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قسم التوثيق الإلكتروني



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قسم

نقسم بالله العظيم أن المادة التي تم توثيقها وتسجيلها
علي هذه الأقراص المدمجة قد أعدت دون أية تغيرات





**The Effect of Country of origin Misclassification Awareness on
Perceived Quality, Perceived Value and Perceived Risk, Caused
by Cognitive Dissonance**

An Applied Study on Fashion Industry in Egypt

أثر الخلط في ادراك بلد المنشأ على الجوده المدركه والقيمه المدركه والمخاطر
المدركه الناتجه عن عدم التوازن المعرفي
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Abstract

Globally, Country of origin and its effects, has been among the most recent and fruitful areas of research. In this research, the two-method approach, qualitative and quantitative research has been used, based on 384 surveys done. The collected data from questionnaires were statistically analyzed using SPSS 3, the purpose is to study and measure the cognitive dissonance resulted from the Country of origin misclassification awareness from consumers who were asked if they know the Country of Origin of Charles & Keith, and then focusing the rest of the research only on respondents who have misclassified the brand Country of Origin. Afterwards measuring perception of value, quality and risk before & after knowing the real Country of Origin to quantify the behavioral change happened to consumers after they are aware of the misclassification.

The research is conducted as a mall intercept at the stores of Charles & Keith located in Greater Cairo. The research showed significant cognitive dissonance after knowing the real Country of Origin of Charles & Keith brand, which chose an English brand name while it's a Malaysian brand. The misclassification insighted the researcher, where this research demonstrates that respondents after feeling cognitive dissonance have perceived the risk to be of the highest impact, which significantly changed and have increased and the least factor affected to be the perceived value. Thus, we indicate that misleading the consumers from the real Country of Origin, results in negative perceptions and behavioral changes.

Keywords: country of origin-cognitive dissonance-perceived risk-perceived quality-perceived value-qualitative research-quantitative research-fashion industry.

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Research Framework

1.1 Introduction

It is established in literature that the brand's Country of origin highly affects consumer perception, here we study the Country of origin effects on perceived quality, value and risk; its an area of research that has always been important to measure effects of Country of origin due to the changing markets & changes of consumers perceptions. Prior research points out that the brand origin effect is a significant driver for product choice among consumers who purchase fashion goods Shukla, (2011). Thus, fashion goods offer a suitable context for this study and so its chosen to be the industry of research. The Country of origin is defined as the corporation where the marketing activities for the brand is located, although there are many other definitions.

(Koschate-Fischer et al.2012) and (Josiassen et al. 2013) stated that consumers would pay more for some brands that are favorable than others and coming from a better perceived Country of Origin. Moreover, across studies and researches literature have recognized and proved that Country of origin can be seen as one of the company's assets (Thøgersen et al., 2019) which indicates how companies should hold pride to their countries they originate from, and not try to mislead consumers to other countries to gain advantage of their favorability.

Country of origin is identified and referred to as "Product from (name of country)." Another way to phrase Country of origin is "made in (name of country)." Another approach to refer to Country of origin also is differentiating if the product is national or locally produced or foreign products that are imported product Thøgersen et al.,(2019). Many researches proved the importance on Country of origin for consumer decision making, however, the most recent Country of origin

researches indicated that consumers commonly link the brands they buy to the wrong Country of origin (Magnusson et al., 2011).

Consumers often does not know that they have misclassified the brand's Country of origin and they only assume that their perceptions of Country of Origins is right Magnusson et al., (2011). Companies are benefiting from consumers' willingness to pay more for some favorable originated brands, But those companies through this research will know the effect of the Country of origin misclassification awareness and its significance , due to the globalization and the emergence of international brands and its availability worldwide, also the internet, the strong consumer awareness about brands and the fact that there are careers for brands experts, consumers can easily know the true origin of their favorite brands. But the idea is not about consumer's awareness of the real Country of origin but it's in their cognitive dissonance when they know, the change they will experience if any on their perception of quality, value and risk for this brand after they are aware of the Country of origin misclassification.

Moreover, companies intentionally try to mislead the consumer to a more favorable Country of Origin, thinking this might enhance their brand image but it's up to this research to decide whether the value will outbound the cost of such action.

This research aims to measure the effect of Country of origin misclassification awareness has on cognitive dissonance when consumers are tested to know the Country of origin and the effect of cognitive dissonance on perceived quality, risk and value before and after consumer's are aware of the real Country of origin and about their misclassification, its measured on Charles & Keith as a brand of women fashion and the industry chosen is fashion because its proven that fashion goods and

Country of origin of brands plays an important role for consumer's choice of fashion goods. Shukla (2011).

1.2 Significance of the study:

This research aims to guide professional marketers to better understand the consumer needs and their behavior towards the brands and its Country of Origin, how the Country of origin misclassification affects their perception of quality, perception of risk involved with the decision and perception of value gained, drawn by their cognitive dissonance experience. Moreover, the marketing implication will help in gaining knowledge about Egyptian consumers and how far their perceptions change after they experience cognitive dissonance, consumers feel a psychological state of discomfort due to buying a brand they thought is from another country.

Furthermore, this research guides marketers to understand the effect of deceiving consumers to believe they are from another origin, because consumers would experience cognitive dissonance, so should companies highlight the brand Country of Origin? Should they make it part of the logo? Should they communicate it in their advertisements? Should they mislead consumers? Should they build on the perception of consumers about quality, value and risk perception? All of these questions are answered through this research.

This research acquaints with conceptual basis that will explain further the theoretical knowledge about Country of origin and its effect on consumer judgments and perceptions, where the research offers significant, both theoretical and managerial contributions.

1.3 Research Context

In this research, fashion industry is chosen for its well established in other researches that fashion goods in relation to Country of origin of brands plays a vital important role with consumer's choice. Shukla (2011), in this section it will be discussed the importance and relationship of fashion industry and country of origin and some highlights on recent numbers in the fashion industry.

In so many researches, fashion industry is a main focus, since consumers are now due to globalization, more exposed to fashion trends all over the world, also they tend to imitate the latest fashion items and wear them. Moreover, fashion bloggers and fashion influencers are increasing in rate, educating people on all the recent news, simply how to wear and what to wear every season. previous researches findings stated that the Country of origin is a substantial motive and acts as a driver when consumers get to choose and compare between brands that are considered luxury goods (Shukla, 2011).

Country of origin is very much related to fashion, consumers evaluate and decide on their willingness to pay depending on the Country of origin cause it indicates quality and value as well, also consumers who have fashion taste and who doesn't know much about fashion has some believes in common like that Italian shoes are the best, and Paris is the Fashion hub, consumers consider the Country of origin as a sign of quality, and indicated the level of quality of a product, companies also manage to send clear associations with the Country of origin when they promote their store window and when they promote their brands and even on their products itself and its design (Shukla, 2011).

Country of origin is a key indicator to consumers but also is vital to consumers to know that the fashion brand they have been investing in ,where the high end