SUCCESSFUL BRAND DISSONANCE: THE PARADOX BETWEEN BRAND NAME AND COUNTRY IMAGE

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Abstract

This paper looks at a particular case study centred on a company called Ahmed Tea, based in the UK and it explores how a particular brand image outweighs any brand paradoxes that a brand could possibly portray in the real world setting. The research on branding was carried out in the previous Russian territories that now form the Commonwealth of Independent States (CIS) and it looked at the link between brand image and country image. Key Business to business managers were interviewed and their opinions solicited. The results indicate an interesting paradox in the way in which a brand is perceived and purchased.

Keywords: Brand, Image, Ahmad Tea

Introduction

Brands normally work well within a national context, as they get known through the length and breadth of country. Brands that can demonstrate more universal appeal and offer a good brand promise tend to then transcend national boundaries and eventually go global. In many instances brands have developed within the national context first. Good examples of this are Coca Cola and Heinz in the 19th Century, Jaguar Cars and Heineken in the 21st Century amongst a myriad of others. In the latter half of the 20th Century we saw the growth of Japanese brands such as Honda and Toyota and recently there have been a range of brands such as LG, Samsung and Daewoo from South Korea that have achieved a global reach. In many cases the brands play on the strengths of the national characteristics such as innovation, culture or lifestyle. The brand names are very much a reflection of the names utilized in each nation state. There are also situations where companies deliberately try to evoke a different country image for a brand but actually market it either internationally or in the country where it is produced.

Examples of this are Klarbunn waters, Giorgio di Dt. Angelo designer wear and Haagen Dazs ice cream. All these brands have one thing in common and that is they are all produced in the USA. However the dissonance arises from the fact that Klarbunn is not the clear Alpine water that the brand suggests; it is American water bottled in Wisconsin. Giorgio di Angelo is not the latest Italian fashion wear from Milan but is produced by the American designer Martin Price. Haagen Dazs is not Danish ice cream but a brand produced by Pilsbury in Minneapolis (Leclerc, et al., 1994). There is little literature in branding that considers how a name may affect a brand and it’s positioning. Similarly, there is little research on brand dissonance and the paradoxes that occur in a globalised world. For instance, it is unlikely that there will be an English name for a brand in Japan, yet you may find brands with English names in India. Examples of this are Kingfisher lager and Jet Airways. Interestingly, in the UK it is becoming more common to find local brands that transcend national names, so especially in the food industry, brands such as Tilda and Patak have
become part of the UK national brand image and now international.

**Literature Review**

Keller (2003, P: 596) defines consumer brand knowledge as *the personal meaning about a brand stored in consumer memory, that is, all descriptive and evaluative brand-related information*. A brand identity can be developed in many ways and one of them could be in terms of understanding the links with the country of origin. Ahmad Tea makes much effort to associate the brand with England. Therefore an examination of the concept of Country of Origin Effect (COE) is necessary here. Morello (1993) points out that “Made in…” labels have been used for many long years. Country of origin information, often communicated in the form of a “made in…” label, activates a rich associative network of stereotypes about the origin nation, its culture and its people’s perceived traits (Verlegh and Steenkamp, 1999). Fiske (1998) states that the stereotyping is to represent an individual’s cognitive associations and expectations about a national (or any social) group. According to some researchers that country of origin’s effects (images, biases, etc.) are a form of stereotyping (Kahle, 2003). Therefore, it can be said that there is evidence of country of origin effect in the sense that consumers use stereotype product classes and brands (Jain, 2003).

Many empirical studies support the view that consumers have stereotyped opinions about specific products from particular countries; for instance, an investigation of product-country images and ethnocentric behaviours found that Turkish consumer’s perceptions of product attributes were influenced by products coming from countries at different levels of socioeconomic and technological development (Onkivisit and Shaw, 2004). Similarly, Kaynak and Cavusgil (1983) studied consumers’ perceptions of different classes of products from 25 countries. They found that respondents held positive attitudes towards products made in their own country but the same respondents could be swayed to choose foreign products if quality and price considerations were sufficiently favourable. Recent research by Zeugner-Roth et al.,(2008) adopted the constructs of Country Brand Equity (CBE) and linked them to Country Image (COI). They found that country based brand equity is influenced by country image perceptions and that country brand equity positively impacts on product preferences. They also discerned that product preferences are not directly influenced by country image perceptions. The caveat for this study was that it looked at Spanish brands in Spain.

The difficulty with such an approach is the problem of bias within the home country. Country brand equity was defined as *the value-added brought forth by the association of a product or brand with a given country name as perceived by the individual consumer*. Following Yoo and Donthu (2001) CBE was based on consumer perceptions rather that actual behaviour. With regards to Country Image (COI), Jaffe and Nebenzahl (2006, p.63) point out that ‘a highly positive country image as a source of the products will (...) add to the positive image of the brand and as a result to its equity and value’. What is interesting from this discussion is the notion that image contributes to equity and there is no mention of the name of the brand. The image part of the questionnaire relied on perceptions of Spanish people as hardworking, ambitious etc. The Equity part of the questionnaire looked at brands—loyalty and characteristics. It could be argued that image is a much larger issue and
encompasses, cultural dimensions as well the imagery of a country. Equity could also be interpreted in different ways. Nonetheless the idea of separating equity and image is interesting and warrants further study.

Country of origin connotations can affect effort to sell abroad depending on positive or negative stereotypes among customers based on where the product is made (Pecotich and Ward, 2007). If the stereotype is negative, it can impose formidable barriers for marketers attempting to position products in an existing market (Knight and Calantone, 2000). Faced with negative stereotypes, a successful branding strategy often uses local names, or well-known local brands to contribute to a national identity so marketers may want to deliberately conceal or not mention the product’s origin (Onkivisit and Shaw, 2004). The masking of a product’s country of origin can either be done directly, using the region of origin instead of country of origin, for instance, firms might use “Made in Europe” to hide the country of origin (Prasad and Ghauri, 2004). Alternatively, numerous firms have used positive stereotypes to good advantage in the marketing of many types of goods such as Germany and beer; Sweden and cars; Japan and micro-electronics (Haübl, 1996).

Haübl (1996) points out that the impact of a product’s country of origin on consumers’ purchase decisions has been an issue of increasing significance to marketing and consumer behaviour researchers, as well as to marketing managers. This is because country of origin has an impact on product evaluations (Papadopoulos, 1993), such as on products’ perceived quality and on consumers’ propensity to use a product’s “Made in” label (Tse and Gorn, 1993). Samiee (1994) states that consumers will use country of origin to infer product quality if they know little else about the product and/or product class. Han (1990) found out that when consumers are not familiar with the products of a country, the country image acts as a “halo” that directly affects consumers’ beliefs about these products and indirectly affects the overall evaluation of them through these beliefs. On the other hand, although consumers use country of origin as a product information cue (Schaefer, 1997), most buyers have established some opinions and images about the quality of products from different countries beforehand; for instance, the Marlboro Western cowboy image, McDonald’s as a symbol of American consumption habits, quality of perfume from France and electronic products from Japan are some of the typical images and opinions held about different countries (Mody, 2003). Papadopoulos et al. (1990) propose that country of origin acts as an indicator of quality and that it does influence the overall evaluation of products.

However a literature review by Yaprak (1987) concluded that although consumers develop stereotypes of countries and/or their products and that these images are often used as extrinsic cues in the product decision-making process, the degree to which country of origin affects product evaluation is still uncertain. In other words, it is becoming hard to understand how much effect country of origin has on overall evaluations of the product (Johansson, 1989). Others argue that the country of origin has little impact on product selection while others believe that this additional attribute allows clearer differentiation between products (Warner and Cannon, 2000). A universal agreement is not evident in the literature, but there seems to be a majority view that overall evaluations of a product are almost always influenced by country stereotyping (Bilkey and Nes, 1982); the argument is about the extent of the influence.
Hence, an important issue facing international brand managers is the acceptance or rejection of a product by consumers due to its country image (Hassan and Kaynak, 1994). Because country stereotypes may be negative or positive the management of a product’s national image becomes an important element in the strategic marketing of international firms (Niss, 1996). Furthermore, the country of origin effect also gives rise to dual positioning strategies when a product is positioned differently in its home market compared to overseas markets. For example, the positioning of Evian and Nestle in France differ from the positioning used in the rest of the world (Scholz and Zentes, 2006). The globalisation of markets and expansion of firms operating internationally has led to an increase in a wider range of foreign brands in the consumer market than ever before. Therefore, marketers are interested in understanding the factors relating to consumers’ responses to decision making in regard to foreign products (Tang et al. 2002).

Caruana (1996) proposes that consumer ethnocentrism has become a construct that is important in marketing. Others go further by suggesting that country of origin effects can only be understood with respect to ethnocentrism (Morgan et al. 2004). Consumer ethnocentrism focuses on the responsibility and morality of purchasing foreign-made products, and the loyalty of consumers to products manufactured in their home country (Shimp and Sharma, 1987). However, Wall and Heslop (1986, quoted in Ahmed et al. 2004) propose that purchasing foreign-made products may be seen as immoral and unpatriotic because it has an adverse impact on the domestic economy; hence, consumers tend to purchase local products even if the quality is lower than that of imports. It may be argued here that globalisation is now fast eroding such sentiments, as a journey around the world would clearly indicate. More recent studies, for example Hamin and Elliot (2006), have found that for consumers from less developed countries, the country of origin effect will typically lead to a preference for foreign made products from more developed countries and then to locally-made products. Additionally, Bruning (1997) demonstrated that brand name, store image, specific product attributes, or other non-country specific cues to product quality may persuade less nationalistic consumers to prefer foreign products as opposed to their locally-made substitutes.

Finally, Warner and Cannon (2000) found a positive relationship between ethnocentrism and age, and a negative relationship between ethnocentrism and educational level, income, cultural openness and knowledge of languages. Therefore, it may be suggested that consumer ethnocentrism is moderately predictive of consumers’ beliefs, attitudes, purchase intentions, and ultimate purchases (Kaynak and Kara, 2002). In order to disentangle the key issues, this research concentrated on one particular area, the CIS region and looked at the Country of Origin Image (COI) impact on the tea-buying customers.

**Research Methodology**

Ahmad Tea has a long and illustrious history. It began life in 1950 with Mr. Hussain Afshar importing tea from India into Iran. This eventually led to the purchase of a tea processing plant near the Caspian Sea. At this stage no brand development took place. After 1979 after the family emigrated to the United Kingdom a tea business was established in the Southampton. Mr. Rahim Afshar and his brothers created Kabere Tea in 1986 and began blending and packaging teas by hand building on their
knowledge of the tea business. The also opened a small Tea boutique. These attempts were not very successful. The company was then advised by an experienced tea exporter to use images of London on its packaging since London was known as the tea capital of the world and the British as a nation of tea drinkers. It was decided that the images should be of old London with copies of nostalgic master paintings and drawings of the city to associate the brand with England, and with the attributes of ‘old’, ‘well established’, and ‘trustworthy’. They soon won their first contract to supply tea to El Corte Ingles, a major department store in Spain. Since then they have been very successful exporting tea to 60 countries and having a major stronghold in the CIS territories, being one of the top three brands with a revenue of £4m in this region alone. This research, therefore attempts to analyse the reasons behind this branding success story in this important market. This particular brand was chosen for the research because of its Muslim name Ahmad and its provenance as an English Tea. The company also calls the Tea Ahmad Tea London but it is actually produced in Sri Lanka at one of their factories.

At the outset, it was felt that the information on images and branding would be obtained through interviewing the key distributors within the CIS. Interviews within a B2B environment can capture much information about the marketplace and the knowledge base that the buyers of Ahmad Tea would have about the product and its place within the consumer space. The research strategy adopted here is mainly exploratory and case study based, attempting to explain the branding associations and image of Ahmad Tea.

The distributors have all been importing and distributing Ahmad Tea for many years. They act as exclusive distributors for the Company in their areas within the CIS. These distributors are responsible for importing the product, distributing it throughout the country and carrying out advertising and branding activities. They are therefore very knowledgeable about the market and consumers. The questions were deliberately open ended to capture a rich seam of information from the respondents. The main research question was around understanding how Country of Origin Imagery impacts on the Ahmad Tea’s brand. The interviews took place with 19 distributors on a one-to-one basis in various countries in the CIS, with interpreters present when necessary.

**Results and Discussions**

In this section the results of the key questions asked are presented and discussed.

**Associations of Ahmad Tea**

In the opinion of the majority of respondents, quality is the main association with the Ahmad Tea brand. Secondly England/English tradition and generally an association with England is also an important secondary association with the brand. Variety of assortment and consistency of the product range came third. These findings indicate that the Company has been successful in pursuing quality and an English image in its production and communications. All the respondents thought that the associations, particularly with quality and tradition had positive impacts on sales. Some thought this reduced risk and helped make a quick decision for purchase. A couple of the respondents believed that the English tradition and heritage was appealing to many ex-Soviet citizens who have been going through big changes in their lives in the last
couple of decades. One respondent thought that consumers value the right combination of quality and price offered by the brand. One respondent thought that the balance of quality and price (value for money) was the main association and a positive one. One respondent pointed out the confusion caused by trying to work out how a tea from England is called Ahmad.

- The associations are positive because people get a good sense of the quality of the brand and buy it next time.

Another respondent said:

- Positive impact, because they think the product comes from England Visual images of Ahmad Tea held by consumers

The respondents predominantly believe that the most important image of Ahmad Tea in the mind of consumers is one that is related to England, traditional English scenery and traditional English way of life. These are thought to be positive images in the CIS, an economically and socially turbulent area, where according to the respondents, consumers associate tradition as a desirable value and where the majority think of the traditional way of life in England as a relaxed, respectable, family oriented and high quality way of life. Another respondent expressed the opinion that products from England, Germany and France were regarded as high quality in his market (Belarus). These findings point to the importance of Country of Origin Effect in successful branding. Six respondents thought that the colour green was a positive association because it reminded consumers of countryside, ecology, environment and healthy living. This finding shows the importance of colours in enhancing the brand image. Research by Madden et al., (2008) within an international context indicated that blue was the most highly evaluated colour closely followed by green and white—the colours used by Ahmad Tea. In countries ranging from Austria to Brazil and the USA, green and white were generally considered to be peaceful, gentle and calming. This universal acceptance of the meaning of these colours makes the packaging utilised by Ahmad Tea quite potent and also fits in with the idea that tea, as a product is a ‘calming’ drink.

- Impact of brand images on the regular purchase of Ahmad Tea/loyalty to the brand

Ten respondents felt that images help repeat purchase because they are connected to quality, or England, which is associated in the minds of the consumers with quality. One respondent also mentioned natural ingredients. Another respondent thought that the attractive design and packaging (including the colours) were positive images, which influenced buyers to repeat purchase. A third respondent thought the images (England and Victorian era) appealed to educated people. A fourth respondent thought that the images on the packaging were as important as the name in helping customers remember the brand and repeat purchase it. As it can be seen from the above analysis there is disagreement on the impact of brand images on brand loyalty. The majority of the respondents believe that images are not important at all or are only important where they conjure up quality. Others believe that images are important again because they relate to quality. A minority believes the images encourage brand loyalty because the consumers relate to the depicted lifestyle (slow
and traditional). Those who thought that the images of England helped brand loyalty believed that England with the brand’s consumers had an association with good quality.

- ‘Tea is not a new product. It is based on traditions and those English landmarks refer to those traditions effectively.’

**Associations of the name Ahmad**

A majority of the respondents feel that the brand name is confusing for consumers in that they cannot quite work out the link to England developed through marketing communications with a name having Middle Eastern connotations. As one respondent said:

‘They (consumers) wonder why the name was given to a tea brand at all.’

‘The name Ahmad is associated with an oriental image and in some ways contradicts the English imagery of the brand.’

**The impact of the name Ahmad on the success of the brand in CIS**

Nine out of 21 respondents feel the name has no negative impact on the brand and only three felt that the name had negative connotations. The latter is thought to be mainly due to the association of the name with the Middle East or more generally with Muslim people. As one respondent put it: Russian people traditionally have had negative encounters with Turkish, Afghan, Arab or Indian people because of the wars in the past. Those who feel the name has a positive impact think so because of years of marketing communications in their part of the market have managed to associate the brand with England and high quality tea in the consumers’ mind.

**The name has a negative impact. If the name were London Tea it would be better for an English tea.**

**They do not understand the link between England and a Middle Eastern name, but it has no negative impact now because the brand has been established. Most important reason for consumers purchasing Ahmad Tea regularly and as their main brand**

In the opinion of the respondents (who have also conducted their own consumer research in the past) and their years of experience in selling the brand, the most important reason for the purchase of the brand by its regular (loyal) consumers is high quality, followed by price (relative to quality) and then wide range. They believe that ‘Russians’ (CIS citizens) are historically big tea drinkers and the quality and consistency of taste, to most of them at least, is an important issue. However, two respondents thought Ahmad tea was regular tea for special occasions in their market due to generally low incomes. One respondent also pointed out that Lipton had been faked in Armenia but not Ahmad Tea and this helped the latter with its consistent quality image.
Conclusions

This research in some ways attempts to partly answer the question posed by Keller (2001, p. 5): *In what ways do the images of country of origin or country of brand, celebrity spokespeople, retail store, etc. change or supplement the image of a brand?* In this respect, within a historical context, the UK has created a very strong image for tea drinking and sophistication associated with it. The first dated reference to tea in Britain is from an advert in a London newspaper, Mercurius Politicus, from September 1658. It announced that 'China Drink, called by the Chinese, Tcha, by other nations Tay alias Tee' was on sale at a coffee house in Sweeting's Rents in the City (UK Tea Council, 2007). It was the marriage of Charles II to Catherine of Braganza that would prove to be a turning point in the history of tea in Britain. She was a Portuguese princess, and a tea addict, and it was her love of the drink that established tea as a fashionable beverage first at Court, and then among the wealthy classes as a whole.

Capitalising on this, the East India Company began to import tea into Britain, its first order being placed in 1664 - for 100lbs of China tea to be shipped from Java (UK Tea Council, 2007). For a long time tea remained a drink for the rich in Britain until 1901 when, fuelled by cheaper imports from India and Sri Lanka (then called Ceylon), another British colony, this had rocketed to over 6lbs per head. Tea had become firmly established as part of the British way of life (UK Tea Council, 2007). Today, British companies play a leading role in the world's tea trade and British brands dominate the world market being the world’s largest suppliers of tea. Given this history it shows that Ahmad Tea has leveraged the country image potential extremely well. It is now in the top 3 brands in the CIS in terms of brand preference and consumer purchase. It is catching up fast with Brooke Bond, the market leader (TNS, Media Marketing Index, 2007). Pappu et al. (2007) argue that the effect of macro and micro country images provide a more comprehensive understanding of country of origin effects.

For instance figure 1 indicates the possible effects macro and micro country image on the consumer. Countries can move from one quadrant to another as Japan has shown within the car industry by moving from quadrants 1, 3 or 4 in the 1960s to its preeminent position in quadrant 2. Currently, within the tea industry context the UK provides an excellent positioning for brands, however one would probably place wine in quadrant 4. Ahmad Tea, within the CIS is highly regarded and many consumers prefer to buy Ahmad Tea, so the COI has played an important role in branding the product. What is interesting is that the images have a universal appeal in both Islamic and non-Islamic countries as the colours green and
white create both the English country feel and also comforts Muslims who value green and white as religious colours. The paradox here is that the name becomes ‘neutral’ and the country image creates a ‘halo’ effect. A possible model for companies having unfavourable images may be to look at sector specific possibilities for branding their products in a country other than its country of origin. Another aspect for food related goods is given by a study undertaken by Tellstrom et al., (2006) who argue that food and meals from part of regional identity and have created a LORE concept ‘Local and Regional food and meal culture). The selected place related aspects and cultural symbols represent authenticity and value. A potential model, therefore, for developing global brands that would be considered to be ‘safe’ bets by consumers is presented in Figure 2.

![Figure 2. A Model for Developing Strong Bands Based on Country of Origin Image](image)

Would, for instance, some Chinese and Indian brands become global leaders by basing their brands in France or the United Kingdom? In India, English names are given to some brands (Kingfisher, Jet Airways), in China this is less common and companies manufacture clothes, bicycles etc for the major Western brands such as Calvin Klein, Christian Dior and Dolce & Gabbana to name a few. Would it make more sense for brands to look for countries with favourable images within their sector to market goods? Most research has concentrated on products and studied their brand acceptance based on their countries of production (Pecotich and Ward, 2007; Koubaa, 2008)). Such studies have looked at major Japanese brands manufactured in various different countries, however few studies such as the one in this paper have looked at brands with dissonant brand names succeeding because of a favourable country of origin image. This study in a small way contributes to this branding conundrum and needs to be followed up with more substantial studies aimed at the general consumer across a range of different countries.

References


Ashok et al.

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