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**Repairing the “Made-in-China” Image in the US and UK:
Effects of Government-supported Advertising**

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Introduction

There has been a growing awareness among nation-states, large and small, of the importance of their images projected before the world. Seminal works by Anholt and others (Anholt, 2005a; 2005b; 2010; Aronczyk, 2008; Nye, 2004; Szondi, 2008) integrated theory and practice, and examined how nation-states could build and manage their images in an increasingly connected world, the complexity of which is heightened by global events and differential values in international relations (Gilboa, 2008; Nye, 2004). These efforts have led to intense interests in nation branding and prompted the establishment of benchmarking indices to facilitate the comparison of national images over time and across nations (e.g., EAI's soft power index, Anholt-GfK Roper Nation Brands Index). After all, a favorable national image may contribute to preferred treatments both economically (e.g., preferred nation status) and politically (e.g., forestall international embargo).

A nation brand is represented by multi-dimensional perceptions formed by its own people and the international public, including their respective perceptions of a nation's exports, investment, tourism, people, culture, and governance (Anholt, 2005b). Of particular interest are the perceptions of people residing in countries with significant importance to the focal country (e.g., a major trading partner), given the impact these public opinions may exert on their respective governments. Unfortunately, this perception is often

stereotypical, formed somewhat passively based on a myriad of direct and indirect sources (Loo and Davies, 2006) mediated by notable events in international affairs (e.g., U.S.'s "War on Terror," China's rise in economic power). Whereas direct sources such as travels and contacts with local people allow an international public to experience a country first-hand, they are costly and have limited reach. Indirect sources such as word-of-mouth, news reports on a country and its leaders, and government-supported communications, on the other hand, are accessible through the mass media and the internet, making them highly salient tools in nation branding (Golan, 2013).

Among these communicative acts, paid government advertising provides an opportunity for state actors to tailor a message for a target audience. In the aftermath of 9/11, for example, both the American (Kendrick and Fullerton, 2004; Melissen, 2005) and Saudi Arabian governments (Zhang and Benoit, 2004) carried out image restoration campaigns to attempt to dispel concerns in selected international communities and protect their national interests. Whereas these campaigns have achieved varying degrees of success, there is a need for further research to understand the role and impact of paid advertising on nation branding (Fullerton, Kendrick, and Kerr, 2009).

Nation branding denotes a state government's extended efforts to mobilize multiple forces to project a preferred national identity through

dialogues with the international public. The process of nation branding often involves *re*-branding, whereby the state actor uses persuasive communication and cultural symbols to generate an effective, credible message to overcome prevailing stereotypes. Kunczik (2001) noted the possible convergence of nation branding, public diplomacy and international public relations as these disciplines share a common core in “the planned and continuous distribution of interest-bound information aimed (mostly) at improving the country’s image abroad” (p. 4). These disciplines also employ strategic information exchange to reduce misconceptions and create goodwill to realize the shared objectives of soft power, relation building, and peace (Signitzer and Coombs, 1992; Szondi, 2008).

Unfortunately, the literature on nation branding is primarily anecdotal and ambiguous (Szondi, 2008), with many conceptual and professional challenges remaining to be resolved (Aronczyk, 2008; Loo and Davis, 2006). Recognizing this, the purpose of this chapter is to investigate how paid government advertising could re-brand selected dimensions of a nation. Core tenets including the credibility of message sender, the reduction of receiver stereotype, and effective message tactics will be examined.

There are four parts to the chapter. The first part discusses the salience of nation branding and its consequences, using China exports as the point of discussion. The second part covers relevant theories with an emphasis on country-of-origin and the latest development in changing stereotypes (i.e.,

reflective-impulsive model). The third part is an illustrative two-country study on a paid advertising campaign aimed at changing the “Made-in-China” stereotype in the U.S. and U.K. This will be followed by a discussion on the findings of the study, including conceptual and managerial insights for the future.

Salience of Nation Branding and Consequences

Governmental concerns regarding a nation’s image in an increasingly competitive and resource-stringent world are well founded. Many governments engage themselves in image cultivation and management, with the objective of developing a competitive identity (Anholt, 2008) to attract the “right” kinds of trade, investment, tourism, talents, and export promotion (Szondi, 2008). There are several notable success stories in Asia. First and foremost, Japan reconciled differences among stakeholders to allow policies, people, culture, and businesses to work synergistically. Such efforts created successful corporations that export products under household names such as Toyota, Honda, Sony, Panasonic, and Toshiba that were trusted and desired around the world (Anholt, 2010). Meanwhile, the long-standing “Malaysia Truly Asia” campaign established Malaysia as a major tourist destination (Anholt, 2008). Further, India attracted high-tech investments (Gertner, 2007) while the Seoul Olympics provided sustained economic gains to South Korea, the host country (Kang and Perdue, 1994).

Aside from economic gains in tourism, exports and trade, a nation’s

image carries intangible benefits, affecting what is said about the country in the media. A country with a poor image may find the media reacting with indifference or even cynicism to even its humanitarian efforts while a well-liked country receives favorable media coverage with much less work (Anholt, 2005a). Thus, a reputable, trusted image functions as a pre-emptive measure that guards a nation against the media, which tends to over-simplify, often unfairly, complex issues in international affairs.

China as an Example

China as an economic superpower has become increasingly preoccupied with its image as the country extends its global footprint (Tse and Hung, 2014). Considerable developments have been carried out over the past decade to promote the country as an attractive and trusted member of the international community. These efforts included a culture tour across the U.S. that coincided with President Jiang Zemin's historical visit in 2000, rapid expansion of Confucius Institutes since 2004 to nearly 400 branches around the world, contribution of more than 3,000 troops to serve in U.N. peacekeeping operations, participation in multilateral talks, and the hosting of mega events, including the Beijing Olympics and Shanghai Expo in 2008 and 2010, respectively. These efforts, together with concrete steps that align structures and regulations of China's business environment to international norms as outlined in its agreements with the World Trade Organization (Hung, Tse and Cheng, 2014), attempt to present an open, cultured, and

dynamic image of China to the world (Zhang and Cameron, 2003).

Aside from these efforts to boost the country's overall image, China as the world factory (Tse and Hung, 2014) is especially concerned with promoting its exports, an issue heightened by trade deficits with some of its major trading partners. The series of large-scale product recalls in 2007 that ranged from pet food to tires and toys also dealt a heavy blow to Chinese-made products, raising concerns about their quality and safety (Tan and Tse, 2010). Given that it was the first time allegations of product deficiencies were targeted at a country, Wang (2008) questioned the American-led media campaigns that reported disproportionately negative news about Chinese-made products at a time that coincided with the onslaught of the global financial crisis (Elliott, 2011). The events seriously hurt the reputation of the country's exports (Cai, Lee and Pang, 2009), with China's Nation Index for Products slipping from 24th place in 2005 to 47th place in 2008, making it the third lowest ranking country on the index (Anholt, 2010).

It was against this background that China's Ministry of Commerce commissioned an advertising campaign in 2009 to attempt to bring forth some favorable changes to the perception of its exports. The campaign, masterminded by ad agency DDB Guoan, an affiliate with the Manhattan-(US-)based agency DDB, was entitled "Made in China, Made with the World" (henceforth, Made-with-China ad) (Hung, 2012). The 30-second ad

showcased five products embedded in different, yet typical, consumption situations among Caucasian consumers, the presumed target viewers. The products were purported to be made in China with “American sports technology” (footwear); “European styling” (refrigerator); “software from Silicon Valley” (MP3 player); “French designers” (dress); and “engineers from all over the world” (airplane) (see Appendix for the storyboard or refer to the link, <http://www.youtube.com/watch?v=MINYux3mPUI>).

Relevant Theories

Country-of-Origin Effects

Export is a major component of a nation brand. Its importance is especially salient in export-led economies such as that of China. In discussions of export and consumer acceptability, the country-of-origin effect provides a widely-accepted theoretical approach based on the way people make product judgment and purchase decisions (Anholt, 2010; Szondi, 2008; Loo and Davis, 2006). Rather than evaluating each product and brand on its own merit, consumers often rely on country-based stereotypes such as French wine, German beer and Russian vodka as proxies for quality (Bilkey and Nes, 1982; Shimp and Sharma, 1987), with some willing to pay a premium for these products (Liu and Johnson, 2005). Products made in developed economies generally enjoy favorable country-of-origin effects (Steenkamp, Batra, and Alden, 2003; Tse and Lee, 1993) while products made in emerging economies have to face unfavorable quality images

brought on by perceptions of the factories' sweatshop conditions, poor workmanship and product hazard outbreaks.

China as an emerging economy is suffering from such unfavorable stereotypes (Liu and Johnson, 2005). Media coverage on problematic Chinese-made products, trade deficit, product recall and the potential loss of manufacturing jobs to China further intensify these negative perceptions. Interestingly, brand name recognition among even China's best-known brands such as Haier is below 20 percent in developed economies (Tan and Tse, 2010). Thus, many consumers have limited knowledge of Chinese-made products even if they have formed an opinion about their country-of-origin. The lack of detailed knowledge encourages consumers to use assumptions and predisposed ideas when they evaluate Chinese-made products (Maheswaran, 1994).

Paid Government Advertising Campaign

To reduce negative country-of-origin effects, products made in emergent economies may carry dual-national origins (Han and Terpstra, 1988), be owned by global brands (Tse and Gorn, 1993), or possess attributes that project a "perceived globalness" image (Steenkamp, Batra, and Alden, 2003). Conceptually, the strategy underlying the "Made-with-China" ad, the focal ad in this chapter, used a related approach. The "made-with" strategy is aimed at decoupling the Made-in-China label into different components, replacing the "100% made-in-China" image with a composite image made

up of “designed in France,” “manufactured in China,” etc. This message strategy also carries a positive connotation of China working “with” other countries to produce the final product. These two effects were intended to improve the “perceived globalness” (Steenkamp, Batra, and Alden, 2003) of Chinese-made products and help reduce their negative stereotypical image.

The “Made-with-China” ad was aired in late 2009 on TV networks among China’s major trading partners, including CNN in the U.S. (for a six-week period) and BBC in the U.K (for a five-week period). The ad is also assessable on the Internet for viewing and downloading. The campaign faced a number of challenges in achieving the objective of changing people’s perceptions of Chinese-made products in the West. To begin, there is substantial evidence indicating that the country-of-origin cue exerts an automatic and persistent impact on consumers (Bilkey and Nes, 1982; Verlagh and Steenkamp, 1999), with its valence (positive or negative) difficult to counterbalance. Also, the ad message may generate counter-arguments. If an ad message differs from a consumer’s preconceptions beyond the latitude of acceptance, it likely would not pass through the perceptual filter but be ignored or rejected (Hung, 2014). Further, people are motivated to retain their pre-existing thoughts (Schmader, Johns, and Forbes, 2008). In particular, consumer ethnocentrism (Shimp and Sharma, 1987) presents a salient defensive mechanism for individuals faced with foreign-made products. When elicited, it may reduce the acceptability of

the focal ad. These challenges indicate the need for the focal advertisement to project the intended message without being perceived as a threat to stereotypical thinking or risk antagonizing the viewers.

Current Theory on Stereotyping: Reflective and Impulsive Model (RIM)

To understand how the focal ad may operate, this chapter adopts Strack and Deutsch's (2004) RIM (Reflective and Impulsive Model) to understand the stereotype changing process that may have been triggered by the focal ad. RIM posits that human behavior is largely controlled by two interacting systems. The impulsive system provides fast, spontaneous and stereotype-based responses related to one's emotions and motivational drives. The reflective system, on the other hand, is dominated by rationality and even virtue (e.g., multiculturalism; Fowers and Davidov, 2006) as the guarding principles for human behavior. Individuals engaged in reflective thoughts would process relevant information, perform a reasoned thought process, and derive at a proper evaluation. Because the two systems are interactive, effects of the impulsive system, including stereotypes, may be "regulated" by reflective thoughts. The RIM dual system has been applied to a multitude of consumption contexts, providing important inputs into the processes underlying consumer regulatory behaviors (Vohs, 2006) such as impulsive buying and eating disorder (Hofmann, Strack, and Deutsch, 2008; Hofmann, Friese, and Strack, 2009).

An Illustrative Study on Changing "Made-in-China" Stereotype

The following illustrates an empirical study that assesses the effectiveness of the Made-with-China ad using RIM. As the elicitation of reflective processes is central to the focal ad's communicative effectiveness, this study investigates the ad's ability to stimulate reflective thinking to counter the viewer's impulsive responses such as his/her emotional reactions to the ad and consumer ethnocentrism (Shimp and Sharma, 1987) that may otherwise dominate his/her buying intent of Chinese-made products. Because reflective thinking is effortful and involving, the viewer's interests in the targeted subject are core to stimulating the reflective process to reconsider Chinese-made products. The study purports that the viewer's openness to cultural diversity, a component of multicultural value (Pascarella et al., 1996) may indicate the viewer's propensity to reflect on the focal ad. To summarize, this study examines (a) the viewer's reflective thoughts; (b) openness to cultural diversity; (c) consumer ethnocentrism; and (d) the positive and negative emotional responses to the ad. These processes together are purported to affect (e) the viewer's purchase intent of Chinese-made products, after controlling for the viewers' age, income, and gender.

Impulsive Component: Consumer Ethnocentrism

Made-in-China is a label affixed to products manufactured in China. The label is a legal requirement in countries such as the U.S., where made-in-country information needs to be clearly displayed. From a communication perspective, the label represents a salient, persistent, and

difficult to remove quality cue (Bilkey and Nes, 1982; Shimp and Sharma, 1987). According to RIM, a viewer watching the Made-with-China ad will be reminded of the stereotypical image of Chinese-made products. As a result, the encounter may trigger a process where home-country bias plays a central role. Shimp and Sharma (1987) conceptualize this bias as consumer ethnocentrism, the “beliefs held by *American (or other country)* consumers about the appropriateness, indeed morality, of purchasing foreign-made products” (p. 280). Given its motivational nature and its ties with a person’s fundamental values, it is postulated that consumer ethnocentrism is an impulsive response when a person considers Chinese-made products. Whereby non-ethnocentric consumers would evaluate products based on their price, quality and other desirable features, ethnocentric consumers distinguish between domestic and foreign products and consider it inappropriate to buy foreign-made products due to their perceptions of loss to the domestic economy (Shankarmahesh, Ford, and LaTour, 2004). Accordingly, a viewer watching the focal ad may be affected by his/her ethnocentric tendencies so that:

H1: Consumer ethnocentrism is negatively associated with the focal ad viewers’ buying intent of products made in China.

Impulsive Component: Ad Elicited Emotions

A large body of research has shown that emotional responses are important outcomes of advertising. The elicited emotions, if positive, may attract viewers’ attention, enhance their ad and brand liking, and boost their

purchase intent (Batra and Ray, 1986). Conversely, the negativity elicited by the ad may be transferred onto the ad message and the brand. Measures of elicited emotions are now commonly included in tests of ad effectiveness in studies. Through the RIM lens, the viewers' emotional responses to an ad may form a component of the impulsive system. In line with previous works and RIM, this study hypothesizes that:

H2: The positive (negative) emotions elicited by the Made-with-China ad would enhance (reduce) the viewers' buying intent of products made in China.

Reflective Component: Reflective Thoughts

To bring forth a change in one's stereotype, the stimulus needs to entice viewers to engage in salient reflective thoughts to counter the effects brought on by the impulsive system (Strack and Deutsch, 2004). Thus, the Made-with-China ad will need to open up the viewer's mind to reason, think and reflect. During the process, the viewer will recall facts and information relevant to the subject matter and, through multiple iterations of checks-and-balance, to derive a rational evaluation. This process often involves the semantic categorization of facts, planning, mental simulation and more complex relationship estimates (e.g., causality) in addition to simple logical relations (e.g., is, is not) (Strack and Deutsch, 2004). The study purports that the reflective thought process (e.g., think again, think differently) will generate more positive, or more balanced, thoughts on the buying intent for Chinese-made products. Thus it is proposed that:

H3: The reflective thoughts relative to Chinese-made products elicited by the focal ad would enhance the viewers' buying intent of products made in China.

Reflective Component: Openness to Cultural Diversity

As the most intellectual of the Big Five personality traits (Olver and Mooradian, 2003), openness is a critical construct in reducing the influence of stereotypes and prohibiting their formation. The effects of openness and its variants (e.g., openness to others; to diversity; to intellect) have been confirmed in a large body of literature. In a meta-analysis, Sibley and Duckitt (2008) investigated 71 studies that examined various prejudice-related issues (e.g., sexism, racism, anti-foreign attitude) across eight countries. The results confirmed the salient weakening effect of openness on a social dominance orientation, a measure of prejudice. When applied to the "Made-with-China" ad, viewers who are open to cultural diversity are purported to be pre-disposed to engaging in reflective thoughts induced by the focal ad rather than to bypass the effortful task. After all, the information in the focal ad and its main message concern the de-stereotyping of Chinese-made products. It is postulated that:

H4: Viewers open to cultural diversity would be pre-disposed to reflecting on the focal ad thereby increasing the propensity of a higher buying intent of products made in China.

Research Methods

The study consists of an online survey of 801 respondents in the U.S. (n=389) and the U.K. (n=412). Both countries were among the top 10

destinations for Chinese exports, suffered from trade deficits with China, and were targets for the “Made-with-China” ad. Survey respondents were recruited from Millward Brown’s nationally representative e-panel in each country. Millward Brown is a media, advertising, and brand consultancy conglomerate, active in conducting consumer tracking, copy-tests and creative pretests both on- and off-line. The company has 78 offices in 51 countries and is a member of the WPP Group.

The week-long data collection was carried out in early 2010 as part of Millward Brown’s consumer omnibus. As a screening question, the respondents viewed online the focal ad one time and then indicated whether they had watched the ad before. About 4% did and were excluded from the study. The remaining responded to the survey and received points they could exchange for gifts from the research company. Table 1 reports the socio-demographic characteristics of the respondents. In each country, the mean age group is 35-44 and the mean income group is U.S.\$10,001-39,999. Compared to the U.K. sample, the U.S. sample includes more men, is slightly older and has higher income.

The majority of the measures were adapted from previous research. The author also worked with researchers at the company to develop and pretest the remaining measures. Reflective Thought and Openness to Cultural Diversity were adapted from Kember and Leung (2000) and Pascarella et al. (1996), respectively. Consumer Ethnocentrism was adapted from Shimp and

Sharma (1987). Buying Intent was developed for this study, using a past study that examined Chinese-made products (Tan and Tse, 2010). These constructs were measured on five-point scales (1=disagree strongly, 5=agree strongly). Positive and negative emotions were part of Millward Brown's copy-testing metrics and were assessed using two-point scales (0=no, 1=yes). Details of the measures can be found in Table 2.

Results

An OLS two-step regression analysis was conducted to test the hypotheses. The dependent variable for the regression analysis was Buying Intent. There were two groups of independent variables, impulsive and reflective systems. The impulsive system included two components: Consumer Ethnocentrism and Emotional Responses (positive, negative) to the focal ad. These variables together with the control variables of Age, Income, and Gender were entered into Step 1 of the regression model. The reflective system also included two components: Reflective Thought and Openness to Cultural Diversity. These variables were entered into Step 2 of the regression model.

Analysis results showed that all the independent variables in Step 1 exerted significant effects in the hypothesized directions, with Consumer Ethnocentrism and Positive Emotion exerting positive effects and Negative Emotion exerting negative effects. The findings provided support for H1 and H2, confirming that the impulsive system exerted significant effects on

viewers' Buying Intent of products made in China.

Similar to Step 1, analysis results in Step 2 showed that all the independent variables exerted significant effects in the hypothesized directions. In addition to the effects exerted by variables under the impulsive system as noted earlier, the variables under the reflective system entered in Step 2, Reflective Thought and Openness to Cultural Diversity also exerted positive effects, as hypothesized in H3 and H4. Further, compared to the variance in the model explained by variables under the impulsive system (i.e., R^2 in Step 1), the R^2 change of .16 ($p < .001$) in Step 2 indicates that the variables under the reflective system exerted effects over and above the effects exerted by the impulsive system alone. Thus, the findings provided general support for the proposed two-system model (see Table 3).

To provide a stronger test and to validate the proposed model across countries, the above analysis was repeated for each country sub-sample. In both cases, all independent variables exerted significant effects in the hypothesized directions, providing support for H1 to H4 in each country (see Table 3). The R^2 change in each country sub-sample also showed significant effects, with the components in the reflective system contributing significant improvement in the explanatory power of the model. These findings provided a cross-country validation of the proposed model.

Country Differences

Although it is not the main objective in this study to examine

between-country differences, such an investigation may shed additional insights. To this end, a series of ANOVA (with mean comparisons) was conducted, with Buying Intent, Ethnocentrism, Positive and Negative emotions, Reflective Thought, and Openness to Cultural Diversity as dependent variables; and Country (2 levels: U.S., U.K.) as independent variable. Similar to the regression analysis, Age, Income and Gender were included as control variables in the ANOVA runs.

Research findings showed that all dependent variables, except Positive Emotions, registered significant between-country differences. The U.S. sub-sample scored lower levels of Buying Intent and Openness to Cultural Diversity but higher levels of Ethnocentrism and Negative Emotions. The relatively more negative findings in the U.S. (vs. U.K.) may reflect trade tensions between the two countries given the size of U.S. trade deficits with China (US \$143.5 billion in 2009), its dependence on Chinese goods domestically (No. 1 import into U.S.), and the China market for U.S. exports (No. 3). Interestingly, the U.S. sub-sample scored a significantly higher mean value in Reflective Thought. Thus, in spite of trade tension, the focal ad has successfully induced American respondents to reconsider the meanings behind the Made-in-China label.

Discussion and Conclusion

The current study assessed how the “Made-with-China” ad was perceived by its intended target, (i.e., consumers among China’s major

trading partners, U.S. and U.K.) and its effectiveness in changing their stereotypical perceptions towards Chinese-made products. The literature suggests that the intended objective may not be easy to achieve. Country-of-origin stereotype is automatic and persistent, and people for the most part select and process information that conforms to their pre-existing thoughts. While the psychological mechanism of decomposing a unified country image into composites has been proposed (Tse and Lee, 1993) and the strategy adopted by some global firms (e.g., some Apple iPhones are labeled “Designed in California, Assembled in China”), there is limited examination of its effectiveness. By adopting RIM as the theoretical framework, the current study provided an empirical examination of the effectiveness of this strategy. Since the hypothesized effects were validated in the full sample and two country sub-samples, the focal ad has achieved its communication objective of stimulating reflective thoughts in the viewers to change a strongly held negative stereotypical perception.

The success of the “Made-with-China” ad poses an interesting question: How did the focal ad trigger reflective thoughts? Whereas an advertising message can be tailor-made, audience receptiveness is not warranted. Viewers are often cynical of advertising and the backing of a foreign government may raise further concerns over the ad’s credibility. Take for example the “Shared Values Initiative” campaign sponsored by the U.S. government and directed at Muslim countries after the 9/11 attacks. The

campaign featured the “shared values” of faith, family, and education among Americans and Muslims in a series of mini-documentaries that showcased five American Muslims in their day-to-day life. Unfortunately, the portrayal of happy, well-integrated American Muslims in the campaign seemed one-sided and lacked credibility before a skeptical international audience (Kendrick and Fullerton, 2004), thus limiting its effectiveness.

Kates (1998) suggests that, for a political ad to be effective, the information has to be perceived to a significant degree free from bias. Whereas some people have faulted the “Made-with-China” ad for focusing too heavily on China as a manufacturing base and not stressing enough of its innovative potentials (Barr, 2011), the open, suggestive message strategy invites viewers to reconsider Chinese-made products. This gesture may have rendered the ad more credible in the eyes of skeptical viewers than a hard-sell or overly optimistic message strategy. Indeed, the ad is more factual than opinionated, when some companies are already decoupling the country-of-origin label along the value chain into design, assembly, and manufacturing countries. It is also public knowledge that many Chinese exports are made by joint-venture corporations with inputs originated from different countries. Such factual depiction may have rendered the ad message objective and trustworthy, and allowing it to fall within the viewers’ latitude of acceptance.

Implications for Nation Branding

As suggested by Manheim (1994), explicit efforts directed at changing people's negative pre-conceptions about a country would be rejected by the public. To facilitate nation branding (or *re-branding*), the message sender and the message need to be perceived as credible sources of information. China with its authoritarian regime faces an especially difficult credibility issue in its communications with the West (Barr, 2011); yet, the factual approach used in the focal ad allowed the campaign to meet the challenge and potentially improve the image of Chinese-made products in the international market. Given the importance and increased tension in international trade, the campaign may point to the potential of paid government advertising as a genre to moderate pre-conceived public opinions and reduce economic animosity (Klein, Ettenson, and Morris, 1998). Since establishing credibility is of utmost importance in nation branding campaigns, future efforts in this area could adopt similar persuasive message tactics to dispel stereotypes.

Equally important in this study is the delineation of the *reflective system* (*i.e., reflective thoughts, openness to cultural diversity*) as a response criterion to gauge the public's willingness to reconsider its stereotypical perceptions. A nation brand is often assessed using indices that identify the valence (good, bad), extent (somewhat, extremely positive), and comparative ranking (35th of 50) of its image among other nations. Whereas these summative scores are indicative of the overall cognitive, affective, and

evaluative structure of a nation and its soft power in the eyes of the international public (Kunczik, 2001), nation branding efforts are often directed at dispelling specific stereotypes. In such instances, the *reflective system* in general and *reflective thoughts* in particular provides a useful intermediate response criterion to gauge the effectiveness of the campaign. Meanwhile, the public that is *open to cultural diversity* may be targeted first so that they may serve as opinion leaders to facilitate diffusion of the message.

Yet, similar to the Beijing Olympics being just one element in China's sustained nation branding efforts (Anholt, 2010), the "Made-with-China" ad campaign is only a starting point in the country's efforts to build and manage the reputation of Chinese-made products. In spite of the apparent effectiveness of the campaign message, the branding effort needs reinforcement both in the immediate- and long-term. It also needs the infusion of other voices including media coverage, word-of-mouth, and ultimately, the consumer's personal experiences with Chinese-made products. After all, consumers form their product impressions and judgments holistically via a myriad of direct and indirect sources.

International journalism has often been criticized for reporting on non-Western countries with bias (Li and Tang, 2009; Herman and Chomsky, 1988; Zhang and Cameron, 2003). A content analytical study found that during the wave of product recalls in 2007, U.S.-led media blamed Chinese

producers most, followed by the Chinese government. The role of American corporations is minimized (Li and Tang, 2009) even though Mattel has publicly acknowledged its sole responsibility in the “lead-tainted” toys crisis, when most of the toys were recalled due to Mattel’s faulty design (Story 2007). Regardless of whether the problem attribution is correctly placed, Chinese producers who are taking the blunt of the blame need to face the social realities and meet the challenges posed by the international press. This includes taking concrete steps to improve the quality of their products and undertaking public relations campaigns to enhance their perceptions. Equally important is the need to build up the reputation of Chinese producers as responsible corporate citizens through corporate social responsibility (CSR) campaigns.

For one, negativity towards Chinese-made products is not restricted to the international market. Consumers in China have expressed similar concerns (Tan and Tse, 2010). This, together with the low price/low quality image associated with products made in emerging economies, has prompted some corporations in China to adopt foreign-sounding brand names such as Chery (automobile), DaVinci (furniture) and Metersbonwe (apparel) to enhance their perceived globalness (Hung, Tse and Cheng, 2014). Adopting internationally recognized standards such as ISO (International Organization for Standardization) and undertaking IPO (initial public offering) in international exchanges offer other channels for Chinese corporations to take

concrete steps towards improving their product quality, corporate image, and transparency to align with international norms. In sum, an overhaul of the Made-in-China label would require coordinated government, media and corporate efforts to resolve hotly-charged issues on problem attribution, job security and trade deficit, and to counter international preconceptions. There remains a long way to go to turn Made-in-China into a trusted and desired brand name.

Table 1: Socio-demographic Characteristics of Country Sample

	<u>US</u>	<u>UK</u>
Age Distribution		
16-24	11.83%	15.53%
25-34	16.19%	19.17%
35-44	15.68%	23.54%
45-54	20.57%	22.09%
55 and over	35.73%	19.67%
Income Distribution (US\$)		
< 10,000	5.66%	21.34%
10,001 - 39,999	29.82%	42.67%
40,000 - 74,999	33.99%	11.82%
75,000 and more	28.53%	24.17%
Gender		
Male	53.5%	45.1%
Female	46.5%	54.9%

Table 2: Measurement Scales and Items

Items	Scales	α
<u>Buying Intent</u>	<ol style="list-style-type: none"> 1. I would try the products from the advertised firms. 2. I have confidence in these products. 3. With design and technology from around the world, the products offer good value to customers. 	0.90
<u>Reflective Thought</u>	<ol style="list-style-type: none"> 1. It makes me think again about products made in China. 2. It makes me think differently about products made in China. 3. It's the sort of advert I'd talk about with friends. 	0.81
<u>Consumer Ethnocentrism</u>	<p>Regarding British (American)-made products, I feel:</p> <ol style="list-style-type: none"> 1. UK (US) products, first, last, and foremost. 2. Purchasing foreign-made products is un-British (un-American). 3. It is not right to purchase foreign products because it puts Britons (Americans) out of work. 4. We should purchase products manufactured in the UK (US) instead of allowing other countries to get rich off us. 5. We should buy from foreign countries only those products that we cannot obtain within our own country. 	0.91
<u>Openness to Cultural Diversity</u>	<ol style="list-style-type: none"> 1. I have a real interest in other cultures or nations. 2. We need to understand the issues in developing countries and appreciate their struggles. 3. I have a real interest in the cultures of developing nations. 	0.84
<u>Positive Emotion</u>	<ol style="list-style-type: none"> 1. Excited. 2. Attracted. 3. Affectionate. 	0.77
<u>Negative Emotion</u>	<ol style="list-style-type: none"> 1. Annoyed. 2. Sad. 3. Disappointed. 	0.78

Table 3: Two-Step Regression Results

	All (n=1185)	US (n=389)	UK (n=412)
Step 1: Impulsive System			
Consumer Ethnocentrism	-.16***	-.19***	-.13**
Positive Emotion	.39***	.36***	.43***
Negative Emotion	-.31***	-.36***	-.19***
R ²	.38	.44	.30
Step 2: Impulsive & Reflective Systems			
<u>Impulsive System</u>			
Consumer Ethnocentrism	-.15***	-.17***	-.12**
Positive Emotion	.20***	.21***	.20***
Negative Emotion	-.27***	-.30***	-.14***
<u>Reflective System</u>			
Reflective Thought	.42***	.37***	.51***
Openness to Cultural Diversity	.11***	.11**	.10**
R ²	.54	.57	.51
R ² change	.16***	.13***	.21***

Note: Dependent Variable: Buying Intent; Control Variables: Age, Income, Gender (**p<.01, ***p<.001)

Appendix: "Made-with-China" Storyboard



1



2



3



4



5



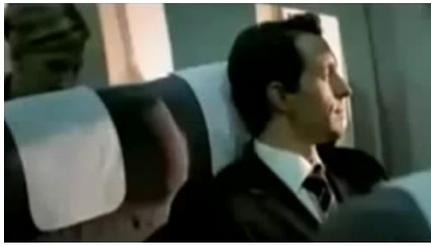
6



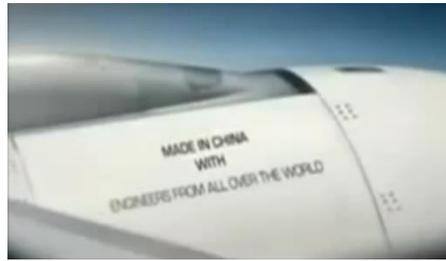
7



8



9



10



11



12

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