The effect of Country of Origin and Need for Uniqueness on Female Customers Purchase Intention

L Puspitasari\(^1\) and G Alif\(^1\)

\(^1\)Management Department, University of Indonesia, 10430 Central Jakarta, Indonesia
luthfia.ps@gmail.com

Abstract. Country of origin has been investigated by number of scholars however, there is a dearth of research using experimental methods. This research aims to examine the influence of country of origin, need for uniqueness, attitude toward the ad, and brand attitude on purchase intention in cosmetics product. The method used in this research is quantitative with causal type, 2 (individual characteristic: high uniqueness vs low uniqueness) x 4 (countries: Indonesia, USA, South Korea, and France) between-subjects experiment. The sample size was 203 respondents, age 25-40 years. The result suggest that COO has a significant effect on brand attitudes, attitudes toward advertising, and consumer purchase intention with low NFU. Consumers with low NFU tend to choose Indonesian lipstick rather than French, USA and South Korean lipstick. The difference in NFU levels moderates the COO effect on brand attitudes, attitudes toward advertising, and purchase intention.

Keywords: country of origin, need for uniqueness, attitude toward the ad, brand attitude, purchase intention, cosmetic product.

1. Introduction

Cosmetics and women are two things that cannot be separated. Demand for cosmetics tend to increase each year worldwide, making it attractive for business entrepreneurs. This led to increased industrial growth in beauty and personal care sector by 5% in 2016 [1]. In addition, color cosmetics also increased in 2016 by 7.2% [2]. Likewise, the cosmetic industry in Indonesia is consistently increasing every year [3]. In 2018, cosmetic growth in Indonesia increased to 20% [4]. The average growth of this industry reaches 9.67% per year in 2016, with an estimated value of 36 trillion rupiah [5].

Products that contribute to the growth in this industry is a hair care (37%), skincare (32%), and makeup (10%) [6]. Indonesia imported cosmetics as much as U$175.490 in 2016 [7]. Cosmetic exporters include Thailand, Malaysia, the United States, China, Britain, France and South Korea [7]. However, Indonesian public spending on cosmetic and skincare products declines in 2016 [8]. In 2015, the Nielsen Survey showed that 48% of consumers were more interested in international brand cosmetics than local brand [5]. Imported cosmetic products that are most widely used by Indonesians are lipstick [9]. 80% of Indonesian women are very fond of lipstick, then followed by powder with 51% [10].

Previous research has shown that the effects of scarcity on purchase intention through perceived uniqueness, perceived sacrifice and perceived value are strong [11]. The need for uniqueness of customers in India positively influences their attitude towards American brand however, the effect of quality perceptions on purchase intentions is negative [12]. Considering the above, the objective of
This research is to examine the influence of country of origin (COO), need of uniqueness (NFU), attitude toward the ad (AttAd), and brand attitude (BAtt) on purchase intention (PI) in cosmetics product.

This research contributes to both theory and practice in several ways. First, the research provides an understanding of cause and effect relation between COO and NFU toward AttAd, Batt, and PI. Second, this study delineates the interplay among COO, NFU, BAtt, AttAd, and PI, thereby providing a conceptual framework for future research. In addition, it can be used as a suggestion in evaluating the performance of the marketing team to be more effective in promoting cosmetic products.

2. Methods

2.1. Literature Review

Country of origin considered as the country of manufacture (COM) or the made-in country [13]. Consumers tend to perceive country of manufacture as a driver in product evaluation [14]. This often happens because consumers associate the country of origin with product performance that will lead to the attitude toward the brand [15]. Consistent with [16], such favorable brand attitudes will subsequently positively impact consumers' behavioral intentions. Thus, COO becomes one factor in customer evaluation for products with global brand [17]. Consumer brand evaluations are related by COO, that serves as an extrinsic cue (price and brand name) or intrinsic cues (perceptions of design, performance, etc.) [18]. Companies use COO associations through brand names, so it will affect consumer decisions about brand attributes and affect their buying intentions [19].

The need to feel different from others is shown by showing different consumer goods to the public [20]. This occurs when the individual is threatened with their identity which they perceive as having a high similarity with others [21]. The characteristics of consumers with high need for uniqueness are creative choices, avoiding similarities, and unpopular choices [22]. People who have a need for high uniqueness, will express it publicly as their differences with others [23]. Previous research has shown that the need for uniqueness has a significant effect on consumer decision making [24]. The impact of an individual difference on choice, consistent with evidence that personality characteristics can affect attitudes and decision making [25].

Advertising as a medium of communication with non-personal representation and promotion of ideas, goods or services by a company that requires financing [26]. Advertising has the purpose to provide information, persuade, and remind the product or brand [27]. A good ad is usually focused on a single core sale, contains what's interesting about the advertised brand, declares an exclusive, different and will not be found in any other brand, and can convince or require customers [28]. Companies create ads to influence potential customers to take action that is done now or later in the future [29].

When someone is confronted with an object such as an advertisement, a brand, and a product, they will show an attitude, either likes or dislikes it [28]. Consumers form a variety of feelings (affective) and judgments (cognition) about a product due to ad exposure which will change consumer attitudes toward advertising and brand [30]. Advertising messages formed by marketers in advertisements will affect consumers in product selection and intention to buy the product [31]. Many studies have examined advertising attitude in terms of recognition and emotion toward a particular brand of product in an advertisement, stressing the influence of advertising attitude on brand attitude [32]. Previous study shows that, positive attitudes towards advertising influence intentions to buy advertised products [33]. In addition, a positive brand attitude influences intention to buy the product [34].

2.2. Conceptual Model and Hypothesis

Certain individuals are motivated to be exclusive, distinct from the public. These consumers express it by owning and displaying products that are unique, rare, and original. Their goal is to build self-image and social image in social groups [22]. Consumers who have high NFU tend to prefer something non-conventional to maintain their distinctiveness, while those who are low on NFU prefer something that is commonly known and accepted by the public and prevailing norms [35].
Availability of imported products in developing countries, such as Indonesia, restricted by government regulations by providing high taxes to encourage domestic production. Thus, making these products rare, expensive, and exclusive. It can attract the attention of consumers who pursue distinctiveness. [36]. Imported product has emotional value that drives consumer’s attitude toward the product and purchase intention [12]. Recent study finds that there are still considerable consumer segments that use COO cues in the evaluation of product purchase decisions [37]. The influence of country image on buying intention is mainly influenced through consumer perception about attribute of a product or product image (e.g., workmanship, innovation and technological advancement) [38]. This in turn, acts as an important cue that influences perceived product quality, leading to purchase intention [39]. The following hypotheses are suggested:

H1: The need for uniqueness (NFU) of consumers moderates the influence of the cosmetics country of origin (COO) on attitudes towards advertising.

H1a: As the need for uniqueness increases, attitudes towards advertising owned by Indonesian consumers are higher for international cosmetics than local cosmetic advertisements.

H1b: As the need for uniqueness decreases, attitudes towards advertising owned by Indonesian consumers are higher for local cosmetics than international cosmetic advertisements.

H2: The need for uniqueness (NFU) of consumers moderates the influence of the cosmetics country of origin (COO) on brand attitudes.

H2a: As the need for uniqueness increases, attitudes towards brand owned by Indonesian consumers are higher for international brand rather than local cosmetic brand.

H2b: As the need for uniqueness decreases, attitudes towards brand owned by Indonesian consumers are higher for local brand cosmetics rather than international cosmetic brand.

H3: The need for uniqueness (NFU) of consumers moderates the influence of the cosmetics country of origin (COO) on purchase intention.

H3a: As the need for uniqueness increases, purchase intention owned by Indonesian consumers are higher for international cosmetics rather than local cosmetic.

H3b: As the need for uniqueness decreases, purchase intention owned by Indonesian consumers are higher for local cosmetics rather than international cosmetic.

2.3. Research Design and Sample
This study used 2 (NFU: high vs low) x 4 (COO: Indonesia, United States of America, France, and South Korea) between-subjects experimental design. Fictional brand named “AfterGloss” is used to avoid the effects of brand familiarity. A total of 200 Indonesian women age 25 – 40 years participated in this experiment. All the participants were randomly assigned to one of the four between-subjects’ conditions. Questionnaire was distributed to the participants using email or messenger app. The final respondent's profile is shown. 41% of participants aged 25 – 30 years and 59% participants were over the age of 30 – 40. Most of the participants work as civil servant, which is about 47.5%. 30% of the participants work as private employee and 18% of the participants were housewives. The most average monthly expenditure of participants is IDR 4 million – 6 million.

2.4. Selection of Cosmetic Product Category
Participants were asked to choose one of the cosmetics they needed most and did not mind buying it from abroad. They also answer questions about what benefits they want to get and countries that make cosmetics with good quality. There are 16 participants who participated in this survey. As a result, lipstick ranks first with a percentage of 56% and the US, South Korea and France are the three countries chosen as producers of high-quality lipstick.
2.5. **Design of Advertising Stimulus**
Print ad design consists of country’s landmark photo and country of origin of lipstick. All other advertising elements including physical appearance of lipstick, image size, font size and style, lipstick color shades, headline, ad copy, brand name and logo, were kept identical.

2.6. **Experimental Procedure**
Pretests were conducted three phases. In the first stage, participants were asked to choose one cosmetic that they considered the most important and did not mind buying an imported brand. Besides that, they also answered questions regarding what functions they wanted to get from the cosmetics and the reasons for choosing the products. After that, the second pretest was to determine the three countries that were perceived to produce these products with good quality. The last pretest was done to test the validity and reliability of the research measuring instrument. In the actual experiment, participants were given a questionnaire containing print ads and were asked to answer questions related to need for uniqueness, attitude toward the ad, brand attitude, and purchase intention. Participants were selected randomly then divided into 4 groups (Indonesia, USA, France, and South Korea) where each group consisted of 50 people.

2.7. **Construct Measures**
Attitude toward the advertisement and brand attitude was measured using four items on a six-point Likert scale ranging from strongly disagree to strongly agree. The scale items for attitude toward the advertisement are: like/dislike, good/bad, informative/uninformative, and favorable/unfavorable [40]. Brand attitude scale items are: good/bad, like/dislike, positive/negative, and appealing/not appealing [41]. Measurement scale for NFU was adopted from [42]: creative choice (3 items), unpopular choice (3 items), and avoidance of similarity (3 items). Purchase intention was measured using three items on a six-point Likert scale: “It is very likely I will buy this brand in the future”, “I will buy this brand the next time I need a product from this category”, and “I will definitely try this brand” [15].

3. **Result and Discussion**

3.1. **Manipulation Check**
Manipulation in this experiment is countries landmark image and information "made in" from lipstick contained in a print ad design. Participants were given a question of lipstick country origin on the ads they saw earlier. If the country name chosen by the respondent does not match the advertisement, then the data is not included in this study. The total valid participants in each group: 50 out of 60 participants (COO Indonesia), 50 out of 70 participants (COO France), 50 out of 61 participants (COO USA), 50 out of 55 participants (COO South Korea).

3.2. **Measure Validity and Reliability**
In the pretest data analysis, we tested convergent validity using confirmatory factor analysis (CFA) on attitude toward the ad (4 items), brand attitude (4 items), purchase intention (3 items), and NFU (12 items). Regarding convergent validity, all observed variables contain significantly to the factors they represent. Scale reliabilities were assessed by Cronbach’s alpha and range from 0.887 to 0.928, above the 0.7 minimum cutoff [43].

3.3. **Grouping of Participants**
The categorization of NFU is based on a median split in each group. If they get a value greater than the median, then they are classified as high NFU. NFU group of consumers is shown in Table 1.

3.4. **Hypotheses Testing**
Hypotheses were analyzed using one-way Analysis of Variance (ANOVA). Thus, the influence of NFU and COO is tested one by one against the attitude towards advertising, brand attitude, and purchase
intention. The results found that the influence of COO and NFU was significant (see Table 2) for attitudes toward advertising \( (F_{(7,192)} = 8.78, p = .000) \), brand attitude \( (F_{(7,192)} = 9.571, p = .000) \) and purchase intention \( (F_{(7,192)} = 11.921, p = .000) \), supporting \( H_1-H_3 \).

<table>
<thead>
<tr>
<th>Table 1. Total NFU group</th>
</tr>
</thead>
<tbody>
<tr>
<td>NFU level</td>
</tr>
<tr>
<td>High</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>Low</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2. ANOVA results for each dependent variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variables</td>
</tr>
<tr>
<td>Attitude toward the Ad</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Purchase Intention</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

From Table 3, COO effect found in the low-NFU consumers \( (p < 0.05) \). Thus, low NFU groups tend to be more interested in advertisement and cosmetic brand from Indonesia than from French, USA, and South Korea. In addition, they also have greater purchase intentions for Indonesian cosmetic than cosmetics made in international countries, support \( H_{1b}, H_{2b}, \) and \( H_{3b} \). The hypothesis is not proven for the high NFU group. Effect of COO was found to be insignificant on attitudes toward advertising, brand attitude, and purchase intention \( (p > 0.05) \). However, contrast test between 2 NFU levels with each COO was found that high NFU had a positive attitude and high purchase intention for lipstick made in France, USA, and South Korea \( (p < 0.05) \). In addition, this does not apply to lipstick made in Indonesia which is not found significant differences between low and high NFU in attitudes and purchase intention \( (p > 0.05) \) (see Table 4). There was no effect was found on the differences in NFU on attitude and purchase intentions for lipstick made in Indonesia.

<table>
<thead>
<tr>
<th>Table 3. Interaction between NFU per level group and two COOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contrast</td>
</tr>
<tr>
<td>High NFU x COO ID vs. COO FR</td>
</tr>
<tr>
<td>High NFU x COO ID vs. COO USA</td>
</tr>
<tr>
<td>High NFU x COO ID vs. COO KR</td>
</tr>
<tr>
<td>High NFU x COO FR vs. COO USA</td>
</tr>
<tr>
<td>High NFU x COO FR vs. COO KR</td>
</tr>
<tr>
<td>High NFU x COO USA vs. COO KR</td>
</tr>
<tr>
<td>Low NFU x COO ID vs. COO FR</td>
</tr>
<tr>
<td>Low NFU x COO ID vs. COO USA</td>
</tr>
<tr>
<td>Low NFU x COO ID vs. COO KR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4. Interaction NFU level and COO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contrast</td>
</tr>
<tr>
<td>COO ID x High NFU vs. Low NFU</td>
</tr>
<tr>
<td>COO FR x High NFU vs. Low NFU</td>
</tr>
<tr>
<td>COO USA x High NFU vs. Low NFU</td>
</tr>
<tr>
<td>COO KR x High NFU vs. Low NFU</td>
</tr>
</tbody>
</table>
3.5. Discussion

This study demonstrates that Indonesian consumers’ NFU affect attitude toward advertising, brand attitude, and purchase intention of international and local cosmetic. Contrary to the previous findings that consumers with high NFU have a positive attitude toward international product and influence purchase intentions [12], negative attitudes toward advertising, brand attitudes, and purchase intention was found on international lipstick. Thus, country of origin is not a significant factor affecting attitude and purchase intention for high need for uniqueness compared to lipsticks made in France, USA and South Korea.

Factors that might cause this phenomenon to occur are: First, unique product image is not displayed through product attributes in advertisements. Color selection affects brand personality [44], perceptions of advertising, and consumer decision making [45]. The black color chosen for lipstick packaging is not the color that satisfies one's desire for uniqueness [46]. Thus, the product does not provide a unique association with high NFU, making it not attractive enough and certainly influences consumer behavior [47]. Second, the lack of innovation of cosmetic products in the ad. Product innovation is an attraction for high NFU consumers and influences their attitude towards a brand [48]. Consumers with high needs for uniqueness tend to try to highlight behavior that is contrary to the norms that apply in the community group. Thus, unique and different personal identities will be more recognized. Third, lack of scarcity appeal displayed in the ad. Ads will be more effective if marketers highlight the attractiveness of supply scarcity to attract to attract consumers who are seeking for distinctiveness (high NFU). Besides that, the ad copy needs to be written in a sentence that encourages high NFU consumers to think about the losses incurred if they do not have the product [49]. This will affect the positive attitude towards advertising and purchase intention.

However, the country of origin effect is seen in consumers who have a low need for uniqueness in influencing attitudes toward advertising, brand attitude, and purchase intention. Lipstick made in Indonesia was chosen by them. This phenomenon may be caused by the perception of local cosmetics that are not exclusive and cheap. Surprisingly, the NFU level affected attitudes toward advertising, brand attitudes, and intention to buy lipstick. High NFUs tend to choose lipsticks made in international countries rather than lipstick made in Indonesia. Attitudes and purchase intention lipstick made in Indonesia are not shown to be affected by differences in levels of NFU.

3.6. Implication

The results of the study answer several gaps in the existing literature. First, the latest research on interactions between countries of origin and NFU did not study the impact on consumer attitudes and purchase intentions. The researcher filled the gap by showing that the interaction between the country of origin of the product and the NFU had an impact on consumers attitude and purchase intentions. Second, the results of the study prove that consumers are influenced by the level of NFU as reflected in the different attitudes and intentions of buying local and international lipstick. The influence of the country of origin of the product has a very significant impact only on low NFUs, where they prefer and choose local lipstick. Social recognition to be admired and respected as a unique person compared to his friends or colleagues is not the desire for low-NFU in product consumption. Thus, they are not looking for products that are unusual and not accepted by the community [50]. Local cosmetic that tend to be cheap and easily found are selected by low-NFU consumers [12].

Consumers with a high need for uniqueness, have a higher buying attitude and intention for lipsticks made in international countries. In addition, between high NFU and low NFU did not indicate a significant difference in attitudes toward advertising, brand attitudes, and intention to purchase lipstick made in Indonesia. The attitude and purchase intention of Indonesian consumers with high need for uniqueness is not only influenced by the country of origin of the product, but also influenced by the level of consumer knowledge about other brands in the same product category [51]. The more famous the brand among the public, so consumers are not using and interested in these brands to express their uniqueness [22]. Besides that, more knowledge about the characteristics of the brands on the market that
are owned by high-NFU consumers, perhaps making them more selective in identifying brands that suit their personalities.

Just relying on the image of the country of cosmetics will not make high-NFU consumers interested because country of origin cue was not sufficiently increase self-differences from the others. Therefore, companies must strive to achieve product differentiation through brands. Cosmetics companies that target consumers with characteristics of high need for uniqueness, it is important to highlight the brand image that is unique and different from competitors that already exist in Indonesia. In addition, the selection of colors for packaging design should be noted in order to form a unique perception and influence consumer behavior with high NFU. Companies can also consider customization product design so that they are given the opportunity to express their self-image. Not only in terms of the products that need to be considered, but also the marketing managers need to design appropriate marketing strategies. Preferably, product advertising should highlight scarcity appeal in supply. This is related to product exclusivity that will increase their uniqueness.

4. Conclusion
Country of origin has a significant influence on brand attitudes, attitudes toward advertising, and buying intention for consumers with low NFU levels. They use COO as a factor in evaluating cosmetic products. Consumers who have low NFU choose lipsticks made in Indonesia so that they have a positive impact on purchase intentions compared to lipsticks made in France, USA and South Korea. High NFU consumers, do not consider the country of origin of lipstick too much as an evaluation material that can increase interest in advertising, brands, and purchase intentions. In addition, differences in the level of NFU proven to influence the attitudes and purchase intention lipstick made by France, the USA, and South Korea. Meanwhile, attitude and intention to purchase local lipstick is not proven to be influenced by differences in the level of need for uniqueness from consumers.

5. References


[27] Belch G E and Belch M A 2015 \textit{Advertising and promotion: an integrated marketing communications perspective}. 10\textsuperscript{th} Ed. (Singapore: McGraw-Hill Education)


[34] Mikołajczak-Degrawe K and Breenman M 2014 The influence of advertising on compulsive buying-The role of persuasion knowledge. \textit{J. Behav. Addict.}