



# Foreign Branding: Examining the Relationship between Language and International Brand Evaluations

Sergio Olavarrieta Soto\*, Enrique Manzur Mobarec\*\* & Roberto Friedmann\*\*\*

## abstract

In Latin-American markets, the choice of foreign brand names is very popular in a variety of product classes. We investigate this phenomenon extending LeClerc et al. (1989, 1994) original work on foreign branding effects in the context of a developing Latin American country, such as Chile. In this paper, we have used two foreign languages, French and English and a different home-country language—Spanish—, thus extending the original US-based study. In general, results are consistent with those of studies conducted by LeClerc et al. However, in the case of Chile, foreign branding, in particular English branding, generates better results across all product categories (hedonic, hybrid, and functional).

**key words:** foreign branding, brands, language, Chile.

## resumen

**Nombres de marca extranjeros: examinando la relación entre el lenguaje y la evaluación de una marca internacional**

La elección de nombres de marca en idiomas extranjeros ("foreign brand names") en mercados latinoamericanos es bastante popular en variadas categorías de productos. Nosotros investigamos este fenómeno extendiendo los trabajos originales de Le Clerc et ál. (1989, 1994) en el contexto de un país en desarrollo latinoamericano, como Chile. Para esto se realizaron experimentos utilizando dos lenguajes extranjeros: francés e inglés, además del lenguaje del país foco —Español—, lo que amplía el estudio original en Estados Unidos con inglés como lengua local y francés como lengua foránea.

En general, los resultados son consistentes con los estudios de Le Clerc et ál. Sin embargo, en el caso de Chile, el uso de marcas en idioma extranjero, en particular marcas en inglés, genera mejores evaluaciones en todas las categorías de productos (hedónicos, funcionales e híbridos).

**palabras clave:** marcas extranjeras, marcas, idiomas, Chile.

## résumé

**Les marques en langue étrangère: étude du rapport entre la langue et les évaluations de marques internationales.**

Le choix de noms de marque en langue étrangère ("foreign brand names") sur le marché latino-américain est très populaire pour une grande variété de produits. Nous avons étudié ce phénomène, étendant les travaux originaux de Le Clerc et al. (1989, 1994) dans le contexte d'un pays latino américain, comme le Chili. Des expériences ont été faites en utilisant deux langues étrangères: le français et l'anglais, en plus de la langue du pays, l'espagnol, ce qui amplifie l'étude originale réalisée aux Etats Unis avec l'anglais comme langue locale et le français comme langue étrangère. En général les résultats correspondent aux études de Le Clerc et al. Cependant, pour le cas du Chili, l'utilisation de marques en langue étrangère, et plus particulièrement de marques en anglais, engendre de meilleures évaluations pour toutes les catégories de produits. (Hédoniques, fonctionnels et hybrides).

**Mots-clefs:**

**Mots—clefs:** marques étrangères, marques, langues, Chili.

## resumo

**Nomes de marca estrangeiros: examinando a relação entre a linguagem e a avaliação de uma marca internacional**

A eleição de nomes de marca em idiomas estrangeiros ("foreign brand names") nos mercados latino-americanos é bastante popular em variadas categoria de produtos. Nós investigamos este fenômeno estendendo os trabalhos originais de Le Clerc et al. (1989, 1994) no contexto de um país latino americano em desenvolvimento, como o Chile. Para isso realizaram-se experimentos utilizando duas línguas estrangeiras: Francês e Inglês, além da linguagem do país foco —Espanhol—, o que amplia o estudo original realizado nos Estados Unidos com o inglês como língua local e o francês como língua forânea.

Em geral, os resultados são consistentes com os estudos de Le Clerc et al. Ainda assim, no caso do Chile, o uso de marcas em idioma estrangeiro, em particular marcas em inglês, gera melhores avaliações em todas as categorias de produtos (hedônicos, funcionais e híbridos).

**Palavras chave:** marcas estrangeiras, marcas, idiomas, Chile.

\* PhD in Business Administration, The University of Georgia, Profesor asociado de Marketing y Estrategia, Facultad de Economía y Negocios, Universidad de Chile, Chile.

**Correo electrónico:**  
solavar@unegocios.cl.

\*\* PhD in Business Administration, The University of Georgia, Profesor asistente de Marketing, Facultad de Economía y Negocios, Universidad de Chile, Chile

**Correo electrónico:**  
emanzur@unegocios.cl

\*\*\* PhD University of Kansas, Associate Professor of Marketing, Terry College of Business, University of Georgia.

**Correo electrónico:**  
bfriedmann@terry.uga.edu



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Correspondencia: Dr. Sergio Olavarrieta, Facultad de Economía y Empresa, Decanato Av. Ejército 260, Santiago, Chile.		





## Introduction

It is an accepted premise that both researchers and managers well recognize the importance of brand name selection for new product success (Kohli & Labahn, 1997; Aaker, 1991). As suggested by Keller (1993, 1998) for example, one of the brand elements with larger influence in generating brand equity is the brand name itself, due to its clear impact in brand recall and recognition. Absolut, the leading Swedish vodka brand, is a good example of this; the selection of this brand name generates “adequate” thoughts and associations that help develop Absolut vodka’s brand equity (recognition, recall and image).

Practitioners have long recognized the importance of brand name selection as manifested by an entire industry whose primary purpose is to assist firms in the selection of appropriate brand names for their goods and services. Empirical academic research on brand name selection, however, has been scarce. Even if one considers domestic marketing exclusively, brand name selection is a complex, time consuming and potentially expensive process. Brand name selection gets even more complex and more critical in view of a global marketplace, where brands become a key strategic resource for global expansion and competition (Ozretic-Dosen, Skare, & Krupka, 2007; Usunier & Shaner, 2002, Aaker & Joachimsthaler, 2000). In the Latin-American context specifically, it is interesting that foreign brand name selection—the selection of brand names that are foreign and/or written in other languages—is a very popular practice, primarily relying on English and French. Though there are no figures or studies available, observational data suggests that this trend is getting even more popular in recent years, due to the introduction of “global” brands by multinational companies. There appears to be a tacit consensus among marketing executives, advertising firms, and corporate image agencies, that the use of foreign names is preferred over native language (Spanish) names. A consistent result was found by Kinra (2006) in another developing nation—India—, where local consumers favor foreign brands. This case-based and intuitive evidence has a solid background in the studies of LeClerc, Schmitt and Dube (1989, 1994) in the US, and Pan and Schmitt (1996) work in a cross-cultural (US–China) setting. In general terms, these studies have shown that foreign branding can have a significant effect on brand associations (image) and attitudes (affect). In particular, both LeClerc et al. studies provide supporting evidence that the selection of brand names with French pronunciation generates more “hedonic” perceptions than those in English, and that brand names with an English pronunciation generate more “functional” or “utilitarian” perceptions of the product. In this sense, the selection of French brand na-

mes will favor hedonic product categories (e.g., perfumes, or high-fashion apparel) with, while the selection of English brand names would help more functional products (for example, gas stations, appliances, or tooth pastes).

This study builds from LeClerc et al.’s (1989, 1994) work on foreign branding effects, but it does so in the context of a developing Latin American country—as is the case of Chile. In and of itself, this is thought to be of value as it provides a cross-cultural investigation of their findings. Additionally though, we extend the original study and existing research by including two foreign languages, French and English, and by obviously using a different home country language: Spanish. The use of French responds to make results comparable with the original North American study. The addition of English responds to the increasing use and popularity of this language to name products in the Latin American and Chilean markets, and the dominance of this language as the key second (foreign) language in most non-English speaking countries. Our research also builds on previous marketing literature on brand name selection and language effects, in the context of markets with different languages and culture (Pan & Schmitt, 1996; Schmitt & Pan, 1994; Schmitt, Pan, & Tavassoli, 1994) and phonetic symbolism (Yorkston & Menon, 2004, Lowrey & Shrum, 2007).

## Literature review

### *Brand Name Selection and Brand Perceptions*

In his classic article, Keller (1993) argues that the value of brands, brand equity, is related to the type and strength of brand knowledge consumers have. That is, brand value comes from the structure of associations linked to a brand and the feelings and thoughts evoked by the brand in question (1993, 1998). In particular, Keller identifies two separate components of brand knowledge, which he argues are the two sources of brand equity: brand awareness and brand image. Brand awareness is reflected in the consumer’s ability to identify the brand under different conditions, and is related to the strength of the brand node in memory. Brand awareness is said to have two components: brand recognition—the ability of consumers to confirm previous exposure to the brand—and brand recall, the ability of consumers to retrieve the brand when given the product category as a cue (Keller, 1993). The perceptions generated in consumers’ minds regarding a brand form brand image. These perceptions are fixated in consumers’ memories in terms of brand associations (Aaker, 1991; Keller, 1993, 1998). Brand associations are in turn information nodes linked to the brand name node. Taken together, this set of informa-





tion nodes assists consumers in that they provide meaning for the brand (Friedmann, 1986).

In general, brand knowledge structures (both associations or information nodes, and the links among them) emerge, or may be generated through different mechanisms: direct experience with the product, brand elements, company communications and advertising, word of mouth, consumer inferences from existing associations or product characteristics, and through secondary associations (for example, through Nike using the “Jordan” brand to generate secondary associations such as: power, success, basketball, tough). Obviously, brand elements (e.g., brand name, typeface, logotype, symbols, slogan, jingle, character, and packaging) are key brand equity generators. Brand elements, are thus the marketing devices used to identify and differentiate the brand. These elements are key factors in the elaboration of brand strategy, because they play an important role in association building, awareness, image and positioning.

Careful selection of a brand name, then, can be an important component in developing the equity of that

brand, because the name itself can act as a cue for developing associations linked to the brand—as is the case with brand quality (Park & Winter, 1979). Additionally, the brand name (even alone, without any advertising support ) can influence sales; as can be seen in Kohli and Labahn’s study (1997) showing that brand names can be critical in new product success.

#### ***Foreign Branding and Brand Perceptions [T3]***

As stated above, brand names are important in developing brand knowledge (i.e., brand awareness and brand image). Finding, or creating a brand name may involve pure invention, looking for appropriate names in native or foreign linguistic systems (i.e., languages), or a combination of these alternatives. The key question in our inquiry, is when should it be recommendable to use “foreign branding”—which has been defined as “the strategy of spelling or pronouncing a brand name in a foreign language” (LeClerc et al., 1994). Traditional textbooks would ideally advice against using brand names that are difficult to pronounce, as many foreign brand names can be (e.g., Haagen-Dazs being a classical example), because this could negatively affect the consumers’ ease of en-





coding, retention, and recall of such names. And, in an ideal world, the same textbooks would suggest that brand names should be as short as possible, and provide cue-value (e.g., Frigidaire refrigerators, Taster's Choice coffee).

However, one could argue that the use of words from foreign linguistic systems might indeed promote a first impression of surprise, and thus assist consumers by: capturing attention, helping with name retention, recall, and eventually helping to fixate particular brand associations to consumers' knowledge structures. This could all be due to the second order inferences stemming from the foreign origin of the brand. Thus, in spite of the above arguments about "ideal" brands, it seems that foreign branding is often a selected naming strategy, particularly when marketers try to influence the image of their brands by means of associations conveyed by foreign words and sounds. Cultural stereotypes can strengthen the effect of the use of foreign brand names, because part of these stereotypes, are transferred to the brand names through foreign words, or through brands pronounced in a particular foreign language form (Peabody, 1985). For example, note that firms allocate considerable advertising budgets to Spanish-speaking markets to teach consumers to correctly pronounce "7-UP" as "*seven up*", and not as "*siete u peh*".

In addition, we can further speculate that foreign language phonetics help trigger particular and different associations in consumer minds. For example, in Spanish (and in English), "ABSOLUT", the vodka brand name, could be people can translate or easily interpret as "ABSOLUTO" (or ABSOLUTE in English). In translating it, however, the brand name loses an important part of its "meaning", as conveyed by the word's phonetics and sound (Pan & Schmitt, 1996). Yes, we could say that it probably retains the semantic meaning of "totality", or "whole", but it certainly loses the "Russian character" and all associations stemming from that. This relates directly then to the lexicographic meaning of both words, "ABSOLUT" and "ABSOLUTO"; and specifically to the phonetics, that is, how they sound. Phonetic symbolism theory supports this idea stating and testing that sounds can convey meaning (Klink, 2000, Yorkston & Menon, 2004). In their interesting piece, Yorkston and Menon (2004) showed in a very controlled setting that different sounds affect consumer perceptions of brand attributes. In other study, Heath, Chatterjee, and France (1990) show that the hardness of consonants in brand names raises the perceptions of "hardness" in hygienic towel paper and in kitchen cleaners (this might explain the ABSOLUT effect). More recently Lowrey and Shrum (2007) indicate that different vowel sounds—like those of different languages—may affect consumer impressions of a brand name. In fact, they suggest that regularly phone-

tic symbolism has focused on vowels and vowel sound, one of the major differences between English and Latin languages (Ladefoged, 2001).

In a previous study, LeClerc et al. (1989) showed that language and pronunciation of particular names (e.g., "Vamer", "Randal", and "Massin") generated different perceptions, depending on whether a French or English pronunciation were used. Another interesting finding was that consumers develop beliefs of how a brand name should be pronounced, when the brand name is "written" or "heard" in an unknown or "ambiguous" way, and that these beliefs shape the perceptions they have of the product. For example, it was shown that the evaluation and perceptions of the Honda Precis, varied in a manner directly associated to the way people thought the name was pronounced. The associations went from: "precise", "exact", "performer" or "elegant", to "cheap". In a later study, LeClerc, Schmitt and Dube (1994) provided stronger evidence supporting the effects of foreign branding. They found convergent evidence that foreign branding does affect product perceptions regarding the hedonism and utilitarianism of products.

We should consider that, from the very moment we deal with a foreign brand name, the "foreign" component may trigger immediate connotations due to the country of origin (COO) effect. This effect refers to the notion that consumers often can ascribe meanings, characteristics, or even quality perceptions to products, as a result—in part—of where these products are from. Though not unequivocal (see for example, Peterson & Jolibert, 1995; Iyer & Kalita, 1997) there is considerable theoretical evidence and empirical findings suggesting that country of origin effects are relevant to consumers across cultures (e.g., Ahmed et al., 1997; Mohamad et al., 2000), and do play a salient role in consumer evaluations and choice heuristics through variety of cognitive processes (e.g., Janda & Rao, 1997; Siu & Chan, 1996). This is also related to the concept of a country as brand as suggested by the nation and place branding literature (Kotler & Gertner, 2002). Therefore, marketers' use of a foreign language and/or a foreign pronunciation per se ought to be seen as mechanisms whereby the country of origin effect is brought about, thus affecting how consumers will perceive, evaluate, and/or respond to a particular brand. While a worthwhile topic in and of itself, COO is presented here as supporting conceptual argument regarding the relevance of foreign branding.

Nevertheless, as suggested by LeClerc et al., (1994), foreign branding can be a more differentiated cue for hedonic perceptions than country-of-origin cues. In particular, they argue that "consumers may have stored in memory certain associations related to the French lan-







guage in terms of hedonism—associations that could be in different form and stronger than associations stored for “made in” information” (p. 268).

### **Research Questions**

We know then that there is some evidence that the way names are pronounced may affect brand perceptions and evaluations. Most of this evidence, however, was obtained in the US and in European countries. Because global branding is very much a permanent reality and not a passing fad, we suggest that knowledge about branding based upon North-American consumers can be enhanced by insights from other consumer markets. In particular, we consider of value to investigate markets with significant current and future consumption potential, as is the case of Chile—a stable and growing market economy.

The central focus of this research then is the investigation of how brand name selection (domestic versus foreign brand names) affects consumer product perceptions and evaluations. Specifically, the studies reported below are designed to identify the influence of different brand languages (Spanish, English, and French), all of them properly pronounced in their respective way, in consumers’ evaluations and perceptions of brands.

The research questions of interest were then:

- Is the concept of foreign branding relevant to non-English speaking markets? If so, are there differences in consumers’ brand evaluations due to foreign branding?
- Are there differences in consumers’ brand evaluations due to alternative foreign branding choices (e.g., English or French, in the case of a Spanish speaking marketplace)?
- Is foreign branding a more appropriate strategy for hedonic products than for utilitarian products? Is domestic branding a more appropriate strategy for utilitarian products than for hedonic products?
- What is the role of foreign branding in the case of hybrid products?

### **Method**

Two studies were conducted to address the research questions. Due to their general nature, the first two research questions were addressed in both studies. Study 1 was designed to specifically investigate research question 3; and Study 2, to answer research question 4.

#### **Study I**

In Study I, we wanted to examine the effects of foreign branding on consumers’ brand evaluations. Foreign

branding was operationalized via two different languages: French and English; the domestic language was Spanish. As detailed later, subjects provided an assessment of their acceptance (liking) of a set of product brand names, both in hedonic and utilitarian product categories. Hedonic products are those more associated with pleasure when they are used (Batra & Ahtola, 1990). Utilitarian or functional products are those more associated with a practical use, or for solving a particular problem. In particular, we wanted to explore if the choice of foreign language does matter or not. More specifically the intent also was to see if foreign branding was a better strategy for naming hedonic products, and if domestic (Spanish) branding was a better alternative for utilitarian products.

#### **Study I Method**

The subjects, 64 undergraduate Chilean students (selected from 6 different universities, all of them native Spanish-speakers) rated 8 randomly-listed, previously chosen brands, corresponding to 4 hedonic product categories and four utilitarian products. The products used in this experiment were selected via a pre-test with a different set of 26 university students, who assessed whether 52 different product categories had more utilitarian or hedonic characteristics, using a 7-point scale ( $-3$  = Highly Hedonic, to  $+3$  = Highly Utilitarian). Subjects were provided with an apriori definition and example of hedonic and utilitarian characteristics. The selected products were as follows:

- The hedonic products and brands (shown in parenthesis) included in the study were: jewelry (Larient), perfume (Plenitud), fountain pen (Mabis), and gel (Lumina). These products all had scores of less than 1.2 in the hedonic / utilitarian scales described above.
- The utilitarian products and brands (shown in parenthesis) selected were: light-bulbs (Trinon), screwdriver (Talace), gasoline station (Cart), toilet paper (Sense); with these products all having scores higher than 2.0 in the same hedonic / utilitarian scale.

The eight brand names presented above were selected using two processes. First, given that three product categories in our study were also used in LeClerc et al. (1989) study (jewelry, bulbs, and screwdrivers) we decided to use the same brand names (Larient, Trinon, Talace), given they were also acceptable in terms of the Spanish phonetics—as per the expert opinion of a professional linguist. The remaining five brand names (Plenitud, Cart, Sense, Mabis, and Lumina) were selected from a list of over forty brand names generated by the authors. The selection criteria utilized were: 1) the brand names needed to be acceptable in terms of the three languages syntax and phonetics, and 2) they had to be easy to pronounce in



the different languages. Both criteria were systematically checked with native speakers of the three languages.

The independent variable—brand evaluation—was measured using a single item 7-point scale (1 = “I did not like it at all”, 7 = “I liked it a lot”). Experimental subjects received a chart with the product category, the brand name, and three scales for evaluating the three different brand names (English, French and Spanish). Each subject heard the three different pronunciations of each brand, and then they rated how much they liked each of them. Each brand was pronounced by the same, fully tri-lingual person. To avoid order biases, six different pronunciation order combinations were recorded in a tape player, and played randomly to different experimental subjects.

### Study 1 Result

In order to test the effects of the different pronunciations on brand evaluations, a 3 (Spanish, English, French) x 2 (hedonic, utilitarian) ANOVA was conducted on the average composite liking scores for the hedonic and utilitarian product categories. Both independent variables were within-subject variables; then repeated measures GLM was used to analyze the data. As expected, a strong interaction effect was found between brand name pronunciation and product type ( $F(2,126) = 48.046$ ,  $p < 0.000$ ); in addition to a strong pronunciation effect ( $F(2,126) = 6.918$ ,  $p < 0.001$ ). Composite average scores are shown in Table 1. In general terms, these results confirm previous North-American-based studies (i.e., LeClerc et al., 1989), in that foreign branding generate different consumer brand evaluations than domestic branding. In our study, in the case of hedonic products, foreign branding (French and English, with respective scores of 4.38 and 4.62) generated better brand likeability scores than (Spanish) domestic branding (3.85). For utilitarian products, domestic branding (Spanish, 4.65), appeared to be more effective than both of the foreign brand languages (English: 4.50 and French: 3.53).

Additionally, we performed a 3 (Spanish, English, French) x 8 (8 different product categories) ANOVA on the individual brand liking scores, to further examine foreign branding effects at the individual product level. Means of all cells in the design are provided in Table 2. Again, the ANOVA revealed: a strong interaction

between pronunciation and product category (as we expected,  $F(14,882) = 9,811$ ,  $p < 0.001$ ), and a significant language effect ( $F(2, 126) = 6.918$ ,  $p < 0.001$ ).

There are two results worth noting. First, in the case of hedonic products, both French and English generate better brand evaluations. And, in some cases (e.g., fountain pen), the English pronunciation generates an even higher evaluation score compared to the French pronunciation (mean scores for fountain pen: Eng: 5.59, Fr: 4.56, Spa: 4.06). A second intriguing finding, is that in the case of utilitarian products, English branding seems to be an effective and comparable alternative to Spanish or domestic branding (Mean scores for screwdriver Eng: 4.09, Fr: 3.04, Spa: 3.97).

What these results suggest is that marketers can help develop specific brand images for hedonic products by using foreign branding. Nonetheless, (global) marketers need to be aware that the foreign languages that may help them achieve desired (hedonic) images, may change not only from country to country, but also from product to product. In particular, our results suggest, that in a Latin American market like Chile, English branding can help brand evaluations of hedonic products as much as French branding. Additionally, whether it is best to use English or French for naming hedonic products may vary according to the product. We can see, for example, in Table 2, how French brand names get better evaluations for perfumes and jewelry, but not for fountain pens—where an English brand name generate better evaluations.

Table 2: Mean liking scores as a function of pronunciation and product category.

	Product Category	Domestic branding	Foreign branding	
		Spanish	English	French
Hedonic	Jewelry	3.40	4.09	4.51
	Perfume	4.01	4.36	4.51
	Fountain Pen	4.06	5.59	4.56
	Gel	3.92	4.44	3.95
Utilitarian	Light bulb	4.73	4.31	3.40
	Screwdriver	3.97	4.09	3.04
	Gas	4.63	5.31	3.75
	Toilette paper	5.29	4.28	3.92

Table 1: Mean liking scores as a function of pronunciation and product category.

Type of product	Domestic branding	Foreign branding	
	Spanish	English	French
Hedonic products	3.85	4.62	4.38
Utilitarian products	4.65	4.50	3.53

Language Pronunciation effect:  $F(2,126) = 6.918$ ,  $p < 0.001$   
Interaction Effect (Pronunciation x Type of product):  $F(2,126) = 48.046$ ,  $p < 0.000$ ;



Another interesting result, is that overall, one type of foreign branding strategy (i.e., English) seems to provide similar results than a domestic branding strategy (Spanish). This would clearly suggest that companies interested in developing global brands from the outset, may take a “safer” strategy using English as the chosen brand name language.

In order to extend these results to a wider category of products, it is necessary to investigate foreign branding effects for hybrid products—those with both hedonic and utilitarian characteristics. This is particularly important, given that most product categories in fact possess a mix of both characteristics.

### **Study II**

In a previous study, LeClerc et al. (1989) studied the effect of foreign branding on the perception of hybrid products, said to be those which possess a balance of utilitarian and hedonic features (i.e., shampoo, deodorant, jeans, etc.). They found that hybrid brands were perceived as more hedonic when the name was pronounced in French rather than in English. Later on, LeClerc et al. (1994), confirmed those preliminary results in a new study, concluding that “product perceptions and evaluations change as a function of whether the brand name is pronounced in French or English” (p. 265). In particular, they found that French names produce more hedonic perceptions than English names, and that French names were preferred over English names for hedonic products.

In study 2 we replicate LeClerc et al.’s (1989) work. This serves two purposes. First, it might add further evidence regarding foreign branding effects on hybrid products, which in and of itself should be valuable. Second, by adding a second foreign language in the operationalization of foreign branding (French and English plus the country language: Spanish) we, in essence, build from LeClerc et al.’s work aiming to provide additional information as to the extent of foreign branding effects. The use of English (and not just French) to manipulate foreign branding responds to the fact that in Latin American countries the most used foreign language in brand names is English. Additionally, this also serves the purpose of testing the effect of foreign branding and not the effect of French in an American or Chilean context, thus expanding the generalizability of the results. Therefore, in study 2 we further explore whether foreign branding effects on hybrid products are generalizable across countries, or appear to be context or market-specific.

### **Study II Method**

Ninety undergraduate and graduate students participated in Study II (45 men, 45 women, age: 16-27 years, from

different counties of the Metropolitan Region of Chile). Subjects listened to brand names for “hybrid” products. The three hybrid products selected (jeans, photographic camera, and mouthwash) have relatively neutral ratings: -0.5, 0.2 and 0.3 respectively, in our original (-3 to +3), hedonic / utilitarian scale. The three product scores were obtained via a pre-test with 26 undergraduate and graduate students (13 men, 13 women, ages: 18-26).

The brands used in this study also needed to fulfill phonetic and syntax rules in three different languages: French, English and Spanish. Based on this criteria, we checked that that three brand names chosen in LeClerc et al.’s study (1989) (Varner, Yocler, & Mabor) were acceptable in Spanish, and they were indeed deemed acceptable choices by a professional linguist.

Foreign branding was manipulated as a between-subjects factor. Experimental subjects listened to either the French, English or Spanish pronunciation of the same fictitious brand names. Only the order of the products was changed. Three different tapes (stimuli) were created by changing the order of the product. The three different product orders were: 1) jeans, camera, and mouthwash; 2) camera, mouthwash, and jeans; and 3) mouthwash, jeans, and camera. This was done to make sure that any possible effects were not caused by specific product category-brand name associations. The brand names were again pronounced by the same tri-lingual person. Brand names were pronounced twice, and then subjects were asked to assess their impressions of the brand name.

Subjects were asked to rate if they liked the brand names using a seven point scale (1 = “I do not like it all”, 7 = “I like it a lot”), the degree of hedonism of the product (1 = Definitely Utilitarian, 7 = Definitely Hedonic), and the expected price level for the product, given each brand pronunciation (1 = Very inexpensive, 7 = Very expensive).

### **Results and discussion**

One way ANOVAs were conducted on the three dependent variable scales: perceived hedonism, attitude toward the brand name, and price expectations. Two of three ANOVAs on the perceived hedonism scale showed significant differences due to brand name language ( $F(2,87) = 7.608$  for jeans, and  $F(2,87) = 3.973$  for mouthwash). Interestingly, in both cases, the foreign language that suggested higher hedonism was English, and not French. In the case of the third product (photographic camera), results showed that French branding did in fact generate higher ratings in the perceived hedonism scale, but not statistically significant differences than in the other two languages (please see Table 3).



Table 3: Foreign branding and hybrid products: average scores of hedonism, attitude toward the brand and price expectations.

Products	Dependent Variable	Domestic branding		Foreign branding		Sig.
		Spanish	English	French	F	
Jeans	Perceived Hedonism	4.07	4.77	3.43	7.608*	0.001
	Attitude toward the brand name	4.07	4.67	4.47	1.050	0.354
	Price expectations	4.00	4.47	4.33	0.828	0.440
Camera	Perceived Hedonism	3.63	3.50	4.30	2.172	0.120
	Attitude toward the brand name	3.13	4.87	3.67	11.204*	0.001
	Price expectations	4.20	5.00	4.10	3.578*	0.032
Mouthwash	Perceived Hedonism	3.40	4.37	3.63	3.973*	0.022
	Attitude toward the brand name	4.40	4.50	2.77	16.694*	0.000
	Price expectations	4.73	5.07	4.40	1.947	0.149

\*  $p < 0.001$ 

In general, we found results consistent with the original LeClerc et al. studies (1989, 1994), confirming that foreign branding has an impact on product perceptions and attitudes. An interesting finding, however, is that foreign branding effects are sensitive to the market context, and the specific language used. In the case of Chile, English branding—the use of English brand names—seems to generate better results over all product categories.

Also, attitude toward the brand name can be positively affected by specific-foreign branding. In the case of two products (photographic camera, mouthwash) we found that English branding increased attitude toward the brand name, as compared to Spanish or French brand names ( $F(2,87) = 11.204$ ,  $p < 0.001$ , and  $F(2,87) = 16.694$ ,  $p < 0.000$ ). In the case of jeans, results were in the predicted direction (foreign brand names got higher scores in the likeability scale means), but were not statistically significant.

The effects of foreign branding on price expectations are somewhat less definite, because only in one case (mouthwash), a significant difference was found between the different types of pronunciations. However, overall, an interesting result is that across product categories and dependent measures, an English pronunciation seems to help increase brand evaluations. In all but one brand evaluation task, English was the language that generated higher scores.

In sum, Study II shows that product perceptions, evaluations, and price expectations of hybrid products may change as a function of specific foreign branding. In the case of the Chilean market, it appears that English branding is preferred over Spanish and French branding. The results also show that foreign language may generate hedonic perceptions in the case of hybrid products, and that those perceptions, and the recommended language

to be used could change from market to market. Our results suggest that, if the marketer's intent was to create a hedonic image to his/her product, in some Latin-American countries English brand names would be a preferred option over French names.

#### Limitations of the studies

Study I has the limitations associated with a within-subjects design. A stronger test of the foreign branding effect in Chile needs to be performed using a between subjects design. Sample sizes of the two experimental studies were not large; however, this might serve as an indication of the strength of the significant results obtained. In Study II, all results were in the predicted direction (foreign branding generating higher ratings for hybrid products) but results were not significant, in part, given the small number of persons per cell.

One could also argue that are other limitations associated with the manipulation of foreign branding. Subjects only heard the brand names twice or once (depending on the experiment) which could have been an overly subtle or perhaps weak way to manipulate foreign branding. In previous studies, subjects listened to the brand names up to three times (e.g., LeClerc et al. 1994). Additionally, a more general—and obvious—limitation is the use of only two languages to operationalize foreign branding effects. Questions regarding the generalizability of these results to other foreign languages (e.g. German, Italian or eventually Mandarin) remain to be tested. We are confident though, that in most countries, the first or the most used foreign language used in the marketing and branding context is English.

#### Conclusions and general discussion

Both studies provide empirical evidence that foreign branding effects exist cross-culturally. This is consistent with previous USA-based studies (LeClerc et al., 1988,





1994). Foreign branding, can in fact, be used in order to change consumers' brand perceptions and evaluations.

Overall findings regarding the initial four research questions are:

- foreign branding is relevant in non-English speaking countries and generates differences in consumer evaluations;
- there are differences in consumer brand evaluations given alternative choices of foreign languages used (English vs. French);
- foreign branding appears to be more appropriate for hedonic than utilitarian products; while domestic branding is not necessarily a preferred branding strategy for utilitarian products (English might be a very good alternative);
- with hybrid products, foreign branding helps in generating hedonic perceptions.

In the case of native Spanish speaking countries, it appears that hedonic products, for example, would benefit from the use of foreign branding, both in English and French. Utilitarian products, on average, would benefit from the use of domestic branding (Spanish).

Our studies show that the notion of "foreign branding" should not only be associated with French words. In particular, our results suggest that even in countries where English is not the native language (e.g., most of Latin-America), English branding can provide some of the hedonic features and associations normally linked to French in English speaking markets. This would indicate that stereotypes are culturally based (Brouthers & Xu, 2002). And, while foreign branding might help hedonic and hybrid products trigger even more hedonic associations and be better liked, the selection of the particular foreign language to be used, must be: contextual, market-specific, and should take into consideration the nation's cultural stereotypes and the product in question. This may also be related to the original language spoken in that particular country, to the phonetic characteristics of that particular language, and to the fit or misfit of particular words and sounds, with the product category as phonetic symbolism theory might suggest (Lowrey & Shrum, 2007).

For brand managers, these studies provide insights into the issues of global branding and positioning (Alden, Steenkamp, & Batra, 1999). As shown above, English brand names seem to provide overall higher likeability scores in the case of both hybrid and hedonic products, and they also produce reasonably high scores in the utilitarian product categories too. This suggests that

in most product categories, unless maybe in those extremely hedonic in nature (e.g. perfume, fashion clothes), the selection of English brand names could well be a safe and effective strategy across markets. One might question though, if that is always the case, and if similar findings would hold, for example, in Portuguese speaking markets. That is but one question that our results may suggest, and which perhaps indicate that this is indeed a relevant area of inquiry. To illustrate the point further, among the questions that we suggest could be further investigated given our findings, we suggest:

what differences—if any—would one find across different home language markets with respect to the impact of foreign branding?

- what differences—if any—would one find across same home language markets with different degrees of ethnocentrism?
- how relevant is the use of foreign branding as a positioning anchor, vis-à-vis salient product benefits or attributes?
- are there significant differences in the relevance of foreign branding across different age cohorts? Are these the same across product categories? Or subcultures within a nation? (Laroche et al., 2002)
- are there significant differences in the role of foreign branding between services and products for the same home market? What about in different home markets?
- are there consumer variables (e.g., level of familiarity, information-processing preferences, gift-giving behavior, gender) that act as moderators, or significantly influence the role of foreign branding in consumers' evaluations?

There are other issues that need to be further investigated like the extendibility of these results to other Latin American countries, or the extent to which foreign branding effects may occur with other languages (Slavic languages or oriental languages). Also, the effect of subcultures within a country may be another interest factor that should be further investigated. For example: ¿Would it have the same effects a foreign branding strategy in urban vs. rural areas? In that sense, the use of foreign and even mixed-language strategies is actually occurring within the Hispanic subculture in the US, as suggested by Callow and McDonald (2005). This might be quiet interesting for segmented marketing strategies. Another interesting stream of research is the combination of foreign branding effects and ethnocentrism. To a certain extent, these results suggest that foreign branding provides a shield against ethnocentrism, but this needs to be



further investigated in the Latin American context (Supphellen & Rittenburg, 2001). Finally, and from a more theoretical perspective, it might be an interesting avenue of research and future conceptual development the combination of phonetic symbolism theory (Klink, 2000; Lowrey & Shrum, 2007) and foreign branding. According to this theory, the particular use of sounds (vowels) does affect brand meanings and perceptions. One may

potentially argue that such effects may be expanded or reduced due to language and country stereotypes or due to language/sound and country familiarity. It is our contention that the original work of LeClerc et al. (1994) pointed out a potentially rich area of research. Our findings suggest that there is merit in continuing investigating what could be a very applicable and relevant business issue in today's competitive global marketplace.

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