The Influences of COO and Product Features on Brand Belief Depend on Its Country Image: Korean vs. Mongolian

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Abstract

Background/Objectives: The purpose of this study is to examine the effects of COO and product features on brand belief depend on its country image between Korean and Mongolian consumers. For this study, we tested as follows: 1) Each country has a specific image and it appears same in Korea and Mongolia. 2) The influence of COO/product features on brand belief will be moderated by country image and it appears differently in Korea and Mongolia.

Methods/Statistical analysis: The country image was tested by two countries, Germanyand France. The utilitarian product is a car (Volkswagen) and the hedonic product is a perfume (Chanel No5) presented Germany and France.So, this study was designed as an experimental design between respondents of 2 (product features: utilitarian vs. hedonic) $\times$ 2 (COO: made vs. designed) $\times$ 2 (country image: product-related vs. people-related). Questionnaire surveys were conducted in the students who studied at the Korean and Mongolian universities. In order to test the hypothesis, an independent sample t-test, the paired samples t-test, and the regression analysis were performed. Two ways ANOVA was conducted to verify the moderating effect of the country image.

Findings: The results of this study are as follows. First, each country has a specific image (Germany-product related, France-people related) and it appears same in Korea and Mongolia. Second, the influence of COO on brand belief will be moderated by country image and it appears differently in Korea and Mongolia. In Korea, when the people-related country image is greater than the product-related country image, the influence of 'Designed in' on brand belief is greater than 'Made in'. In Mongolia, when the product-related country image is greater than the people-related country image, the influence of 'Made in' on brand belief is greater than 'Designed in'. Third, the influence

of product features on brand belief will be moderated by country image and it appears same in Korea and Mongolia.

Improvements/Applications: The companies and business have more opportunities to distribute their brands to global consumers. Thus, country image is a significant variable to consider when studying consumer evaluation of foreign products. Lastly, In the present era of high technology and rapidly growing market, consumers focusing on the brand rather than the origin.

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1. Introduction

Market in the modern context of globalization and competition, the companies more tend to approach the end-user market, seeking a cost advantage with lower labor and lower taxes. As a result, delocalization and manufacturing in developing countries have increased over the recent decades; enabling products from many countries to be designed or branded in one country and any other country, the companies manufactured or assembled in their own brand or product. 'Designed in' and 'Made in' choices can give companies a competitive edge and represent important concepts to the consumer behavior that brings consumer's actual or perceived assumption. Manufacturing transfers can generate financial revenues however thisproduction raises important questions about consumer value perception. The company's activities can be understood as a series of processes with added value. A value chain consists of an organization's process perspective, a manufacturing (or service) organization as a system, a subsystem with ideas, inputs, transformation processes and outputs. In Porter's value chains, inbound logistics, operations, outbound logistics, marketing and sales and services are classified as key activities. Secondary activities include procurement, human resource management, technology development and infrastructure [1]. Products manufactured in 'design' (e.g. Korea) as compared to countries with low manufacturing costs e.g. Vietnam is likely to be recognized and

evaluated by consumers. The previous literature suggests that consumers are maintaining images and stereotypes about foreign countries. Establishing brand image and brand equity may depend on the origin of the product, as many countries are beneficially related to the ability to imply specific product categories or positively rated product characteristics [2, 3]. When the brand origin (COO) and manufacturing country are different, it may directly affect consumer's brand belief and brand attitude. Therefore, when consumers decide to buy a brand (product), they firstly consider where it is manufactured based on 'made in or 'designed in' concepts. For instance, many consumers have a positive perception of Belgium chocolate, France perfume, German cars and Swiss watches. Therefore, consumers have specific image and perceptions about that brand where it is designed or manufactured.

2. Literature review and hypotheses developing

2.1. *Country of Origin*

Origin is an external product attribute indicating the country in which the product is manufactured and / or assembled. It has been reported [4, 5] that origin does affect the consumer's assessment of certain attributes of the product but does not affect the overall assessment of the consumer's product, but the majority of previous studies indicate the importance of the country of origin. In the overall product assessment, as a proxy and on behalf of

other information may affect the impact of previous experience or familiarity with a particular product class or brand on the country of origin of the evaluation. Therefore, the consumers familiar with a particular product class are less likely to rely on the country of origin in product evaluations. Likewise, a favorable or unfavorable experience for a product or brand in a particular country may the assessment of another product or brand in that country [5]. When individuals are unable or unwilling to make an evaluation based on intrinsic attributes, they may rely on their knowledge and beliefs about country of origin to make inference about other product attributes [6, 7, 8, 9]. Chao (1993) [10] asserts that country of origin should no longer be treated as a synonym for "made in" or "assembled in", it should include as a "designed in" or "branded in" concept. Han and Terpstra (1988) [11] find that manufacturing countries had a greater influence on brand evaluation than brand names as "made-in" labels. However, the term "country of origin" becomes obscure as manufacturing or assembly locations are separated from the country associated with the company or brand [12]. In this study, origin is defined as follows [5]. The country of origin is defined as the country where the headquarters of the company selling the product or brand is located. Due to multinational sourcing, the product will not necessarily be manufactured in that country, but it is assumed that the product or brand is identified by that country. The "made in" cue elicits the image (i.e. the reputation or stereotype) commonly attached to products from a specific country [13]. Johansson (1989) [14] notes that the "made-in" label is used as a predictor of product quality, especially when "obvious" product information is missing [15, 16]. Labels created will affect the belief in product quality which are reflected in the product's perceived property score [4].In opposite, the consumers are increasingly confronted with products that have such designation. As a result of a rapid changes and developments in the global business

strategy environment, the product country associations are no longer just a single country phenomenon. Therefore, more and more products are emerging on the markets through multi-brand and multinational efforts. Contrary to the traditional origin research paradigm, which generally assumes that the product can be associated with a specially designed country, it is not easy to define that in today's complex global reality.

2.2.Product features

Most of the consumer's decision-making process is heavily influenced by the utilitarian versus hedonic premises of the product or service being acquired [17]. Specifically, the level of satisfaction tends to be related to the relative weight of these two dimensions [18]. While consumers can place utilitarian aspects of a new launched cell phone (e.g., the ability to send and receive message or calls), other consumers can focus on hedonic (e.g., modern design and such new technology or high pixel with camera). In other words, one of these two dimensions ultimately plays an important role in the decision-making process. Although the majority of products can be evaluated to some extent to two dimensions, it is not uncommon for products to be classified as having utilitarian or hedonic products in general [19]. Both achieve specific goals, but the feelings and satisfaction associated with each product are different. The concept of hedonic product consumption was introduced more than 40 years ago, which has been commonly used in the current academic studies of study of originality [20].The hedonic consumption designates the feature of consumers' emotional aspects. Based on this concept, purchasing or selection based on the hedonic dimension is often associated with a strong emotional and intense consumption experience. This kind of experience is often described as pleasure, comfort, excitement, spontaneity and sensuality, but it can be associated with a feelings of guilt mood and various kinds of vices[20, 19]. Definition of hedonic products related to

entertainment, experiment, enthusiasm, satisfaction and pleasure. It is related to emotional satisfaction, but purchasing and experimenting with the product can make a feel guilty or reduce the enjoyment of consumption. In turn, the utilitarian consumption experience is fundamentally functional, instrumental, wise, or practical, and tends to be described as a sort of experience that involves a series of demands that require simple justification and clear solutions. [21, 22, 23]. As a result, emotions and perceptions play a central role in the distinction between utilitarian and hedonic dimensions. However, in general, focusing on a set of attitudes that support hedonic consumption tends to replace a series of emotional considerations [24]. This kind of consideration is often brighter than the typical utilitarian consumption intentions that tend to have cognitive motivations [25, 18, 26]. Thus, hedonic consumption has an intrinsic motivation that generally leads to intrinsic compensation pursued in the form of higher-order goals. On the other hand, utilitarian consumption, does not include compensation in itself, but tends to have external motivation to help achieve other goals. Utilitarian product acquired for a specific function or task and those type of products are often characterized by their practicality and do not generally lead to consumer emotions.

2.3. Brand belief

The centrally of the belief concept has been emphasized in previous study of theories of attitude. In this note, beliefs about an objective provide the basis for the formation of attitude toward the object, and researchers conceptualized that attitudes are usually measured by assessing a person's beliefs [27]. Although the importance of beliefs has frequently been acknowledged surprisingly little research in attitude area has focused on the acquisition or formation of beliefs. In the order to account for the formation have to be investigated. Generally, beliefs refer to a person's subjective probability judgments concerning some discriminable aspect of

his/her world; they deal with the person's understanding of himself and his environment. Azjen(1977)[28] defined belief as the subjective probability of a relation between the object of the belief and some other object, value, concept, or attitude. Thus a person may believe that he possesses certain attributes, that a given behavior will lead to certain consequences, that certain events occur contiguously. Consumers' beliefs about products and countries may be descriptive, informative or inductive [29], these beliefs are formed in different ways. Descriptive beliefs are established through experience while informative beliefs are shaped by information from external sources (e.g. media, friends). Inductive beliefs originate from the perception of a relationship between some past event and a stimulus in the present. The impact of these direct and indirect experiences; are important factors considering country image as well. In addition, country image is actually the complete set of descriptive, inferential and informational beliefs about that given country [30], the set of people's beliefs, ideas and impressions about a certain country [31].

2.4. Hypotheses
2.4.1. Halo Effects of Country image

The image of a country is defined as a perception unit that includes various national associations, such as the characteristics, people's habits and behaviors and what consumers know or think about related products. Classification theory is naturally provided as a recent theoretical framework for studying COO effects [32]. According to the stereotypes associated with COO, some authors have applied the categorization principle to COO information processing. According to this approach, a COO is a cognitive category consists of elements such as various products designed or manufactured in the country [33]. This study demonstrates the existence of a COO cognitive category in order to organize information related to a product category that a consumer is conceived and / or made

in a particular country with relevant characteristics vs. designed in different country. Product categories are not randomly assigned. For example, Germany is associated with electrical appliances and automobiles, while France has the most perfume and the most sophisticated designs. Buyers can use country images for product evaluation when they cannot detect the actual quality of the national product before purchase (halo function). Thus, the national image indirectly influences brand attitude through inference. Second, as buyers become more familiar with the country's products, national imagery can summarize product beliefs and directly impact brand attitudes (summary function). Either of two views on the role of national image can explain the product evaluation [34]. In addition to Nagashima (1993)[15], this product-oriented perspective of origin image has been selected by fully a few other scholars. These literature reviews focus on the products of a country and3 describes the origin image from the product origin aspect. Product origin is a dominant prospect in academic literature. The basis of this perspective is that the origin image effect is attributed to the product-related characteristics / functions of the person / country of origin, or to the images typically associated with the product originating from a particular country. As literature suggested, the product-origin images and category origin images are combined which is noted in the paper product-related country image. In product perspectives, the term 'product' is used to describe an originating product rather than a single product. This study investigates on [35, 36] to define product-related country image as a person's beliefs about a country in connection to a certain product category. The informational cue "made in Germany" commit more instance signals and German products, to a large extent, may correspondingly positively emphasize the image of any particular set of goods from Germany. Accordingly, this study investigates German, will be more associated with Product-related image of

country. In turn, Schooler (1965)[37] identifies differential effects of consumer perception on basic origins image and contended that "an attitude towards the people of a given country is a factor in existing preconceptions regarding the products of that country. By and large, based on impressions of people-related image, the level of desired interaction, educational development, adaptable and socioeconomic developments are ordinary of a basic-origin perspective, too. In previous studies, many researchers have described an origin image with this perspective. These perspective advocates suggest that discriminatory effects on consumers' biases against consumer and origin are rooted in considering whether there are country image effects [38]. On the other hand, consumers have the impression of countries and residents who impact the evaluation of products originating from their country. The effect of a country image on the basic origin perspective is similarly defined and measured by the Schooler [37] and others. The study relies on [39, 40] to define people-related CI as a person's beliefs about a country in connection to its people. The informational cue, France is given more impression signals, and in general, France products have a positive relationship with the image of a symbolic brand. The products from France are more designed, luxurious, glamorous and romantic. These cues are more relative with consumer social status of the owner. Moreover, this study investigates France will be more associated with people-related image of country. Based on this theoretical background of two country images' contrast, the following research hypotheses are raised:

Hypothesis 1: Each country has a specific image and it appears same in Korea and Mongolia.

Hypothesis 1-1: The image of Germany is more related to product than people.

Hypothesis 1-2: The image of France is more related to people than product.

2.4.2. Country image on COO and Brand Belief

The existence of country image stereotypes also justifies the actions of some companies to establish a strong relationship with a brand's particular country (through brand name, packaging or communication). Establishing a brand image and brand equity can depend on delivering product origins because many countries are concerned with the ability to imply a specific product category or a positively rated product feature [2]. Some companies also recognize the negative impact that manufacturing in the developing countries may have on consumers' perceptions, highlighting the country where the product is designed. The country image categorization theory provides a natural and recent theoretical framework for studying the source effects [32]. Stereotypes related to country of origin have led some authors to apply categorization principles to the processing of origin information. According to this approach, origin is a cognitive category consisting of the same elements as other products designed or manufactured in the country [33]. This study demonstrates the existence of a unique category of origin to enable consumers to organize information relating to product categories conceived and / or manufactured in a particular country, with relevant characteristics. Product categories are not randomly assigned. For example is associated with which has electrical appliances and cars, the United States with sports and computers, and Japan, which has a camera and a TV.Thus, a country of origin can provide a category label that consumers use to evaluate their country's products by activating stereotypes attached to them. A country's image is defined as a perception unit that includes various country associations such as consumers knowing or thinking about the characteristics of a country, people's habits and behaviors, and related products (e.g.. such as innovation, reliability, technology, overall quality, price, representative products). Unlike this broad definition, origin studies using the

concept of national image were generally defined as specific to a particular product. In this case, the country image is reduced to a product association (e.g. quality, function, relative price). Consumers' perceptions of the overall country image differ greatly in terms of the number, intensity, and valence of associations they make [41].In many cases, they hold strong associations in memory when thinking about countries (e.g. high-technology and highly skilled labor for Germany and fashion, design and good taste for France, mass and cheap production is for China and Vietnam). These strong country associations may get activated when consumers know or are informed that a given product/brand has been designed or manufactured in a given country. 'Made in' images can act as halo, such as price, brand and other intangible external attributes, and countries (for example, the evaluation of a particular product or sector in a particular country affects the judgment or other product or sector of that country which can act as a surrogate for product quality (especially when there is a lack of other information or in a complex market situation). Accordingly, based on the literature reviews, the study investigates hypothesis 2.

Hypothesis 2: The influence of COO on brand belief will be moderated by country image and it appears differently in Korea and Mongolia.

Hypothesis 2-1: In Korea, When the product-related country image greater than the people-related country image, there is no difference about the influence of 'Made in' and 'Designed in' on brand belief and. 2) When the people-related country image is greater than the product-related country image, the influence of 'Designed in' on brand belief is greater than 'Made in'.

Hypothesis 2-2: In Korea, When the product-related country image greater than the people-related country image, there is no difference about the influence of 'Made in' and 'Designed in' on brand belief and. 2) When the people-related country image is greater than the product-related country image, the influence of 'Designed in' on

brand belief is greater than 'Made in'.

2.4.3. Country image on Product Features and Brand Belief

The hedonism-utilitarianism is not only a basic dimension of culture; it is also a crucial factor in product perceptions [42, 43]. Certain products, often called hedonic products, typically are judged in terms of how much pleasure they provide, whereas so-called utilitarian products are judged in terms of how well they function. Therefore, one would expect that products associated with France or 'Frenchness' should be perceived to be more hedonic than products that lack this association (fashion, design and good taste of hedonic product for France) [44]. Contrarily, in many cases, most of consumers hold strong associations in memory when thinking about countries (e.g. high-technology and good quality of utilitarian product for Germany)these powerful country associations can be activated when consumers are informed or notified that a particular product / brand has been designed or manufactured in a particular country. Along with brand beliefs that can benefit from a positive and strong brand image, a country image can be moderate for a product, depending on the logical connection or perceptual distance between the country image and the product.One such symbolic and hedonic association might be the prestige and status associated with owning a perfume designed in France. On the other hand, utilitarian ones more associated with functional brand and status related to owning a car made in Germany. Thus, According to theoretical background, in this study, we investigated hypothesis 3.

Hypothesis 3: The influence of product features on brand belief will be moderated by country image and it appears same in Korea and Mongolia.

Hypothesis 3-1: When the product-related country image is greater than the people-related country image, the influence of utilitarian product on brand belief will be greater than its influence of hedonic ones.

Hypothesis 3-2: When the people-related country image is greater than the product-related country image, the influence of hedonic product on brand belief will be greater than its influence of utilitarian ones..

3. Empirical Analysis
3.1. stimulus and manipulation check

The main purpose of this study is to examine the influence of the Country of origin('Made in' vs. 'Designed in) and Product features (Utilitarian vs. Hedonic) and to verify through empirical studies how it is moderated by Country image(Product-related vs. People-related) according to measure Brand belief. Therefore, the experimental design of this study was composed of Country image, COO, Product features on Brand belief. The research was conducted using quantitative research techniques including a semi-structured questionnaire survey. Literature review and research design suggests quantitative research methods, a total of 1040 questionnaires distributed. 958 questionnaires were returned. From the returned questionnaires, 850 were usable indicating a response rate of 88.7%. The questionnaire was collected from the Korean and Mongolian consumers who were workers and students who are, as well, known and more likely related to stimuli brands. Usable 850 questionnaire was [400(450), Korea (400 and Mongolia (450)] participated in the survey. This study was made with the questionnaire type of two country Germany and France as Product-related vs. People-related, Country of Origin as 'Made in' vs, 'Designed in' and product features as utilitarian and hedonic products for the proposed hypothesis test. For the reliability of questionnaires, final questionnaires were completed through three revisions and complementary procedures, including pretest and cross-check for each country, and questionnaires were unnecessary on the ground or sentence structures with problems in transmission of sentences. To obtain as much variation as possible in terms of the research, it was important to make the questionnaire available in several languages. The questionnaire was translated and followed standard procedures for translation and

back-translation of the questionnaire. The researchers were able to provide the questionnaire in two languages: Korean and Mongolian. The appendix presents the 8

type of questionnaires and items and scales used to measure the research constructs in two languages as Korean and Mongolian.
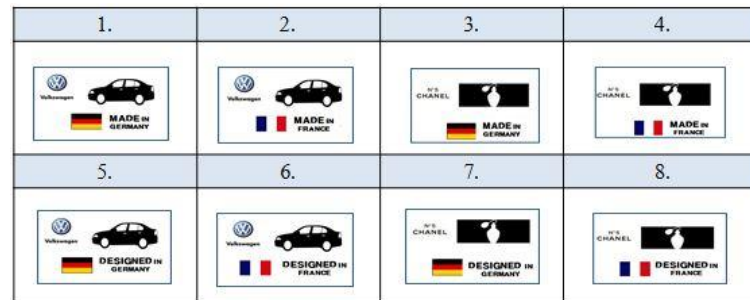

Figure 1. Designed stimulus

As shown in the Table1 the difference of product features and across the two stimuli Volkswagen of ($M_{Utilitarian}$=4.97, $M_{hedonic}$ =4.07, p<.000) as utilitarian product and CHANEL No.5 of ($M_{Utilitarian}$=4.69,

$M_{hedonic}$ =5.06, p<.005) as hedonic product with the mean value being statistically significant. Thus, manipulated variables were whole of usable meaning in this research.

Table 1: Manipulation of Stimulus

Stimuli		M	S.D	t-value	p
Volkswagen	Utilitarian	4.97	.146	6.043	.000
	Hedonic	4.07			
CHANEL N °5	Utilitarian	4.69	.127	-2.896	.005
	Hedonic	5.06			
N=145 (Korean=88, Mongolian=57)					

***p<.001, **p<.05

3.2. Demographic characteristic

The data collection wasconducted in two period of time between October to December, 2016 and September to October, 2017. A total of 1040 questionnaires distributed, 958 questionnaires were returned. From the returned questionnaires, 850 questionnaires were usable with a response rate of 88.7%. The questionnaires were collected from the Korean and Mongolian consumers who were professionals and students who are, as well, known and more likely related to stimuli

brands. As each respondent was approached to fill out questionnaire and selected randomly by the researchers. The results of the frequency analysis are shown in the [Table 4.8], 400 (47%) of respondents were from Korea, 450 (53%) were from Mongolia. The age of the patients was 99(11.6%) under the age of 20, 493 (58.0%) in the 20s, and 113(13.2%) in the 30s, in the age group of 86 (10.1%) and in the 40s, and lastly 58 (6.8%) over 50 years old. 45.29 percent the percent of the participants in the survey were male and 57.70 percent were female.

Table 2: Demographic characteristic

Characteristics		Conducted country		Total %
		Korea	Mongolia	
Gender	M	233(57.5)	152(33.8)	385(45.29)
	F	167(42.5)	298(66.2)	465(54.70)
Age of group	Under the 20s	13(3.3)	86(19.1)	99(11.6)
	21-30 years old	175(43.8)	318(70.7)	493(58.0)
	31-40 years old	89(22.3)	24(5.3)	113(13.2)
	41-50 years old	70(17.5)	16(3.6)	86(10.1)
	Over the 50s	53(13.3)	5(1.1)	58(6.8)

3.3. Hypothesis testing
3.3.1. Result of hypothesis1

The result of testing the hypothesis 1 shows the specific image of each country. In the result of the analysis it is found that the type of country image dimension of that hypothesis was supported. The image of two countries we tested are shown in the Table 3. The result shows that both Korean and Mongolian consumers have same perception about Germany and France images. In the case of Korea, the France is more related to people-related image than product-related image $M_{\text{people-related}}=4.42$, $M_{\text{product-related}}=4.07$, t=3.85, p < .001. By contrast, Germany image of product-related was significantly supported, $M_{\text{people-related}}=3.94$, $M_{\text{product-related}}=5.01$, t=-14.42, p < .001. Likewise, the case of Mongolia, Germany image is more related to product image. The result shows

$M_{\text{people-related}}=3.65$, $M_{\text{product-related}}=4.07$, t=-19.22, p < .001. France image shows more related to people-related country image ($M_{\text{People-related}}=4.44$, $M_{\text{Product-related}}=4.41$, t=.294, p>.001 but did not have statistically significant features. The research predictions regarding to the image of Germany are product-related images and France is people-related images. Thus, hypothesis 1-1 Germany image is strongly related to product-related image; the result was significantly supported and appears same in Korea and Mongolia. On the other hand, both Korea and Mongolia, the image of France is more related to people-related image, the case of Korea was significantly supported, and the case of Mongolia image appears same result but, was not significant. Thus hypothesis 1-2 is partially supported.

Table 3: Country image of(German vs. France) by Korea and Mongolia

Conducted country	Country	Image	N	Mean	S.D	t-value	p
Korea	German	Product-related	195	5.01	0.74	-14.42	.000
		People-related		3.94			
	France	Product-related	205	4.07	.090	3.850	.000
		People-related		4.42			
Mongolia	German	Product-related	222	5.00	.070	-19.22	.000
		People-related		3.65			
	France	Product-related	228	4.41	.100	.294	.769
		People-related		4.44			

***p<.001, **p<.05

3.3.2. Result of hypothesis2

Hypothesis 2 was set to check the main hypothesis as country image (product-related vs. people-related) moderates between influence of COO on brand belief. However, it appears differently in both target countries. For two-way ANOVA analysis was performed to verify the moderating effect of country image of hypothesis 2. As shown in the Table 4 and Figure 2, thetwo-way ANOVA analysis indicated that country image was significant in two-way

interactions that is moderated between county of origin on brand belief and (F= 3.172 p < .1) and (F= 4.2684 p < .05) in Korea and Mongolia. Thus, the moderating effect of country image was significant. The result of testing H2-1 and H2-2 shown in the Table 5, H2-1: when the product-related country image is greater than the people-related country image, the influence of utilitarian product on brand belief will be greater than its influence of hedonic ones.

Korean consumers perceive, when product-related image is greater, (M‘made in’ =4.11, M‘designed in’=4.08, t=.165, p>.05) and in contrast, when the people-related country image if greater, (M‘made in’ =4.50, M‘designed in’=4.89, t=-2.60, p<.05) 'Designed in' is more likely appears in Korea. Therefore, there were statistically significant result shown in the COO on brand belief depends on the country image. With a comparison, in the case of Mongolia, consumers perceive, when product-related image is greater, (M‘made in’ =4.75, M‘designed in’=4.25, t=2.40,

p **<** .05) and in contrast, when the people-related country image if greater, (M‘made in’ =4.68, M‘designed in’=4.76, t=-.445, p>.05) 'Made in' is more likely appears in Mongolia. The results of hypothesis 2-1 and 2-2 were the most significant results for this study, which are Korean consumers are very likely associated with 'Designed in', but Mongolian consumers' perceive the more likely to 'Made in'. Thus, hypothesis 2-1 and -2 significantly supported and appears differently in Korea and Mongolia.

Table 4: COO on Brand belief moderated by Country image

Country	Source	Type III Sum of Squares	df	Mean square	F-value	p
Korea	Country image(A) (product vs. people)	35.585	1	35.585	26.499	.000
	COO (B) ('Made in' vs. 'Designed in')	3.117	1	3.117	2.321	.128
	(A)*(B)	4.260	1	4.260	3.172	.076
	Error	531.78	396	2.514		
	Total	8334.36	400			
Mongolia	Country image(A) (product vs. people)	5.110	1	5.110	2.448	.118
	COO (B) ('Made in' vs. 'Designed in')	4.455	1	4.455	2.135	.145
	(A)*(B)	8.907	1	8.907	4.268	.039
	Error	930.832	446	2.514		
	Total	1053.28	450			

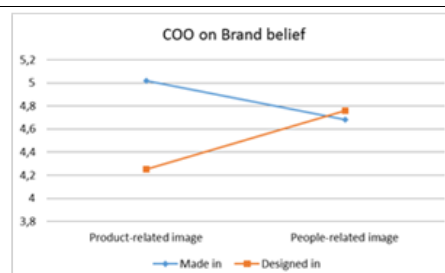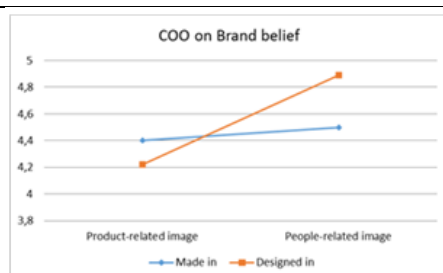*** *p<.001,* ** *p<.05,* * *p<.01*

Figure2. COO on Brand belief moderated by Country image (Korea vs. Mongolia)

Table 5: COO on Brand belief moderated by Country image

Conducted country	Country	COO	N	Mean	S.D	t-value	p
Korea	German	Made in	93	4.11	.127	.165	.869
		Designed in	102	4.08			
	France	Made in	105	4.50	.102	-2.60	.010
		Designed in	100	4.89			
Mongolia	German	Made in	105	4.75	.136	2.40	.017
		Designed in	117	4.27			
	France	Made in	114	4.68	.138	-.445	.657
		Designed in	114	4.76			

$^{***}p<.001, ^{**}p<.05, ^{*}p<.01$

3.3.3. Result of hypothesis3

Hypothesis 3 was set to check the main hypothesis as country image(product-related vs. people-related) moderates between influence of product feature on brand belief. The result appears same for both targeted countries. The two-way ANOVA analysis was performed to verify the moderating effect of country image of hypothesis 2. Table 6 and Figure 3 are shown the two-way ANOVA analysis which indicated that the country image is significant two-way interactions moderated between product features on brand belief (F= 84.446 p $<$ .001) and (F= 23.584 p $<$ .001) inboth Korea and Mongolia. Thus, the moderating effect of country image was significant.The result of testing H2-1 and H2-2 seen in the Table 7, and H2-1 when the product-related country image is greater than the people-related country image, the influence of utilitarian product on brand belief will be greater than its influence of hedonic ones. Korean consumers perceive, when product-related image is greater, ($M_{utilitarian}$ =4.67,

$M_{hedonic}$=3.44, t=7.76, p $<$ .001). Therefore, product-related country engaged to more utilitarian one. By contrast, the case of a people-related country image if greater, ($M_{utilitarian}$ =4.32, $M_{hedonic}$=5.04, t=-5.06, p $<$ .001) hedonic product is more related to people-related image. Therefore, there were statistically significant differences in the product features on brand belief depends on the country image. Likewise, in the case of Mongolia, consumers perceive, when product-related image is greater, ($M_{utilitarian}$ =4.71, $M_{hedonic}$=4.29, t=2.07, p $<$ .05). Therefore, the product-related country image is more favorable with utilitarian product. By contrast, the case of a people-related country image is greater, ($M_{utilitarian}$ =4.29, $M_{hedonic}$=5.16, t=-4.98, p $<$ .001)and hedonic product is strongly related to people-related image in country. Thus, hypothesis 2-1 and 2-2 significantly supported and it appears same in Korea and Mongolia.

Table 6: Product features on Brand belief moderated by Country image

Country	Source	Type III Sum of Squares	df	Mean square	F-value	p
Korea	Country	38.980	1	38.980	35.067	.000

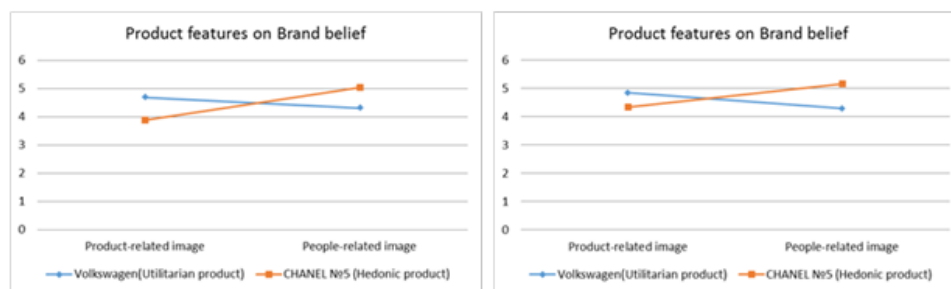|						
	image(A) (product vs. people)					
	Product features(B) (utilitarian vs. hedonic)	6.559	1	6.559	5900	.016
	(A)*(B)	93.869	1	93.869	84.446	.000
	Error	440.188	400	2.514		
	Total	574.512	399			
Mongolia	Country image(A) (product vs. people)	5.978	1	5.978	2.994	.084
	Product features(B) (utilitarian vs. hedonic)	5.667	1	5.667	2.839	.093
	(A)*(B)	47.088	1	47.088	23.584	.000
	Error	890.477	446	1.997		
	Total	10536.280	449			
***p<.001, **p<.05, *p<.01						

Figure3. PF on Brand belief moderated by Country image (Korea vs. Mongolia)

Table 7: Product features on Brand belief moderated by Country image

Conducted country	Country	Product features	N	Mean	S.D	t-value	p
Korea	German	Utilitarian	104	4.67	.077	7.76	.000
		Hedonic	91	3.44			
	France	Utilitarian	100	4.32	.107	-5.06	.000
		Hedonic	105	5.04			
Mongolia	German	Utilitarian	108	4.71	.144	2.07	.039
		Hedonic	114	4.29			

France	Utilitarian	115	4.29	.140	-4.98	.000
	Hedonic	113	5.16			

*** p<.001, ** p<.05, * p<.01*

4.Conclusion

In general, the countries create different product images in consumers' mind. Each country has a specific imagethat influence on the consumers' brand belief, brand attitude and decision making to buy a product/brand. The cross national study was conducted among the Korean and Mongolian consumers. The country image does moderate the utilitarian product vs. hedonic product and where it is 'Branded in' as 'Designed in' or in contrast, 'Manufactured in' as 'Made in' effect to brand belief. Moreover, the country of origin 'Designed in' vs. 'Made in' effects is different by countries, product samples, and products. However, this notion lacks consistent research literature. Among the suggestions made to advance the state of the facility in the country of origin literature is more emphasis on measurement of the relevant constructs such as country image [39, 40, 29]. Therefore, this study examines the hypothesized first, country image tested by two developed countries which are familiar and well-known countries; Germany and France. These countries were tested and divided into two definitions as product-related vs. people-related. Secondly, the research used to two products (utilitarian vs. hedonic) as the utilitarian product is a car (Volkswagen) and hedonic product is a perfume (Chanel No5). Thirdly, COO as 'Made in' vs. 'Designed in' concept. This concept was tested by cross checking if these two product/brands are 'Made in' both countries, or 'Designed in' both countries, later how they can influence consumers' brand beliefs and brand attitude were tested. Inaddition, the researchers investigate whether the brand belief, country of origin and product features influence on brand attitudemoderating by country image.The manipulation check results show that there is no significant difference between two countries. In terms of the level of country familiarity and product familiarity, the result were similar, no difference across the eight stimuli (2x2x2), as the mean value being statistically insignificant. The product/brand familiarity of as shown in the difference of product features and across the two stimuli Volkswagen as utilitarian product and CHANEL No.5 as hedonic product with the mean value being statistically significant. Thus, used variables was whole of usable meaning in this research. The results of this study are summarized as follows. ***First,*** do consumers have a specific country image of people related or product related? The research result indicates that each country has a specific image and it appears same in Korea and Mongolia. The test result was shown as statistically significant. The research predictions of the image of Germany is more related to product than people and France image is more related to is people than product and H1-1 and H1-2 was adopted. ***Second,*** does the Country of origin can influence on brand belief moderated by country different image? Does it appear differently in both conducted country? Therefore, the research suggests to H2: The influence of COO on brand belief will be moderated by country image and it appears differently in Korea and Mongolia. H2-1:In Korea, When the product-related country image greater than the people-related country image, there is no difference about the influence of 'Made in' and 'Designed in' on brand belief and. 2) When the people-related country image is greater than the product-related country image, the influence of 'Designed in' on brand belief is greater than 'Made in'. H2-2: In Mongolia, when the product-related country image is greater than the people-related country image, the influence of 'Made in' on brand belief is greater than 'Designed in'. 2) When the people-related country image greater than the product-related country image, there is no

difference about the influence of 'Made in' and 'Designed in' on brand belief. As shown in the hypothesis testing, H2 was supported, H2-1 and H2-2 were significantly supported and it appears differently in Korea and Mongolia. The main reasons that are appeared differently in the surveys in Korea and Mongolia, is a difference of economic development. Korean consumers are more concentratedon the Country of Origin 'Designed in' than 'Made in'. Korea is well established and high income country. Korea's mixed economy ranks 11th nominal and 13th purchasing power parity GDP in the world, identifying it as one of the G-20 major economies. As a developed country with high-income generation, and rapidly developing technologies, therefore consumers are more brand conscious than other countries.South Korean brands such as Samsung and LG Electronics are internationally famous and these giant corporations are already launched their industries in global market. The national economy is one of the most educated countries in the world with the highest proportion of highly educated citizens benefiting from highly skilled workforce.Therefore, Korean consumersare more engaged to 'Designed in'. ***Third,*** does the Product features can influence on brand belief moderated by country different image? The research investigates H3: The influence of product features on brand belief will be moderated by country image and it appears same in Korea and Mongolia. H3-1: When the product-related country image is greater than the people-related country image, the influence of utilitarian product on brand belief will be greater than its influence of hedonic ones. H3-2: When the people-related country image is greater than the product-related country image, the influence of hedonic product on brand belief will be greater than its influence of utilitarian ones. As shown in the hypothesis testing, H3 was supported, H3-1 and H3-2 were significantly supported and it appears same in Korea and

Mongolia.

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