The Unknown Charm of Finnish

Exploring how Finland as a country of origin and Finnish country image effects on purchase intentions
# Abstract

**Background**

Today when the global competition is getting fiercer and the world can be seen as a one big market, the countries of origin and country images have a significant role when consumers are evaluating products and services. Therefore, this research will focus on Finland as a COO and on Finnish country image.

**Purpose**

The purpose of this thesis is to find out how foreign consumers perceive Finland as a COO and Finnish country image. Which attitudes they have towards it and how they affect purchase intentions. In addition, the purpose is to provide valuable knowledge for the stakeholders, in order to improve the promotion of Finland.

**Method**

The method used in this study is qualitative included with a few quantitative elements. Methods were chosen in order to understand what kind of attitudes and perception foreign consumers have about Finland and why.

**Conclusion**

General perception and attitudes towards Finland and Finnish country are rather good, but general atmosphere is that foreign consumers are lacking knowledge and base their perception on neighboring countries.
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# Table of Contents

1  **Introduction** .......................................................................................................................... 1  
1.1  Background ............................................................................................................................ 1  
1.2  Problem definition .................................................................................................................. 3  
1.3  Purpose of the research ......................................................................................................... 4  
1.4  Delimitations .......................................................................................................................... 4  
1.5  Research questions ................................................................................................................ 5  
1.6  Contribution ........................................................................................................................... 5  
1.7  Limitations ............................................................................................................................. 6  
1.8  Keywords ................................................................................................................................ 7  

2  **Theoretical Framework: Literature Review** ........................................................................... 8  
2.1  Consumer Behavior ............................................................................................................... 8  
2.1.1  Product Evaluation .......................................................................................................... 9  
2.1.2  Product knowledge and product involvement ................................................................. 11  
2.1.3  Purchase intentions ......................................................................................................... 12  
2.1.4  Attitudes .......................................................................................................................... 13  
2.1.5  Stereotypes ..................................................................................................................... 14  
2.2  Country of Origin .................................................................................................................. 16  
2.2.1  Ethnocentrism ................................................................................................................ 18  
2.2.2  COO effect ....................................................................................................................... 18  
2.3  Country Image and Nation Branding ..................................................................................... 20  
2.3.1  Country Image ................................................................................................................ 20  
2.3.2  Nation Branding .............................................................................................................. 23  
2.3.3  Branding Finland ............................................................................................................. 25  
2.4  Conceptual Framework ......................................................................................................... 27  

3  **Methodology** ......................................................................................................................... 29  
3.1  Research Philosophy ............................................................................................................. 29  
3.2  Research Design .................................................................................................................... 30  
3.3  Research Approach .............................................................................................................. 30  
3.4  Data Collection Method ....................................................................................................... 31  
3.5  Sampling Process .................................................................................................................. 33  
3.6  Execution of Interviews ....................................................................................................... 34  
3.6.1  Interview Structure ......................................................................................................... 35  
3.7  Qualitative data analysis ...................................................................................................... 37  
3.8  Trustworthiness ..................................................................................................................... 37  
3.9  Ethical considerations .......................................................................................................... 38  

4  **Findings & Discussion** ........................................................................................................... 39  
4.1  Attitudes towards Finland and the Finnish country image ..................................................... 39  
4.1.1  Knowledge about Finnish products ................................................................................. 45  
4.2  COO ..................................................................................................................................... 47  
4.2.1  Role of COO in decision making .................................................................................... 47  
4.2.2  Finland as a COO and its effects on purchase intentions ................................................. 48  
4.3  Purchase intention scale and Brand recognition test ......................................................... 50  

5  **Conclusion** ............................................................................................................................ 53  
5.1  Answers to Research Questions .......................................................................................... 53  
5.2  Managerial implications ...................................................................................................... 55
5.3 Future research........................................................................................................57

6 References..............................................................................................................59

7 Appendices.............................................................................................................66
Appendix 1. Semi-structured interview questions.......................................................66
Appendix 2. Purchase intentions towards Finnish industries ....................................67
Appendix 3. Brand recognition ....................................................................................68
1 Introduction

This chapter will present the general introduction to the topic. It will begin by explaining background to the topic, in order to provide the reader with understanding about the topic. Second, the problem definition is explained with the purpose of this research, in other words why it is necessary to study the issue. The research questions, contribution, delimitations and limitations are presented after addressing the purpose.

1.1 Background

The new economic development has led to a situation where nations compete with each other in order to gain competitive advantage (Porter, 1989). Due to the globalization the world can be seen as one big market, where a strong country image will have a positive effect on sales (Anholt, 2013). Recent way to look at country image is to consider it with country branding, meaning that in global market countries compete against each other in a similar way as brands do (Anholt, 2013). In addition to the competitive advantage, countries must also appeal attractive to tourists, companies and factories, and therefore nations must carefully control and manage their country branding (Kotler & Gertner, 2002).

When brand positioning of a country is thoughtfully done it will give a competitive advantage to the country over other nations (Gilmore, 2001). In order to do country branding and strategic place marketing, the strengths and weaknesses of a country, in other words marketability, must be understood. This includes the image, infrastructure and people (Kotler & Gertner, 2002). Managing country image will define and enhance perceptions as well as redefine stereotypes in the minds of consumers (Kilduff & Tabales, 2017). Even if a country image is not consciously managed, consumers still have images of countries and these country images tend to influence consumer behavior such as purchase decisions (Kotler & Gertner, 2002; Lin & Chen 2006; Javed, 2013).
Country image represents the beliefs, associations and information that are often based on their prior experiences and perceptions with a place (Roth & Romeo, 1992). It can be seen as a reputation, representation or stereotype of a country (Nagashima, 1997). Country image arises from different factors that has to do with a specific country, such as history, culture, famous citizens and politics. Also different medias and entertainment industries play an important role in creating consumers’ perceptions on different nations (Kotler & Gertner, 2002). Consumers use country image when evaluating products (Han 1989). Therefore, the image of a product’s country of origin (COO) impacts consumer perceptions and behavior as consumers tend to associate the country image with the product (Godey, Pederzoli, Aiello, Donvito, Chan, Oh, & Weitz, 2012). For example, products that are made in Germany or Switzerland are often regarded as high quality only because of the good reputation of these countries as exporters and manufacturers (Kotler & Gertner, 2002).

When consumers lack knowledge about foreign brands, they are likely to use other evidences, such as COO, to evaluate the brands and their presumable quality (Ryan, 2008). Country images, or the perceptions of COO, are commonly used as shortcuts in consumer decision making and in fact they are often simplifications and stereotypes that might not be accurate at all (Kotler & Gertner, 2002). Consumers who have similar cultural values tend to have common assessments about the COO, therefore the stereotypes vary from one country to another (Pinheiro, Silva, Dos Santos, Mónico, Do Rosário, Almeida, 2014). As COO has an impact on consumers’ beliefs about the product’s quality it also effects on the purchase choices (Bilkey & Nes, 1982).

Other factors that affect consumers’ purchase habits are personal preferences, psychological reasons, culture and social relations (Kotler & Armstrong, 2010). Studying consumer behavior, including perceptions and attitudes, will make it easier for marketers to understand and predict consumers’ decision making processes, purchase intentions and reasons behind their choices (Laukkanen, 2016).

The aim of this paper is to study Finland as a COO and to investigate the effects of country image on the consumer behavior of foreign consumers. The authors seek to understand if COO as a quality cue can help Finnish products and services in internationalization. In
order to understand this, attitudes and perceptions towards Finland must be explored. It has been stated that Finland is often associated as one of the Nordic countries that are western-oriented (Naumova, 2014) and Finland is known for its commitment to traditional industries such as engineering, wood pulp and paper (Castells & Himanen, 2002). The country is famous for its education system as it is always among the leading countries in the lists of scholastic achievements (OECD, 2006). Therefore, this study also seeks to find out whether these associations actually exist in the minds of foreign consumers.

1.2 Problem definition

As mentioned earlier, the globalization and the economic development has led to a situation where the world can be seen as a one big market and thus the nations are competing each other in order to gain competitive advantage with a strong country image (Porter, 1989, Anholt, 2013). Thus marketers who understand their customers can create better products for them and can improve their strategies in order to become more successful (Kardes, Cline & Cronley, 2011). Nowadays when talking about the evaluation of products, COO has become a significant part of the evaluation process with other factors such as price, brand and packaging for instance (Kotler & Gertner, 2002). In addition, according to Kotler and Gertner (2002) customers constantly use COO as an indicator of quality. Consumers see different products and services in multiple ways. For instance, consumers from developed countries usually purchase products which are made in developed countries, but they tend to compare the product to a one made in developing country. On the contrary consumers from developing countries are purchasing products which come from developed countries in order to increase their social status (Lee, 2013) Even though the product would be exactly the same, consumers perceive it differently, because of the COO. Thus it can be stated that COO has an impact on consumers’ evaluation of the products (Muljani & Tulipa, 2015).

As Finland is relatively a small country, the international trade has been and is really meaningful for the country. Its importance has grown in recent years and it especially plays a big role during recession and upswings (Elinkeinoelämän Keskusliitto, 2017).
Thus this research will focus on Finland as a COO and on Finnish country image among the foreign consumers. Moreover, the topic was chosen due to the authors best knowledge that the existing research in this particular field is scarce.

1.3 Purpose of the research

The purpose of this research is to study how Finland as a country of origin and Finnish country image effects on purchase intentions. Therefore, the aim is to find out how Finland is perceived and what are the attitudes towards Finnish products among foreign consumers. In other words, the aim is to provide valuable information about the perceptions and attitudes towards Finland, so that Finnish companies who are aiming to expand to foreign markets can take advantage of the perceptions and attitudes in their marketing activities.

1.4 Delimitations

There are some delimitations to the study that are set by the authors. The delimitations are:

This study focuses on studying the perceptions of Finland as a COO held by business students who are millennials and the future business makers. Therefore, the results might differ if the same study was done for other generations as the attitudes might be generation-specific. Millennials have been studied to be 23 percent more interested in traveling than older generations (Swartz, 2017) which might affect their knowledge and perceptions about other countries.

An another delimitation for this study is that when discussing Finland as a COO, the multiple dimensions of COO such as country of brand, country of manufacture and country of assembly are not studied separately. Therefore, the COO is only investigated in the broad sense.
1.5 Research questions

In order to investigate the problem, this paper aims to answer the research questions that are listed below:

RQ1. What is the country image of Finland among foreign consumers?

RQ2. What are the attitudes of foreign consumers towards products/services from Finland and how does it affect purchase intentions?

In order to find out how Finland is perceived, the attitudes towards Finland and Finnish people as well as associations about the country are investigated. Also, the readiness to buy Finnish products and how Finland is perceived as a COO will be explored. Therefore, a qualitative study method was chosen and semi-structured interviews with some quantitative elements were conducted. The research questions will be answered based on findings from the interviews and secondary data.

1.6 Contribution

It has been recognized that a country’s reputation is an important asset and it needs to be managed as COO has an impact on attitudes towards foreign goods (Kotler & Gertner, 2002). When marketers understand international consumers’ perceptions, attitudes and associations towards products and services coming from Finland, they are able to develop strategies that will help Finland succeed in the competitive global markets.

The research findings will provide valuable information on how foreign consumers around the world see Finland. The findings will help Finnish public and private sector to evaluate the effectiveness of the current international marketing actions. The research will reveal whether Finland is actually perceived among foreign consumers the way the country has been branded. The authors will also find underlying reasons for why the current country image is as it is. By providing deep insights on the country image of Finland and understanding on where it derives from, Finland as a country, as well as
Finnish companies, can decide how to manifest the COO internationally. It allows marketers to strategically plan their message according to the current image favorably when entering international markets.

Testing how well the foreign consumers recognize Finnish brands and investigating their readiness to purchase Finnish products will reveal which industries especially benefit from having Finland as a COO due to the current reputation. On the other hand, the findings will also reveal the industries for which the Finnish origin is not beneficial.

1.7 Limitations

There are some limitations to the study. Firstly, some of the interviewees were aware that the interviewers are from Finland which might cause bias since those participants had perceptions about the interviewers (Saunders, Lewis & Thornhill, 2012) which might also cause hesitation when discussing negative things and therefore influence the results. Secondly, the time horizon for conducting this study was limited and thus also the sample size had to be restricted.
1.8 Keywords

**Brand familiarity** – consumers’ experiences with the brand either direct or indirect (Cheng & Chang, 2016)

**Consumer** - An individual who purchases products or services for personal use (Wells, Prensky, 1996)

**Nordic Countries** - Norway, Sweden, Finland, Iceland and Denmark

**Country of Origin (COO)**– A country where the product has been branded, assembled or manufactured (Srinivasan, Jain & Sikand, 2004). Also, commonly COO means the country that consumers associate with the product or brand (Wang, 2012).

**Country of Origin effect** - how products from a particular country are perceived by consumers (Roth & Romeo, 1992).

**Perception** - Human sensors which are used to understand or construe the surrounding environment (Solomon, Bamossy, Askegaard & Hogg, 2010)

**Country Image** - The image is a reputation, representation or stereotype of a country (Nagashima, 1997)

**Stereotype** - a generalized belief of a particular group or people that leads to categorization (Cardwell, 1996).

**Purchase intention** - The willingness to purchase a product or service. An independent variable (Whitlark, Geurts, Swenson, 1993).
2 Theoretical Framework: Literature Review

In order to understand the different aspects and perceptions towards Finland and the Finnish country image, the authors conducted a thorough literature review explaining the important factors, which this thesis is based on. First, it is essential to understand certain factors and causes, which affect consumers’ intentions to buy different products. Therefore, the literature review will begin by explaining consumer behavior, product evaluation, purchase intentions and attitudes. After defining these key terms, the scope shifts to the COO, its different dimensions, country image and to nation branding. These will undergo the meaning of them as a part of consumers’ product evaluations and how they affect their intentions to buy. Based on the literature reviewed the authors formed a conceptual framework, in order to facilitate for the reader how these different defined factors are connected and affect the purchase intentions.

2.1 Consumer Behavior

In order to understand what the effects of COO and country image are to customers, it is necessary to understand what are the elements that different purchase decisions are based on, in other words what affects to the behavior of customers. Therefore, in this chapter the authors will undergo the crucial elements of consumer behavior in order to facilitate the understanding of the different issues in this thesis.

Studying and understanding consumer behavior helps businesses, as well as countries, to improve their marketing strategies by finding out what influences consumers’ decision making. Consumer decision making is a complex process which refers to the purchase and consumption of goods and services (Rani, 2014). According to Kotler and Keller (2009) the consumer decision making process consists of five stages which are the following:

1. Need recognition
2. Information search
3. Evaluation of alternatives
4. Purchase decision
5. Post-purchase behavior
The process begins when the consumer recognizes a need because all consumers function as problem solvers and aim to satisfy their needs. Needs can arise because of internal (hunger) or external (advertisement) stimuli (Solomon et al., 2010). It is followed by information search which can be internal, based on previous experiences, or it can be active search for additional information (Kotler & Armstrong, 2010). The next stage is the consumer’s evaluation of product’s attributes which can tremendously differ depending on the situation and the product. As a result of evaluation a consumer either chooses to buy a product or doesn’t buy anything at all. Purchase decision is usually seen as the most important point of the decision making process (Kotler & Armstrong, 2010). The last stage of the process is post-purchase behavior which shows the consumer’s satisfaction level. A satisfied consumer tends to repurchase the product while dissatisfied consumer might even spread negative word-of-mouth (Ling, D’Alessandro & Winzar, 2015).

COO information could have an impact on four of the stages of decision making process; information search, evaluation, purchase decision and post-purchase behavior (Naumova, 2014). Yet, it has been studied that product evaluation of a certain product is a key factor in the decision making process (Keller, 2001; Martín and Cerviño, 2011). Therefore, the concept of COO and its influence on product evaluation and purchase intention are explained in more detail in the following chapters.

2.1.1 Product Evaluation

Consumers have to do many judgements and decisions on a daily basis and all these evaluations are dependent on the knowledge and information that individuals have in terms of the specific context (Kruglanski and Webster, 1996; Andersson et al., 2015). Decision making and product evaluation is referred as a cognitive process (Bloemer et al., 2009) and cognitive process is usually build up by interpretations of different informational cues of a product. Consumers often rely on those cues when they are making product evaluations (Westjohn and Magnusson & Zdra 2011). The information cues can be referred as extrinsic which are product characteristics such as price, COO and brand name (Grewal, Gotlieb & Marmorstein, 1994). Other cues are intrinsic which mean attributes such as performance and design (Grewal et al., 1994). As consumers face these different kind of cues every day they tend to simplify the decision
making by using stereotypes and previously determined patterns to guide their decisions (Magnusson, Westjohn & Zdravkovic, 2011).

One explanation for how consumers’ product evaluations are affected by extrinsic cues, such as COO, is called the halo-effect (Ghazali, Othman, Yahya & Ibrahim, 2008). The halo-effect refers to consumers evaluating products by using country stereotypes as a quality indicator when they lack prior information about a product (Hu, Li, Xie & Zhou, 2008). For example, a negative country image effects negatively on the consumer's attitude towards the products deriving from that exact country when there is lack of further information about the product (Naumova, 2014). See figure 1. below.

According to Han (1989), another form of processing product cues is called the summary-effect. In that case consumers have enough knowledge about a product and lack of prior knowledge about the country where the product comes from. In case if the product is perceived positively, as well as the COO, the consumer summarizes that all similar products deriving from that country are also good, as can be seen from Figure 2. (Naumova, 2014).
These evaluation forms above are common especially in case the information cues are limited, yet they are also used when consumers make choices from wide range of products (Rezvani, Dehkordi, Rahman, Fouladivanda, Habibi & Eghtebasi, 2012; Laroche, Papadopoulos, Heslop & Mourali, 2005).

2.1.2 Product knowledge and product involvement

As more and more businesses are going global and facing consumers from different cultural backgrounds it has become essential to understand how the COO information is incorporated with product knowledge in the decision making process of consumers (Lee & Lee, 2009). Chan (2009) argued that the impact of COO cue on purchase intentions are consumer- and product-specific.

It has been studied that different levels of product knowledge determines how big of an impact the COO cue has on the product evaluation (Cordell, 1997). When the consumer has a high level of product knowledge the impact of COO is lower than in the case of little knowledge as that is when consumers rely more on the COO information (Solomon, 2010; Lee & Lee, 2009). Then again, it has been studied that when other product information is available the COO cue will lose some of its importance (Zdravkovic, 2013)

Product involvement means the level of interest, knowledge or recognition that a consumer has towards a product (Cöster, Hwang & Svensson, 2015). In the consumer
behavior literature, the common categories for different product involvements are high and low involvement (Arora, McIntyre, Wu & Arora, 2015). It has been studied that in high-involvement scenarios consumers tend to engage more with the product and its information, while for low-involvement products it is not considered as important (Liu & Shrum, 2009). In other words, this means that also the COO cue would possibly matter more in high-involvement situations where consumers seek more detailed information, which has been the case in some of the earlier studies (Ahmed, Johnson, Yang, Fatt, Sack Teng & Chee Boon, 2004; Ahmed, Johnson, Ling, Fang & Hui, 2002). Although, on the contrary, some researchers suggest that the COO cue has more impact when purchasing low-involvement products (Josiassen, Lukas & Whitwell, 2008; Verlegh, Steenkamp & Meulenberg, 2005; Han, 1989). Therefore, it is not clear from the literature if the impact of COO is different for high and low-involvement products.

With high-involvement products consumers put more cognitive effort in by evaluating and searching all available information whereas in low-involvement product categories the evaluation is based on cues that are easily accessible (Josiassen et al., 2008). In the consumer’s decision-making process product involvement has a substantial influence as it impacts on consumers’ behavioral and cognitive response (Te’eni-Harari & Hornik, 2010). According to Te-eni-Harari and Hornik (2010) consumers with strong product knowledge seem to also be more involved in the decision making process because the product is perceived as more important.

2.1.3 Purchase intentions

Previous section explained how COO has an impact on consumer decision making especially in the stage of product evaluations, yet the effect of COO on purchase intentions is a bit more complex concept. Multiple scholars argue that COO has an effect on both product evaluations and purchase intentions (Sharma, 2011; Demirbag, Sahadev & Mellahi, 2010; Phau & Chao 2008). Purchase intentions are one of the most important inputs when predicting purchasing process and therefore it also predicts future sales and business success (Gosh, 1990; Morwitz, 2014). It is explained as a behavioral intention meaning consumers’ judgement about what will be done in the future (Blackwell, Miniard & Engel, 2001). Purchase intentions have also been referred as one of the most important
aspects in the decision making process as it is a strong antecedent of purchase behavior (Lee & Lee, 2015).

Wang, Li, Barnes and Ahn (2012) stated that purchase intentions are influenced by many different factors such as consumers’ perceptions, characteristics of a product, COO as well as perceptions of the COO. Other factors influencing intentions are price, quality perception and value perception (Grewal, Krishnan, Baker & Borin 1998). According to Wang et al., (2012) purchase intention is influenced by COO through different combination of attributes of a product. Then again, these attributes are influenced by consumers’ perceptions. Also, other previous studies have found out that COO affects purchase intentions either directly or combined with other factors, such as previously mentioned price (Peterson & Jolibert, 1995; Wang & Yang, 2008). Dulany (1968) argued that the intention to buy depends on two factors; firstly, the consumer’s attitude towards buying in a specific situation and secondly, the norms that guide the consumer’s behavior in that given situation. Therefore, also attitudes seem to have an impact on purchase intentions and that is why attitudes are explained in more detail on the following section.

2.1.4 Attitudes

Purchase intention is often related with perceptions and attitudes (Zeithaml, 1988). Attitudes can be described as assessments of certain products or services (Nanev, 2015) and they are often learned and formed through earlier experiences (Fill, Hughes & De Francesco, 2012). More specifically, attitudes are formed as a result of learning from direct experiences with situations and people. Perceptions are related to attitudes as they are also based on prior experiences by interpreting a stimulus into something meaningful (Pickens, 2005). Attitudes influence consumer decisions and behavior and they also have an impact on what is remembered (Pickens, 2005). Attitudes are like long-term beliefs and they might be expressed as opinions or as a tendency to behave a certain way (Chandler & Munday, 2011).

According to Pickens (2005) attitudes can be measured and changed, they come in different strengths and they can be either positive, negative or neutral (Chandler & Monday, 2011). Attitudes have been studied to have three components which are cognitive, affective and conative (Fill et al., 2012; Lantos, 2015). The conative
component means the behavioral tendency to act a certain way, cognitive is referred to beliefs and affective means feelings and emotions that the consumer has towards an object (Solomon, Russell-Bennet & Private, 2012). When marketers want to change and effect on consumers’ attitudes, at least one of all of the components must be tackled (Solomon et al., 2012).

On the other hand, Darling and Arnold (1988) found out in their study that consumers’ attitudes towards foreign products might change over time. In addition, in a study done by Gaedeke (1973) it was found out that attitudes towards a specific brand or product could be changed essentially when the COO of the products was uncovered to the consumers’. COO works as a cognitive cue (Verlegh & Steenkamp, 1999) and therefore, COO is one of the attributes that has an influence on consumers’ attitudes towards a product or a brand (Bilkey & Nes, 1982). Also, it has been studied that attitudes towards different products from specific countries might differ. For example, consumer’s attitudes toward Russia as a country might be negative yet they still might perceive Russian vodka of the highest quality (Johansson et al., 1994).

2.1.5 Stereotypes

National stereotypes have been studied to have an impact on COO-based product evaluations (Chattalas, Kramer & Takada, 2008; Heslop & Papadopoulos, 1993). Stereotypes are expectations and associations about different national groups (Fiske & Taylor, 1991). Whereas, the different qualities that are associated with a particular nation’s people are called national stereotypes (Schneider, 2005). Overall, stereotypes are individuals’ beliefs about the behavior, attributes and characteristics of certain group of people that are often culturally and socially-shared. Stereotypes of a country are formed through direct experience with the country and its people or they can also be formed indirectly through media exposure or education (Verlegh & Steenkamp; 1999).

COO cue works as a stereotyping process, driven by the attributes that link a product to positive or negative associations about a specific nation (Verlegh & Steenkamp, 1999). Martin and Eroglu (1993) found out that country stereotypes derive also from the political, technological and economic factors of a country which also effect on COO-based product evaluations. Therefore, if a consumer has positive associations about a
country he or she are more likely to perceive the products originating from that specific country more positively. The country stereotypes work as a quality cue and help the consumers make inferences about a product when they are lacking other information cues (Chattalas et al., 2008).

To sum up the chapter, COO works as a cognitive cue in the decision making process (Verlegh & Steenkamp, 1999) and therefore, COO is one of the attributes that has an influence on consumers’ purchase intentions and attitudes towards a product or a brand (Bilkey & Nes, 1982). On the other hand, stereotypes, the consumers’ involvement and product knowledge determines how significant the effect of COO on the buying behavior is. The concept of COO and its constructs will be explained in more detail during the following section.
2.2 Country of Origin

As came up earlier COO works as a cue in the decision making process and therefore the COO information matters in the global competition. In order to understand the multiple dimensions of COO the construct is explained in this chapter. This chapter will also clarify the influence that country stereotypes causes to the consumer’s consideration of buying products as well as to the consumer tendency to prefer domestic products.

COO of a product is an important quality cue for customers when making purchase decisions and it has been researched for many decades (Baughn and Yaprak, 1993; Erickson, Johansson & Chan, 1984; Han, 1989; Hong & Wyer, 1989; Johansson, 1989; Papadopoulos et al., 1993). COO matters in the decision making especially when consumers seek information and evaluate different alternatives, yet it might also effect on purchase intentions and post-purchase behavior (Naumova, 2014).

Due to the globalization products and services are exported and imported all over the world, evolving the COO to a more complex construct (Nanev, 2015) as consumers have greater variety of choices. Therefore, nowadays the concept of COO actually consists of multiple territories depending on where the product has been branded, assembled and manufactured (Srinivasan, Jain & Sikand, 2004). Originally COO was perceived as correspondent to the “Made in”- country (Nebenzahl, Jaffe & Lampert, 1997) meaning the same as the Country of Manufacture. Later on, other dimensions of COO emerged such as the Country of Brand, Country of Design and Country of Assembly, Country of Parts and Country of Headquarters (Showers & Showers, 1993; Nebenzahl et al., 1997; Jaffe and Nebenzahl, 2006). That is why there are also studies that have focused on investigating the numerous dimensions of COO (Chao, 1993; Insch & McBride, 2004; Uddin, Parvin & Rahman, 2013). Due to the multiple dimensions of COO products might have multinational affiliations making the “Made in” -labels indefinite (Ahmed et al, 2004). Also, a recent phenomenon is that global companies make use of brand names in order to benefit a favorable Country of Brand (Wang, 2012). In general, the country that consumers associate with the product or brand is usually considered as the COO no matter where the product has been manufactured (Wang, 2012).
According to previous studies, the COO includes associations about a country (Pappu et al., 2006), as well as stereotypes, perceptions and prejudices about the products coming from that country (Lampert & Jaffe, 1997; White, 2012; Lee, 2013). Often times consumers tend to associate their beliefs of a country to the product itself and therefore COO is used as a cognitive cue (Verlegh & Steenkamp, 1999). It has been studied that products that are manufactured in developing countries are often assumed to be lower quality than those manufactured in developed ones (Naumova, 2014). Especially when consumers lack knowledge about foreign brands, they are likely to rely on other evidences, such as COO and country image, to evaluate the brands and their presumable quality (Klein et al., 1998; Aaker, 1996; Ryan, 2008). This cognitive process is built by consumer’s interpretations of this specific COO as an informational cue (Westjohn and Magnusson, 2011). Marketers and producers aim to benefit from the mental linkages of positive COO reputation (Naumova, 2014) for example, by highlighting the favorable origin in their marketing strategies. On the other hand, COO information can also be a negative stereotype and therefore have unfavorable impact on product evaluations (Naumova, 2014).

To what extent COO influences on consumers, depends on many factors, such as the product category, consumers’ involvement and knowledge level, ethnocentrism, price and brand (Časas & Makauskiene, 2013). According to Solomon (2010), consumer’s expertise on the product category determines how much COO influences on the product choice. When consumers are 'experts' they tend to ignore the COO information while novice consumers tend to rely on that information. Thus, if there is no other information about the product than the COO, both novice and expert consumers rely on COO assumptions when making decisions. Whereas, according to Zdravkovic (2013) and Maronick (2015), when other product information is available COO will lose its importance as the other cues become more crucial. For example, it has been studied that in the case of luxury products the brand image has a higher influence on consumer’s buying intentions than the COO information (Wang et al., 2012). Some researchers argue that also the level of familiarity with the product, country or brand affects the consumer’s COO perceptions whereas country image and brand image influence the information processing of a consumer (Samiee, Leonidou, Aykol, Stöttinger & Christodoulides, 2016).
2.2.1 Ethnocentrism

One element of COO is consumer ethnocentrism. Consumers have a tendency to prefer domestic products over foreign substitutes imported from overseas which is called ethnocentrism (Naumova, 2014). COO plays a significant role for ethnocentric consumers as they trust and appreciate the quality of products manufactured in their own country (Naumova, 2014). Therefore, it can be said that ethnocentrism effects on the image that consumers have on foreign products as consumers often consider their own country as the most favorable. A common reason for favoring domestic products is that consumers are willing to support their local economy because buying imported products would direct cash flows and demand abroad and it might also be harmful for the employment rate in their own country (Ling et al., 2015).

Reynoso Landeros and Lang (2011) argue that ethnocentrism also impacts consumers when choosing imported goods as they tend to prefer products from countries that are similar to their own country. The same authors state that consumers that are highly ethnocentric might overestimate domestic products and therefore have biased judgements. Also Shrimp and Sharma (1987) found out that highly ethnocentric consumers are more likely to have negative evaluations about foreign products than the consumers who do not care that much about the COO. For patriotic reasons, the consumers with strong ethnocentric beliefs might avoid buying foreign products even though the quality would be superior to domestic products (Shrimp & Sharma 1987). According to Rawwas, Rajendran, Wuehrer (1996) highly ethnocentric consumers tend to rather choose domestic products whereas, the consumers who are more open minded care less about stereotypes and therefore might even prefer foreign products.

2.2.2 COO effect

In order to understand the concept of COO, the COO effect, which is also referred as the “Made in” -label, must be explained. The COO effect refers to the influence that stereotyping causes to the consumer’s consideration of buying products or services from other countries (Sauer, Young & Unnava, 1991). This means that consumers tend to generalize the expected quality of products and therefore prefer countries that they perceive most favorable when making purchase decisions (Chao, 1998; Jaffe & Nebenzahl, 2001). Products coming from developing countries are often assumed to be
of low quality (Verlegh & Steenkamp, 1999) because of the stage of development in these countries influences the consumer’s quality perceptions (Hulland, Todino and Lecraw 1996).

It has been studied that consumers in many different markets are willing to pay more for products coming from USA, Germany or Japan for example, due to the high quality reputation of these industrialized countries (Gao & Knight, 2007). Although, sometimes the beliefs about a country and the beliefs about the products coming from that country might be contradictory (Laroche et al. 2005). For instance, even though Iran is suffering from negative country image, Iranian rugs are perceived as high quality rugs (Laroche et al. 2005).

Therefore, the COO effect can either have positive, negative or neutral impact on a country’s products. When being positive, the COO effect can even lead a competitive advantage over other countries (Costa e Silva & Saraiva, 2016). A positive effect can be developed for example by having good quality products or competitive prices (Johansson, 1985). Since that is not possible for all countries, other advantages of a country must be highlighted such as strategic planning, exclusive raw materials, environmental condition or production know how in order to generate a positive COO effect (Costa e Silva & Saraiva, 2016).

Verlegh and Steenkamp (1999) concluded that COO impacts more on perceived quality than on purchase intentions. Other researchers have found out that the COO effect impacts on the price that consumers are willing to pay for a product which again is also related to risk perceptions that are associated with the purchase (Hulland, Todino & Lecraw, 1996). Although, intention to buy has been one of the most often measured dependent variables along with attitudes when studying the COO effect (Ahmed et al, 2002; Hamin and Elliott, 2006; Prendergast, Tsang & Chang, 2010).
2.3 Country Image and Nation Branding

In order to further understand the different phenomena in this paper, this chapter will undergo the definitions of country image and nation branding. These will be explained in order to further clarify for the reader the factors which have an effect on perceptions towards Finland and Finland as a COO. In addition, this chapter will consist the current state of Finland's brand, in other words, how Finland wants to brand itself.

2.3.1 Country Image

According to Min Han (1990) since 1960 there has been studies about the country image. Commonly all of them are agreeing on the fact that consumers globally perceive products differently due to their COO. These general perceptions and attitudes towards the country have significant effects on the brands coming from one (Min Han, 1990). One of the first of many studies which has investigated country image perception is Nagashima’s (1970) study about the businessmen in United States and Japan. According to Nagashima, country image stands for “the picture, the reputation, the stereotype that businessmen and consumers attach to a specific country. This image is created by such variables as representative product, national characteristics, economic and political background, history and traditions” (Nagashima, 1970, 68). According to Bilkey, Nes and Han (1982; 1989) Country image also requires a definition which focuses more on the marketing perspective and thus focuses more on the product perceptions. Therefore, Roth and Romeo (1992) defined the country image to be more about the consumer's prior perceptions of the given country, its products, production and marketing. They also state that, defined like mentioned, it intensifies the meaning of country image in the consumer decision making process (Roth & Romeo, 1992).

Min Han (1990) found out that consumers can evaluate products based on the country when they are not aware of the country’s products. Moreover, when consumers are not aware of the country’s products the country image facilitates their decision when they are choosing from different alternatives. In this level of information country image plays a huge role in the decision making and thus the quality of the product is perceived as the country image (Min Han, 1990). Moreover, consumers tend to connect the perceptions of the familiar products to the new products produced by the same country (Agarwal & Sikri,
According to Kotler and Gertner (2002) country images have a significant importance to the purchasing decisions, intentions and to product evaluations. By holding a positive country image, it can result in a positive reputation to the whole category or it can create a brand for the product (Kotler & Gertner, 2002).

Country image can either create a positive or a negative image to the products. For instance, if the country is connected to negativity, consumers image about the products from that specific country are more likely to be negative as well (Morello, 1984, Wang, 1978). Yet, there can be exceptions such as earlier mentioned Iranian rugs and Russian vodka, for instance. When evaluating products, consumers use different COO cues as a linkage between the products and the countries. As these links are seen positively, the marketers use this as an advantage and associate their products to these connections between the country and the product (Niss, 1996).

Yasin, Noor and Mohamad (2007) found out that the products coming from countries with positive image are accepted more favorably than products coming from countries with negative image. This was also noticed in a study done by Pappu, Quester and Cooksey (2006) where they found out that the perceived quality of a brand from Mexico or Hungary is likely to be lower than the perceived quality level of a brand from Finland. Thus, Cuddy, Fiske, Kwan, Glick, Demoulin and Leyens (2009) argued that consumers might see a country positively in general while still responding negatively to its products because of stereotypes. According to Kotler and Gertner (2002) in addition to the positively related factors, the negative factors are significant when considering the country image. Consumers tend to associate illnesses, political problems, environmental issues and human rights to some countries, which impact negatively on the country image. On the other hand, countries which have associations with positive things will improve their country image and will benefit from it (Kotler & Gertner, 2002, Morello 1984, Wang 1978).

Knight and Calantone (2000) represented a flexible model of COO perceptions which states that consumers use the country image and perceptions as a cue when they are forming attitudes towards foreign products. According to their study, the country image has both direct and indirect effect on consumers’ attitudes. The country image affects
directly to the attitudes and indirectly first perceptions and thereafter also attitudes as can be seen from the figure 3. below.

According to Knight and Calantone (2000), country image affects attitudes directly when consumer’s product knowledge is good. Whereas, if consumer’s product knowledge is poor then perceptions about the product will affect attitudes directly.

Lee and Lee (2011) argue that country image consists of three layers which are:

1. **General country attributes** that means consumers overall perceptions of the country including its citizens and the ability of the country to produce products of good quality
2. **General product attributes** which means consumers knowledge and perceptions of the products coming from a specific country
3. **Special product attributes** that has to do with the knowledge about the country's marketing and product attributes as well as the business value of the country

Lee and Lee (2011) found out in their study that especially general product attributes and country attributes affect consumer’s purchase intentions positively.
2.3.2 Nation Branding

As nation stands for the people coming from the same country, speaking the same language and from the same race, country stands for the land area where they live in (Fan, 2006). Even though, usually when mentioned in theory, they mean the same thing, it is necessary to know that there is a delicate difference between nation brand, country brand and country image (Fan, 2006). According to Fan (2006) Nation brand is a concept which does not link to any products, rather only considers intangible assets and the general image of the nation. Dinnie, Melewar, Seidenfuss and Musa (2009) stated that nation brand stands for a concept where a country provides personalized, differentiated elements with a cultural aspect to its target groups. On the other hand, Fan (2006) states that there is no clear definition for nation branding. Different consumers perceive it in various ways, some only as a place marketing and a COO effect, and some more of a general marketing of the country’s products, production and image.

When considering nation branding from the marketing perspective its purpose is to help the nation to sell its products, services and places. In order to be successful, the nation branding has to focus on the right activities and be connected to the products so that the product will gain additional benefit from the nation branding (Fan, 2006). A remarkable example of a certain product category being connected to a country is Colombian coffee. Colombia has promoted the country as a high-quality coffee manufacturer and the country name has been widely used on its products. It has been studied that consumers regard Colombian coffee as of great quality (Kotler & Gertner, 2002).

Also to some other product categories the junction between the nation and the product have a significant meaning, for instance Swiss chocolate or a German car (O’Shaughnessy & O’Shaughnessy, 2000). According to Kotler and Gertner (2002) often times products coming from Germany, Switzerland and Japan are expected to be of high quality because of the countries’ reputations as top manufacturers and exporters in the world. On the other hand, products coming from less known and less branded countries such as Myanmar or Surinam might make consumers suspicious about the quality since the brand equity of these countries is low (Kotler & Gertner, 2002).
One might wonder why these junctions between different nations and products are so strong and why consumers globally associate something particular to certain countries. According to Moilanen and Rainisto (2008) when building a country brand, it has to be kept in mind, what the most favorable products and services are that can be used to stand out from the crowd globally, attract attention and create a brand. In addition to products and services, the same authors state that it is necessary to find other strengths and features of the country which could also be useful in creating the country brand. Currently, since the competition is getting more tense, countries have started to recognize these strengths and have created these so called selling propositions. In other words, those are the products, services or other strengths which countries are able to use in order to stand out from the crowd (Hall, 2004; Moilanen & Rainisto, 2008).

According to Moilanen and Rainisto (2008) while the brand images improve, consumers are more willing to buy the location as well, since the country becomes more interesting and consumers tend to connect the brand of a product to the country and thus it develops the brand of a country (Hall, 2004; Moilanen & Rainisto, 2008). Moilanen and Rainisto (2008) also state that perceived quality of countries companies is vital thing in the country brand building. Hence, countries’ organizations and political bodies support companies who are trying to improve their brand image (Hall, 2004) since it improves the perceived quality and thus leads to positive perception of the country’s products as well (Moilanen and Rainisto, 2008).

When it comes to place or country branding, the consumer sees it as a whole entity which includes all the products, services and qualities of the place (Moilanen & Rainisto, 2008). The customer expects something from the place even though the entity consists of many different producers and actors (Moilanen & Rainisto, 2008) They also state that even though this expected entity is simple from the customer point of view, it is very complex from the aspect of the producers. They need to stick together with the services, since while consumers purchase or use their services they connect the experiences with the place rather than the company’s brand.

To clarify it more as Fan (2006) stated the nation branding stands for a brand that the nation holds, for instance the example of Colombian coffee. Consumers see the coffee
coming from Colombia as of high quality and thus the actual brand benefits from the nation’s brand as a quality coffee manufacturer (Fan, 2006) On the other hand the difference to country branding is to improve the country’s brand by promoting the strong products from that country. (Moiianen & Rainisto, 2008) In addition, while the brand image of those strong products improve, consumers connect the well perceived brands to the country, which thus improves the country brand (Hall, 2004; Moiianen & Rainisto, 2008).

As a sum up it can be said that even though as Fan (2006) stated, nation and country brands are supporting companies to improve their brand image and thus facilitate their brand image improvement process. On the other hand, country’s strong brands and products are used for building the brand image of the country, which can later be used to improve the sales and demand of the products and services (Hall, 2004; Moiianen & Rainisto, 2008). Therefore, it can be assumed that the most vital key for building a country brand is to exploit the strong features and brands of a country. On the contrary, once the country brand is formed, the brands of products and services will benefit from it.

2.3.3 Branding Finland

Finland is a rather small country with approximately 5.3 million inhabitants, located in the northern part of the globe and being a part of the Nordic countries (This is Finland, 2015). International trade is and has been really meaningful to Finland and exporting of goods has a significant role in the Finnish economy (Elinkeinoelämän Keskusliitto, 2016). Moreover, Finland is the 43rd largest export economy and exported around 77 billion in 2014 and resulted positive in trade balance (OEC, 2017) The exports of Finland are mainly refined petroleum, paper, steel, sawn wood and chemicals, and the top destinations are Germany, Sweden, Netherlands, Russia, United States and China (OEC, 2017).

There have been studies about the importance of the domestic origin of Finland, but the studies have mainly focused on the ethnocentric perceptions of Finnish products (Laukkan, 2016). As mentioned above, since Finland is a relatively small country and the international trade has an extremely important role in the Finnish economy, it is necessary to understand how Finland brands itself and how it aims to be perceived.
In 2010 a delegation consisting of many different Finnish company leaders, political influencers and other highly positioned decision makers decided to work together for the Finnish country brand (Mission for Finland, 2010). They set the following six elements for developing the Finnish country brand: The first element, was to improve the appreciation of Finnish labor, which in other words is to increase the promotion of Finnish products. Second, was to highlight the gained international investments for Finnish startups and projects. Thirdly, they wanted to increase the promotion of Finnish tourism, especially for inbound tourists. The fourth point was to emphasize the fact that Finland is an international state that also connects to the fifth element, which was to attract international professionals to Finland. Last, the sixth one was to raise the self-esteem of Finnish people (Mission for Finland, 2010).

In other words, these are just subsections to this matter and it can be said that in general the mission is to develop the Finnish economy, tourism and Finnish international status. However, as the delegation states, even though the goal is to make Finland more attractive and interesting globally, the actual core is to evolve the living of Finnish people and simultaneously make Finland a better country (Mission for Finland, 2010). As this research focuses on the perceptions, attitudes, Finnish COO and country image, the results will show how the earlier mentioned brand strategy of Finland has been realized in practice and whether it has been successful.
2.4 Conceptual Framework

Figure 4. Conceptual framework developed by the authors.

The theory shows that the COO is an important quality cue for consumers when making purchase decisions. The consumers’ attitudes, product knowledge, product involvement and country image affects how significant impact the COO cue has when evaluating products. Therefore, the authors developed the conceptual framework that can be seen in figure 4, from the secondary data in order to visualize how the different junctions of theory are related and to have a guideline for conducting the primary research.

As the purpose of this research is to explore how Finnish people and Finland are perceived among foreign consumers and how the COO impacts the intentions to buy Finnish products the following two research questions were set:

The first research question is: *What is the country image of Finland among foreign consumers?* In order to be able to answer the first research question it is necessary to
understand the factors that create a country image as it effects on how products/brands from Finland are perceived.

The second research question is: *What are the attitudes of foreign consumers towards products/services from Finland and how does it affect purchase intentions?*

Therefore, it is also crucial to understand the importance of COO cue in consumers’ product evaluations. It is necessary to find out how much consumers know about Finnish products/brands as well as what the attitudes are towards Finnish products among foreign consumers since these attitudes affect the purchase intentions.

These research questions will be answered by conducting semi-structured interviews with some qualitative elements. The research procedure will be explained in detail in the following chapter.
3 Methodology

This chapter will introduce the methodology which is used to gain insights in order to be able to answer the research questions in this study. It will begin with the research philosophy and research design stating why the following methods are appropriate for the study, followed by research approach and data collection method and its different qualities.

3.1 Research Philosophy

There are two broad philosophical research paradigms that are used in marketing research which are positivism and interpretivism (Malhotra, & Birks, 2007). Positivist research philosophy is used when a theoretical framework is embraced by formulating hypothesis and testing it on a large sample (Malhotra, & Birks, 2007). Positivist research is quantitative research and therefore emphasis is on objectivity and measurement of ‘facts’ by statistical analysis. Statistical analysis is not suitable for interpretivist research which is qualitative and it is used to understand the nature of the research problems. Qualitative research rather examines a small number of cases to explore phenomena and interrelationships in detail (Malhotra, & Birks, 2007). Therefore, the choice of research philosophy contains assumptions that will determine the research strategy and methods (Saunders et al., 2009).

In this study, the interpretivist philosophy is adapted which stresses respondent-constructed, dynamic and developing nature of reality by observing and questioning the respondents (Malhotra, & Birks, 2007). The interpretivist research seeks to understand the influencers behind marketing phenomena and therefore it focuses on individual cases rather than a large sample. The aim is to be able to describe the phenomenon that is studied as well as to understand the effects of context and nature of consumer behavior. A theoretical sampling is used in interpretivist research, meaning that the data collection process is derived from theory that is constantly evolving and it is not seeking to generalize the samples (Malhotra, & Birks, 2007). Interpretivist research aims to develop
a new theory and it is not too focused on ideas that already exist. As such, an interpretivist philosophical perspective is used in this study to conduct a qualitative research that seeks to provide multiple explanations of the phenomenon that is studied in this paper.

### 3.2 Research Design

The design of the research can be classified either descriptive, exploratory or explanatory and the main thing is to have a design that is closely connected to the research questions (Saunders et al., 2012). In descriptive research the focus is to describe market characters such as picture of events, situations or persons that are reasonable to the topic. Descriptive research requires all information to be clear before the data collection, therefore the research is planned and structured in detail (Saunders et al, 2012; Malhotra, 2012). Explanatory research is used in quantitative studies as it aims to identify relationships between different variables. The data can be statistically analyzed and the correlations between variables can be found (Saunders et al., 2012).

Since the aim of this study is to explore the research problem precisely to gain additional insights, exploratory research type was chosen. The goal is to explore and investigate how international consumers see Finland as a COO and why. According to Malhotra (2012) the use of exploratory research is desirable for example in situations when the topic cannot be measured in quantifiable way or, when the problem requires more precise definition. In exploratory research the nature of the research is evolutionary, meaning that research questions are used rather than hypotheses or actual measurements (Malhotra, 2012).

### 3.3 Research Approach

Research approach can be deductive meaning that the research is built on prior theories and knowledge which will lead to developing a new theory (Woodwell, 2014). An opposite of deductive approach is inductive approach where there is no theoretical framework and the collected empirical data is used to come to a conclusion (Woodwell,
Deductive approach is not suitable when studying human behavior as the assumptions are not stationary. Inductive approach has the risk of being too limited since it is only providing one explanation which has been created from the collected data (Woodwell, 2014).

Therefore, a combination of these two approaches called abductive approach is the most appropriate for this study as it includes elements from both deductive and inductive approaches. In abductive approach the researchers convert the prior theoretical framework into theoretical questions and the data can be analyzed through existing theory or a new theory can be presented (Ali & Birley, 1999).

A qualitative research approach was applied in this paper in order to get deep understanding on the reasons why international consumers would or would not purchase Finnish products and how international consumers perceive Finland. As quantitative research focuses on providing statistical information and understanding of general trends by studying correlations between variables it was not a suitable method for this study. Therefore, qualitative approach was chosen to provide more detailed information and deeper understanding on the topic (Woodwell, 2014). Since the data collected in qualitative research is more complex than in quantitative research, also the sample size is smaller (Woodwell, 2014). Using qualitative approach for this study is more appropriate as it will provide a thorough understanding on why or why not consumer would buy Finnish products.

### 3.4 Data Collection Method

In this thesis the authors collected both secondary and primary data. Secondary data was collected through Google scholar, from relevant literature and by using the Jönköping University library’s database.

There are several ways of collecting primary data, but as in this case the chosen research method is qualitative, some of the methods are not appropriate. Usually when qualitative data is collected researchers use focus groups, open-ended questionnaires and interviews,
in order to get deeper insights and opinions from the issue (Woodwell, 2014). The authors decided that for this study, the most suitable method is interviews. There are few different kind of interview types. Interviews can be formal and structured, informal and unstructured, more similar to open conversations or they can be something in between (Saunders, Lewis & Thornhill, 2012). One frequently used typology divides the interviews into three forms. First, structured interviews, where the questions are made in advance and the interview follows the questions without getting any additional insight. Second, unstructured interviews, which are executed without any predetermined questions and where the questions are formed through the idea of the research during the interview. The third one is semi-structured interviews, where the researcher has few predetermined key questions, but during the interview, researcher can leave out or ask additional questions in order to obtain the answers which are the most relevant for the study (Saunders et. al., 2012).

Therefore, thematic and semi-structured interviews were used for the data collection as they allow to investigate the reasons behind consumer choices and to understand the key factors of consumer perceptions. By using semi-structured interviews with pre-planned themes, the researcher gets the opportunity to gain responses which will create additional value for the researched phenomenon. For instance, during a semi-structured interview, the researcher can come up with follow up questions, in order to gain deeper insights for a certain matter. In addition, during the interview the researcher can adjust the questions and repeat them in order to truly understand the meaning of the answer (Saunders et al., 2012).

Since the purpose of this research is to understand the perceptions and attitudes towards Finnish country image and Finland as a COO, semi-structured interview is considered to be the most suitable data collection method. Semi-structured interviews allow the researchers to have flowing conversations with the interviewees yet still covering the researched themes (Saunders et al., 2012). It is appropriate to have some predetermined questions to guide through the interviews and in order to obtain the desired responses to the matter and therefore an interview structure with supporting questions was planned beforehand.
In addition, some quantitative elements were added to the interviews in order to test the Brand recognition of Finnish brands and find out purchase intentions towards different Finnish industries. These quantitative elements were chosen to provide additional and more specific information to the topic. The purchase intentions scale shows whether the purchase intentions towards Finnish products vary within different industries. Whereas, testing brand recognition reveals how well international brands from Finland are known worldwide. The interview elements will be explained in more detail later in this chapter.

3.5 Sampling Process

In general, it can be said that there are two types of sampling techniques, non-probability sampling and probability sampling (Malhotra, 2009). According to Malhotra (2009) probability sampling is a sampling technique where the participants are selected by chance. In this paper the authors will focus on the non-probability, since it is more suitable for this research. Non-probability sampling is based on the judgment of the researchers’. In other words, the researchers’ will choose their sample from a population which is the most convenient. Therefore, from the non-probability sampling techniques, the authors decided to use convenience sampling. When using convenience sampling, the participants are selected simply due to the fact that they are the most convenient choice for the researcher (Malhotra, 2009). Moreover, convenience sampling is often used when the timeframe for the study is scarce and there are financial barriers, also convenience sampling is less expensive and less time consuming than other sampling techniques (Malhotra, 2009) making it the most suitable for this research.

The authors decided that non-probability sampling was the most suitable for the research due to the exploratory nature of the research and relatively small sample size. By using non-probability sampling, the authors were able to choose a sample that included diverse respondents from different backgrounds and genders. Using convenience sampling, all the participants for the sample were chosen from Jönköping International Business School, as these participants will be the future business decision makers and thus their perceptions, opinions and thoughts are the most vital information for the research problem.
3.6 Execution of Interviews

The authors interviewed twenty international master students from Jönköping University to be the sample of this study for primary data collection. When selecting respondents to the study a diversity regarding the gender and nationality was the aim and therefore nine males and eleven female respondents from different cultural backgrounds participated in the study. Since all the chosen interviewees were international business students the language of the interviews was English. All the interviews took place face to face in Jönköping during April 2017 in a calm and neutral place in order to have an unbiased atmosphere. When executing the interviews, it was important to create a relaxed and comfortable atmosphere and obtain trust from the interviewees (Malhotra & Birks, 2007). Therefore, in all the interviews there was two interviewers, one leading the conversation and the other one asking additional questions in order to have rich and flowing conversations. All the interviews were also recorded.

The authors conducted total of two test interviews. After the first pilot interview some adjustments to the interview structure were made, since it was realized that the interview did not produce the desired results. After the adjustments, another test interview was conducted which turned out to be successful and provided all the valuable answers that are beneficial for the research problem and therefore the second test interview was also included to the sample. In addition, as mentioned, the first test interview was not successful and thus is ignored from the findings. During the conduction of the interviews the authors recognized that after 16th interviewee a saturation point had been reached, meaning that the answers started to repeat the earlier ones without providing new valuable information. Therefore, four more interviews were conducted, to make sure that the saturation point had been reached and necessary information had been collected.
3.6.1 Interview Structure

The interviews consisted of three pre-planned topics which were:

- Topic 1: Attitudes towards Finland and Finnish people & Country Image of Finland
- Topic 2: Knowledge about Finnish products/services
- Topic 3: Finland as a COO

Demographics of the respondents were asked in the beginning before starting the discussion. All the topics included from two to six semi-structured questions which were used as a guide throughout the interviews (see Appendix 1.). In order to stimulate rich discussions interviewers asked also additional questions outside the planned topics.

Last part of the interviews consisted of two qualitative elements which were chosen to support the research and to get more insights on the interviewees brand knowledge and purchase intentions towards Finnish brands.

Firstly, the interviewees were asked to rate their purchase intentions towards six different industries on a Likert scale from 1 to 5 (1=Would not buy, 2=Most likely would not buy, 3=Neutral, 4=Most likely would buy, 5=Would buy) considering Finland as the COO. The researchers chose to use a Likert scale as it commonly used when measuring attitudes about a particular topic or behavior items (Losby, Wetmore, 2012) and it shows the extent to which the interviewees are willing to purchase products from different industries. The chosen industries for the scale were: Food, Technology, Fashion, Cosmetics, Sports Equipment and Music (Appendix 2.)

After that, the interviewees were given a paper including logos of 15 international brands from various industries. The interviewers went through the list of brands one by one first asking whether the interviewee recognized the brand and secondly, whether they knew where the brand originates from. On the list, there were ten big Finnish brands that are popular abroad and also five other popular foreign brands just to make sure that the interviewees could not recognize a pattern of only investigating brands from Finland (Appendix 3.)
The international Finnish brands were chosen from the same industries that appeared in the Likert-scale. The chosen brands and their industries were: Lumene - cosmetics, Fazer - food, HIM - music, Marimekko - clothes, Angry Birds - technology, Suunto - sports equipment, Nokia - technology, F-Secure - technology, KONE - technology and Salomon - sports equipment.

A table of the demographics of the interviewees can be found below along with the information of whether they have visited Finland or not. All the interviewees were also coded to be able to clearly quote their responses in the findings. As can be seen from the table, interviewee one stands for R1, interviewee two stands for R2 and so on.

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<th>Profession</th>
<th>Age</th>
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<td>No</td>
</tr>
<tr>
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<td>22</td>
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<tr>
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<td>23</td>
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<tr>
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<tr>
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<td>Male</td>
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<td>25</td>
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</tr>
</tbody>
</table>

Table 1. Interview respondents’ demographics
3.7 Qualitative data analysis

When speaking about qualitative research, one of the most common method for analyzing textual material or communication is content analysis according to Malhotra & Birks (2007). The authors state that when using content analysis, the data is reduced, summarized and formed based on the existing theory. The same authors add that the term content analysis includes analytical actions as well as observation. The analysis can be done by words, topics or themes and it means that the communication is divided into smaller parts or categories, in order to follow the rules of forming it based on the existing theory (Malhotra & Birks, 2007). After the data was collected the authors transcribed the intro transcripts and reduced the large chunk of data into three categories which were presented in the previous chapter.

3.8 Trustworthiness

According to Golafshani (2009) even though reliability is often used with many kinds of researches, it usually only evaluates quantitative researches. Golafshani (2009) also states that because of the purpose of evaluation between quantitative and qualitative research is different, using reliability is irrelevant in qualitative research. In addition, Stenbacka (2001) states that using reliability in qualitative research is misleading and it cannot be used as a criterion when evaluating the study. Therefore, the authors decided to point out the quality of the study by using the criterion formed by Lincoln and Guba (1985). In their criterion, when evaluating an interpretivist study the evaluation should be based on the following four points.

Credibility is the first of these four points. It stands for the idea where the research is conducted in a way that the researchers clarify and define the topic for the respondents before beginning with the research and that the research studies what it is supposed to (Lincoln & Guba, 1985). The authors act according to the credibility and explain the topic and the study for the respondents before interviewing.
The Second one of the four points is transferability. According to Lincoln and Guba (1985) it stands for the idea where the findings of the study can be beneficial for similar studies, in order to enable generalization. Based on the author's' research and knowledge of the perception and attitudes of Finland and Finland as a COO are scarce, and thus the findings can be beneficial and applied in the future in similar researches.

The third element in this criterion is dependability. It stands for the idea where the researchers provide accurate and well-presented information about the research so that the reader is able to understand the processes which are included in this study (Lincoln & Guba, 1985). In order to do so, the authors will state the activities made for the findings and quote the respondents in the findings.

The last and the fourth point in this criterion is the confirmability. Lincoln and Guba (1985) state that confirmability refers to a point that all the processes are described and presented and that the findings are based on the data collected. Therefore, the findings will be carefully stated based on the data collected from the respondents.

3.9 Ethical considerations

While conducting a research there are certain ethical responsibilities the researchers have to take into consideration (Malhotra & Birks, 2007). According to Malhotra and Birks (2007) researchers have to choose a sampling method which will minimize the possible sampling and non-sampling errors. In addition, they state that when a non-probability sampling is used, for instance convenience sampling, the findings cannot reflect a general opinion or a mindset of a whole population (Malhotra & Birks, 2007). Therefore, in this thesis the target group is clearly defined and the results are not generalized to a population. In addition, the interviews were conducted as confidential and thus the identities of the respondents are not revealed.
4 Findings & Discussion

This chapter will go through the findings gained from the twenty interviews that were conducted for international students. In order to find the answers for our research questions the interviews covered three topics with interviewees, the first topic being attitudes towards Finland and how foreigners see the country and its people. Thereafter, there was a more specific discussion on knowledge about Finland and Finnish products and the interviewees’ awareness of Finnish brands. This was followed by the perception of COO, finding out how international consumers perceive the quality of Finnish products, how the Finnish origin of products effects on them and finally what kind of role COO has in general.

4.1 Attitudes towards Finland and the Finnish country image

The authors focused on finding out what foreign consumers know about Finland and how they perceive the country. According to the interviews, most people did not have that much knowledge about Finland. They usually think of Finland as a similar country to Sweden and Norway, which according to the interviewees are more known internationally than Finland. Most common answers mentioned by the respondent, when asked to think about Finland were good education system and Nokia.

When it comes to the education system, respondents who claimed not to have that much knowledge about Finland, were aware the high level of education, as for instance R15 stated that “I know very little about Finland, but I know you have a good economy and one of the best educations” and while the interviewers further addressed this, R15 continued that “In Africa, I have heard about it from the news”. In addition, especially the respondents who were more familiar with Finland were more aware of the good education. For instance, R18 stated that “I have heard that you have an awesome education”, R2 stated that “My associations to Finland are coldness, high quality of education and boring” and R17 “You have very good education system”. It can be noted that these are aligned with the theory of Pickens (2005) where perceptions and attitudes
are formed through experiences. In this case the experience came through news in or from other information sources.

One of the strong associations was the high alcohol usage of Finnish people. R8 stated that “Of course I associate Finland with alcohol, mainly because of the old stories that I have heard”. In addition, R6 knew from history that “I know that back in the day Finnish people moved to Sweden to work within low-paid jobs and they used to drink a lot of alcohol, most likely that is not the case anymore, but that is why I associate alcohol to Finland”. R3 explained that “I have often seen Finnish people very drunk on the ferry from Sweden to Finland”. As mentioned, alcohol consumption came up several times when discussing what the respondents think of Finland. Pickens (2005) states that history has an effect on the attitudes and perceptions of a country which was also clearly seen in this study. Commonly, why alcohol was associated was due the interviewees personal experiences with Finnish people. It was also found out that even though some of the respondents thought about alcohol when describing Finland, they could not explain why this was the case. Associating alcohol with Finnish people is a form of stereotyping for most of the respondents. As Verlegh and Steenkamp (1999) explained, the stereotypes can be formed by experience, which was the case for R13, or they can also be formed through media exposure or education, as can be seen from the answers of R6 and R8.

In addition, interviewees associated the fact that Finland it is part of Nordic countries. On the other hand, most of the respondents thought of Finland as a part of Scandinavia. For instance, R20 stated that “its a Scandinavian country, it's cold” whereas, R12 stated that “I know it is a Scandinavian country” and also R8 assumed that “I think it is a Scandinavian country” which however, is not correct since formally Finland is not part of Scandinavia. It can be assumed from the interviewees’ answers that they were well aware that Finland is part of the Nordic countries, the northern location of the country might be the reason why they thought it is also part of Scandinavia.

As most of the respondents knew the geographical location of Finland they also expected Finland to be similar to Sweden and other Nordic countries. Some of the respondents even explained that due to the lack of knowledge they only perceive Finland as a part
of the Nordic countries. For instance, R10 mentioned “I think that all the Nordic countries like Sweden, Norway, Finland are similar”. As it can be seen, some respondents connect the characteristics of the neighboring countries to Finland which is also explained in the theory by Papadopoulos and Heslop (1993). This can also be explained by applying the Summary construct theory, meaning that consumers summarize in their minds that all countries from a certain area are similar (Henderson & Hogue, 2010).

The reason why the interviewees constantly compared Finland to Sweden and other Nordic countries was that all of the respondents are currently living in Sweden and thus they are familiar with the qualities and culture of Swedish people. It was found out that the interviewees feel that the other Nordic countries are more promoted abroad than Finland. For instance, according to R11 “to be honest I don’t know that much about Finland, I know it exists, but it is not really, Sweden is way more promoted than Finland”. As Fan (2006) states, in order to be successful with the nation branding, it is important for a country to help the companies to market their products for foreigners. As the general opinion was that the respondents could not recall seeing any promotion of Finland, it can be noted that the nation branding of Finland abroad has not been successful and it needs improvement.

When discussing traveling to Finland, some of the respondents seemed to be really interested and fascinated about it, usually because of the possibility to see the Northern lights and enjoy the nature. R20 for instance stated that “Would be attractive country for me to travel, I have thought about going to Lapland and also I want to visit Helsinki, I know that people mainly go there because of the northern lights and ice-fishing”. Most of the respondents who claimed to be willing to travel to Finland stated similar reasons as R20. Although, some the respondents were willing to travel to Finland, in order to get more knowledge about the country because they currently know so little about. In general, the respondents who had not been visiting Finland were interested in or at least open minded to travel there, even though it was not their number one destination for holiday. The respondents who had been to Finland were rather satisfied with their experiences, and would definitely recommend Finland as a tourist destination. Moreover, as Finland was seen as an interesting especially because of the Northern lights and Lapland, some of the respondents also associated nature to the country image of Finland. Yet it can be noted
from the interviews that Finland is not much advertised as a travel destination abroad, as for example R10 respondent mentioned “I don’t know what there is in Finland to see, so there is kind of no reason for me to go there”. Thus it can be said that there would be potential to attract more tourists to Finland by advertising what there is to see and do, as the interviewees who had visited the country had truly enjoyed their time.

Some of the respondents mentioned that since the language in Finland is different from Norway, Sweden and Denmark, it affects also to the perception about the country and its people. For instance, R1 mentioned “as the Finnish language is really odd and different, other Nordic countries and their people feel somewhat safer than Finland”. Also R18 mentioned that “I know that the Finnish language is extremely difficult”. According to Reynoso Landeros and Lang (2011) ethnocentrism impacts on consumers so that they prefer countries that are similar to their own country which might be the reason why many of the respondents perceived the other Nordic countries as more attractive.

Moreover, coldness, snow and winter came into the minds of some respondents because Finland is a Nordic country. For instance, R18 claimed that “you have 365 days of coldness in your country”. Associating Finland with coldness is also a stereotype, as stereotypes are expectations and associations about different nations and national groups (Fiske & Taylor, 1991). Since Finland is located in the northern Europe, respondents assume that the weather conditions must be very cold and snowy.

When discussing further the associations, the authors found out that people tend to connect heavy metal music and rock music to Finland. This of course was not in the minds of all interviewees, since the music taste between respondents might differ, but some of the respondents knew a lot about the Finnish bands and musicians. For instance, R7 explained that “Since I was young, I have been quite obsessed with Finland since my all-time favorite band comes from there”. She continued that “because of the band I became really interested in Finland and especially the music and that is also the reason why I wanted to go study abroad in Finland to actually see how the country was. Since then I have been in love”. As it can be noted from this, for some respondents the perception of Finland has become very positive due to the origin of a band, resulting interest in Finland.
This finding is directly in line with the theory of country image by Kotler and Gertner (2002) who stated that one of the factors that affects to the formation of country image is famous people from the country.

The authors also found that only some of the respondents mentioned sauna when asked to associations about Finland. Since sauna is seeing as the symbol of Finnishness (Embassy of Finland, 2005) the authors expected the associations between sauna and Finland to be in the minds of majority of the responses, which was not the case in the interviews.

After finding out what the interviewees know about Finland as a country, the authors moved on in order to find out what were their perceptions about Finnish people are. Since many of the respondents were not very familiar with Finnish people most of them expected Finns to be similar to the people in other Nordic countries, which was the case with the country image as well. When describing perceptions about Finnish people more precisely, the majority of the respondents stated that Finnish people are reserved but deep down very friendly and nice. There was a clear stereotype especially about Finnish men, who were known to be masculine and distant as for example R6 described “A typical Finn chops wood and is really manly and drinks beer and takes the snowmobile to school. They are really reserved and not willing to show emotions”.

Needless to say, the respondents who had experiences about Finland either from living or traveling described the characteristics in more detail. Accordingly, R5 who had been to Finland and interacted with Finns, said that “First Finns are very closed, but when you get to know them they are nice” She also added that in her opinion “Finnish men are more reserved than Finnish girls”. Moreover, R2 who used to live in Finland claimed that “I think Finnish people are quiet and people start to talk when they are drunk, I actually think that they are bit depressed”. On the other hand, she added “Finnish like to keep their own space and as I lived there it was pretty hard to get to know to Finnish people since they do not interact with foreigners”. Also R7 stated “I found that a bit annoying that, since Finns are much on they own it was very hard for me to make friends, but though, it is a cultural difference and I can understand that”.
In addition to the slightly negative descriptions about characteristics of Finns, commonly interviewees thought also that Finnish people are really conscientious and they complete the tasks that are assigned to them. Many interviewees see Finns as very trustworthy and as the kind of people who are willing to do things according to the rules. Finnish people are often thought as people who speak very decent English and are straightforward. Even though the common perception was that Finnish people are not talkative it still came up that they are not afraid to say things loud and clear if needed. In line with the theory, these attitudes and stereotypes about the people from Finland are formed through experiences with the people or they are just beliefs about the characteristics of Finnish people (Verlegh & Steenkamp; 1999). Thus these attributes have an impact on the perception of the country (Fill et al., 2012; Pickens, 2005). For instance, R7 explained that “since I know that Finnish people follow the rules I would assume that everything from Finland is good quality”.

As the authors gained information about the Finnish people and Finland in general, the purpose was also to find out whether foreign consumers are aware of any internationally famous Finns. Some of the respondents could not name any and they claimed that it is because they are not so familiar with the country or that they are not aware of the Finnish origin of a celebrity. On the other hand, most of the respondents knew quite many famous Finns. It was found out that there were differences in knowledge between male and female respondents.

Commonly female respondents could name various bands such as Nightwish, The Rasmus, Apocalyptica and HIM. Only well-known music band which both female and male respondents knew was Lordi which was due to their success in the Eurovision song contest. Male respondents could name multiple famous Finnish hockey players who play in the National hockey league (NHL), such as Pekka Rinne, Mikael Granlund, Koivu brothers, Teemu Selänne etc. Even though differences between male and female respondents could be noticed, the results cannot be generalized due to the relatively small number of representatives for each gender in this study.

In addition, the Finnish Formula one driver Kimi Räikkönen was well-known among the respondents. Moreover, the respondents knew a few Finnish football players, like Jari
Litmanen, Teemu Pukki and Joel Pohjanpalo. Country image of Finland is also affected by the recognition of these celebrities. According to Kotler and Gertner (2002) famous citizens and entertainment industries affect the consumer’s perception of the country image which was also the case in this study. As it already came up earlier in the findings, Finland was often associated with heavy metal music due to the well-known bands mentioned above. In addition, Kotler and Gertner state (2002) that media coverage of the celebrities affects the perceptions. For instance, R12 stated that “I know this Joel Pohjanpalo the football player, because he scored a hat trick in Bundesliga and every newspaper in Germany wrote about it”.

4.1.1 Knowledge about Finnish products

The next topic that was investigated was the knowledge that the respondents have about products and production from Finland. The authors investigated which products and more broadly product categories consumers associate with Finland. Also brand associations were explored. There was a big variety between the associations, but the majority of the respondents directly mentioned Nokia and thus technology industry. For instance, R16 said that “Nokia was so long ago, but it was indestructible and that is why I still also associate the technology products with Finland”. It was found out in the interviews that Finland does not have strong product-country associations, such as Germany has with cars or Colombia with coffee (Kotler & Gertner, 2002).

Other associations were mainly wood industry, agricultural machinery, alcohol, outdoor equipment and sauna. Even though sauna was not that common association to Finland, the respondents who mentioned it claimed that saunas are very strongly connected to Finnishness. For instance, R4 stated that “Saunas are quite popular, those are always promoted as designed in Finland and made with Finnish quality”. Also R20 stated that “everyone in Finland has a sauna, that is really Finnish”. Moilanen and Rainisto (2008) stated that countries have to have strong junctions between the products and the country, in order to stand out from the crowd in the global competition. In this case it still cannot be stated that Sauna, or any other specific product, has a strong junction between Finland, since only some of the respondents felt so. Therefore, strengthening the promotion of the Finnish sauna, for example, is something that could be used as an advantage in the future when attracting attention to Finland. For instance, the same way as Colombia has
managed to build up a junction between good quality coffee and the country (Kotler & Gertner, 2002). Moreover, heavy metal music and rock music was associated as really Finnish music and majority of the respondents said that hard rock is a well-known product from Finland. This may be because of the success of Lordi in the Eurovision song contest, from which they received lot of media coverage. Therefore, media coverage is one thing that affects the country image and strengthens or creates the product-country junctions (Kotler & Gertner, 2002; Han, 1989).

After gaining the knowledge about the product-country associations the interview moved on to investigating if the respondents are aware of any Finnish brands. Almost all of the respondents knew Nokia as a Finnish brand. Also, a brand which was quite well-known among the respondents was Finnair, the Finnish airline company. In addition, Angry Birds, the lately grown mobile game, was known to be Finnish. When thinking about the general awareness of Finnish brands among the respondents, Nokia was the only one, to come into the minds of the respondents effortlessly. For instance, R12 stated that “Nokia, everyone knows Nokia, that’s obvious”. Also, R5 mentioned that “Nokia is the only brand that comes to my mind right now” and R18 “Nokia, but apart from that I don’t really know any”. In addition, the respondents were able to come up with other brands but those required further thinking and were not similar between the respondents.

After discussing the brands, the interview shifted to discussing about how come the respondents are aware of these different brands. The aim was to find out whether the respondents recalled seeing advertisements for the brands that they knew were Finnish. Majority stated that they have seen advertisements from Nokia when they were young and most of them claimed that they have personal experience of using Nokia mobile phones. For instance, R12 stated that “I don’t recall any other advertisements except Nokia” also the R5 claimed that “Nokia is the only Finnish company whose ads I have seen”. The reason for only recalling ads for Nokia could be that respondents were not as well aware of other Finnish brands and therefore they did not remember seeing other advertisements. Although in addition to Nokia’s advertising, some of the respondents said that they have seen advertising from Finnair online, but the reason why they knew that it is a brand from Finland was mainly because of the name of the airline.
As it can be noted, the promotion of Finnish products abroad is rather low. The conclusion can be made that the objective set by Mission for Finland (2010) for improving the promotion of Finnish products internationally, has not produced significantly successful results yet and thus it needs further development and emphasizing.

4.2 COO

4.2.1 Role of COO in decision making

It was found out in the interviews that there are huge differences in how much consumers care about where the products they purchase come from. Some respondents say they do not care at all about the COO. For example, R3 argued “I look more for the brand and the price” while R14 stated that he doesn’t care about COO because “if it’s milk, it’s milk” which could be either because of open mindedness when consumers care less about COO (Rawwas et al., 1996) or milk being a low involvement product when COO tends to lose its importance (Liu & Shrum, 2009). However, many respondents reported that they do check the “Made in” -label very carefully, as R13 explained “I pay attention to it for example, made in China is not as good as something else. Especially in food it matters”.

Moreover, many respondents reported that COO matters when purchasing food as they preferred buying food that comes from their own country because they know the quality. This aligns with previous studies about ethnocentric preferences in buying behavior as consumers trust the quality of products that are manufactured in their own country or they might be willing to support the local economy (Ling et al., 2015; Naumova, 2014). Another reason why the interviewees would check the COO especially when purchasing food would be negative stories they have heard about specific countries, such as “Danish meat includes antibiotics” (R13, R16) and therefore it should be avoided. The impact of negative publicity to the COO cue came up also with other industries than food, for instance R7 stated “Within clothes I don’t care unless if I hear that some particular country or company treats their employees badly”.

In line with theory by Liu and Shrum (2009), it also came up in the interviews that the COO does matter more with high involvement products as the respondents had knowledge on which countries produce high quality technology, for example. Also, the
product knowledge mattered, especially within the food products, if the respondents were aware that a specific country produces poor quality meat. In this case the COO label would have a greater significance as the consumers try to avoid buying meat from that country. Hence, this is contradictory with the theory by Lee and Lee (2009) who found out that high level of product knowledge reduces the importance of COO information.

The majority of the interviewees did not care about COO in industries such as music, cosmetics or clothing. In those industries price and brand were more important which also confirmed the study by Časas & Makauskienė (2013) which stated that the importance of COO information depends on product category, consumer’s involvement and knowledge level, ethnocentrism, price and brand.

4.2.2 Finland as a COO and its effects on purchase intentions

All of the respondents perceived Finland as a trustworthy COO and therefore they reported that having Finland as a COO would either have a neutral of positive effect on their purchase intentions. Whether the effect would be neutral or positive would depend on the product category. This is also explained by Moilanen and Rainisto (2008), who stated that when a country is being perceived positively it will lead to positive perception of the country’s products as well. Three respondents had lived in Finland and they had even more positive perceptions about the country as COO. For instance, R3 stated “Since I have lived there it affects me really positively and I would actually even prefer Finnish products” while R5 argued that “having Finland as COO will influence me especially because I feel connected with the country, so for sure I would have more interest to the product and it would increase my purchase intention”. This can be explained with argumentation by Samiee et al. (2016) who stated that for example familiarity with the country affects the consumer’s COO perceptions. Accordingly, the authors noticed during the interviews that commonly the interviewees who had lived and/or visited Finland, which was about half of the respondents, seemed to have more positive perceptions towards the country compared to the ones who had not visited the country.

Products from Finland were expected to be of high quality since it is a Nordic country and many respondents knew that Nordic countries are very developed and have high standards and regulations in production. This can be explained with the theory of Halo-construct (Henderson & Hogue, 2010) when consumers evaluate products by using
country stereotypes as quality indicator. Another reason for expecting high quality was that interviewees had good experiences with Finnish products in the past, such as Nokia mobile phones as R20 explained “I feel that because of Nokia technology products from Finland are high quality”. This again is in line with the Summary-construct theory (Henderson & Hogue, 2010) where once a product is being perceived positively, the consumer summarizes that all similar products from that country are good, too.

Moreover, it did come up multiple times in the interviews that especially technology from Finland was expected to be of high quality. This can be because of Nokia or also, as stated in the findings previously, because interviewees knew about the high level of education in Finland. Some of the respondents explained that by knowing about the high quality of education they would expect it to lead to high quality in production as well. Also, especially design and outdoor clothing/equipment was mentioned to be of high quality when coming from Finland. For example, R10 explained that “I perceive Finland, Sweden and Norway the same so that there are places for hiking and great nature. That is why all the products that are linked to outdoor life like sports equipment I expect to be of good quality”. Therefore, the country image of Finland as a country with great nature, led to the expectation of having good quality sports and outdoor equipment.

Vast majority of the respondents associated Finland with the high Nordic quality being more similar to Sweden than Russia from the neighboring countries. Yet, a few respondents reported to be slightly skeptical about the quality because “Finland is close to Russia” (R12) and “Finland is little like eastern European country in my mind so not as good quality as Swedish products” (R13). It came up that Russia has rather negative image due to the country's economic, social and political conditions and since it is a neighboring country to Finland it does also affect how Finland is perceived by some of the respondents. Accordingly, Papadopoulos and Heslop (1993) explained that the actions of neighboring countries are external elements which do affect country image as well.

None of the interviewees had heard negative things about Finnish products or Finland as a country and therefore it was difficult for the respondents to name anything specific what not to buy from Finland. After further thinking some respondents mentioned that they had not heard about a Finnish car brand and therefore they might not purchase a car from
Finland as they could not be sure about the quality of car production. Also, a few respondents reported that Finnish beer is not something they would not prefer since they had not enjoyed the taste. For majority, there was nothing that they would not be willing to buy from Finland. As can be noted, these explanations were both related either to the experience or lack of experience with specific Finnish products.

4.3 Purchase intention scale and Brand recognition test

![Purchase Intentions Chart](chart.png)

Figure 5. Purchase intentions toward different Finnish industries

The figure 5 above represents the ratings for purchase intentions towards different industries from Finland when only the COO information was given, excluding all the other extrinsic and intrinsic cues. As the respondents were asked to rate their buying intentions from a scale from 1 to 5 (1=would not buy, 5=would buy) the sum of these points for all the industries were counted from the 20 answers. The highest possible score was 100 and the lowest 20.

As can be seen from the figure 5 above, the interviewees were most positive toward purchasing technology, sports equipment and food from Finland. This result is in line
with the answers that came up already in the interviews. As already mentioned earlier in the findings, the interviewees expected especially technology and sports equipment to be of high quality when coming from Finland. According Grewal et al., (1998) quality perception is one of the factors influencing purchase intentions which can be seen also in the results of this study since technology and sports equipment got the highest scores.

Fashion, music and cosmetics were the least attractive industries with lowest scores. They also came up earlier in the interviews when respondents named industries where COO matters less. As it came up in the interviews, many respondents did not have experience with Finnish products or brands from these industries which might be one reason for the low ranking. Other reason could be that for these industries other extrinsic quality cues, such as price or brand name matter more than the COO information, which was the only cue given in this part of the study.

![BRAND RECOGNITION AND COO KNOWLEDGE](image)

Figure 6. Brand recognition of Finnish international brands and Knowledge of the COO of the Finnish brands
The Brand Recognition and COO Knowledge figure 6 above visualizes the amounts for how many out of 20 respondents recognized the logos of Finnish brands that were shown to the respondents and how many of them knew the COO correctly.

Out of the ten Finnish brands that are known worldwide the most recognized were significantly Nokia (technology) and Angry Birds (technology). All of the twenty respondents recognized these two brands and the they also continuously came up during the interviews when asking associations about Finland. The third one that was rather well recognized among the interviewees was elevator manufacturer KONE (technology). Over half of the respondents recognized Fazer (food), HIM (music), Marimekko (fashion) and Salomon (sports equipment). Less than half of the respondents recognized Lumene (cosmetics), F-Secure (technology) and Suunto (sport equipment).

Nokia turned out to be the most known brand to originate from Finland out of the brands shown in this study. 17 respondents out of 20 knew that Nokia comes from Finland. The second best the respondents connected Angry Birds to Finland. HIM, Fazer, KONE and Marimekko were known to be Finnish by less than half of the interviewees. There were two Finnish brands whose origin none of the respondents knew which were F-Secure and Salomon.

For most of the brands the recognition ranking was much higher than the COO knowledge ranking. This might be because the brands do not highlight their Finnish origin in their marketing. Moilanen and Rainisto (2008) stated that brands can benefit from a positive country image, while a country can also benefit from its strong brands. It seems that the Finnish brands that were used in this study have not taken the advantage of Finland being perceived as a country that has high quality products since most of the interviewees were not aware of the COO. Therefore, emphasizing the Finnish origin of the brands could lead to making Finland appear more interesting to foreign consumers and thus improve the country brand as well (Moilanen & Rainisto, 2008).
5 Conclusion

In this chapter the authors will conclude the thesis and present the answers for the research questions. In addition, the managerial implications will be introduced and the future research suggestions are given.

5.1 Answers to Research Questions

The purpose of this research was to investigate what the country image of Finland is among foreign consumers and whether Finland as a COO has an effect on purchase intentions. COO is a phenomenon which has been widely studied for many decades and there are multiple theories that explain which factors impact on how COO is perceived, such as country image, product knowledge and attitudes. The research was based on finding the answers to the following research questions which will be answered in this section.

RQ1. What is the country image of Finland among foreign consumers?

Even though Finland is known to be one of the Nordic countries, in the minds of foreign consumers it does not stand out from the other Nordics. The rather negative sides of the country image are that Finland is a dark and cold country, with a high consumption of alcohol. However, as being part of the Northern Europe and a western country, Finland is expected to be developed, egalitarian, modern and trustworthy. The strongest associations about the country are good education system and Nokia. Especially Nokia has had an effect on the country image of Finland and it is still the strongest brand that foreign consumers still associate with the country. Finland is perceived as a technologically advanced country due to the awareness of high quality education and positive experiences with Nokia in the past. Also, the Finnish nature and outdoor life are part of the country image as foreign consumers have heard of Lapland. When it comes to Finnish people, a common perception is that they are reserved and not talkative yet still laid back and reliable. Foreign consumers think that Finland is a country that produces heavy metal music and has few successful athletes. Overall, the Finnish people were also
expected to be rather similar to the people in other Nordic countries. The perceptions of foreign consumers about Finland are heavily based on assumptions and stereotypes due to the lack of knowledge about Finland compared to other Nordic countries.

**RQ2. What are the attitudes of foreign consumers towards products/services from Finland and how does it affect purchase intentions?**

The overall attitudes towards Finland are positive, yet consumers lack actual knowledge about Finland, since the country is not promoted abroad to a great extent. A common assumption was that products and services coming from Finland are of high quality. This was due to the presumption, that since Finland is a part of the Nordic countries and the European Union, it produces high quality products as the regulations and standards in production are high in the Nordics and in the EU. Therefore, having Finland as a COO works as a quality cue and has mostly a positive or neutral effect on purchase intentions. Especially in technology, food and sports equipment industries benefit from having Finland as a COO as it leads to expectations of high quality and thus increase purchase intentions. Whereas for music, fashion and cosmetic industries the effect of COO was not as positive due to the lack of exposure of foreign consumers to these products from Finland. When it comes to tourism, Finland was not seen as the top destination to travel, yet foreign consumers were open minded towards travelling there if they would know more about the country and its attractions.

Making Finland more known for its products and brands would further strengthen the positive effect on purchase intentions. Foreign consumers recognize the logos of Finnish brands well, yet the consumers lack the knowledge about the origin of the brands, which reveals that many Finnish brands do not emphasize the origin in their branding and marketing. Therefore, it can be said that in order to improve the perception of Finland and differentiate it from the other Nordic countries Finland should be more visible abroad by marketing the country and its products, as it is still a very unfamiliar country for foreign consumers. Also, Finland could emphasize the other beneficial qualities that it is already known for, such as the high quality education, in order to attract foreigners to the country. By increasing the awareness of the education level in Finland, foreign students, who are the futures businessmen, would be more interested in applying for internships or degree studies in Finland. It has been studied that there is a causality between country branding
and attracting talented professionals to the country (Hedman, 2002). Therefore, being known as a country of high quality education could be used as a competitive advantage over other Nordic countries, for instance.

5.2 Managerial implications

As this thesis covered the attitudes and perceptions towards Finland, Finnish country image, Finland as a COO, and how those are affecting on purchase intentions, it is crucial for the marketers and stakeholders to understand what can be done in order to improve these perceptions and images. As Kotler and Gertner (2002) stated, the country image and COO has an impact on the attitudes towards foreign goods. The findings of this study show that even though the general knowledge about Finland is very low, foreign consumers seem to have a positive attitude and perception towards Finland as a COO and Finnish country image. In order to improve these perceptions and attitudes, Finnish nation has to support and promote the national brands so that they can improve their brand images. In addition, the decision makers need to further promote Finland, especially since the findings showed that foreign consumers form their attitudes usually based on their perception of Finland’s neighboring countries.

In order to further clarify the benefits of this study for the marketers and business developers, the authors will now present more specific managerial implications. First of all, as it can be seen from the findings, Nokia still holds a strong brand image among the foreign consumers. Nokia’s strong brand image has led to a situation where foreigners perceive the whole technology industry coming from Finland as high quality. Therefore, it is crucial for the decision makers and marketers in technology industry to exploit this strong image and base their marketing and promotion strategies on it. For instance, Finnish technology companies could promote internationally their technology products by using “Finnish technology” and thus bring more value to the promotion due to the positive perception. Related to this kind of promotion also the Finnish government could support these companies in their international promotion, in order to improve the Finnish nation brand which can be later used as an advantage when promoting new products internationally. Furthermore, another suggestion for improving the Finnish country image
and also the COO is that Finnish government should provide incentives for the global Finnish companies in order to make it beneficial for them to emphasize the Finnishness of their product and production. Hence, they can form liaisons which are beneficial both for the company and for the Finnishness.

The perceived relationship between Finland and alcohol is a very complex thing, when thinking about the country image and simultaneous international promotion of Finnish products. Finnish alcohol brands were well known and thus were connected strongly to Finnishness. This could bring problems for the country image. Finnish people are perceived as heavy drinkers cannot be seen to improve country image. Therefore, it is even more important to promote the other features of Finnishness, such as sauna, which was connected to Finnishness and Finnish quality production. On the other hand, as the Finnish alcohol is perceived as quality alcohol it needs promotion as well. A suggestion for marketers is that they need to execute alcohol marketing cautiously so that it would be beneficial but at the same time not causing harm for the country image.

As it is stated in the findings, foreign consumers do not have much knowledge about Finland as a COO or its country image. Mostly the foreigners associate Finland to be similar to other Nordic countries, for instance Sweden and Norway. Regarding this, in addition for helping the Finnish companies, the Finnish government or the delegation who are responsible of improving Finland’s country brand could cooperate with the neighboring countries and thus come up with strategies which would turn out to be efficient for the Finnish brand. In practice, they could either learn from them and implement these successful strategies, or they could cooperate, but of course with a mutual interest.

As one of the purposes of this thesis is to provide valuable insight for the marketers and business developers in Finland, both in public and in private sector, it needs to be mentioned within which industries the emphasis of Finnishness is not necessary and thus cannot currently yield any benefits. These industries according to the findings are fashion, cosmetics and music. Within these sectors Finland as a COO did not increase the purchase intentions. On the other hand, it leaves a lot of potential for the Finnish country branding to create a future image which could include these industries as well. This is something
that the marketers in these industries should focus on: Could they benefit from the country image or should they include it as a part of their marketing strategy?

Moreover, as this thesis presents the positive perceptions and attitudes towards Finland, marketers from private and public sector, are able to take advantage of the study and thus think how they will execute their marketing and how these findings are beneficial. Furthermore, as mentioned earlier in 2010 a delegation consisting of different Finnish decision makers decided to focus on six elements in order to improve the Finnish country image and brand (Mission for Finland, 2010). It can be noted from the findings that Finland is still very unknown among the foreign consumers and thus the elements need further development and promotion. Therefore, as a conclusion it can be said that the most crucial thing for improving the country image and the perception of COO of Finland is simply to increase the awareness and improve the international promotion of Finnish products and Finland. It means that there is room for new marketing strategies for Finland and stronger liaisons between the country and its brands should be created. For instance, planning a strategy for how the country’s brands can take advantage of the country image and its brand in marketing activities and vice versa.

5.3 Future research

While in this thesis the purpose was to understand and find out how foreign international consumers perceive Finnish country image and Finland as a COO, based on the knowledge gained on this thesis, a quantitative study could be carried out in order to generalize the findings. Based on the limited sample size in this research the findings cannot be generalized, however it gives a good foundation for further studies. In addition, by conducting a quantitative research about the issue it would allow a distinction between different age groups, demographics and other distinguishing factors. By doing so, it would enable localization in different countries since opinions and knowledge about Finland might differ between countries and cultures. This would further facilitate the decisions of the stakeholders and even examine possibilities for new potential export locations. Moreover, as quantitative research allows the segregation of respondents to
different segments, thereby it facilitates the allocation of marketing activities to these segments.

In addition, the future researchers could enlarge the sample to include other than business students in order to get a wider perspective to the topic. Moreover, one could also conduct an industry specific research on the matter by focusing only on fashion industry, for instance. As this study provides a general image of the issue, by conducting an industry specific study, the decision makers and marketers could gain more detailed information on how they should change their marketing strategies.
6 References


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7 Appendices

Appendix 1. Semi-structured interview questions

Demographics
- age
- profession
- education
- nationality

Topic 1: Attitudes towards Finland and Finnish people & Country Image of Finland

- What do you know about Finland? Associations about Finland?
- What do you think about Finland and Finnish people? How would you describe them?
- How frequently you interact with Finns?
- Have you visited? Connections (friends/family)?
- Do you know any famous Finnish people?

Topic 2: Knowledge about Finnish product/services

- What products do you associate with Finland (if any)?
- Have you seen any advertisements for Finnish products/services?
- Can you name any Finnish brands?

Topic 3: Finland as a Country of Origin

- How do you see the quality of Finnish products? Why?
- How big role does COO play in your product evaluations?
  - If you get to hear that a certain product is from Finland, does it effect on your purchase intentions? How and Why?
- Does it differ between different product categories?
- Is there anything you would not buy from Finland and why?

### Appendix 2. Purchase intentions towards Finnish industries

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<th>Intentions to buy Finnish Scale</th>
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<th>Most likely would not buy</th>
<th>Neutral</th>
<th>Most likely would buy</th>
<th>Would Buy</th>
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Appendix 3. Brand recognition

1. Samsung
2. Lumene
3. Fazer
4. Him
5. Marimekko®
6. Angry Birds
7. Spotify
8. Eddie Bauer
9. Suunto
10. Nokia
11. F-Secure®
12. Kone
13. Louis Vuitton
14. Salomon
15. Garnier