The Influence of Social Media and Brand Knowledge to The Relationship of Country of Origin And Brand Preference

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Abstract: *The results of this studyshowed that the social networks has a significant positive influence on the brand preference, and the level of consumer's consumption has a statistically significant positive mediating effect on the relationship between consumer behaviour and brand choice. The correct presentation of information to social networks about the brand has an impact on consumer behavior and its immediate choice in favor of a brand. This study shows how much the consumer owns information about the product, and how social networks and Internet marketing contribute to the development of the brand and the formation of preferential qualities when choosing a product by the consumer.*

I. Introduction

For the present, the Internet network is developing with a high speed. The global space of the internet is not just a means of communication that enables you to share graphics, text, video and audio information, it is also the most effective method of marketing research that helps to develop business, trade, and can have a great impact on the audience of consumers. With the development of the Internet develop and change different approaches and strategies of business management and one of the components-marketing.

Chinese consumers are inereasingly exposed to foreign brands as China is transforming from exporting country to an importing country. China's consumers goods market poses a significant market opportunity for foreign markets and global brand markets continue to raise their marketing activities in China. As a result, Chinese costumers are increasingly attentive to where a product is coming from and wich brand it is. In other words, country of origin, (COO)and brand name may become two major determinants in their consumer product choises as Chinese consumer goods market becoms more exposed to globalization and open market trade. This implies that owners of global brands appear to face competition wich may be considerably influenced by COO affects on Chinese consumer evaluation of a brand, as reflected in brand equity. This challemge may become more vexing as brand knowlege and consumers involvement interplay with this relationship . Chinese consumers' knowlege of foreign brands is increasing and consumer knowlege on a paricular brand may be affect how their stereotyped perception on a particular COO determines brand preference and brand equity. In addiction their personal motivation and interest in a product category may also influence of country of origin – brand prefernce (COO – BP). Thus, it is a moot point wherever Chinese consumers' brand knowlege of foreign brands and their involvement will have meaningful impact on COO – BP relationship. Understanding this rating of foreign brands whether they can enhace their competitive position on Chinese market by investing into Chinese consumers' brand knowlege and into the a prcticular brand category. Thats why the social media took a big part of morden advertising and high speed share an information of brand knowlege.

II. Material and Methods

Country of origin is one of the most studied constructs in marketing literature as the world become globalized, and there is significant amount of research on consumers perseption of COO and its effects on the decision process. Country of origin (COO) is a major extrinsic informational cue used by consumers in product evaluation. A product's COO acts like a signal of product quality, influencing a customer perception of a risk and value, and directly affecting the likelihood of purchase[1].

Various previous studies report that the importance of COO effects on consumer's quality evaluations and purchase intention and recent empirical studies indicate that COO effect loses its strenght when purchase intentions, and not quality perceptions, serve as dependent variable[9,10]. attempted to test affects on willingness to pay instead of quality evaluations or purchase intentions which is claimed to be less strieter test of COO effects since product evaluations and purchase intentions are softer outcome variables than price, revealing a COO effect more distinetively than price[1,9,10].

III. Literature review

The main in this study – is focus on brand preference (BP) as a depenfent variable to see the relationship between COO and BP. Categorization theory suggests that consumers tend to categorize in choice-making process and COO is an important category, in wich they can use infer their properties of brand.

Thus, consumer can may use COOas a mean to infer properties of a brand, using their knowlege of brand's origin. COO can be considered as a stereotype measure, used as a summary constuct, or it can be used as a proxy for other product attributes, having a halo effect[8]. Previous studies report empirical evidence of a brand's COO influenses on brand equity[12,13].

The internet and other digital technologies give to marketing professionals a completely new way to exit and maintain their clinics. The impressive success of the companies, wich from the beginning decided to focus their activities exclusively on the Internet (so-called "Dotcom", which include AMAZON.com eBAY EXPEDIA and hundreds of others) forced traditional Manufacturers and traders radically reconsider their views on service markets. Currently, almost all of these companies have already created their own websites and communication channels through which they sell a significant share of their products. Nowadays it is difficult to find a company that would not provide at least a minimal presence on the Internet[16].

In the extant literature of marketing, brand knowledge(BK) has been explored extensively in consumer research conceptualised brand knowledge as "consisting of a brand node in memory to which a variety of associations are linked". Traditionally, knowledge has been treated as a unidimensional construct most often referred to as product familiarity or prior knowledge. At the general level, brand knowledge reflects the brand meanings consumers holds about the brand[17]. The consumer brand knowledge was related to the cognitive representation of the brand, understanding the brand and its benefits.Consumer perceptions about the brand attributes and benefits, symbolic associations and affective associations as well constitute the dimensions of brand knowledge utilised in the learning process[2,6,15].

Social media (SM) fundamentally differs from the traditional communication channels (e.g. prints and TV) because of its interactive social structure and egalitarian nature[11,20].Unlike the one-way and top down communication in traditional mass media broadcasting, social media allows many-to-many multidirectional communication styles, with recipients empowered to participate in a social dialogue in which they control its direction. In addition, social media are rift with features that allow self- representation and disclosure. Social media users are able to disclose their personal information and share content to project an image consistent with their identity. Self-disclosure is considered as a critical step in developing a close relationship[3,19]. It is these unique characteristics of social media that make it possible for brands to foster an authentic relationship with customers[20].

Consumer brand preference is an essential step in understanding consumer brand choice; has therefore always received great attention from marketers. Researchers are demonstrated the importance of incorporating information about brand preference into the brand choice model. Brand preferences represent consumer dispositions to favour a particular brand. It refers to the behavioural tendencies reflecting the extent to which consumers favour one brand over another. Brand preference is close to reality in terms of reflecting consumer evaluation of brands. In the marketplace, consumers often face situations of selecting from several options.

Purchasing decisions are the behavioural outcome that precedes differentiation between several alternatives is the purchasing decision; a subsequent outcome of consumer preferences. Preferences facilitate consumers' choice by enhancing their intentions towards the favoured brand. Actual purchasing behaviour is likely to correspond to intentions; the mechanism of intention formation provides evidence of persistent consumer preferences. The consistency between consumer preferences and choices adds to the predictive validity of preference. Despite the importance of brand preferences, it is still guided by the expectancy-value theory and the economic theory. This traditional view explains brand preferences as a utility function derived from consumer's beliefs of brand attributes[5,14].

Consumer motivation or personal relevance to a product influences the way consumers search for information of a product, the way consumer processes information on branded products and determines its choise. In this regard, social media may affect the way consumer processes information on branded products and determines its choise.

In this study, choosen coffee category of brands are selected, for emperical assessment since they have major foreign brand products with destinetively low-invoement. The theoretical model of research shows the interactive relationship of independent variable – Counrty of origin (COO) , Brand Knowlege (BK) and Social Media (SM) and their effects on dependent variable – Brand Preference (BP).

Figure no 1 Theoretical Model (authors)
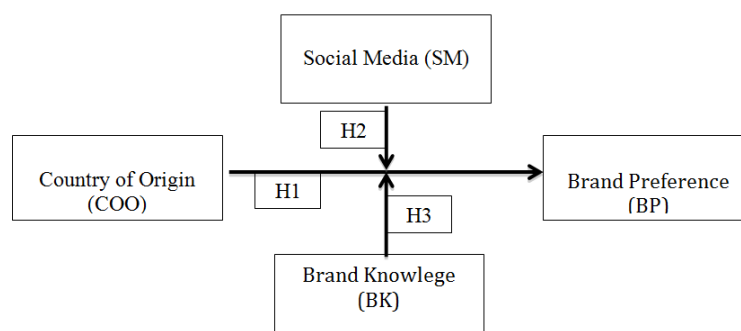
Study location: Guandong Province, Guangzhou City.

Research method The servey was developed in English and translated into Chinese, Questionarie was spread between foreigners and chinese citizens. It included coffee brand products well known and famous in China. This brand products are widely recognized and regarded foreign brands in their products categories. The data was collected from the Internet survey in December, 2018 and the total 150 usable data was collected from Chinese citizens and foreigners who lived in China for a long time. This study aims to explore how consumers stereotyped COO in conjunction with brand knowledge and how the Social media may affect on consumers brand preference choice.

Research construct measures were initially derived from the existing literature (Table 1).

Table no 1 Description of scales of measurements

Data	Scale of measurement
Social Media	Yun Ying Zhong, (2015). Martin Mulzaini, (2013)
Brand Knowledge	Fombrun and VanRiel (1997)
Brand Preference	Assael (1988), Keller (1993), Olvia et al. (1992)
Country of Origin	Han and Terpstra (1988), Roth and Romeo (1992)

The first part of Survey – social questions (including Gender, Age, Material Status, Educational level, Employment status, employment level and first imagination of product category.)

The second part – items of Social Media (Massage-cue factors, Site-level factor, Content – related factors) , Items of Brand `Experience and Brand Preference.

The most famous two types of brand coffee was found during the analysis of survey answers. They are Starbucks and Nescafe (Table 2.).

Table no 2 Product category and brand name

Product category	Brand name	Sample size
Coffee	Starbucks	150
	Nescafe	150

Findings: Reliability tests were carried out to ensure that's the survey produced consistent results for the variables. The reliability of the valid survey was assessed by the Cronbach's alpha coefficient, and the result indicated that Cronbach's alfa values of the constructs were above 0.70 for coffee brand product. All the answers of survey was taken from WeChat APP.

Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is considered to be a measure of scale reliability. A "high" value for alpha does not imply that the measure is unidimensional. If, in addition to measuring internal consistency, you wish to provide evidence that the scale in question is unidimensional, additional analyses can be performed. Exploratory factor analysis is one method of checking dimensionality. Technically speaking, Cronbach's alpha is not a statistical test – it is a coefficient of reliability (or consistency)[18].

Statistical analysis

SPSS's exploratory factor analysis was used to verify the dimensional structure of the data and the items correlations with factors. The factor analysis contained 4 expected factors for brand coffee data sets: Country of Origin, Social Media, Brand Knowlege and Brand Preference. With each item beieng loaded onto it corresponding factor.

IV. Results

During the analysis of results was taken a simple and multiple regressions and applied to test the hypotheses. The hypotesis (H1)wich stipulates thatcostumer's Brand Preference is positivley influenced by Country of Origin (COO) of the brand is confirmed. (Table 3). Models 1 and 2 were evaluated to asses the impact for COO on consumer's preference i personal coffee choice. The esistamates of the models 1 and 2 show that COO is statistically significant (the change in R^2= 0.034, Change in F = 0.006<0.06), and COO have a positive impact on BP for coffee brand choices (β = 0.310, t = 3.860, and p = 0.006). For the coffee brand's, COO and BP have positive relationship, indicating that COO of the brand is positively perceived, consumers are likely to prefer the brand.

Table 3 Coeficients of regression models 1 - 4 , role of SM influence on COO-BP relationship[8,9].

Model	Variable	β	S.E.	t	p-value	Change in R^2	F
Hypotesis 1							
Model 1	BK	0,537	0.055	7,955	0,000	0,171	0.000
Model 2	BK	0.286	0,073	4,038	0,000	0,034	0,004
	COO	0,310	0,073	3,860	0,006	-	-
Hypotesis 2							
Model 3	COO	0,433	0,055	7,956	0.000	0,205	0,000
	SM	-.193	0,055	-3,567	0.000		
Model 4	COO	0,476	0,055	8,335	0.000	0,018	0,012
	SM	-.200	0,054	-3.777	0.000	-	-
	COO*SM	0,152	0,047	2.673	0,011	-	-

The Hypothesis 2 (H2) determines the moderating role of Social Media, its influence on consumers brand's choice behaviour with estimulation of Model 3 and Model 4. For consumer choice of coffee brand, the interaction term of COO and Social Media in Model 4 resulted in change R^2= 0.018, change in F=0,012 <0,05, suggesting a considerable moderating effect of COO (β = 0,152, t = 2,673 and p = 0,011). On the COO and BP relationship of coffee brands. The positive coefficient of the interactive term (COO*SM) shows that higher involvement of Social Media leads to greater COO impact on BP in the coffee brands.

For the influence of Social Media, Models 5 and 6 empirically test for coffee brands in theHypothesis 3 was verified (β = 0,116, t = 3,051, and p = 0,003) in Models 5 and 6 (Table 4). Model 6 results shows that R^2=0,023, change in F = 0,003<0,05, clearly indicating that Brand Knowlege brings the mediating role on COO-BP relationship of famous coffee brand in China. The positive t-value (t = 3,051), shows that for coffee brands as consumers' brand knowledge increase, the effect of connection COO and BP increases too. Country of Origin is determining factor, which is affected by consumer's Brand Knowledge.

Table 4 Coeficients of regression models 5,6, role of BK influence on COO-BP relationship[3,7].

Model	Variable	β	S.E.	t	p-value	Change in R^2	F
Hypotesis 3							
Model 5	COO	0,216	0,063	2,870	0,007	0,218	0,000
	BK	0,299	0,063	4,056	0,000	-	-
Model 6	COO	0,235	0,063	3,214	0,002	0,023	0,003
	BK	0,351	0,077	4,749	0,000	-	-
	COO*BK	0,116	0,037	3,051	0,003	-	-

V. Discussion

The framing effect is extremely important for marketing. It is known that brands have a big influence to customer's decision, brand preference. So, as it happens, it is not known to the end, therefore brands remained intangible assets. The framing effect shows how the brands influencing the buying decision: acting as a background for the product and thus affect the impression of it. The framing effect shows the real value of the brand in selling products. Marketers are known for "blind" tests: branded products seem to be better than usual, but in reality all are the same. The effect of framing produced by brands is not the same as the product's marketing popularity. It increases the value of the product in the eyes of the buyer, and he is willing to pay more for objectively identical things.

Starbucks (the main office located in Seattle City, Washington) asks for its coffee a very high price. What is included in the product framing? Cozy interior design, exotic smells, background music of different countries of the world. There's a Starbucks all over the world. To go there for a moment means not just to drink coffee quickly, it means to plunge into a completely different "third" world on the way from home to work. It is possible to say that to have a coffee at Starbucks-it is like to arrange a microvacation. The frame in the spirit of microtempering is both authentic and intuitively correct, as it creates the impression of coffee: smell, exotic

varieties, special ways of making coffee. Coffee serves as a convenient bridge to the atmosphere of a small rest. And this framing is changing in different cultures. In China, Starbucks symbolizes wealth and high social status, and not at all escape into a small vacation. This perception strongly affects the specifics of Starbucks sales in China, because people come to the coffee shop to sit and be seen there, and almost don't buy coffee to take away. In 2005, the Starbucks company began to make the premises for its Chinese coffee shops more spacious to accommodate more visitors and thus compensate for the low levels of coffee takeaway.

It is unlikely that when testing "blind" buyers would be able to taste the difference between Starbucks coffee and the product of its competitors. However, people are willing to pay the premium price for the brand and the product framing it created, and there is the cost of the brand-created framing. If you multiply this figure by millions of annually sold in Starbucks cups of coffee, it is noticeable that the framing affects the success of the business and how much exceeds the planned budget for marketing.

As for the role of social media in the development of brand coffee-Starbucks has created for users an application that is supported by IOS and Android.The Starbucks APP has a simple interface, easy register and sign up process make a costumer easy to use the APP and easy to order a cup of favorite coffee. Process of ordering a coffee also didn't take a lot of time. Just simple choose of category of coffee and quick transaction with WeChat or Alipay program. And delivery will be quick and safe to costumers address.

Brand Nescafe (making at Nestle company) appeared in 1938 in Switzerland, deciding the issue of industrial processing and long-term storage of coffee. Up to this moment there was a problem of processing, storage and utilization of large volumes of coffee, the unrealized rests of coffee beans disappeared, and the process of coffee brewing seemed long and inconvenient to many. During a long period of time, in the Chinese supermarkets, custumers easly can recognized a famous and world-known brand. Because except this brand of Nestle company, there are a lot of products, including baby-foods, confectionery, cooking, drinks, pet food, etc. As of today Nescafe is the most bought brand of soluble coffee in the world, and the brand Nescafe-the most recognizable consumers after Coca-Cola.

The Luckin Coffee brand is rapidly gaining momentum, because Luckin Coffee made an App which can be useful inside the WeChat program. It calls WeChat mini programs, which making your order more faster and easily. Now Lucking Coffee also has a good reviews. This Coffee brand for the short period of time also became a favorite brand for young people. Because its convenient and fast to use this APP in WeChat to get your favorite coffee drink as soon as possible.

VI. Conclusions

The results of this study provides some meaningful implications for global brand marketers who want to compete at Chinese markets. The citizens of Guandong Province and Guangzhou city answered to the questions honestly and clearly. Empirical estimation of 6 diferrent models, and 2 different coffee brands Starbucks and Nescafe suggest the folowing insights.

The influence of the country's images on consumer attitudes has been defined as the country of origin effect.

First, the Country of Origin (COO) has a positive effect on chinese consumer's brand preference. If Country of foreign brand is positive at Chinese market, it is likely to have competitive advantage in positioning in the future. If a brand is coming from a country for which Chinese costumers have relativley negative stereotype, marketers obviosley need to develop addictional strategies to alleviate such negative effects on brand positioning on market. Although the evaluation is rather globally oriented (positively or negatively), the differentiation of the evaluations from particular countries depending on the criteria confirms multidimensional character of COO effect. The knowledge about how the evaluation of particular dimensions of the COO is shaped may prove helpful in development of marketing strategies in foreign markets[10].

Secondly, the influence of Social Media (SM) has a positive mediating effects on relationship of Country of Origin and Brand Preference. Social media, characterized by vast reach and connectivity, become a powerful 24/7 collaborative world whereby consumers have an equal say, if not greater than brand managers, in shaping brand meanings and value.

Brands rushed into social media, viewing social networks, video sharing sites, online communities, and microblogging sites as the panacea to diminishing returns in traditional mass media. Despite declining audiences, consumers' increasing desire and ability to skip advertising embedded in their programming, and a tremendous amount of clutter, prices for traditional media continued to increase year over year. Social media, by comparison, looked cheap and easy; a matter simply of switching spending from traditional to online forms. Unfortunately, brands' early attempts to crash the social media party were largely ignored and rebuffed. When marketers' jury-rigged their television advertising creative and posted ads to YouTube and Facebook, consumers largely ignored them. As more branding activity migrated to the web, consumers resisted advertising in their new social spaces. The web, after all, was made for people and their conversations; it was not a new media channel for communications about marketers' brands[7].

As chinese consumers using the social media increase, they may extensively search for more information and pay more attention to associated attributes of brand, consequently, they pay more attention to from which country a coffee brand came from. In another words, Country of brand has a strong and positive image among Chinese and foreign citizens, living at Guangdong Province.

Thirdly, the Brand Knowlege (BK) refers to all the thoughts, feelings, images, experiences, and beliefs that become associated with a businesses brand. For coffee brands consumers brand knowledge has positive effects on COO – BP relationship. Therefore, Country of origin matter have also a big influence on customers with choosing of coffee brands. For worldwide markets in coffee brand, this important point to consider and may need to recognize the importance of positive image of country.

The influence of Social Media and Brand Knowledge has a main role in developing and promoting the coffee brands in the future. A positive Image of Country of origin makes customers quickly and deliberately do a choice in favor of a certain brand of coffee.

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