

Bad Stereotypes Won't Hurt Business, Study

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(Photo : Pixabay)

Stereotypes can seriously hurt a country's business, but new research reveals that products still come before reputation when it comes to trade.

Most people associate France and Italy with fashion and luxury and are willing to pay significant amounts of money for French luxury products.

After studying how bad reputations affect the way people view a country's products, researchers found that consumers don't judge a country's products by its reputation if the products show quality.

"Positive feelings about a country don't always translate into more favorable opinions of its products. A positive opinion of a country may actually make consumers think more about whether or not the country is known to be good at making a product. On the other hand, negative feelings toward a country make consumers think only about a product's features and less about the country of origin," lead researcher Cathy Yi Chen of Singapore Management University said in a news release.

Researchers wanted to know if consumers are more likely to favor products from countries with good reputations, and dislike products from countries with negative reputations.

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For the study, participants were asked to read a fictional travel website where a traveler had described either a positive or negative experience while traveling in a country. Afterwards, participants were instructed to read about a new digital camera made in that country.

The study revealed that consumers considered only the product information and not about the country of origin if they had negative feelings toward the country. However, consumers also considered products' country of origin if they felt positively about the country.

"Country of origin is an important determinant of business success. Because all country stereotypes are multifaceted, it is important to understand not only a country's reputation for making quality products, but also how exposure through travel and advertising impacts consumer opinion of a country's products," researchers concluded.