dimensions can also co-occur at the same time. When examining the inter-item correlations, for each of the three dimensions the items show satisfying positive and significant correlations.

After all these criteria are examined, one can conclude that none of the items has to be deleted as all the criteria are fulfilled. Therefore, the following analyses are conducted

with an item pool of 41 items, whereas 21 items constitute the dimension of positive country affect, while the dimension of negative country affect consists of 15 items and the dimension of arousal includes five items.

5.2 Dimensionality and Item-Factor-Structure

Now that the items are analyzed and the obtained data is ready for use, the next step in the scale development process is the examination of the dimensionality and item-factor-structure of the country affect scale. As the country affect scale is intended to measure latent variables, or variables that cannot be observed directly, an interesting point to examine is how the variables are related and if latent relations between them exist. Additionally, a confirmatory factor analysis is conducted to check for the dimensionality of all scales used. In the following section, the necessary statistical prerequisites and the application of the adequate statistical tool to clarify the unexplored relations between the variables are described in more detail.

5.2.1 Statistical Prerequisites for Exploratory Factor Analysis

For the examination of the dimensionality and item-factor-structure of a newly developed scale, Netemeyer, Bearden and Sharma (2003) recommend the use of an exploratory factor analysis, as the purposes of this analytic tool equal the goals which should be achieved in scale development: (1) the number of items included in a scale should be reduced in order to maximize the scale's reliability and (2) "a set of latent variables (factors) that explain the correlations among the items" (Netemeyer, Bearden, and Sharma 2003, p. 121-122) should be identified. In exploratory factor analysis, only the common or shared variance of the items is of interest. Hence, the structure of the various dimensions relies on the common variance of the particular items, whereas the unique variance of an item is not considered at all (Field 2005).

In order to develop the scale and to conduct the exploratory factor analysis, sample 1 is used as development sample, while sample 2 serves as validation sample. Sample 1 is further split into two groups according to the two countries chosen, the neutral and the affinity country. In this case, the neutral country serves as the primary development sample, as a neutral condition is seen as the best starting point for the development of a

scale because under this condition all dimensions of the country affect scale (i.e., positive country affect, negative country affect and arousal) should be represented in a moderate proportion. The data received for the affinity country is further used to cross-check the findings (DeVellis 1991).

As like for all statistical methods, some assumptions have to be fulfilled before a factor analysis can be conducted. A crucial consideration that has to be determined in advance is which sample size is considered large enough, as the reliability of the factor analysis also depends on the sample size (Field 2005). In the literature, different recommendations can be found, ranging from a sample size of 100 to 250 or even higher (MacCallum, Widaman, Zhang, and Hong 1999). Field (2005) also summarizes findings from the literature, concluding that a sample size of about 300 respondents is desirable. As the development sample consists of 210 respondents, the actual sample size is considered large enough as this value is nearly in the middle of all recommendations and therefore also expected to lead to stable results.

An additional possibility to examine the appropriateness of the sample size is the application of the Kaiser-Meyer-Olkin measure of sampling adequacy (KMO), which is defined as “the ratio of the squared correlation between variables to the squared partial correlation between variables” (Field 2005, p. 640). The KMO statistic can reach a value between 0 and 1, in which higher values indicate a higher adequacy of the sample size for the application of factor analysis than lower values do. The values calculated for the data obtained for the neutral country are .960 for the positive country affect dimension, .907 for the negative country affect dimension and .817 for the arousal dimension. According to Fields’ (2005) findings, values between .8 and .9 can be seen as great and values about .9 as superb, indicating that the achieved sample is large enough and an exploratory factor analysis can be conducted without hesitation.

But not only the sample size is of importance, Field (2005) further recommends to test for multicollinearity and to examine if the correlation matrix equals an identity matrix or not, whereas the latter can be tested with the help of Bartlett’s test of sphericity. When scanning the correlation matrix for multicollinearity, no peculiarities can be detected and also the determinant of the correlation matrix, which is for all dimensions above the recommended value of .00001 (Field 2005) indicates that multicollinearity is

not a problem in this case. Considering Bartlett's test of sphericity, it can be seen that the test is highly significant ($p < .001$), indicating that the correlation matrix is different from an identity matrix. These facts further lead to the conclusion that the application of exploratory factor analysis is appropriate.

5.2.2 Conducting Exploratory Factor Analysis for Country Affect

After all necessary prerequisites are fulfilled, in a next step the exploratory factor analysis can be conducted. In chapter 2.5.2, positive and negative emotions are defined as highly distinctive and independent constructs (e.g., Watson, Clark, and Tellegen 1988), which can co-occur at the same time. The same conditions are also true for the construct of arousal. Therefore, the exploratory factor analysis is conducted for each of these dimensions separately. As already stated before, the data obtained on the neutral country serves as basis for the primary development sample and therefore the analysis starts with this set of data.

The method chosen for detecting the underlying structure of the various dimensions is principal axis factor analysis with direct oblimin rotation (Field 2005). The criteria used to decide on how many factors should be retained in the analysis are the eigenvalue rule (Kaiser's criterion) and the scree test (Field 2005). Kaiser's criterion is based on the idea that factors with eigenvalues greater than 1 should be retained (Netemeyer, Bearden, and Sharma 2003). If the eigenvalue of a factor is below 1 then this indicates that the factor explains less variance than any single item and should therefore be eliminated. The second criterion is the interpretation of the displayed scree plot. A scree plot graphically plots the eigenvalues against the associated factors. Here, those factors should be retained that are located before the point of inflexion of the curve (DeVellis 1991). To improve the interpretation of the results, the factors are rotated after extraction with the aid of oblique (direct oblimin) rotation, which allows the factors to correlate. Netemeyer, Bearden and Sharma (2003) recommend the use of oblique rotation methods as well, as the more meaningful theoretical factors are said to be produced by oblique rotation. Considering the factor loadings, the recommended factor loading value for a sample of around 200 respondents should be greater than .364 in order to consider the loading to be significant (Stevens 1992) and therefore values below .4 are suppressed as is recommended by Stevens (1992).

The first exploratory factor analysis is conducted using the data obtained from the neutral country setting from sample 1. Starting with the positive country affect dimension, which includes 21 items, the exploratory factor analysis results in two factors with an eigenvalue above 1 (Kaiser's criterion) whereas the first factor explains 57.4 % of variance and the second factor accounts for only 4.71 % of variance. When scanning the factor loadings, it can be seen that all of the items load onto the first factor, whereas some show also small cross-loadings on the second factor. Furthermore, no relation or structure between the items that load on the second factor can be identified. Also the displayed scree plot, which should help the researcher to decide on the number of factors, did not show a clear point of inflexion on the curve so that it is not really clear if a one or a two factor solution is preferable, which also justifies a one factor solution. As factor analysis is just an exploratory tool that should support the researcher, the researcher is still the one who should make the decisions on how many factors should be extracted. Therefore and out of the above mentioned reasons, it is decided that it will be more useful to produce a one factor solution.

Before the factor analysis is conducted a second time, another table produced by SPSS is taken into consideration. As the aim of factor analysis is the detection of common underlying structures, it can also be helpful to scan the communalities table. This table includes a listing of how much of the common variance is explained by each item. Communalities can take values between 0 and 1 and the closer the communality is to 1, the better the original data is explained by the factor (Field 2005). By scanning the communalities table, two items, namely 'compassionate' (.221) and 'envious' (.224), are identified which show very low communality values. When an item has a low communality, it may indicate that the factor model is not working well for this item, as the item is very different from the other items in this dimension (Hair, Anderson, Tatham, and Black 1998). As this circumstance is seen as problematic, the two items are removed from the model, leading to a positive country affect dimension consisting of 19 remaining items.

After this step, the factor analysis is conducted a second time. Now instead of producing factors with an eigenvalue above 1 (Kaiser's criterion) the number of factors that should be extracted (i.e., one) is specified. The resulting one factor solution explains 60.9 % of variance. This value definitely exceeds the recommended threshold of 50 %

(Netemeyer, Bearden, and Sharma 2003). When examining the factor matrix it can be seen that all items load very high on this one factor with values from .651 to .894 and therefore the factor loadings can be regarded statistically relevant. Considering the high factor loadings and the high total variance explained by the factor chosen it can be said that the decision to calculate a one factor solution is appropriate.

After the factor solution for the first dimension is clear, the next exploratory factor analysis is conducted for the negative country affect dimension. Here, already the first round produces only one factor with an eigenvalue above 1 (Kaiser's criterion), which explains 57.53 % of variance. Again, this number exceeds the recommended value of 50 % (Netemeyer, Bearden, and Sharma 2003) and therefore the factor seems to be significant. All items show sufficient values on communality and therefore they are considered to explain the data very well and no item is deleted. When taking a look at the displayed scree plot, the graph clearly shows that only one factor should be retained. Scanning the factor matrix, it displays only values between .579 and .850 and therefore proves that the loadings are significant and that the one factor solution is justified.

Finally the last dimension, arousal, has to be analyzed with regard to its possible underlying structures. The exploratory factor analysis immediately produces only one factor with an eigenvalue above 1 (Kaiser's criterion), which consists of the five arousal items and explains 54.13 % of variance. Once more, the recommended value of Netemeyer, Bearden and Sharma (2003) is reached. This fact leads to the conclusion that one factor is sufficient to represent the arousal dimension. When scanning the communalities, one item shows a very low communality of .041, which indicates that this item is very different from the other four items. For this reason, 'indifferent' is deleted from the arousal dimension and the exploratory factor analysis is conducted a second time with the remaining four items. Now, the factor analysis also results in a one factor solution which explains 66.16 % of variance, which is a clear increase in comparison to the first round. The displayed scree plot again supports the decision to concentrate on a one factor solution. The factor loadings are also very satisfying with values between .757 and .873, which show that the loadings on the one arousal factor are significant.

After the factor structure for the country affect scale is developed basically, the results are now crosschecked in a next step by using the data obtained for the affinity country of sample 1. Again the analysis is started with the 19 items forming the positive country affect dimension and as expected, the one factor solution that explains in this case 42.9 % of variance, proves to work successfully. The displayed scree plot and the relatively high factor loadings, which range between .488 and .785, also support this fact. For the next dimension, which represents negative country affect and consists of 15 items, the factor analysis shows similar results. The amount of total variance, which is explained by one factor, accounts for 44.02 %. This value is slightly below the recommended value of 50 % but still acceptable. The inflexion curve of the scree plot also indicates that the original data is best described by a single factor. Regarding the factor loadings, again acceptable values are realized as the items load with values of .503 up to .857 on the single factor. Finally, the factor analysis is conducted once more for the arousal dimension. The analysis proves that the entire four items load on one factor and that the derived factor explains 42.45 % of variance. Like in the other two calculations before, the graphical representation of the eigenvalues against the associated factors shows a clear tendency for the one factor solution. According to the factor loadings, which vary from .484 to .832, the single factor represents the underlying structure quite well.

After the exploratory factor analysis is conducted for the whole development sample and the scale is finalized, it can be summarized that the country affect scale consists of three dimensions (i.e., positive country affect, negative country affect and arousal) which further are composed of one factor each. The stability of the one factor solution for each dimension is proven, as the results are the same for both parts of the development sample. The variance explained approximates the advised value of 50 % (Netemeyer, Bearden, and Sharma 2003), which further supports that the choice of factors is appropriate. The factor loadings for each of these single factors are considerably exceeding the recommended threshold of .4 (Stevens 1992).

5.2.3 Confirmatory Factor Analysis

After the country affect scale is finally developed, in a next step the dimensionality of the other scales that are used in the questionnaire is checked. Ideally, the scales should be uni-dimensional, as this indicates that the items contained in the particular scale are

homogeneous and load therefore on one single factor or dimension (Netemeyer, Bearden, and Sharma 2003). Using principal axis factor analysis with direct oblimin rotation (Churchill 1979), the dimensionality of the following scales is determined: macro country image, micro country image, purchase intentions, intention to invest in a country, and intention to visit a country. Again, the various analyses are done using the data obtained from both samples. Furthermore, the country affect scale is also subject to a confirmatory factor analysis. As the scale is first explored in the previous chapter with the help of the data received from sample 1, a confirmatory factor analysis is conducted now by the use of the data obtained from sample 2.

As recommended by Field (2005), first the correlation matrices are checked with regard to intercorrelations between the variables. As the variables contained in each scale are expected to measure the same or similar aspects it is also expected that the variables correlate with each other. However, the correlations should not be too high or too low. When taking a look at the tables, the variables correlate very well with each other with values between .187 and .880 ($p < .001$) for sample 1 and .214 and .819 ($p < .001$) for sample 2 respectively. Also the determinant of the correlation matrix is in each case above the recommended threshold of .00001 (Field 2005). According to these values, multicollinearity causes no problem. Looking at Bartlett's test of sphericity it can be seen that the test is highly significant ($p < .001$) for each of the scales. Therefore, the correlation matrix can be said to be different from an identity matrix.

Considering the Kaiser-Meyer-Olkin measure of sampling adequacy (KMO), values between .661 and .871 for sample 1 and between .607 and .909 for sample 2 are reached for the scales, indicating that the sample size fits relatively well. Only for the intention to invest scale a lower value of .5 is calculated in each case, which is not very desirable but still an acceptable value.

Now that the preliminary analysis of the data is finished, a further look is taken at the results gained from the confirmatory factor analyses. Here, the analysis results in a one-factor solution for each of the five scales, which further leads to the confirmation of the uni-dimensionality of the scales. This solution is derived for both samples and for each of the four research settings respectively. The obtained factor loadings for the scales under examination range between the following values: (1) macro country image: .567

to .911 (sample 1) and .638 to .921 (sample 2), (2) micro country image: .709 to .850 (sample 2) and .750 to .903 (sample 2), (3) purchase intentions: .802 to .910 (sample 1) and .664 to .984 (sample 2), (4) intention to invest: .755 to .886 (sample 1) and .749 to .786 (sample 2), and (5) intention to visit: .449 to .899 (sample 1) and .460 to .913 (sample 2). As it can be seen, the factor loadings are all above the recommended threshold of .4 (Stevens 1992). This fact further leads to the conclusion that the factor loadings are statistically significant and that a one-factor solution is justified for each of the particular scales. Concluding, it can be stated that the homogeneity of items used can be proven for each of the five scales.

Regarding the country affect scale, the obtained results from the exploratory factor analysis are validated by using the data obtained from sample 2, which is chosen as validation sample. Sample 2 consists of two parts, whereas the first part consists of data for the affinity country and the second part concentrates on data obtained for the animosity country. The confirmatory factor analysis is conducted for each of the two parts separately. Here again, the one factor solution works well for all three dimensions. Regarding the data obtained for the affinity country, it can be seen that positive country affect explains 40.33 % of variance, negative country affect accounts for 35.93 % of variance and the variance explained for the arousal dimension is 48.47 %. Considering the factor loadings, all items included in the one factor of negative country affect exceed the recommended threshold of .4 and the lowest factor loadings for the other two dimensions are around .5. The produced scree plots also indicate that a one factor solution fits the model very well. When looking at the data that is obtained for the animosity country, the one factor solution also shows acceptable results with similar percentages of variance explained as stated before (i.e., positive country affect: 37.5 %, negative country affect: 41.17 % and arousal: 54.51 %). The achieved factor loadings are here similarly satisfying with values all above .4 for the positive country affect dimension and above .5 for the other two dimensions. Here again it is proven that the country affect scale is working soundly.

5.3 Reliability

Now that the country affect scale is finally developed and the other scales used are examined with regard to their dimensionality as well, the next step is concerned with the

testing of the scales' reliability. Reliability can be defined as “the ability of a measure to produce consistent results when the same entities are measured under the same conditions” (Field 2005, p. 743), referring to the stability and equivalence of a scale (Diamantopoulos and Schlegelmilch 2002). In this chapter, the reliability of the various scales is tested within each of the two samples, which further results in four research settings.

According to Netemeyer, Bearden, and Sharma (2003), various types of methods to measure reliability exist, namely (1) test-retest reliability, (2) alternative forms reliability, and (3) internal consistency reliability.

Test-retest reliability refers to controlling the stability of item responses over a certain time. Here, the same measure is applied to the same respondents at two different times. If the scale truly mirrors the construct it is intended to measure, than the results should be the same at each time the measure is given to the respondents (Netemeyer, Bearden, and Sharma 2003). This type of reliability cannot be applied in this research context, as an online survey is used and therefore it could not be ensured that exactly the same respondents are filling out the questionnaire when the survey is conducted a second time.

By using alternative forms reliability, first the intended measure is given to the respondents, whereas at a second point in time an alternative or similar form of the measure, which also measures the same construct, is given to the same respondents. Afterwards, both results should show consistency due to the similarity of both measures. This type of reliability measurement can also not be adopted in this context, as due to the newness of the country affect scale no applicable alternative form exists.

The third type of reliability, internal consistency reliability, is the most uncomplicated method, as the items have to be presented to the respondents only once. Internal consistency is concerned with how the items used are interrelated with each other. A high interrelatedness between the items, which form a scale, is favorable as it indicates that the items are homogeneous and are measuring the same construct (Netemeyer, Bearden, and Sharma 2003). Cronbach's alpha or coefficient alpha is the most commonly used instrument to measure the internal consistency reliability of a scale and

is further used to test for the reliability of the country affect scale. Cronbach's alpha is a measure to identify the degree of interrelatedness among various items that measure the same construct, and for this reason it also provides information about a scale's quality. But Cronbach's alpha is not only concerned with the items' interrelatedness, furthermore it also incorporates the variance that is shared among the items (Netemeyer, Bearden, and Sharma 2003). As Netemeyer, Bearden, and Sharma (2003, p. 49) explain, the calculation of Cronbach's alpha separates the total variance into two parts: the true variance, which is defined as "a scale's total variance which is attributable to a common source" and equals alpha, and the error variance or unshared variance, which equals $1 - \alpha$. The calculation of Cronbach's alpha usually produces a positive value ranging between 0 and 1. Here it holds that the higher the calculated value, the higher the internal consistency of the scale (Spector 1992). In order to prove a sufficient internal consistency, a scale should at least show a coefficient alpha of .70 (Nunnally 1978). Another important rule which should be considered is that Cronbach's alpha is not a measure of uni-dimensionality (Netemeyer, Bearden, and Sharma 2003) and therefore, if a scale consists of different dimensions, then Cronbach's alpha has to be calculated for each dimension separately (Churchill 1979; Field 2005).

In the current case, Cronbach's alpha is calculated for both samples and as the country affect scale consists of three dimensions (i.e., positive country affect, negative country affect and arousal) Cronbach's alpha is calculated for each dimension as advised in the literature. Firstly, a look is taken at the corrected item-total correlations, which are concerned with the correlations between each individual item and the total score from the questionnaire or the particular dimension respectively (Field 2005). As the items should correlate with the overall score in order to prove that the scale is reliable, these values should be above .3 as otherwise items that do not correlate with the overall dimension lead to problems and may therefore be dropped. In the current analysis, the corrected item-total correlation values are the following: for the development sample, the lowest values for the positive country affect dimension are .644 (neutral country) and accordingly .525 (affinity country), for the negative country affect dimension .559 (neutral country) and .488 (affinity country) respectively. For the arousal dimension the values are about .7 (neutral country) and .4 and higher (affinity country). For the validation sample, the values for the positive country affect dimension start around .5 (affinity country) and .39 (animosity country), for the negative country affect dimension

the lowest value is about .4 (affinity country) and .5 (animosity country) respectively, whereas for the arousal dimension the following minimum values are calculated: .498 (affinity country) and .511 (animosity country). Generally, it can be said that the crucial threshold of .3 is clearly exceeded in all cases and there is no need to delete any of the items. Rather, these results prove that the items chosen relate very well to the remaining items of the particular dimension.

In a next step, the achieved values for Cronbach's alpha are examined. Table 3 shows the results of the calculation of the coefficient alpha. As can be seen, the alpha values obtained for the country affect scale in all research settings range between .717 and .966, and are therefore exceeding the recommended threshold of .70. Although the results of the arousal dimension are a little lower than the results of the other two dimensions, there is no need to worry, as the value of alpha also depends on the number of items which are included in the particular dimension (Field 2005). As the arousal dimension consists only of four items, the obtained alpha values are still respectable results. Anyway, the very satisfying results for all three dimensions in every research setting represent the high internal consistency and also the high reliability of the country affect scale.

	<u>Sample 1</u>		<u>Sample 2</u>	
	<u>Neutral Country</u>	<u>Affinity Country</u>	<u>Affinity Country</u>	<u>Animosity Country</u>
Positive Affect (19 items)	.966	.928	.924	.902
Negative Affect (15 items)	.951	.912	.875	.911
Arousal (4 items)	.887	.717	.768	.792

Table 3: Reliability of the Country Affect Scale

After the calculation of the alpha values for the country affect scale is completed, the reliability of the other scales used is also examined in a next step. Like before, Cronbach's alpha is used to measure the internal consistency reliability of the scales. As

each scale under examination consists of only one dimension, Cronbach's alpha can be calculated for the whole particular scale and no subdimensions have to be taken into consideration. Again, the calculations are done for both samples and all four countries respectively.

Firstly, the results are controlled with regard to the corrected item-total correlations, which should exceed the recommended threshold of .3 (Field 2005). For both samples and all scales, the corrected item-total correlations are well above this recommended value, which indicates that in each scale the comprised items correlate very well with the total score of the particular scale. Only for the affinity country from sample 1 a value below .3 is calculated for a single item that is included in the scale measuring the intention to visit a country. In the other three remaining calculations (i.e., for the neutral country from sample 1 and the affinity and animosity country from sample 2) no similar pattern can be detected and the corrected item-total correlation values for this item are all above .3. Therefore, the item is not seen as being problematic in general and is not dropped.

Finally, a look is taken at the calculated Cronbach's alpha values. As stated before, a value above .7 is desirable (Nunnally 1978) as this indicates a good reliability of the scale. When looking at Table 4, very high values can be detected for the scales that measure the willingness-to-buy, macro country image and micro country image. In these cases, the reliability values are between .839 and .941 and prove the high reliability and therefore also the high internal consistency of the particular scales. The values obtained for the scale measuring the intention to invest in a country are slightly lower, but still, these values are above the recommended threshold of .7. Additionally, a lower alpha value has to be expected as the scale consists only of two items. Therefore, the scale that measures the intention to invest in a country is regarded as being reliable. Only for the last scale, which measures the intention to visit a country, two values under .7 are calculated, which is a rather unacceptable result. But as in the other two research settings the obtained alpha values are well above .7 and also the average value calculated from all four Cronbach's alphas is .71, the scale is still seen as being reliable. Concluding, the five scales used can be said to be working reliably.

	<u>Sample 1</u>		<u>Sample 2</u>	
	<u>Neutral Country</u>	<u>Affinity Country</u>	<u>Affinity Country</u>	<u>Animosity Country</u>
Macro Country Image (8 items)	.938	.908	.920	.941
Micro Country Image (4 items)	.839	.868	.855	.889
Willingness-to-buy (3 items)	.901	.890	.873	.917
Intention to Invest (2 items)	.879	.727	.719	.759
Intention to Visit (4 items)	.780	.598	.675	.785

Table 4: Reliability of the Other Scales Used

5.4 Preliminary Analyses

Besides reliability, validity is another important measure that has to be included in the extensive process of scale development. By considering the validity of a newly developed scale it should be ensured that the established construct really measures what it is intended to measure (Diamantopoulos and Schlegelmilch 2002). For this purpose, different kinds of validity measurement can be applied (Diamantopoulos and Schlegelmilch 2002): (1) translation validity, which can be further subdivided into content validity and face validity, (2) criterion-related validity, which consists of predictive and postdictive validity, concurrent validity, convergent validity, discriminant validity and known-group validity, and (3) nomological validity.

To decide on which of the above mentioned validity measures should be applied in the research context depends on the constructs that are included in the survey. As in practice it is not possible to apply all of the listed validity types due to survey length considerations, the scale developer has to decide which types are most relevant for the scale and consequently include the relevant validity constructs in the questionnaire (Netemeyer, Bearden, and Sharma 2003). Based on the focus of this study, the following validity measures are assessed to evaluate the country affect scale: translation

validity, discriminant validity and nomological validity. Finally, an additional validity analysis is conducted in which the mean scores obtained for the three affect dimensions are compared according to theoretical expectations. In the following section, the chosen types are described in more detail.

5.4.1 Translation Validity

Translation validity is the first validity measure that is applied. Both types of translation validity, namely face validity and content validity, are intended to “reflect the extent to which a construct is translated into the operationalization of the construct” (Netemeyer, Bearden, and Sharma 2003, p. 72). Face validity is concerned with the question if the developed measure “seems to capture the characteristics of interest” (Diamantopoulos and Schlegelmilch 2002, p. 34), meaning that the respondents should also be of the opinion that the scale seems to be valid. Content validity refers to “the extent to which a measure appears to measure the characteristics it is supposed to measure” (Diamantopoulos and Schlegelmilch 2002, p. 34), whereat it should be determined that the items used are relevant and represent the measured construct. Both validity measures can be tested by consulting experts and non-experts who judge the applicability of the single items and assess if the measure is appropriate or not. This step has already been done several times during the development of the country affect scale with the help of small pretests and expert interviews. As can be seen in the detailed description of these pretests (see chapters 4.2, 4.4 and 4.6) the translation validity of the country affect scale is ensured.

5.4.2 Discriminant Validity

To make sure that the country affect scale differs substantially from other constructs, a further analysis is conducted to check for discriminant validity. Discriminant validity refers to “the extent to which a measure is not related to measures of different concepts with which no theoretical relationships are expected” (Diamantopoulos and Schlegelmilch 2002, p. 35). In the current chapter, it is tested if any relationship between the country affect scale and consumer ethnocentrism exists or if these two constructs are distinct, as expected. Further on, the relationship between country affect

and country beliefs is explored, as these two constructs are conceptually related but should nevertheless be rather distinct constructs.

Consumer ethnocentrism is based on the assumption that consumers prefer buying domestic goods, whereas they have prejudices against products from foreign countries. According to Shimp and Sharma (1987, p. 280) consumer ethnocentrism “represents the beliefs [...] about the appropriateness, indeed morality, of purchasing foreign-made products”. Country affect, however, is defined as “positive or negative emotions, other subjective states or also to a state of arousal, which consumers can experience toward any (foreign) country and which further lead to particular action tendencies and explicit actions”. These definitions already indicate that the two constructs are completely different in their characteristics.

To prove that the two constructs are not related, a principal components analysis is conducted. Principal components analysis analyzes the data with regard to which linear components exist and how the various items contribute to the components (Field 2005). Concerning the rotation method, oblique rotation (i.e., direct oblimin) is chosen, as this method allows the factors to correlate and is therefore a more flexible approach. To differentiate between the country affect scale and consumer ethnocentrism, the data obtained from sample 2, which is also the validation sample, is used.

The first analysis is conducted by using the data obtained for the affinity country. The aim of the principal components analysis is to test for the uni-dimensionality of the two scales. For this purpose, each dimension of the country affect scale is separately analyzed together with the five items that build the consumer ethnocentrism scale. As it is assumed that two factors should be derived from the analysis, this number of factors that should be extracted is explicitly stated in SPSS. For all of these analyses, the correlation matrix is checked at the beginning, and no peculiarities are detected. The Kaiser-Meyer-Olkin measure of sampling adequacy displays satisfying values for all cases. Furthermore, significant values are calculated for Bartlett’s test of sphericity, indicating that the correlation matrix is no identity matrix.

Firstly, the positive country affect items are analyzed together with the five consumer ethnocentrism items. As specified at the beginning, two factors are derived from the

analysis: all positive country affect items load on one factor and the five consumer ethnocentrism items load on the second factor. Considering the factor loadings, the values for the positive country affect factor are between .564 and .735, whereas the factor loadings of the consumer ethnocentrism items are between .700 and .909 and represent satisfying and statistically significant high loadings. Next, the same procedure is conducted with negative country affect. Again, the factor matrix shows that the two constructs load on different factor, whereas the factor loadings of the consumer ethnocentrism items are between .709 and .914, and also the factor loadings for the negative country affect items exceed the recommended threshold of .4 (Field 2005). Similar results can be found for the arousal dimension and consumer ethnocentrism, where all arousal items load on the first factor (i.e., values between .694 and .922) and the five consumer ethnocentrism items load highly on the second factors (i.e., values between .696 and .831).

In a second analysis, these results are crosschecked by using the data obtained for the animosity country. The same results are received as before, as all affect dimensions load on a single factor, while the consumer ethnocentrism items load on their own factor as well. All factor loadings are well above .4, and are therefore considered highly significant. From these results, one may interpret that consumer ethnocentrism is clearly distinct from country affect and country affect is proven to be a unique construct that cannot be compared to the construct of consumer ethnocentrism.

Now that it is proven that consumer ethnocentrism and country affect are two distinct constructs, the same procedure is repeated to explore the relationship between country affect and country beliefs. As these two constructs are determined as the basis for the country image construct, they are defined to be conceptually related. Due to this reason it is of importance to prove that regardless of this conceptualization, country beliefs and country affect are two unrelated constructs.

Again, a principal components analysis with direct oblimin rotation is conducted. As country beliefs are said to consist of two subcomponents (i.e., macro country image and micro country image), positive country affect, negative country affect and arousal are first separately analyzed together with the eight items which represent macro country image and afterwards the three dimensions are separately tested for differences with

regard to the four items building micro country image. The data received from sample 2 serves as the basis for these analyses.

At first, the data obtained for the affinity country is analyzed. At the beginning, the correlation matrices are checked and no indications for multicollinearity can be detected. The values obtained for the Kaiser-Meyer-Olkin measure of sampling adequacy are between .769 and .904 and represent therefore a very acceptable result. Concerning Bartlett's test of sphericity, significant values are obtained which further lead to the conclusion that the correlation matrix does not equal an identity matrix.

At the beginning, the positive country affect items are analyzed together with the eight items of macro country image. As could be assumed, two factors are derived with the positive country affect items loading on one factor with factor loadings between .553 and .731 and the macro country image items loading on the second factor with factor loadings between .659 and .824. The same result, a two factor solution, is found for negative country image and macro country image. Here, the analysis shows factor loadings between .424 and .807 for the negative country image dimension and factor loadings between .646 and .887 for the macro country image dimension. Again, the results are statistically significant and provide acceptable values. Concerning arousal and macro country image, again it can be seen that they load on two single factors. While arousal shows factor loadings from .691 to .824, the factor loadings for macro country image are between .693 and .893. Further on, the same analyses are repeated for country affect and micro country image. Here, the same results are obtained for all dimensions of country affect and micro country image. Positive country affect loads on the first factor with factor loadings ranging from .576 to .735, whereas micro country image loads highly on the second factor with factor loadings from .717 to .816. Similar results and accordingly a two factor solution are also detected for negative country image and micro country image and arousal and micro country image respectively.

To validate these results, the analyses are repeated by using the data obtained for the animosity country from sample 2. As before, the same results are obtained for the affect dimensions, macro country image and micro country image. While all three affect dimensions load highly on one single factor each, macro country image can be found to result in a single factor and the same is also true for micro country image. All factor

loadings are well above the recommended threshold of .4 (Field 2005), leading to the conclusion that these results are statistically significant and represent satisfying values. Summing up, these findings provide clear evidence for the fact that country beliefs and country affect are two rather distinct constructs, even if they are conceptually related.

5.4.3 Nomological Validity

The next measure with which the validity of the country affect scale should be proven is nomological validity. Nomological validity is interested in “the extent to which a measure is related to measures of other concepts in a manner consistent with theoretical expectations” (Diamantopoulos and Schlegelmilch 2002, p. 35). To test for nomological validity, the correlations between the various constructs used are examined whether they correspond to the assumed relationships or not.

In order to explore the relationships that exist between variables, bivariate correlations are calculated. Correlations measure the linear relationship between variables and can take values between -1 and +1 (Field 2005). While a correlation coefficient of +1 indicates that two variables are positively related, a correlation coefficient of -1 shows that a negative relationship exists. If a correlation coefficient of 0 is produced, no relationship between the variables can be detected at all. In the present case, it is decided to use Pearson’s correlation coefficient that is also used by default in SPSS. Considering the test of significance, one-tailed tests are applied as the developed hypotheses in chapter 3 already imply the expected directions of the relationships. The correlations are calculated for both samples and all four research settings.

According to the hypotheses, a positive relationship between macro country image and the three outcome variables under investigation is expected. The same is also true for micro country image. In other words, it is assumed that the more someone knows about the particular country (i.e., macro or micro country knowledge), the more likely it is that he or she buys products from this country, invests in or visits this country. Considering positive country affect, again a positive relationship with regard to the three outcome variables is assumed. On the contrary, negative country affect is expected to be negatively related, meaning that the stronger the negative country affect component is, the less likely it is that a person has the intention to buy products from a particular

country, the intention to invest in or to visit this country. With regard to the arousal component, it is expected to detect a positive relationship with regard to the relevant outcome variables. Finally, also a positive relationship between micro country image and positive country affect is assumed, whereas the opposite is expected for the relationship between micro country image and negative country affect. Again, the relationship between arousal and micro country image is expected to be positive.

Starting with the relationship between macro country image and the chosen outcome variables, it can be seen that stable results among all four research settings are received with regard to macro country image and its relation to the willingness-to-buy as well as to the intention to invest. Because similar results can be found for each of the four conditions, an overall correlation coefficient is calculated for both relationships. Here, a positive relationship between macro country image and the willingness-to-buy products from a particular country can be found with a highly significant correlation coefficient of $r = .273$ ($p < .01$). Macro country image is further also positively related to the intention to invest in a country with an overall correlation coefficient of $r = .328$ ($p < .001$). In both cases the previously stated assumption of an existing positive relationship is met and can therefore be confirmed. Other results are obtained in the case of macro country image and its relation to the intention to visit a country. Here, the expected positive relationship can only be found for the data received for the animosity country from sample 2 ($r = .403$, $p < .001$), whereas a negative relationship is calculated for the affinity country from sample 1 ($r = -.184$, $p < .01$). For the other two research conditions (i.e., neutral country – sample 1 and affinity country – sample 2) only non-significant results are obtained. Because of these very different results, the assumed positive relationship of macro country image and the intention to visit a country cannot be confirmed. The exact figures of the correlation analyses done with regard to macro country image can be found in Table 5.

<i>Macro Country Image</i>	Expected Relationship	Willingness-to-buy	Investments	Visits
Affinity Country (Sample 1)	+	.154*	.313**	-.184**
Neutral Country (Sample 1)	+	.270**	.397**	-.080°
Affinity Country (Sample 2)	+	.208**	.226**	.049°
Animosity Country (Sample 2)	+	.461**	.376**	.403**

° not significant

* significant at $p < .05$ ** significant at $p < .01$ **Table 5: Results from the Correlation Analyses between Macro Country Image and the Outcome Variables**

Concerning micro country image and the outcome variables, stable results are again found only in the case of willingness-to-buy and the intention to invest in a country. The overall correlation coefficient between micro country image and the willingness-to-buy amounts to $r = .466$ ($p < .001$) and confirms hereby the before assumed positive relationship between these two variables. The same result can be found for the relationship between micro country image and the intention to visit a country with an overall correlation coefficient of $r = .354$ ($p < .01$). Again, these two variables are positively related as is assumed before. When looking at the correlation coefficients between micro country image and the intention to visit a country, it can be seen that although the calculated effect goes in the right direction in each of the four cases, only two of the four values are also statistically significant. While highly significant correlation coefficients are obtained for the neutral country from sample 1 ($r = .247$, $p < .001$) and for the animosity country of sample 2 ($r = .460$, $p < .001$), positive but non-significant results are produced for the other two countries. Therefore, the assumed positive relationship between micro country image and the intention to visit a country cannot be confirmed as no consistent results are received. The exact values of the correlation analyses are displayed in Table 6.

<i>Micro Country Image</i>	Expected Relationship	Willingness-to-buy	Investments	Visits
Affinity Country (Sample 1)	+	.371**	.357**	.019°
Neutral Country (Sample 1)	+	.412**	.474**	.247**
Affinity Country (Sample 2)	+	.445**	.183**	.085°
Animosity Country (Sample 2)	+	.635**	.402**	.460**

° not significant * significant at $p < .05$ ** significant at $p < .01$

Table 6: Results from the Correlation Analyses between Micro Country Image and the Outcome Variables

The next calculations are concerned with the relationship between positive country affect and the variables willingness-to-buy, intention to invest, intention to visit and micro country image. In all four cases, consistent results are calculated in each of the four different research settings. Therefore, it is again possible to present here shortly the overall correlation coefficient for each of the four relationships under examination (for the exact figures see Table 7). As the results show, positive country affect seems to be positively related to the willingness-to-buy ($r = .317$, $p < .001$), to the intention to invest in a country ($r = .257$, $p < .001$) and to the intention to visit a country ($r = .462$, $p < .001$). Further on, a positive relationship exists also between positive country affect and micro country image with a correlation coefficient of $r = .247$ ($p < .001$). Thus, all effects can be said to go in the right direction and therefore also all before assumed relationships between these variables can be confirmed.

<i>Positive CA</i>	Expected Relationship	Willingness-to-buy	Investments	Visits	Micro CI
Affinity Country (Sample 1)	+	.352**	.164**	.351**	.194**
Neutral Country (Sample 1)	+	.329**	.264**	.582**	.271**
Affinity Country (Sample 2)	+	.341**	.256**	.410**	.203**
Animosity Country (Sample 2)	+	.246**	.342**	.504**	.319**

° not significant * significant at $p < .05$ ** significant at $p < .01$

Table 7: Results from the Correlation Analyses between Positive Country Affect and the Variables

Considering the correlations between negative country affect and the relevant variables, rather inconsistent results can be found among the four research settings. Looking at the relationship between negative country affect and the willingness-to-buy, negative correlation coefficients are received in all four cases, but only for the animosity country also a significant correlation coefficient ($r = .141$, $p < .05$) is found. Although in the remaining three cases the calculated correlation coefficients are negative, they are not statistically significant anyway. The outcome of this is that the assumed negative relationship between these two variables cannot be confirmed because of the missing significance. Proceeding with the next variable, namely the intention to invest in a country, similar results are found. Again, only the result for the animosity country shows a significant negative relationship between negative country affect and the intention to invest ($r = -.172$, $p < .01$) whereas the other results are not statistically significant. The result calculated for the neutral country from sample 1 even shows a positive relationship ($r = .012$, $p > .05$). Due to these results, the previously made assumption of negative country affect and the intention to invest being negatively related has to be rejected. The assumed negative relationship between negative country affect and the intention to visit a country can moreover not be confirmed, as only for the affinity country from sample 1 ($r = -.169$, $p < .01$) and the animosity country from sample 2 ($r = -.138$, $p < .05$) the expected correlation coefficients are calculated. Although the correlation coefficient for the affinity country from sample 2 is negative as expected ($r = -.113$) it is not of statistical significance ($p > .05$). For the neutral country from sample 1 a positive correlation coefficient is derived ($r = .135$, $p < .05$), which is not in line with the assumptions stated beforehand. Finally, the relationship between

negative country affect and micro country image is examined in more detail. Here, the only statistically significant result is found for the affinity country from sample 1 ($r = -.133$, $p < .05$), whereas all other three correlation coefficients are not significant although basically the values go in the right direction. But as the results vary substantially among the various countries, the assumption of the negative relationship between negative country affect and the variables under examination cannot be fully confirmed. The exact figures of the correlation analyses incorporating negative country affect and the relevant variables are displayed in Table 8.

<i>Negative CA</i>	Expected Relationship	Willingness-to-buy	Investments	Visits	Micro CI
Affinity Country (Sample 1)	-	-.100°	-.025°	-.169**	-.133*
Neutral Country (Sample 1)	-	-.033°	.012°	.135*	-.019°
Affinity Country (Sample 2)	-	-.095°	-.011°	-.113°	-.097°
Animosity Country (Sample 2)	-	-.141*	-.172**	-.138*	-.082°

° not significant

* significant at $p < .05$ ** significant at $p < .01$

Table 8: Results from the Correlation Analyses between Negative Country Affect and the Variables

Finally, when examining the relationship between arousal and the several other variables, consistent results are found in all four research settings. Due to this reason, again an overall correlation coefficient is calculated to simplify the presentation of the obtained results (see Table 9 for exact figures of the correlation analyses). Starting with the relationship between arousal and the willingness-to-buy, it can be seen that these two variables both are highly significant and positively related ($r = .331$, $p < .001$). The same result is found for the relation between arousal and the intention to invest in a country ($r = .278$, $p < .001$). Arousal is moreover positively related to the intention to visit a country as well, which is indicated by a correlation coefficient of .423 ($p < .001$). The correlation coefficient derived for arousal and micro country image accounts for .246 ($p < .01$) and thus proves the positive relationship between these two variables. Concluding, it can be confirmed that the before made assumptions concerning the relationship of arousal and the four relevant variables are true.

<i>Arousal</i>	Expected Relationship	Willingness-to-buy	Investments	Visits	Micro CI
Affinity Country (Sample 1)	+	.345**	.249**	.324**	.197**
Neutral Country (Sample 1)	+	.356**	.308**	.528**	.277**
Affinity Country (Sample 2)	+	.310**	.246**	.350**	.139**
Animosity Country (Sample 2)	+	.312**	.309**	.490**	.369**

° not significant * significant at $p < .05$ ** significant at $p < .01$

Table 9: Results from the Correlation Analyses between Arousal and the Variables

Finally, Table 10 summarizes whether the expected relationships between the several variables can be confirmed or have to be rejected. Here, all four research settings are incorporated into the results and an overall confirmation (i.e., represented by ✓) or rejection (i.e., represented by ✕) is presented. No correlations are calculated for the relationship between macro country image and micro country image and micro country image itself, which is represented by /.

Variables	Expected Relationship	Willingness-to-buy	Investments	Visits	Micro CI
Macro CI	+	✓	✓	✕	/
Micro CI	+	✓	✓	✕	/
Positive CA	+	✓	✓	✓	✓
Negative CA	-	✕	✕	✕	✕
Arousal	+	✓	✓	✓	✓

Table 10: Summary of Confirmed and Rejected Relationships between Variables

5.4.1 Additional Validity Analysis

In the analyses done before, the objective is to look at relationships between several variables. Yet another interesting point is to look at differences between variables.

Therefore, in this subchapter the means, which are derived for the three dimensions of the country affect scale, are compared to test for possible differences.

Before conducting the analysis, it is assumed that positive country affect shows higher ratings for the affinity country as for the neutral country. The same result is also assumed when comparing the means derived for the affinity country and the animosity country. Regarding the negative country affect dimension, the mean value for the neutral country and the affinity country is expected to be relatively similar, whereas for the animosity country the values are expected to be higher than for the affinity or the neutral country. Concerning the dimension of arousal, it is assumed that this dimension is rated higher for the affinity country than for the neutral and the animosity country, as four rather positively labeled items (e.g. interested) are used, which are expected to be rather applied to the affinity country.

To check if these assumptions can be met by the data derived from the two samples, first overall scores are calculated for each of the three dimensions and for each of the four country types in order to sum up the single items to a single dimension. After this step, the mean values are calculated and a comparison of means is conducted. Firstly, a within-sample comparison is done which is then followed by a between-sample comparison of means. Table 11 shows the calculated mean values.

	<u>Sample 1</u>		<u>Sample 2</u>	
	<u>Neutral Country</u>	<u>Affinity Country</u>	<u>Affinity Country</u>	<u>Animosity Country</u>
Positive CA (19 items)	2.293	4.275	4.449	1.462
Negative CA (15 items)	1.380	1.422	1.369	3.107
Arousal (4 items)	2.677	4.520	4.672	2.080

Table 11: Mean Scores of the Country Affect Scale

When comparing the means of sample 1, it becomes clear that consumers feel significantly stronger positive country affect towards their affinity country ($M = 4.275$, $SE = .062$) than towards their chosen neutral country ($M = 2.293$, $SE = .070$, $t(209) =$

24.556, $p < .001$, $r = .86$). Regarding negative country affect, no significant difference can be detected between the two types of countries ($t(209) = .957$, $p > .05$). As expected, the affinity country ($M = 4.520$, $SE = .063$) achieves a higher mean value on the arousal dimension than the neutral country ($M = 2.677$, $SE = .083$, $t(209) = 19.039$, $p < .001$, $r = .80$), which is ascribed to the more positive attitude of the four chosen arousal items. Similar results are obtained for sample 2 when comparing the means within the sample. Here again, the mean values for positive affect are significantly higher for the affinity country ($M = 4.449$, $SE = .059$) than for the animosity country ($M = 1.462$, $SE = .037$, $t(200) = 42.975$, $p < .001$, $r = .95$). On the contrary, the animosity country achieves a considerably higher mean value ($M = 3.107$, $SE = .078$) on the dimension of negative country affect than the affinity country ($M = 1.369$, $SE = .037$, $t(200) = -22.397$, $p < .001$, $r = .91$), which is logically explained by the entirely different characteristics of the two different country types. The last dimension, which is arousal, leads to a high mean value for the affinity country ($M = 4.672$, $SE = .064$), whereas it is rather low rated for the animosity country ($M = 2.080$, $SE = .071$, $t(200) = 31.174$, $p < .001$, $r = .85$). Again, the difference in the various means is highly significant and as theoretically expected.

In a next step the means are compared between the two samples. When comparing the mean values obtained for the *affinity country (sample 1)* and the *animosity country (sample 2)*, it can be seen that positive country affect for the animosity country ($M = 1.462$, $SE = .037$) is lower and significantly different from the affinity country ($M = 4.275$, $SE = .062$, $t(341.997) = 39.132$, $p < .001$, $r = .9$). As expected, a statistically significant difference is also found for negative country affect with regard to the affinity country from sample 1 and the animosity country from sample 2 ($t(312,207) = -18.9$, $p < .001$, $r = .73$). When checking for the differences in the mean values obtained for arousal, the affinity country ($M = 4.520$, $SE = .063$) has a considerably higher mean value on this dimension than the animosity country ($M = 2.080$, $SE = .071$). The difference between these two values is significant ($t(409) = 25.823$, $p < .001$, $r = .79$).

Next, the mean values for the *affinity countries from sample 1 and sample 2* are compared. For the dimensions of negative country affect and arousal, no significant difference can be reported (negative country affect: $t(409) = .945$, $p > .05$, $r = .05$; arousal: $t(409) = -1.703$, $p > .05$, $r = .08$). Only when comparing the two mean values

obtained for positive country affect, the difference between the two affinity country mean values shows a significant result ($t(409) = -2.027, p < .05$). However, the calculated effect size $r = .09$ represents not even a small effect (Field 2005), which further indicates that the obtained result represents no important effect and can therefore be disregarded.

Different results are obtained when comparing the mean values of the *neutral country (sample 1)* and the *affinity country (sample 2)*. Here, a significant difference can be found with regard to the dimension of positive country affect, where the mean value of the affinity country ($M = 4.449, SE = .059$) is higher than the mean value of the neutral country ($M = 2.293, SE = .070, t(400.493) = -23.388, p < .001, r = .76$). The same result can be found for the dimension of arousal ($t(388.482) = -19.041, p < .001, r = .69$). On the contrary, no significant difference between the mean values of the affinity country and the neutral country concerning the dimension of negative country affect can be found ($t(392.719) = .188, p > .05, r = .0095$). The last comparisons are made with regard to the results obtained for the *neutral country (sample 1)* and the *animosity country (sample 2)*. For all three dimensions, statistically significant differences between the means of the two countries are obtained. Regarding the positive country affect dimension, the mean value for the animosity country is significantly lower than the mean value of the neutral country ($t(316.148) = 10.432, p < .001, r = .51$). As assumed, the opposite is true for negative country affect, for which the animosity country presents a considerably higher mean value than the neutral country ($t(326.965) = -19.021, p < .001, r = .72$). When considering the dimension of arousal, a small sized effect $r = .26$ is represented by the difference between the values obtained for the two countries ($t(402.003) = 5.465, p < .001$).

Concluding, it can be said that the comparison of the means, both within-sample comparison and between-sample comparison, produces the assumed results. Most differences between the means are found to be significant. Due to the obtained results, the country affect scale seems to work very well, as significantly different results are calculated for the different country types and also the chosen country types seem to be a good choice as they facilitate an adequate comparison of the results.

5.5 Testing of Hypotheses

For the purpose of testing the defined hypotheses and to proof the validity, a multiple regression is performed for each of the hypothesized relationships and for each of the countries (i.e., affinity country, neutral country and animosity country) under investigation. Here, not only the country affect scale is included in the analysis, also the macro and the micro country image are considered as important variables as they are part of the designed research model as well (see chapter 3).

In order to be able to conduct the multiple regressions, some preliminary work has to be done. Firstly, to simplify calculations, the macro country image scale is reverse scored because it is the only scale that is coded in an opposite order in comparison to the other scales used. Secondly, overall scores are calculated for each of the single dimensions (i.e., macro country image, micro country image, positive country affect, negative country affect and arousal) and for each of the various countries to allow the examination of how much influence each dimension, and not each single item, has on the particular dependent variable. In a next step, the correlations of the three dimensions of country affect are checked for multicollinearity. Arousal and positive country affect turn out to be highly correlated ($R > .8$) in each of the various treatments (i.e., the various countries). Furthermore, a factor analysis results in a one factor solution comprising both positive affect and arousal items. Therefore, it is decided to exclude the arousal dimension from the predictor variables, as to avoid a falsification of the results due to multicollinearity. It is thus not possible to assess hypotheses 5a, 5b, 5c and 6c, which are concerned with the influence of arousal on the various outcome variables. Therefore, the chosen predictor variables are macro country image, micro country image, positive country affect and negative country affect. Multiple regressions are then calculated for each of the dependent variables, which are willingness-to-buy, intention to invest in a country and intention to visit a country. Concerning the procedure, a forced entry approach is chosen.

In addition to the regressions presented below, regressions with country knowledge and amount of visits as control variables were conducted as well. As no substantial differences with regard to the prediction and significance of the chosen outcome

variables were detected, only the results without control variables are used in the following subchapters.

5.5.1 Impact on Outcome Variables

Sample 1 – Neutral Country. Starting with the results from sample 1, at first the analysis for the neutral country is examined. The first dependent variable chosen is *willingness-to-buy*. As can be seen, the value for R^2 , which is an instrument to define how much of the variability in the dependent variable is caused by the predictor variables (Field 2005), accounts for .239. In other words, it can be said that the chosen predictor variables determine 23.9 % of the variation in consumers' willingness-to-buy. The calculated F-value of 16.07 is highly significant ($p < .001$) and proves the good model fit. Another statistic to consider is the Durbin-Watson statistic, which tests for serial correlations between errors. A value of around 2 is desirable as this indicates that the assumption of independent errors can be confirmed or that the residuals are uncorrelated (Field 2005). In this case, the Durbin-Watson statistic displays a value of 1.983, which is a satisfying value. Concerning the accuracy of the model, the ANOVA table shows that due to a significance of less than 0.001 the model used significantly improves the ability to predict willingness-to-buy. To estimate which of the independent variables best explain the outcome variable, the beta values (i.e., b-value) and their significance are examined in a next step. The b-value indicates "to what degree each predictor affects the outcome if the effects of all other predictors are held constant" (Field 2005, p. 192). If the particular b-value is significant ($p < .05$), it is revealed that the predictor variable significantly contributes to the model. In the current case, only micro country image (b-value: .394, $p < .01$) and positive country affect (b-value: .462, $p < .001$) show a significant contribution to the model. The standardized β values are referred to in order to compare the importance of the two variables that contribute to the model, as these values are directly comparable. In the present case, positive country affect (standardized $\beta = .291$, $p < .001$) contributes slightly more to consumers' willingness-to-buy than micro country images (standardized $\beta = .275$, $p < .01$). Interpreting these results, it can be said that both micro country image and positive country affect have a positive influence on the decision to buy products from a particular country, whereas macro country image and negative country affect show no significant impact on this decision. Therefore, hypotheses 2a and 3a can be confirmed as both predict a positive

influence of the particular variable on willingness-to-buy, whereas the hypothesized influence of macro country image and negative country affect (i.e., hypotheses 1a and 4a) cannot be confirmed.

The next outcome investigated is the *intention to invest* in a neutral country. All variables remain the same as in the before conducted multiple regression and the model again shows a good fit ($F\text{-value} = 20.00$, $p < .001$). Moreover, the assumption of independent errors is met with a Durbin-Watson statistic of 2.18. Regarding R^2 , it can be seen that the designed model can explain 28.1 % of variation in consumers' intention to invest. Again, the b -values are of importance for the determination of each predictor's contribution to the model. Except negative country affect, all other predictor variables show a significant impact. In order to rank the predictor variables in terms of their importance, the standardized β values indicate the following listing: 1. micro country image (standardized $\beta = .280$, $p < .001$), 2. macro country image (standardized $\beta = .244$, $p < .01$) and 3. positive country affect (standardized $\beta = .193$, $p < .01$). From these results it can be inferred that all of the three variables show a positive influence on the decision to invest in a neutral country. Only negative country affect shows no significant influence on the model. Hence, hypotheses 1b, 2b and 3b are supported by the findings, as they assume a positive relationship between the three predictor variables and intention to invest in a neutral country. Only hypothesis 4b, which indicates a negative influence of negative country affect on investments, has to be rejected.

The last outcome variable that has to be analyzed in the context of the neutral country is the *intention to visit* a country. Once more, the multiple regression produces a highly significant F -value of 30.77 ($p < .001$), and also the Durbin-Watson statistic shows a satisfying result of 1.93. In this model, a relatively high R^2 can be found, indicating that 37.5 % of variability in the intention to visit a neutral country can be explained by the predictor variables. To further control which predictors are responsible for this large variability, again the standardized β values are taken into consideration. In this case, the highest significant contribution is made by positive country affect (standardized $\beta = .544$, $p < .001$). Although macro country image (standardized $\beta = -.208$, $p < .01$) and micro country image (standardized $\beta = .218$, $p < .01$) show a significant influence on the model, both variables do not affect the model as strongly as positive country affect. Once more, negative country affect cannot be proven to have a significant influence on

the model. From the results it can be seen that a positive influence on consumers' intention to visit a neutral country emanates from positive country affect and micro country image, while macro country image negatively influences the decision to visit. The outcome of these findings is that hypotheses 2c and 3c can be confirmed, as they are consistent with the just now mentioned findings, while hypothesis 1c is rejected as the direction of the impact is not consistent with the assumed direction. Hypothesis 4c has also to be rejected because of lack of significant influence of negative country affect.

A summary of the specified relationships of the predictors and the outcome variables derived for the neutral country from sample 1 can be seen in Table 12, whereas a '+' indicates a positive relationship, '-' displays a negative relationship and 'not sig.' states that no significant contribution of this variable can be found.

	Willingness-to-buy (R ² = .239)	Investments (R ² = .281)	Visits (R ² = .375)	Confirmed Hypotheses
Macro Country Image	not sig.	+ **	- **	1b
Micro Country Image	+ **	+ **	+ **	2a, 2b, 2c
Positive Country Affect	+ **	+ **	+ **	3a, 3b, 3c
Negative Country Affect	not sig.	not sig.	not sig.	none

* significant at $p < .05$

** significant at $p < .01$

Table 12: Multiple Regressions for the Neutral Country (Sample 1)

Sample 1 – Affinity Country. The next multiple regression analysis is based on sample 1 again, but now the data obtained for the affinity country is analyzed. As before, the same four predictors are used to calculate the impact of these variables on each of the three outcome variables. Firstly, the dependent variable *willingness-to-buy* is addressed. A similar R² value is calculated as before, namely 22.8 % of variation can be explained by the four predictor variables. The F-value is 15.162 and highly significant ($p < .001$) which further indicates that the model fits very well. Checking the assumption of independent errors, the Durbin-Watson statistic again shows that this assumption is met

with a value of 2.013. Looking at the significance of the single predictors, it can be seen that only micro country image ($b = .441$, $p < .001$) and positive country affect ($b = .508$, $p < .001$) significantly contribute to willingness-to-buy, whereas macro country image and negative affect show no significant contribution. Comparing the standardized β values, micro country image shows a standardized β of .366, whereas the value for positive country affect is .283. Therefore, the contribution of the latter is slightly smaller than that of micro country image. Considering the above defined hypotheses concerning consumers' willingness-to-buy, only hypotheses 2a and 3a can be confirmed as only micro country image and positive country affect influence the decision to purchase products from the affinity country, whereas macro country image and negative affect seem to have no impact. Therefore, hypotheses 1a and 4a are rejected in the case of the affinity country.

In a next analysis, which is still based on data obtained from sample 1, the dependent variable is changed to *intention to invest* in an affinity country, whereas the four predictor variables remain the same. Here, R^2 shows that the model accounts for 15.7 % of the variation in consumers' intention to invest. The applicability of the model is confirmed with a highly significant F-value of 9.572 ($p < .001$). Considering the Durbin-Watson statistic, the assumption of independent errors is met, as the statistic is close to 2. Taking a look at the coefficients table, intention to invest is in this case merely influenced by macro country image (standardized $\beta = .187$, $p < .05$) and micro country image (standardized $\beta = .227$, $p < .01$). Here, the affective component shows no significant contribution to consumers' intention to invest in a country. From these results it can be assumed that the intention to invest in a country is based on cognition, whereas affect plays no significant role. Therefore, hypotheses 1b and 2 b can be confirmed, as the analysis shows that a positive macro and micro country image both positively influence investments. Contrary, hypotheses 3b and 4b cannot be confirmed, as these hypotheses state that positive and negative country affect influence the decision to invest in a country in a positive or negative way respectively. As the results show, these assumptions are not met in the case of the affinity country.

The third outcome variable is consumers' *intention to visit* a country, which in this case is the affinity country implemented in sample 1. Again, the multiple regression is applied, which calculates a R^2 of .223 or in other words, 22.3 % of variance in the

model can be explained by the four predictors chosen. Again, the significant F-value ($F = 14.733$, $p < .001$) indicates a good model fit. Also the Durbin-Watson statistic shows an adequate value of 2.134. Regarding the standardized β values and their significance, all predictors with the exception of micro country image make a significant contribution to consumers' intention to visit their affinity country (macro country image: standardized $\beta = -.366$, $p < .001$; positive country affect: standardized $\beta = .333$, $p < .001$; negative country affect: standardized $\beta = -.248$, $p < .001$). While positive country image positively influences the decision to visit the affinity country, which also confirms hypothesis 3c, macro country image and negative affect show a negative contribution to the model. These results indicate that hypothesis 4c can be confirmed, while hypothesis 1c has to be rejected because macro country image is actually assumed to have a positive and not a negative influence on the intention to visit a country. Further on, hypothesis 2c has to be rejected in the case of the affinity country, as micro country image plays no significant role in this model.

Now that all outcome variables are analyzed with regard to the affinity country from sample 1, the findings of this procedure are summarized in Table 13. Here, the specified relationships between the predictors and the outcome variables can be seen and also the confirmed hypotheses are given for each of the predictors.

	Willingness-to-buy ($R^2 = .228$)	Investments ($R^2 = .157$)	Visits ($R^2 = .223$)	Confirmed Hypotheses
Macro Country Image	not sig.	+ *	- **	1b
Micro Country Image	+ **	+ **	not sig.	2a, 2b
Positive Country Affect	+ **	not sig.	+ **	3a, 3c
Negative Country Affect	not sig.	not sig.	- **	4c

* significant at $p < .05$

** significant at $p < .01$

Table 13: Multiple Regressions for the Affinity Country (Sample 1)

Now that the results from sample 1 are fully described, also the results for sample 2 shall be discussed. Here, the analysis of the data obtained for the affinity country is discussed first, followed by the results for the animosity country.

Sample 2 – Affinity Country. First, the results of the multiple regression, which is done with regard to the *willingness-to-buy* products from an affinity country, are examined. The applied model, which consists of the four predictor variables macro and micro country image and positive and negative country affect, is said to explain 28.2 % of variability in willingness-to-buy. The highly significant F-value (19.26, $p < .001$) indicates the good model fit and also the Durbin-Watson statistic shows a value of 1.91, which is regarded as appropriate. When examining the coefficients table, micro country image makes the highest contribution to the model ($b = .568$, standardized $\beta = .495$, $p < .001$), followed by positive country affect ($b = .453$, standardized $\beta = .265$, $p < .001$). Both predictors indicate a positive influence on consumers' decision to purchase products from their affinity country. In this case, also macro country image makes a contribution to willingness-to-buy ($b = -.199$, standardized $\beta = -.176$, $p < 0.5$), but the effect of macro country image goes not in the before specified direction. Out of these findings, hypotheses 2a and 3a, which are concerned with the positive influence of micro country image and positive country affect, can be confirmed. Hypothesis 1a has to be rejected because the negative influence of macro country image is not assumed in this hypothesis. Negative country affect again makes no significant contribution to the model, which further leads to the rejection of hypothesis 4a.

Next, the influence of the chosen predictors on the *intention to invest* in an affinity country is analyzed. While the model applied can be said to fit well (F-value = 5.69, $p < .001$), and also the Durbin-Watson statistic (1.993) gives satisfying results, the value of R^2 indicates that only 10.4 % of variation in consumers' intention to invest in the affinity country can be explained by the model. When further examining the influence of the single predictor variables, only macro country image ($b = .258$, standardized $\beta = .193$, $p < .05$) and positive country affect ($b = .451$, standardized $\beta = .223$, $p < .01$) are found to have a statistically significant impact on the decision to invest in a country. On the contrary, both micro country image and negative country affect show no significant contribution to the model. Consequently, the results lead to the confirmation of hypotheses 1b and 3b as they support the above described findings, whereas hypotheses

2b and 4b are rejected because of the absent significant influence of micro country image and negative country affect on the intention to invest in a country.

The third outcome variable under investigation for the affinity country is the *intention to visit* a country. Again, the good model fit is proven (F-value = 10.729, $p < .001$) and also the assumption of independent errors is met (Durbin-Watson statistic = 2.04). R^2 displays a value of .180, indicating that 18 % of the variability in the intention to visit the affinity country is explained by the applied model. The b-values and standardized β values of the coefficients table show that the intention to visit a country is positively affected by positive country affect ($b = .350$, standardized $\beta = .409$, $p < .001$), which is in this analysis surprisingly the only variable which makes a statistically significant contribution to the dependent variable. Therefore, the hypotheses 1c, 2c and 4c are rejected as no evidence for a significant influence of macro country image, micro country image and negative country affect can be provided, while hypothesis 3c is confirmed because of the highly significant impact of positive country affect on consumers' intention to visit a country.

Concluding, as all results for the affinity country of sample 2 are discussed, the specified relationships between the variables of the model are presented in Table 14, which also includes a listing of the confirmed hypotheses.

	Willingness-to-buy ($R^2 = .239$)	Investments ($R^2 = .281$)	Visits ($R^2 = .375$)	Confirmed Hypotheses
Macro Country Image	- *	+ *	not sig.	1b
Micro Country Image	+ **	not sig.	not sig.	2a
Positive Country Affect	+ **	+ **	+ **	3a, 3b, 3c
Negative Country Affect	not sig.	not sig.	not sig.	none

* significant at $p < .05$

** significant at $p < .01$

Table 14: Multiple Regressions for the Affinity Country (Sample 2)

Sample 2 – Animosity Country. The last multiple regressions are now conducted using the data obtained for the animosity country (sample 2). In a first step, the model should explain if and how the four predictors influence the willingness-to-buy products from an animosity country. Again, a highly significant and relatively large F-value (34.846, $p < .001$) indicates that the model chosen fits very well and also the Durbin-Watson statistic is once more proving the assumption of independent errors. The regression model shows a very satisfying R^2 value of .416, which indicates that 41.6 % of variability in willingness-to-buy is explained by the chosen predictor variables. But when examining the b-values and their significance of the single predictors, it becomes clear that only micro country image ($b = .639$, standardized $\beta = .603$, $p < .001$) is responsible for the high R^2 value, whereas the other three predictors show no significant contribution to the model. Interpreting this finding, willingness-to-buy is only but strongly positively influenced by micro country image, whereas the affective component and also macro country image are not significantly affecting the decision to buy products from an animosity country. Therefore, in this setting only hypothesis 2a can be confirmed, whereas hypotheses 1a, 3a and 4a have to be rejected.

The next dependent variable, *intention to invest* in a country, is then investigated by again using the data obtained for the animosity country. A highly significant F-value of 16.646 proves a good model fit. The assumption of independent errors is met by a Durbin-Watson statistic of 1.822. Considering the calculated value of R^2 , 25.4 % of variation in the intention to invest in the animosity country can be explained by the four predictor variables. As the values on the coefficients table illustrate, positive country affect shows the highest significant positive influence on the decision to invest in a country ($b = .658$, standardized $\beta = .264$, $p < .001$). Further on, the analysis shows that the intention to invest in an animosity country is positively affected by micro country image ($b = .202$, standardized $\beta = .217$, $p < .05$) and negatively affected by negative country affect ($b = -.201$, standardized $\beta = -.169$, $p < .01$). Hence, hypotheses 2b, 3b and 4b are supported by the findings and therefore confirmed, whereas hypothesis 1b is rejected as macro country image shows a positive but not statistically significant influence on the model.

Finally, a multiple regression to test for the relationships between the four predictor variables and the *intention to visit* an animosity country is performed. Besides a good

model fit ($F\text{-value} = 30.938$, $p < .001$) also the assumption of independent errors is met with a Durbin-Watson statistic of 2.01. The independent variables explain 38.7 % of the variability in the intention to visit an animosity country, which represents a rather satisfying value. The obtained b-values and standardized β values indicate that the decision to visit a country is determined mostly by positive country affect ($b = 1.085$, standardized $\beta = .424$, $p < .001$), which has a positive influence on the dependent variable. Furthermore, the intention to visit an animosity country is also positively affected by micro country image ($b = .240$, standardized $\beta = .251$, $p < .01$) and negatively affected by negative country image ($b = -.198$, standardized $\beta = -.162$, $p < .01$) respectively. Only macro country image makes no significant contribution to the model, which leads to the rejection of hypothesis 1c. On the contrary, the hypotheses 2c, 3c and 4c can be confirmed as is indicated by the obtained results.

Table 15 again shows a summary of the now discovered relationships between the four predictor variables and the three dependent variables. Again, the particular hypotheses that can be confirmed are listed at the end of the table.

	Willingness-to-buy ($R^2 = .416$)	Investments ($R^2 = .254$)	Visits ($R^2 = .387$)	Confirmed Hypotheses
Macro Country Image	not sig.	not sig.	not sig.	none
Micro Country Image	+ **	+ *	+ **	2a, 2b, 2c
Positive Country Affect	not sig.	+ **	+ **	3b, 3c
Negative Country Affect	not sig.	- **	- **	4b, 4c

* significant at $p < .05$

** significant at $p < .01$

Table 15: Multiple Regressions for the Animosity Country (Sample 2)

5.5.2 Impact of Country Affect on Micro Country Image

Not only the influence of the four predictor variables on the three chosen outcome variables is a topic of interest in this diploma thesis. Another research objective that is

formulated in chapter 3 contains the question if the affective dimensions of country affect also have an influence on micro country image. To answer this question, another multiple regression analysis is conducted, in which positive country affect and negative country affect serve as independent or predictor variables, whereas micro country image is inserted as dependent variable. The dimension of arousal is again excluded from the pool of independent items because, as already mentioned before, arousal correlates very highly with positive country affect, which violates the assumption of no multicollinearity. The proposed hypotheses are tested for each of the two samples and for the various countries respectively.

Sample 1 – Neutral Country. Starting with the data from sample 1, first the results obtained for the neutral country are examined. A good model fit is assumed (F-value = 9.808, $p < .001$) and also the assumption of independent errors is met (Durbin-Watson statistic = 2.097). The R^2 derived for the neutral country shows a small value which indicates that positive and negative country affect are responsible for only 8.7 % of variation in micro country image. While positive country affect has a positive and statistically significant influence ($b = .344$, standardized $\beta = .311$, $p < .001$), negative country affect makes no significant contribution to this model. Therefore, only hypothesis 6a can be confirmed as it is supported by the findings, whereas 6b is rejected in this setting because of the insignificance of negative country affect.

Sample 1 – Affinity Country. Concerning the effect of the two predictor variables on micro country image for the affinity country from sample 1, a good model fit is assumed (F-value = 6.124, $p < .01$) and also the result of the Durbin-Watson statistic is acceptable (2.143). However, R^2 shows a quite unsatisfying result of .056, meaning that the two predictors chosen can explain only 5.6 % of variability in micro country image. Considering the b-values, positive country affect ($b = .291$, standardized $\beta = .195$, $p < .01$) and negative country affect ($b = -.287$, standardized $\beta = -.135$, $p < .05$) both show a significant impact on the model. Although the proportion of the contribution is very small, hypotheses 6a and 6b can be confirmed, as positive country affect positively impacts micro country image and negative country affect negatively affects the dependent variable.

Sample 2 – Affinity Country. Observing the data obtained for sample 2, first the multiple regression analysis is conducted for the affinity country. Here again, the model shows a relatively good fit with a statistically significant F-value of 5.052 ($p < .01$). The Durbin-Watson statistic displays an acceptable value of 1.899. But also in this case, R^2 indicates that only 4.9 % of variance in the model can be explained by positive and negative country affect. When taking a look at the coefficients table, again only positive country affect shows a significant contribution ($b = .295$, standardized $\beta = .198$, $p < .01$) to micro country image, whereas negative country affect has no significant effect on the model. Consequently, these findings lead to the confirmation of hypothesis 6a and to the rejection of hypothesis 6b.

Sample 2 – Animosity Country. Finally, the data obtained for the animosity country from sample 2 is analyzed with regard to the relationship between the two predictor variables and micro country image. As before, the achieved F-value indicates a good model fit (F-value = 13.305, $p < .001$) and the Durbin-Watson statistic shows that the residuals are uncorrelated. For the animosity country, positive country affect and negative country affect seem to explain slightly more of the variability in micro country image than in the other settings, as R^2 accounts for 11.8 % of variance explained. Responsible for this value is the dimension of positive country affect, which shows a significant and positive influence on micro country image ($b = .902$, standardized $\beta = .338$, $p < .001$), which confirms hypothesis 6a once more. Unlike positive country affect, negative country affect makes no significant contribution to the model. Therefore, hypothesis 6b is rejected.

As a summary, Table 16 shows the just now specified relationships between micro country image and the both dimensions of country affect. Furthermore, the table also shows if the in advance defined hypotheses can generally be confirmed or not.

	SAMPLE 1		SAMPLE 2		Hypotheses Confirmed?
	Affinity Country	Neutral Country	Affinity Country	Animosity Country	
	Micro CI	Micro CI	Micro CI	Micro CI	
Positive Country Affect	+ **	+ **	+ **	+ **	✓
Negative Country Affect	- *	not sig.	not sig.	not sig.	×

* significant at $p < .05$

** significant at $p < .01$

Table 16: Influence of Country Affect on Micro Country Image

5.5.3 Importance of Country Beliefs and Country Affect

A further interesting research question is concerned with the problem whether country affect or country beliefs have a greater impact on the chosen outcome variables. The assumed answers to this question are formulated in hypotheses 7a to 7c. For the purpose to clarify whether the assumptions can be supported or not, an additional multiple regression analysis is conducted for each of the three outcome variables and for each of the four research settings from sample 1 and sample 2. At the beginning, an overall score for country affect is calculated using the three dimensions positive country affect, negative country affect and arousal. Moreover, an overall score for country beliefs, including the values from macro country image and micro country image, is computed. Afterwards, the multiple regression analysis is first done for sample 1 and then for sample 2.

In sample 1 the data is collected on the one hand with regard to the affinity country and on the other hand for the neutral country, while sample 2 is concerned with an affinity and an animosity country. For all settings the F-values, which are all highly significant ($p < .001$), indicate that the applied model is working successfully. Further on, the obtained Durbin-Watson statistics are all around 2 and indicate that the assumption of independent errors is met. Regarding the calculated correlations, all values are well below the critical point of .9, which indicates that multicollinearity is no problem in this

case. In a next step, a closer look is taken at the calculated results and the findings are discussed in the next paragraphs.

Sample 1 – Neutral Country. Starting with the dependent variable *willingness-to-buy* products from a country (i.e., a neutral country in this case), the analysis yields a R^2 of .219. Both country affect ($b = .534$, standardized $\beta = .269$, $p < .001$) and country beliefs ($b = .577$, standardized $\beta = .358$, $p < .001$) make a statistically significant contribution to the model but the influence of country beliefs is slightly greater than the impact of country affect. Therefore, hypothesis 7a is not supported in this case.

Testing for hypothesis 7b, which is concerned with the impact of the two predictor variables on the *intention to invest* in a neutral country, the multiple regression analysis shows that both independent variables have a highly significant impact (country affect: $b = .478$, standardized $\beta = .220$, $p < .001$; country beliefs: $b = .825$, standardized $\beta = .469$, $p < .001$) which explains 28.8 % of the variability on the intention to invest in a country. Therefore, the assumption that country affect has a greater impact on the dependent variable than country beliefs cannot be confirmed, which leads to the rejection of hypothesis 7b.

The clear opposite to the before described results of *willingness-to-buy* and *intention to invest* is produced by the multiple regression analysis conducted for the *intention to visit* a neutral country. Here, 29.2 % ($R^2 = .292$) of the variation in the intention to visit a country is explained by country affect ($b = .897$, standardized $\beta = .535$, $p < .001$) and country beliefs ($b = .058$, standardized $\beta = .043$, $p > .05$), whereas only country affect has a highly significant impact on the applied model as country beliefs show no significant b-values. Consequently, hypothesis 7c can be confirmed, as the impact of country affect is definitely greater than the impact of country beliefs.

Sample 1 – Affinity Country. Next, the data for the affinity country from sample 1 is examined. Regarding R^2 , it can be seen that 17.3 % of the variation in *willingness-to-buy* products from a country can be determined by the two predictor variables. When examining the obtained b-values and their significance, both independent variables can be regarded as making a significant contribution to the decision to buy products from a country. Although country affect ($b = .770$, standardized $\beta = .294$, $p < .001$) and country

beliefs ($b = .382$, standardized $\beta = .280$, $p < .001$) both positively influence consumers' willingness-to-buy, the impact of country affect is still somewhat higher than the impact of country beliefs. Therefore, hypothesis 7a can be confirmed.

For the *intention to invest* in a country, the analysis shows that 17.1 % of the variability can be explained by country affect and country beliefs ($R^2 = .171$). Although country affect can be seen to make a significant positive contribution to the intention to invest in a country ($b = .521$, standardized $\beta = .177$, $p < .01$), the values obtained for country beliefs ($b = .560$, standardized $\beta = .365$, $p < .001$) indicate that the latter has a considerably greater impact on the outcome variable than country affect. Therefore, hypothesis 7b cannot be confirmed, as the intention to invest in a country is determined more by country beliefs than by country affect.

Testing for the influence of country beliefs and country affect on the *intention to visit* a country, the multiple regression analysis produces a R^2 of .086. As can be seen on the coefficients table, 8.6 % of variability in the intention to visit a country is largely explained by country affect ($b = .379$, standardized $\beta = .279$, $p < .001$) as country beliefs show no significant contribution to consumers' decision to visit a country. Here, hypothesis 7c is clearly confirmed by the findings, as country affect definitely has the greater impact on the outcome than country beliefs.

Sample 2 – Affinity Country. Now that sample 1 is analyzed with regard to the posed research question, the obtained results are further validated with the use of data from sample 2. Checking the received data from the affinity country, the following findings are produced: 20 % of the variation in consumers' *willingness-to-buy* products from their affinity country can be explained by country affect and country beliefs. Like in the case of sample 1, again both predictor variables show a positive and statistically significant impact on the applied model and once more, country beliefs ($b = .423$, standardized $\beta = .336$, $p < .001$) have a greater impact on the intention to buy products from the affinity country than country affect ($b = .657$, standardized $\beta = .266$, $p < .001$). These findings again lead to the rejection of hypothesis 7a, as country affect is not of greater importance for the model than country beliefs.

For the *intention to invest* in a country, the results indicate that only 10.3 % of the variation in the outcome variable can be explained by the predictor variables. While both predictor variables show rather similar results on the coefficients table, country affect ($b = .670$, standardized $\beta = .230$, $p < .01$) has slightly more positive influence on the model than country beliefs ($b = .306$, standardized $\beta = .206$, $p < .01$). Therefore, hypothesis 7b can be confirmed in the current case, as country affect makes a greater contribution to the model, although the difference in the standardized β values is minimal.

The third outcome variable is concerned with consumers' *intention to visit* their affinity country. The multiple regression analysis produces a R^2 value of .121. As assumed in hypothesis 7c, this value is largely influenced by country affect ($b = .422$, standardized $\beta = .341$, $p < .001$) which makes a highly significant contribution to the model, whereas the analysis shows that country beliefs ($b = .027$, standardized $\beta = .043$, $p > .05$) are not of significance for the decision to visit a country. Concluding, hypothesis 7c is confirmed once more, as country affect seems to exclusively impacts on the outcome variable.

Sample 2 – Animosity Country. Finally, the same procedure is conducted for the last research setting, which is the animosity country derived from sample 2. For consumers' *willingness-to-buy* a more satisfying R^2 can be presented, that is to say that 34.8 % of the variability in the outcome variable can be explained by the combination of country affect and country beliefs. Unlike for the other country types before, in the case of the animosity country only country beliefs make a significant contribution to the model ($b = .628$, standardized $\beta = .581$, $p < .001$) whereas country affect is not significant at all ($b = .092$, standardized $\beta = .040$, $p > .05$) and therefore has no important influence on the decision to buy products from the animosity country. Once more, hypothesis 7a is rejected out of this reason.

Similar results are obtained for the *intention to invest* in an animosity country. While 18.3 % of the variability in intention to invest can be explained by the model, only country beliefs ($b = .386$, standardized $\beta = .406$, $p < .001$) appear to be responsible for this variation whereas country affect ($b = .162$, standardized $\beta = .079$, $p > .05$) makes no significant contribution to the model. Based on these results the decision to reject

hypothesis 7b is unavoidable as country beliefs clearly have a greater influence on consumers' intention to invest in an animosity country, whereas the affective part shows no significant influence.

The last multiple regression is conducted to find out about the importance of the two predictor variables country affect and country beliefs with regard to the *intention to visit* an animosity country. A satisfying R^2 value of .270 shows that the model used can explain 27 % of the variation in the intention to visit an animosity country. Both predictors make a significant positive contribution to the model. But again, country beliefs ($b = .412$, standardized $\beta = .423$, $p < .001$) have a greater impact on the decision to visit a country, whereas country affect ($b = .488$, standardized $\beta = .233$, $p < .001$) plays a smaller role in this model. While hypothesis 7c is based on the assumption that country affect has a greater impact on the decision to visit a country than country beliefs have, these findings do not support this assumption, which further leads to the rejection of hypothesis 7c in the case of an animosity country.

	SAMPLE 1		SAMPLE 2	
	Affinity Country	Neutral Country	Affinity Country	Animosity Country
H 7a – Willingness-to-Buy: Country Affect > Country Beliefs	✓	×	×	×
H 7b – Intention to Invest: Country Affect > Country Beliefs	×	×	✓	×
H 7c – Intention to Visit: Country Affect > Country Beliefs	✓	✓	✓	×

Table 17: Results of the Multiple Regression Analysis Concerning the Importance of Country Affect and Country Beliefs With Regard to the Outcome Variables

Additionally, now that all of the assumed relationships between the constructs of interest are analyzed, Table 18 gives an overview of which hypotheses are confirmed and which ones are rejected. Firstly, the hypotheses are listed according to the two samples and the four countries respectively. For each of the four settings it is declared if the particular hypothesis is rejected or confirmed. Afterwards, the last column indicates if the hypotheses can also be (partially) confirmed when summarizing all four research settings or if they have to be rejected. Whereas a '✓' indicates that the hypothesis is

confirmed, a ‘×’ shows that the hypothesis is rejected. A ‘?’ represents the partial confirmation of a hypothesis. As one can see, the majority of hypotheses can be confirmed when looking at each single research setting. The results of the overall confirmation process are the following: three hypotheses can be clearly confirmed when summarizing the obtained results, eleven hypotheses can be partially confirmed, and only three hypotheses have to be rejected definitely.

Hypothesis		Expected Relationship	SAMPLE 1		SAMPLE 2		Overall Confirmation
			Affinity Country	Neutral Country	Affinity Country	Animosity Country	
1a	Macro CI – Willingness-to-Buy	+	×	×	×	×	×
1b	Macro CI – Investments	+	✓	✓	✓	×	?
1c	Macro CI – Visits	+	×	×	×	×	×
2a	Micro CI – Willingness-to-Buy	+	✓	✓	✓	✓	✓
2b	Micro CI – Investments	+	✓	✓	×	✓	?
2c	Micro CI – Visits	+	×	✓	×	✓	?
3a	Positive CA – Willingness-to-Buy	+	✓	✓	✓	×	?
3b	Positive CA – Investments	+	×	✓	✓	✓	?
3c	Positive CA – Visits	+	✓	✓	✓	✓	✓
4a	Negative CA – Willingness-to-Buy	-	×	×	×	×	×
4b	Negative CA – Investments	-	×	×	×	✓	?
4c	Negative CA – Visits	-	✓	×	×	✓	?
6a	Positive CA – Micro CI	+	✓	✓	✓	✓	✓

6b	Negative CA – Micro CI	-	✓	×	×	×	?
7a	Willingness- to-Buy: Country Affect > Country Beliefs		✓	×	×	×	?
7b	Investments: Country Affect > Country Beliefs		×	×	✓	×	?
7c	Visits: Country Affect > Country Beliefs		✓	✓	✓	×	?

Table 18: Summary of Confirmed and Rejected Hypotheses

6 Discussion and Conclusion

The aim of this diploma thesis is the development of a measuring instrument that captures country-related emotions, as up to now no appropriate measure exists. The following chapter now incorporates a discussion of the findings that are achieved in chapter 5 and gives insights into the newly developed construct of country affect.

At the beginning of chapter 5, the dimensionality of the country affect scale is examined first. With the help of a factor analysis, the structure of the country affect scale is determined and also the scale development procedure as recommended by Netemeyer, Bearden and Sharma (2003) is finished. As expected, the factor analysis results in the following findings: the items which are included in each of the single dimensions, namely positive country affect, negative country affect and arousal, all load on one single factor each, which proves the uni-dimensionality of the three dimensions of country affect. Using sample 1 as development sample and sample 2 as validation sample, the results are crosschecked and proven to be stable. The reliability of the scale is further tested with the calculation of Cronbach's alpha, which shows values between .717 and .966 for the various dimensions and different settings. Therefore, the high internal reliability of the country affect scale is proven. To prove the discriminant validity of the country affect scale, a principal components analysis is conducted to distinguish the scale from the concept of consumer ethnocentrism (Shimp and Sharma 1987) and from the construct of country beliefs. The discriminant validity of the country affect scale can be confirmed as it is proven that all scales are highly distinct.

Afterwards, several other analyses are conducted as to check for the validity of the country affect scale. For this purpose, the hypotheses that are developed in chapter 3 are tested for their accuracy. While some of the findings confirm the assumptions made before, others lead to the rejection of several hypotheses. When looking at the obtained results, it can be seen that they always vary depending on whether the results are related to an affinity country, a neutral country or an animosity country.

Starting with the influence of the macro country image component, surprisingly it is found that its assumed positive influence on the two variables purchase intentions and the intention to visit a country cannot be confirmed in any of the four research settings.

While in the literature the positive influence of macro country image on these two variables is emphasized (e.g., Um and Crompton 1990; Roth and Romeo 1992; Parameswaran and Pisharodi 1994; Heslop et al. 2004; Ekinci and Hosany 2006), the opposite result is detected in the current study. Quite differently, the positive relationship between macro country image and the intention to invest in a country can be confirmed. Only in the case of the animosity country, a negative relationship between these two variables is calculated. This result could be understood as an animosity country is often a country that is politically and economically unstable and consumers do not want to invest in politically and economically unstable countries.

With regard to micro country image, no striking results can be detected. While the positive influence of micro country image on the willingness-to-buy products from a specific country can clearly be confirmed, the results for the other two outcome variables differ slightly. Yet generally speaking, the findings from the literature considering the positive influence of micro country image (e.g., Roth and Romeo 1992) can be confirmed. Especially in the case of the neutral country and the animosity country, micro country image may play a significant role when deciding to buy products from this country, invest in the country or visit this country.

Considering the two dimensions under examination from the country affect scale, namely positive country affect and negative country affect, positive country affect can clearly be found to have a great impact on the relevant outcome variables. An especially strong impact is detected for the decision to visit a country. In this case, positive country affect is found to be the driving factor with regard to this decision in all four research settings, even in the case of the animosity country. When looking at the results received for the two affinity country settings, it can be seen that here only positive country affect has a substantial influence on the decision to visit a country, whereas macro country image or micro country image play no role at all. These results clearly show that the intention to visit a country is largely determined by the affective component of the country image. This finding is not surprising as in the tourism literature it is already stated that “behavior may be influenced by the (estimated, perceived or remembered) affective quality of an environment rather than by its objective properties directly” (Russell and Snodgrass 1987, p. 246) and emotional ties are developed with regard to tourism destinations (Ekinci and Hosany 2006). Further on, positive country affect can

also be said to have a significant positive influence on the formation of the micro country image. This impact can also be confirmed for all four research settings. On the contrary, this finding cannot be confirmed with regard to the relationship between negative country affect and micro country image. Here, the assumption of a negative relationship between these two constructs has to be rejected as no significant influence is detected. Moreover, when looking for the influence of negative country affect on the three chosen outcomes, it seems as if negative emotions play no significant role in consumers' decisions when these decisions concern an affinity country or a neutral country. Here, the results show that negative country affect makes nearly no significant contribution to the proposed model. Only in the case of the animosity country, negative country affect can be said to influence the intention to invest in this country, and also the intention to visit a country. When comparing the obtained results, it can be seen that the influence of the negative component is a lot smaller than the influence of the positive component. This finding leads to the conclusion that the role of negative country affect should not be completely disregarded, but that nonetheless the positive dimension of country affect is of higher importance in decision making.

Unfortunately, the dimension of arousal is found to correlate very highly with the dimension of positive country affect. Therefore, it is not possible to answer the hypotheses, which are developed with regard to the influence of arousal on the chosen outcome variables. Although the present study has found evidence for the independence of positive country affect and arousal in the literature, a possible explanation for the derived findings might be that "positive emotions are sometimes accompanied as well by higher levels of physiological arousal, expanded attention, increased optimism, enhanced recall, and a shift from self- to other-centered orientations" (Bagozzi, Gopinath, and Nyer 1999, p. 187) and therefore positive country affect and arousal might be rather similar constructs. Resulting from this finding, it might be possible to say that positive country affect and arousal cannot be seen as distinct constructs but that they are rather related.

Now that it is clearly determined that both country beliefs and country affect have an effect on purchase intentions, the intention to invest in a country and the intention to visit a country, another interesting question focuses on which of the two constructs makes a higher contribution to the model. Although evidence for the superiority of

affect can be found in the literature (e.g., Derbaix 1995; Shiv and Fedorikhin 1999; Kim and Morris 2007), this assumption can only be supported with regard to the intention to visit a country. Here, country affect shows a clear superiority over country beliefs with regard to the affinity country and the neutral country. Although positive country affect and negative country affect are defined before as significantly influencing the decision to visit an animosity country as well when examined as single dimensions, country beliefs are the predominant influencers when regarding the overall influence of the two constructs (i.e., country beliefs and country affect). This finding again confirms that consumers do not let themselves be influenced by negative country affect; instead the cognitive component is applied stronger under such circumstances. Considering the two variables purchase intentions and the intention to invest a country, country beliefs show a stronger impact on these decisions than country affect.

Summing up, it can be said that the results from the current study indicate that both country beliefs and country affect have an influence on purchase intentions, the intention to invest in a country and the intention to visit a country, whereas the intensity of the influence varies for each of the three country types. While the literature reports solely about the high influence of country beliefs and concentrates largely on the exploration of this construct (e.g., Parameswaran and Yaprak 1987; Knight, Spreng, and Yaprak 2003), this diploma thesis proves that when the model of country image is extended by an affective component, the importance of country beliefs decreases, as emotions towards countries also have a significant impact on the chosen outcome variables. More precisely, a predominant influence of country affect on the intention to visit a country can be found, whereas country beliefs are more important in the context of product purchase and investments.

7 Contribution

To finally conclude this diploma thesis, the aim of the following chapter is to outline the overall contribution of this work, which comprises theoretical as well as practical implications. Afterwards, the limitations of the current study and the possibilities for future research are discussed in chapter 8.

Although the construct of country image attracts a lot of interest in the literature and is subject to many studies in the last years, this construct is always treated only one-sided as most researchers concentrate on the cognitive part of country image, whereas the affective part is rather disregarded. The main theoretical contribution of this diploma thesis is the development of a scale that enables the measurement of country-related emotions. The development of the country affect scale is based on a thorough literature review on the one hand and on a complex scale development process on the other hand. In order to bring up a well-grounded definition of the construct of country affect, similar constructs are reviewed which exist in the fields of psychology and marketing research. By taking the literature into account, country affect is finally defined as “positive or negative emotions, other subjective states or also a state of arousal, which consumers can experience toward any (foreign) country and which further lead to particular action tendencies and explicit actions”. Based on this definition, country affect consists of three components, namely positive country affect, negative country affect and arousal. Empirical findings, however, show that arousal fails to show discriminant validity from the former two dimensions, and thus, the final country affect scale only comprises positive and negative country affect. As explored in this diploma thesis, country affect shows a significant impact on the chosen outcome variables. While the findings confirm that positive country affect plays an important role in consumers’ decision making in all cases, negative country affect shows no substantial influence in consumers’ decision making. Although some significant influences can be detected among the three outcome variables when concerning an animosity country, it turns out that the decisions are nevertheless largely influenced by positive country affect and country beliefs respectively. Regarding the importance of country beliefs and country affect, it can be said that in most cases consumers’ decisions are driven by the interplay of country beliefs and country affect. Which one of the two constructs is predominant depends on (1) the subject of the decision and (2) the country which is associated with the subject of

this decision (i.e., affinity country, neutral country, animosity country). While the intention to buy products from a country and the intention to invest in a country are generally largely determined by country beliefs, it is an interesting finding that country affect is the driving component in consumers' decision to visit a country.

With regard to the scale development process, many considerations, several expert interviews, pretests as well as a thorough item elimination procedure are necessary as to choose the appropriate items, which build up the country affect scale. Once the theoretical basis for the country affect scale is provided, country affect is embedded into a research model that includes country beliefs as well (i.e., macro country image and micro country image) and three outcome variables (i.e., purchase intentions, intention to invest in a country, intention to visit a country). Several hypotheses, which are based on the literature and the assumptions made with regard to the constructs of country beliefs and country affect, are developed. To enable the exploration of these hypotheses, an online survey is conducted. In order to be able to compare the results, three different country types are chosen and integrated in the final questionnaire, namely an affinity country, a neutral country and an animosity country. Finally, the created questionnaire is presented to a quota sample of 421 Austrian respondents, which represents the structure of the Austrian population. After a close examination of the obtained data, the developed country affect scale can be said to be working soundly, which is also proven by good achieved reliability values ranging from $\alpha = .717$ to $\alpha = .966$. The country affect scale is also tested for its validity, which can be overwhelmingly confirmed. Therefore, the country affect scale represents a reliable and valid tool for the measurement of country-related emotions.

The acquired knowledge about the construct of country affect can also be useful for companies and marketing managers. The three most named affinity countries in the online survey are Italy (34 %), Greece (20 %) and Spain (17 %) whereas the three most named animosity countries in the online survey are Turkey (40 %), the USA (31 %) and Iraq (12 %). Regarding the three most named neutral countries, Germany (44 %) is ranked first, followed by Switzerland (39 %) and France (19 %). Taking into consideration that positive country affect primarily influences the decision to visit a country, it may be valuable to know that countries that are not ranked that high on affect can still be compensated with positive country beliefs. According to the mentioned

countries, this might mean that Germany is not connected to extremely positive or negative emotions, but it still is possible to advance purchase intentions or the intention to invest in Germany by the strengthening of positive country beliefs. On the other hand, Italy might only benefit from strong positive country affect with regard to Austrian consumers' intention to visit a country, whereas the strong positive emotions do not show any extremely strong advantage for buying products from Italy or investing in Italy. Also for animosity countries, the lack of positive country affect does not mean that the decisions are ruled by negative country affect. On the contrary, the results show that in the case of an animosity country consumers base their decisions rather on country beliefs than on country affect. Once more, the rather unfavorable country-of-origin can be compensated by strengthening positive country beliefs.

For governments and companies as well it might be interesting that 65 % of the affinity countries chosen by the Austrian respondents are located in the European Union, whereas only 18 % of the animosity countries are European. Building on the result that positive country affect and positive country beliefs have a considerably influence on purchase intentions, the intention to invest in a country and the intention to visit a country, the strengthening of positive emotions and positive beliefs may not only be beneficial for companies from the particular European country, but also for regional unions like the European Union.

8 Limitations and Future Research

Although this diploma thesis gives first insights into the concept of country affect and provides a scale that enables the measurement of country affect, this study has some limitations as well. Therefore, future research might be necessary to address the issues arising from these limitations as to gain further insights into the topic under investigation.

One limitation of the present study simply results from the chosen topic, as it is very difficult to derive a perfect measure of affect or country affect respectively, as “self-rated [verbal] affective reactions are undoubtedly a mix of cognitive and affective reactions, because when [verbally] asked for their affective reactions, respondents must think about them” (Derbaix 1995, p. 471). Although a thorough literature review on affect and emotions measurement provides the basis for the development of the country affect scale, one has to be aware of the fact that the results are to a certain extent still affected by cognition.

Another limitation arises from the fact that the scale is only applied to an Austrian sample. In order to be able to increase the generalizability of the findings and to prove that the scale can be also used successfully under other research conditions, it is necessary to further test the scale with the help of representative samples from other countries.

Further on, the constructs used in the present study examine consumers’ willingness-to-buy only on a general product level. Therefore it might be of further interest to conduct studies that find out if the impact of country affect varies among different product categories, as for example technical and food products, or if there is no difference at all.

In the present study, unexpected results are gained with regard to the relationship between macro country image and the intention to visit a country. While the developed hypothesis suggests a positive relationship between these two variables, the results show a negative relationship in all four research settings. The same results are also gained for the relationship between macro country image and willingness-to-buy. While in the literature the positive influence of macro country image on the intention to buy

products is outlined (e.g., Roth and Romeo 1992) and therefore also the developed hypothesis relies on this assumption, the obtained results show a contrary influence. Therefore, in additional research it might be interesting to examine if these unforeseen results arise from the sample used or if similar findings can also be identified from other representative samples.

Another challenge for future research might be the inclusion of moderator variables into the research model. Here, it might for example be interesting to also include consumers' personality and character traits and to examine to which extent they influence the development and further on the impact of country affect.

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10 Appendix

10.1 Abstract

This diploma thesis investigates the construct of country affect, which is a subcomponent of country image and rather unexplored in the literature. As research concentrates largely on the exploration of the cognitive part of country image, little is known about the influence of the country images' affective part on consumers' buying decisions. Addressing this research gap, the aim of this thesis is the development of a scale that enables the measurement of country-related emotions and further gives insights into the importance and the influence of country affect.

Concentrating on the recommended scale development procedure of Netemeyer, Bearden and Sharma (2003), the thesis starts with an extensive literature review on the constructs of interest. Based on this literature review, country affect is finally defined as *“positive or negative emotions, other subjective states or also a state of arousal, which consumers can experience toward any (foreign) country and which further lead to particular action tendencies and explicit actions”*. According to this definition and the findings from the literature, a research model is developed which contains country affect and country beliefs as well as the three outcome variables purchase intentions, intention to invest and intention to visit a country. Depending on the developed research model, several research questions are posed and adequate hypotheses are developed.

In the next chapter, the extensive scale development process is described with regard to all necessary steps, which include the item pool generation, several expert screenings and pretests as well as the final item elimination procedure and the finalization of the country affect scale. In order to enable the comparability of results, it is decided to poll the country affect scale with regard to three different country types, namely an affinity country, a neutral country and an animosity country. To test for the developed hypotheses, a questionnaire is developed and presented to a sample of 421 Austrian respondents. Finally, by conducting an exploratory factor analysis, it can be concluded that three dimensions form the country affect scale: positive country affect (19 items), negative country affect (15 items) and arousal (4 items).

Additionally, the scale is analyzed with regard to its reliability and validity. The scale is found to be working reliably with excellent Cronbach's alpha values. Regarding the validity of the country affect scale, the results demonstrate that the country affect scale differs substantially from the constructs of consumer ethnocentrism and country beliefs. Furthermore, a good portion of the developed hypotheses can be confirmed, although the results differ across the three country types chosen. Country affect is found to have a substantial impact on consumers' decisions in most cases. Regarding the importance of country affect and country beliefs, both constructs make a contribution to the various outcome variables. While country beliefs are found to be predominating when considering decisions concerning product purchase or the intention to invest in a country, country affect clearly dominates the intention to visit a country.

To conclude this diploma thesis, the obtained results are discussed and theoretical as well as practical implications of this study are given. Finally, the limitation of the current study and possibilities for future research are presented.

10.2 German Abstract

Die vorliegende Diplomarbeit beschäftigt sich mit dem Thema ‚Länderaffekt‘ (vgl. ‚country affect‘). Dieser stellt eine Subkomponente des Länderimages (vgl. ‚country image‘) dar und wurde bis zu diesem Zeitpunkt in der Literatur nicht detailliert untersucht. Da sich bisherige Forschungsaktivitäten primär auf die Erforschung der kognitiven Komponente (vgl. ‚country beliefs‘) des Länderimages konzentriert haben, ist nur wenig über den Einfluss der affektiven Komponente auf die Kaufentscheidungen von Konsumenten bekannt. Um diese Forschungslücke zu schließen, beschäftigt sich die vorliegende Arbeit mit der Entwicklung einer Skala, mit welcher länderspezifische Emotionen gemessen und deren Einfluss auf verschiedene Konsumentenentscheidungen bestimmt werden kann.

Der umfangreiche Prozess zur Entwicklung der Länderaffektskala basiert auf dem Leitfaden zur Skalenentwicklung von Netemeyer, Bearden und Sharma (2003). Beginnend mit einer Darstellung der aktuellen Literatur zu diesem Thema wird das Konstrukt des Länderaffekts näher untersucht und schlussendlich wie folgt definiert: „Länderaffekt umfasst positive oder negative Emotionen, andere subjektive Zustände sowie einen Zustand der Erregung, die Konsumenten gegenüber Ländern empfinden können und die im Weiteren zu bestimmten Handlungsintentionen oder expliziten Handlungen führen“. Wie aus der Definition hervorgeht, besteht Länderaffekt aus positivem Affekt, negativem Affekt und verschiedenen Erregungszuständen. Basierend auf dieser Definition und den zuvor gewonnenen Erkenntnissen aus der Literatur wird ein Forschungsmodell entwickelt, das sowohl die kognitive als auch die affektive Komponente von Länderimage berücksichtigt. Weiters umfasst das Forschungsmodell drei Ergebnisvariablen, nämlich Kaufintention, die Intention in ein Land zu investieren und die Intention ein Land zu besuchen. In Übereinstimmung mit diesem Forschungsmodell werden einige Forschungsfragen und Hypothesen formuliert, die im Laufe dieser Diplomarbeit beantwortet werden sollen.

In einem ersten Schritt werden die notwendigen Schritte des Skalenentwicklungsprozesses genauer beschrieben. Dazu gehören unter anderem die Generierung eines Itempools, zahlreiche Experteninterviews und Probebefragungen, ein umfangreicher Prozess zur Eliminierung von unpassenden Items, als auch die

endgültige Festlegung der Länderaffektskala. Um eine Vergleichbarkeit der Ergebnisse zu ermöglichen, wird die Länderaffektskala in Hinblick auf das Lieblingsland, ein neutrales Land und ein Land gegen das man eine gewisse Feindseligkeit hegt, abgefragt. Damit die zuvor entwickelten Hypothesen überprüft werden können, wird ein entsprechender Fragebogen entwickelt. Anschließend wird eine Onlinebefragung unter 421 Österreichern durchgeführt. Eine explorative Faktorenanalyse führt schlussendlich zur finalen Struktur der Länderaffektskala, wonach die Skala aus 19 positiven Items, 15 negativen Items und vier Erregungs-Zuständen besteht.

Zusätzlich wird die neu entwickelte Skala hinsichtlich ihrer Verlässlichkeit und Validität überprüft. Wie die Ergebnisse zeigen, kann die Länderaffektskala als verlässlich eingestuft werden, was auch durch sehr gute Werte für Cronbach's Alpha bestätigt wird. Hinsichtlich der Validität der Skala kann sowohl eine klare Abgrenzung zur kognitiven Komponente des Länderimages erreicht werden als auch eine definitive Unterscheidung von Länderaffekt und Ethnozentrismus. Weiters kann der Großteil der entwickelten Hypothesen bestätigt werden. Obwohl die Ergebnisse minimal zwischen den drei verschiedenen Ländertypen variieren, kann Länderaffekt als wichtiges Kriterium bei der Entscheidungsfindung von Konsumenten gewertet werden. Die Ergebnisse zeigen, dass sowohl Kognition als auch Affekt einen Einfluss auf die drei gewählten Entscheidungsvariablen haben. Während Kognition einen größeren Einfluss auf Produktkauf und auf Entscheidungen betreffend Investitionen hat, dominiert der Einfluss von Affekt wenn es um die Intention, ein Land zu besuchen, geht.

Abschließend werden die erhaltenen Ergebnisse genauer diskutiert und praktische Konsequenzen dieser Studie erläutert. Um die gesamte Arbeit abzurunden wird am Schluss noch auf die Einschränkungen dieser Diplomarbeit eingegangen und Möglichkeiten für die zukünftige Forschung zu diesem Thema werden präsentiert.

10.3 Additional Information

Appendix Table 1: Scales Used for the Development of the Initial Item Pool

Scale Name/ Description	Author(s)	Structure	Intended Setting
Positive Affect Negative Affect Schedule (PANAS)	Watson, Clark, and Tellegen 1988	<i>PA items:</i> attentive, interested, alert, excited, enthusiastic, inspired, proud, determined, strong and active. <i>NA items:</i> distressed, upset (distressed); hostile, irritable (angry); scared, afraid (fearful); ashamed, guilty (guilty); nervous, jittery (jittery)	Clinical Psychology
Pleasure-Arousal- Dominance (PAD) Scale	Russell and Mehrabian 1974	<i>P-Items:</i> happy-unhappy, pleased-annoyed, satisfied-unsatisfied, contented-melancholic, hopeful-despairing, relaxed-bored. <i>A-Items:</i> stimulated-relaxed, excited-calm, frenzied-sluggish, jittery-dull, wide-awake-sleepy, aroused-unaroused. <i>D-Items:</i> controlling-controlled, influential-influenced, in control-cared-for, important-awed, dominant-submissive, autonomous-guided.	Clinical Psychology
Circumplex Model of Affect	Russell 1980	Happy, delighted, excited, astonished, aroused, tense, alarmed, angry, afraid, annoyed, distressed, frustrated, miserable, sad, gloomy, depressed, bored, droopy, tired, sleepy, calm, relaxed, satisfied, at ease, content, serene, glad, pleased	Clinical Psychology

Scale Name/ Description	Author(s)	Structure	Intended Setting
Pleasant-Unpleasant Scale	Diener and Emmons 1985	<i>Pleasant</i> : happy, joy, pleased, enjoyment/fun, glad, delighted, contented <i>Unpleasant</i> : angry, fear/anxiety, frustrated, depressed, annoyed, sad, gloomy	Clinical Psychology
Consumption Emotion Set (CES)	Richins 1997	<i>Anger</i> : frustrated, angry, irritated; <i>Discontent</i> : unfulfilled, discontented; <i>Worry</i> : nervous, worried, tense; <i>Sadness</i> : depressed, sad, miserable; <i>Fear</i> : scared, afraid, panicky; <i>Shame</i> : embarrassed, ashamed, humiliated; <i>Envy</i> : envious, jealous; <i>Loneliness</i> : lonely, homesick; <i>Romantic love</i> : sexy, romantic, passionate; <i>Love</i> : loving, sentimental, warm hearted; <i>Peacefulness</i> : calm, peaceful; <i>Contentment</i> : contented, fulfilled; <i>Optimism</i> : optimistic, encouraged, hopeful; <i>Joy</i> : happy, pleased, joyful; <i>Excitement</i> : excited, thrilled, enthusiastic; <i>Surprise</i> : surprised, amazed, astonished; <i>Other items</i> : guilty, proud, eager, relieved	Consumer Research
Basic Emotions	Plutchik 1980	fear, anger, joy, sadness, acceptance, disgust, expectancy, surprise	Psychological Research
ESRE scale	Schoefer and Diamantopoulos 2008	<i>Pleasure</i> : joyful, happy, proud, warm feelings, being valued; <i>Involvement</i> : attentive, active, interested; <i>Discontent</i> : upset, angry, sad, in a bad mood, annoyed; <i>Concern</i> : nervous, afraid	Consumer Research

Scale Name/ Description	Author(s)	Structure	Intended Setting
Differential Emotions Scale (DES)	Izard 1977	<i>Interest</i> : attentive, concentrating, alert; <i>Enjoyment</i> : delighted, happy, joyful; <i>Surprise</i> : surprise, amazed, astonished; <i>Distress</i> (sadness): downhearted, sad, discouraged; <i>Anger</i> : enraged, angry, mad; <i>Disgust</i> : feeling of distaste, disgusted, feeling revulsion; <i>Contempt</i> : contemptuous, scornful, disdainful; <i>Fear</i> : scared, fearful, afraid; <i>Shame/shyness</i> : sheepful, bashful, shy; <i>Guilt</i> : repentant, guilty, blameworthy	Clinical Psychology
Scale to measure Concepts	Malhotra 1981	rugged, excitable, changeable, uncomfortable, dominating, thrifty, tense, pleasant, urban, contemporary, indifferent, lush, imperfect, organized, aggressive, rational, youthful, negative, formal, orthodox, complex, naive, personal, plain, usual, colorless, modest, delicate, calm, stable, comfortable, submissive, indulgent, relaxed, unpleasant, rural, noncontemporary, curious, austere, perfect, unorganized, defensive, emotional, mature, positive, informal, liberal, simple, sophisticated, impersonal, ornate, unusual, colorful, vain	Marketing Research
Satisfaction Emotion Scale	White and Yu 2005	happy, hopeful, positively surprised, angry, depressed, guilty, disappointed, regretful, humiliated	Consumer Research

Scale Name/ Description	Author(s)	Structure	Intended Setting
Personality Measurement	Caprara, Barbaranelli, and Guido 2001	active, affectionate, altruist, authentic, calm, competitive, conscientious, constant, cordial, creative, dominant, efficient, energetic, faithful, fanciful, generous, genuine, happy, informed, innovating, level-headed, light-hearted, lively, loyal, modern, original, patient, precise, productive, recent, regular, relaxed, reliable, resolute, scrupulous, serene, stable, strong, tranquil, up-to-date	Economic Psychology
Verbal Affective Scales	Derbaix 1995	<i>Moderate positive affective verbal reaction:</i> interested, moved, inquiring, confident and captivated <i>Strong positive affective verbal reaction:</i> delighted, enthusiastic, appealed, satisfied and amused <i>Moderate negative affective verbal reaction:</i> worried, unpleasant, surprise, irritated and bored <i>Strong negative affective verbal reaction:</i> disgust, anger and fear	Marketing Research
Affect (General)	Bruner and Hensel 2005 (p. 3)	unpleasant – pleasant; dislike – like; left me with a bad feeling - left me with a good feeling	Marketing Research
Affective Response (Positive)	Bruner and Hensel 2005 (p. 19 - 21)	enthusiastic, interested, determined, excited, inspired, alert, active, strong, proud, attentive, aroused, thrilled	Marketing Research

Scale Name	Author(s)	Structure	Intended Setting
Affective Response II (Positive)	Bruner and Hensel 2005 (p. 22 – 23)	happy, elated, pleased, warm-hearted, stimulated, joyful	Marketing Research
Affective Response III (Positive)	Bruner and Hensel 2005 (p. 26 – 27)	delighted, happy, cheerful, pleased, friendly, eager, cooperative, tolerant, attentive, patient, contented, excited, enthused	Marketing Research
Emotion (Negative)	Bruner and Hensel 2005 (p. 224)	alarmed, angry, frightened, worried, sad enthused	Marketing Research
Emotion (Positive)	Bruner and Hensel 2005 (p. 225)	joyous, warm, sentimental, empathetic, amused, compassionate	Marketing Research
Measures for Country Images	Verlegh 2001a	<i>Positive Feelings</i> : positive feelings, pleasant feelings, enthusiastic <i>Negative Feelings</i> : distrustful, irritated, hostile	Country Image Research
Consumption Experience Measurement	Mano and Oliver 1993	<i>Good Mood</i> : in a good mood, happy, enthusiastic, elated, excited, proud <i>Fear</i> : nervous, afraid, fearful, scared, jittery <i>Bad Mood</i> : unhappy, irritable, hostile, upset, sad, in bad mood, blue, distressed <i>Pleasure</i> : pleased, satisfied, interested	Consumer Research

Scale Name/ Description	Author(s)	Structure	Intended Setting
Destination Image Measurement	Echtner and Ritchie 1993	relaxing, friendly-hospitable, fun-party, slow-pace, happy, exciting, tropical, romantic	Travel Research
Destination Personality	Ekinci and Hosany 2006	distressing/relaxing, gloomy/exciting, sleepy/arousing, unpleasant/pleasant	Travel Research
Affective Tourism Images	Baloglu and Brinberg 1997	distressing/relaxing, gloomy/exciting, sleepy/arousing, unpleasant/pleasant	Travel Research
Evaluative Images	Walmsley and Young 1998	commercialized, appealing/attractive, busy, trendy, interesting, fast pace of life	Travel Research

Appendix Table 2: Coefficient Tables of the Multiple Regression Analyses on Willingness-to-Buy, Investments and Visits - Neutral Country (Sample 1)

	b-values	Standard Error	β	Sig.
Constant	.709	.619		.235
Macro CI	.139	.113	.097	.218
Micro CI	.394	.115	.275	.001
Positive CA	.462	.109	.291	.000
Negative CA	-.243	.160	-.101	.131

Dependent Variable: Willingness-to-Buy (Neutral Country – Sample 1)

	b-values	Standard Error	β	Sig.
Constant	-1.480	0,657		0,025
Macro CI	.381	.119	.244	.002
Micro CI	.438	.122	.280	.000
Positive CA	.334	.115	.193	.004
Negative CA	.028	.170	.011	.867

Dependent Variable: Investments (Neutral Country – Sample 1)

	b-values	Standard Error	β	Sig.
Constant	3.079	.473		.000
Macro CI	-.251	.086	-.208	.004
Micro CI	.264	.088	.218	.003
Positive CA	.729	.083	.544	.000
Negative CA	-.179	.122	-.088	.145

Dependent Variable: Visits (Neutral Country – Sample 1)

Appendix Table 3: Coefficient Tables of the Multiple Regression Analyses on Willingness-to-Buy, Investments and Visits - Affinity Country (Sample 1)

	b-values	Standard Error	β	Sig.
Constant	1.670	.692		.017
Macro CI	-.121	.101	-.097	.231
Micro CI	.441	.097	.366	.000
Positive CA	.508	.113	.283	.000
Negative CA	-.208	.164	-.081	.206

Dependent Variable: Willingness-to-Buy (Affinity Country – Sample 1)

	b-values	Standard Error	β	Sig.
Constant	-.174	.814		.831
Macro CI	.263	.119	.187	.028
Micro CI	.308	.114	.227	.007
Positive CA	.235	.133	.116	.079
Negative CA	.162	.193	.056	.401

Dependent Variable: Investments (Affinity Country – Sample 1)

	b-values	Standard Error	β	Sig.
Constant	6.039	.360		.000
Macro CI	-.218	.053	-.336	.000
Micro CI	.080	.050	.128	.112
Positive CA	.310	.059	.333	.000
Negative CA	-.330	.085	-.248	.000

Dependent Variable: Visits (Affinity Country – Sample 1)

Appendix Table 4: Coefficient Tables of the Multiple Regression Analyses on Willingness-to-Buy, Investments and Visits - Affinity Country (Sample 2)

	b-values	Standard Error	β	Sig.
Constant	1.964	.651		.003
Macro CI	-.199	.093	-.176	.034
Micro CI	.568	.092	.495	.000
Positive CA	.453	.106	.265	.000
Negative CA	-.234	.176	-.085	.185

Dependent Variable: Willingness-to-Buy (Affinity Country – Sample 2)

	b-values	Standard Error	β	Sig.
Constant	.169	.860		.845
Macro CI	.258	.123	.193	.037
Micro CI	.028	.121	.021	.816
Positive CA	.451	.140	.223	.001
Negative CA	.193	.232	.059	.406

Dependent Variable: Investments (Affinity Country – Sample 2)

	b-values	Standard Error	β	Sig.
Constant	5.131	.349		.000
Macro CI	-.043	.050	-.077	.385
Micro CI	.023	.049	.040	.640
Positive CA	.350	.057	.409	.000
Negative CA	-.151	.094	-.109	.110

Dependent Variable: Visits (Affinity Country – Sample 2)

Appendix Table 5: Coefficient Tables of the Multiple Regression Analyses on Willingness-to-Buy, Investments and Visits - Animosity Country (Sample 2)

	b-values	Standard Error	β	Sig.
Constant	.712	.355		.046
Macro CI	.005	.073	.005	.947
Micro CI	.639	.083	.603	.000
Positive CA	.187	.167	.066	.263
Negative CA	-.135	.076	-.100	.080

Dependent Variable: Willingness-to-Buy (Animosity Country – Sample 2)

	b-values	Standard Error	β	Sig.
Constant	.583	.353		.100
Macro CI	.103	.072	.125	.157
Micro CI	.202	.082	.217	.014
Positive CA	.658	.166	.264	.000
Negative CA	-.201	.076	-.169	.009

Dependent Variable: Investments (Animosity Country – Sample 2)

	b-values	Standard Error	β	Sig.
Constant	.547	.328		.097
Macro CI	.074	.067	.088	.271
Micro CI	.240	.076	.251	.002
Positive CA	1.085	.154	.424	.000
Negative CA	-.198	.071	-.162	.006

Dependent Variable: Visits (Animosity Country – Sample 2)

Appendix Table 6: Detailed Results from the Multiple Regression Analyses on Willingness-to-buy, Investments and Visits

Outcome Variable	R ²	Adjusted R ²	Durbin-Watson-Statistic	ANOVA	
				F-Ratio	Sig.
Willingness-to-buy (Neutral Country – Sample 1)	.239	.224	1.983	16.066	.000
Willingness-to-buy (Affinity Country – Sample 1)	.228	.213	2.013	15.162	.000
Willingness-to-buy (Affinity Country – Sample 2)	.282	.268	1.909	19.262	.000
Willingness-to-buy (Animosity Country – Sample 2)	.416	.404	1.916	34.846	.000
Investments (Neutral Country – Sample 1)	.281	.267	2.180	20.002	.000
Investments (Affinity Country – Sample 1)	.157	.141	1.961	9.572	.000
Investments (Affinity Country – Sample 2)	.104	.086	1.993	5.690	.000
Investments (Animosity Country – Sample 2)	.254	.238	1.822	16.646	.000
Visits (Neutral Country – Sample 2)	.375	.363	1.929	30.767	.000
Visits (Affinity Country – Sample 1)	.223	.208	2.134	14.733	.000
Visits (Affinity Country – Sample 2)	.180	.163	2.036	10.729	.000
Visits (Animosity Country – Sample 2)	.387	.375	2.010	30.938	.000

10.4 Curriculum Vitae



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EDUCATION

- 2002 – 2009, University of Vienna, Faculty for Business Sciences (Major: International Marketing and Business Informatics), Diploma Thesis on the Topic 'Country Affect: Scale Development and Validation'
- 1997 – 2002, Secondary Advanced Commercial College in Zwettl, NÖ
- 1993 – 1997, Secondary Modern School in Gmünd-Neustadt, NÖ
- 1989 – 1993, Elementary School in Gmünd-Neustadt, NÖ

WORK EXPERIENCE

- Since 2000, responsible for different marketing activities and various other tasks in the family business
- October 2007 – June 2008, student assistant at the Chair of International Marketing, University of Vienna

–	August 2007, summerjob at the Austrian Research Promotion Agency (FFG) in the department for ‘European and International Programs’
–	July 2006, summerjob at MIS Austria GmbH in the field of administration/reception area
–	November 2002 – June 2005, part-time work at MIS Austria in the department of ‘Research & Development’
–	July 2003 and September 2003, summerjob at BAWAG-P.S.K. in the ‘Business Clients’ department
–	September 2002, summerjob at Raiffeisenlandesbank NÖ-Wien in the ‘Bargeldlogistik’ department
–	July 2002 - August 2002, summerjob at BAWAG-P.S.K. in the ‘Business Clients’ department
–	June 2000 – August 2000, 3-month internship at the hotel ‘Zum grünen Baum’ in Ehrwald, Tyrol
–	Language skills: German (native language), English (fluent), and French (intermediate)
–	Well-grounded computer skills (MS Office, HTML, Photoshop, SPSS)
–	Driver’s licence (A and B)
–	Reading
–	Designing and painting
–	Music (active – playing the piano - and passive)
–	Travelling
–	Cooking

ADDITIONAL SKILLS

HOBBIES