

Perceptions of Country Brands in Trade and Tourism: Antecedents and Consequences from Latin America and the Middle East

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Although country branding has been a burgeoning theme in international business literature, comparative studies of this construct across cultures have been limited. The development of a deeper understanding of how diverse nations perceive country brands from their own paradigms is important in the complex world of international business. This study develops and tests a survey instrument in Peru and the Kingdom of Saudi Arabia to assess perceptions of country brands as well as the underlying antecedents to brand preferences. Results from a sample of 154 working adults include the findings that trade preferences are related to top tourism destinations and that consumers from Peru and Saudi Arabia differ in antecedents to country trade choices. Managerial implications and future research directions are also discussed.

Keywords: Country Branding, Cross-Cultural Management, Saudi Arabia, Peru

JEL Classification: Z1, O19, N40, M14, M39

I. Introduction

As more and more nations attempt to leverage their national identities in the global marketplace, obtaining a deeper understanding of country brand perceptions by consumers from various cultures of the world will become increasingly important. This phenomenon is of particular interest to business and governmental leaders in emerging economies who face increasing competition from other nations worldwide as they attempt to differentiate and define the added value of products and services from their home countries. The purpose of this study is to empirically examine perceptions of country images, or country brands, by consumers from Peru and Saudi Arabia, through the dual lens of both trade and tourism. We operationalize country branding conceptually through the country of origin (CoO) literature (Roth and Diamantopoulos, 2009).

Scholars have long studied the national origin of a product and its potential to add to the overall perceived image of quality in a given country (Han, 1989). Indeed, it was fifty years ago that Dichter (1962) argued that marketing managers of the future will have to pay more attention to the

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similarities and differences among consumers from different parts of the world. More recently, Papadopoulos and Heslop (2002) found that country-based marketing is either underused or misdirected due to misconceptions surrounding the meaning of country branding. Other scholars have studied country branding from a number of perspectives, and the foundation of this field of research has expanded gradually over time (Laroche *et al.*, 2005).

On the practitioner side, many governments have begun to see the intrinsic value of country branding and have instituted formal offices, programs, and policies. In Colombia and Peru, for example, “MarcaPais” or country branding offices have been created with high level reporting to either Ministers of Trade or Tourism. Consulting firms, such as Bloom Consulting in Madrid, have begun to focus on country branding as a way for nations to augment and clarify their competitive advantages in the global economy. It has become commonplace for firms to place their national flag or logo (yes, many nations now have logos to support the country brand) on products destined for consumers in foreign nations.

Despite governmental progress, and an increase in academic literature in recent years, very little work has been done in the Middle East or Latin America. Indeed, this research stream has been dominated by North American samples (Noer *et al.*, 2007; Robertson *et al.*, 2012; Roth and Diamantopoulos, 2009). Further, a true gap in the literature exists with respect to contrasting perceptions of country brands among different developing nations of the world. One of the major critiques of the CoO literature is that there has been an extraordinarily heavy reliance on U.S. samples in research studies (Roth and Diamantopoulos, 2009). Moreover, few studies have ventured beyond Europe and North America, and any cross-national comparisons of two culturally different developing countries have been virtually nonexistent. The measurement of both trade and tourism constructs simultaneously has also yet to materialize in the literature. We bridge these gaps while also adding two unique contributions. First, we measure perceptions of a large swath of national brands, not just a small subset (over 100 nations); and second, we assess antecedents to CoO perceptions, or what we refer to as *country brand drivers*.

This paper is arranged as follows. In the next section we review the country branding literature as well as differences between Peruvian and Saudi Arabian cultural norms. This is followed by the development of formal hypotheses related to perceptions of country brands in both trade and tourism. A description of our survey instrument, data collection protocol and sample demographics, key variables, and research methodology is then presented. The paper concludes with a discussion of results, post-hoc analyses, future research directions, and managerial implications.

II. Country Branding Across Cultures: Literature Review and Hypotheses

The importance of a national image to consumers of products and services is a factor that may sway an individual from one country to another depending upon the underlying factors that support a perception of a country image or brand (Laroche *et al.*, 2005). Researchers have found that from a tourism perspective many factors are considered when rating potential destinations (Nikolova and Hassan, 2011). For example, Frauman and Norman (2004) found that potential tourists seek a multiplicity of experiences when searching for locations. The ability of a country to brand itself, while unifying the nation’s many attributes, is an important factor as well (Gnoth, 2002). One study concluded that countries with more formalized branding strategies tend to do better at attracting tourism than those without (Kotler and Gertner, 2002). Gilmore (2002) proposed a conceptual framework and argued that ‘thoughtful brand positioning’ can give a country a competitive advantage over other nations. Gilmore’s framework contends that a

country's brand must capture the spirit of its people and must incorporate data from four key factors: macro-trends, target groups, competitors, and core competencies. The extent to which scholars and practitioners genuinely understand what drives perceptions is relatively unknown, yet factors such as strength of an economy, traditionally powerful industries, advertising, and external ratings by various consumer groups tend to play an important role in the evaluative process.

The country of origin literature has yet to reach a consensus on either a comprehensive measure of the construct or the primary antecedents to cognitions about country perceptions (Laroche *et al.*, 2005). For the purpose of this paper, we utilize the 'country image' definition set forth by Allred *et al.* (2000, p. 36): "The perception or impression that organizations and consumers have about a country. This impression or perception of a country is based on the country's economic condition, political structure, culture, conflict with other countries, labor conditions, and stand on environmental issues." Some of these antecedent factors that drive perceptions of countries are measurable, but others are not. Also, the weight that consumers may place on one aspect versus another may vary considerably due to a wide range of influential factors.

Although there is an increasing awareness about country branding around the world, the concept in the Middle East appears to have just started to take root. Examples of firms in some GCC (Gulf Cooperation Council) countries¹ actively thinking about CoO, what it means, and how to incorporate it in principle and practice, are becoming more evident (Mellahi *et al.*, 2011). Saudi Arabia, a member of the GCC, is a host to many important industries such as petrochemicals and refining, banking, and healthcare. In the recent years, Saudi firms have started putting more emphasis on country branding best practices and have begun to show greater commitment in terms of instituting a positive and familiar image of the nation in various industries and institutions (Mellahi *et al.*, 2011).

In Peru, country branding has been more visible, and the national campaign has gained many accolades. Peru's country brand logo (inspired by its Incan archaeological sites) can be found on numerous products and websites that originate in the country. In fact, Peru hired the British firm Future Brand to develop the concept and in March of 2011 launched the new logo at the entrance to the New York Stock Exchange on Wall Street (Hirasuna, 2011). Moreover, one of Peru's country brand videos launched in 2012 has received over 1.4 million views on YouTube.

Many researchers of country branding concur that cultural differences play a significant role in the formation of a brand perception (Knight *et al.*, 2003; Roth and Diamantopoulos, 2009). Culture has been referred to as a construct that is not static but rather an ongoing evolutionary process that involves changes in the priorities of values at both individual and societal levels (Triandis, 1995; Wines and Napier, 1992). As a culture changes and evolves, the worldview of the members of that culture will likely face a transformation as well (Robertson *et al.*, 2001, 2012). The cultural dimension of individualism vs. collectivism has been one of the most researched and debated constructs in the cross-cultural management literature (Ralston *et al.* 1997; Schwartz, 1999; Triandis, 1995). Individualism emphasizes the values of independence and self-sufficiency in meeting one's personal needs, interests, and goals, while collectivism emphasizes social harmony, social norms, and duties that serve to meet the needs, interests, and goals of the wider collective rather than those of the individual (Triandis, 1995).

Although Latin America and Saudi Arabia both have been traditionally classified as collectivistic cultures (Hofstede, 1997; Trompenaars, 1994), the degree to which Peruvian

¹ The GCC includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates

collectivism is comparable to Saudi collectivism is not clear. The literature suggests that Saudi Arabia tends to have some collectivistic traits while the Peru is even more collectivistic with a score on Hofstede's individualism scale of less than half of the Saudi 'Arab World' score (Ali, 1993; Hofstede, 1997; Trompenaars, 1994). Another differentiator was revealed in a recent study of managers from twelve Latin American nations in which the Peruvian group ranked highest, relative to its peers, along a dimension titled self-direction (Lenartowicz and Johnson, 2002). Hofstede (1997) also found that Peru scored much higher on uncertainty avoidance than the Saudi cohort, suggesting that Peruvians are less comfortable with risk-taking, stress, and ambiguity. Thus it appears that Peruvians are more in-group, risk avoiding, collectivists when compared to the Saudi Arabian group. This finding is consistent with research that supports in-group collectivism and paternalism in Latin America (Dávila and Elvira, 2012; Dorfman *et al.*, 2012).

From a cross-national paradigm, it appears that differences in cultural traditions, such as individualism versus collectivism, combined with variations in the relative importance placed on different stakeholder groups, has created institutional environments in Saudi Arabia and Peru that facilitate potential variations in perceptions of foreign nations as potential markets for trade or tourism. In addition, the notion that some variation between these countries may exist with respect to low versus high context orientation (the emphasis placed on explicit communication style versus the actual setting of communication) may exacerbate cultural perceptions (Kittler *et al.*, 2011). Indeed, the 'context' of communication and respect for hierarchy vary considerably between Peru and Saudi Arabia. This may be attributable, in part, to religious differences and ethnic sub-cultural differences that form the foundation of cultural expectations.

It appears logical that the underlying antecedents to perceptions of country brands, or *countrybrand drivers*, that we employ in our analysis (geographic location, level of development, people, similarity of culture, many opportunities, experience with country) are likely to vary across diverse cultural groups. The cultural and institutional distance between Peru and Saudi Arabia is not insignificant, and it is expected that a gap along many of these constructs exists. With the exception of geographic proximity, which has been linked to ease of trade, other core factors, such as macro-trends and level of competition, tend to have room for cultural interpretation and valuation (Gilmore, 2002; Roth and Diamantopoulous, 2009). Based on the above analysis of the literature, the following hypotheses have been developed.

III. Hypotheses

Hypothesis 1: Consumers from Saudi Arabia and Peru will embrace different preferences in country brand drivers when selecting preferred trade nations.

Hypothesis 2: Consumers from Saudi Arabia and Peru will embrace different preferences in country brand drivers when selecting preferred tourism destinations.

Hypothesis 3: Regardless of culture, higher preferences to trade with foreign countries are positively related to higher perceptions of top tourism countries.

IV. Research Method

To test our hypotheses, primary data were collected from respondents in Saudi Arabia and Peru. The survey was developed and translated in late 2012 based on country branding principles

and a number of key demographic questions. The survey instrument was translated (and back-translated) from English to Arabic, and English to Spanish, to ensure that proper idiomatic language came across clearly to the Saudi Arabian and Peruvian respondents (Alreck and Settle, 1995). Respondents were informed that participation was voluntary and that their responses were to be kept completely anonymous (Alreck and Settle, 1995). Participants in the study were working adults who were enrolled in evening programs (MBA, certificate, or undergraduate) in Saudi Arabia and Peru. Only citizens from Saudi Arabia and Peru were allowed to participate. Although every attempt was made to obtain a sample from each country that was demographically equivalent, due to cultural constraints and accessibility to subjects some differences were inevitable. The final number of usable surveys for each country was Saudi Arabia $n=92$ and Peru $n=62$ for a total sample size of $N=154$. Although it is plausible that many respondents managed others, we did not obtain specific data related to managerial responsibilities.

The survey consisted of three sections. In the first section, 107 nations were rated on two dimensions: trade and tourism. In our instructions we requested that the respondents rate their perceptions of doing business and tourism in each country. The ratings ranged from 1 (negative) to 5 (positive). The 107 countries were obtained from the Bloom Country Brand rankings for 2012. In section two of the survey, each subject was asked to rate six factors that were important in the formulation of his/her decision regarding trade or tourism ratings of each country. These factors, or *country brand drivers*, were based on constructs suggested by prior scholars and were scored for both trade and tourism (Gilmore, 2002; Roth and Diamantopoulos, 2009). The six country trade drivers were listed as follows: *geographic location, level of development, people, similarity of culture, many opportunities, and experience with country*. These items were scored from 1 (not important) to 5 (very important). The third section contained 19 demographic questions. We went beyond standard questions and probed deeper into the international nature and experience of our sampled individuals by asking questions such as “Have you spent time outside your home country?”, “Have you been employed outside your home country?” and “Does your firm currently have international operations?”

Table 1: Demographic Profile of Sample

	Peru	Saudi Arabia
Spent anytime outside country		
Yes	53.2%	71.7%
No	45.2%	23.9%
Highest level of education		
High school or less	6.6%	3.3%
Bachelor	24.6%	42.4%
Masters	65.6%	45.7%
Ph.D.		3.3%
Other		2.2%
Employed outside of country		
Yes	26.2%	7.6%
No	73.8%	92.4%

Table 1: Demographic Profile of Sample: Continues

	Peru	Saudi Arabia
Managerial level		
Executive	26.2%	5.4%
Middle Management	32.8%	27.2%
Junior Management	23.05	17.4%
Staff	18.0%	37.0%
Religion		
Muslim	1.6%	98.9%
Christian	90.2%	
Other	8.2%	
Gender		
Male	73.8%	26.1%
Female	26.2%	73.9%
Marital Status		
Single	57.4%	58.7%
Married	42.6%	39.1%
Type of Organization		
Private	78.7%	25.3%
Publicly Traded	4.9%	6.9%
Government	9.8%	60.9%
Family	6.6%	5.7%
Industry of firm		
Manufacturing	29.5%	9.3%
Service	70.5%	84.9%
Size of firm		
Less than 50	16.4%	23.5%
50 to less than 100	8.2%	2.4%
100 to less than 500	23.0%	14.1%
500 to less than 1000	16.4%	7.1%
1,000 or more	36.1%	50.6%
International operations		
Yes	57.4%	50%
No	42.6%	50%

In Table 1, a summary of the demographic makeup of the sample is presented. For the Saudi sample, 71.7 percent had spent time outside of Saudi Arabia while only 53.2 percent of the Peruvians had left their home country. Interestingly, only 7.6 percent of the Saudis had worked abroad, yet 26.2 percent of the Peruvians has spent time as expatriates. Approximately 73.9 percent of the Saudi

sample and 26.2 percent of the Peruvian sample was female and close to 60 percent of both sub-groups indicated that they were not married (57.4 percent Peru and 58.7 percent Saudi Arabia). With respect to religion, 98.9 percent of the Saudis indicated they were Muslims, and 90.2 percent of the Peruvians were Christians. Over 90 percent of each sub-group held at least an undergraduate degree. With regard to employment information, more Peruvians worked for private firms compared to the Saudis (89.7 percent versus 25.3 percent respectively). Both groups had more than 60 percent employed in service jobs, and the majority of each national cohort worked for firms with 500 or more employees. Interestingly, the Peruvian group held a slight advantage in international operations (57 percent compared to 50 percent).

A. *Dependent Variables*

The first two dependent variables were created to measure global perceptions of trade and tourism at the country level. Thus 107 nations were selected as a representative cross-section of the world's over 200 economies. To compute the trade variable, we calculated the mean score for all trade ratings for each country. The tourism variable calculation was the same using the 107 tourism scores. A third dependent variable, top tourism, was then created by taking the mean scores for the world's top ten countries based on total number of tourist visitors each year (UNWTO World Tourism Barometer). These nations are listed in Table 6, where we compare differences across groups.

B. *Independent and Control Variables*

In order to ascertain which factors serve as antecedents to trade and tourism country ratings, we next utilized the data collected in the second section of the survey related to *country brand drivers*. Respondents were asked to rate six constructs with respect to the extent to which each mattered when evaluating the 107 countries. The six factors (geographic location, level of development, people, similarity of culture, many opportunities, and experience with country) served as six independent variables and were also combined into two categorical variables: *institutional* (geographic location, level of development, many opportunities) and *cultural* (people, similarity of culture, experience with country). We also created 'expatriate' as an independent variable. This factor was constructed by taking the means of three items from the demographic section: lived abroad, worked abroad, and spent time abroad. In Table 2 the means and standard deviations for the six country brand driver variables are presented. The top trade mean was *many opportunities* for Peru and *level of development* for Saudi Arabia. For tourism, *people* was the highest score for Peru and, again, *level of development* for Saudi Arabia. One interesting observation is that *similarity of culture* was the lowest scoring *country brand driver* for trade and tourism for both countries. Control variables included education, management level, gender, marital status, age, firm size, and expatriate experience.

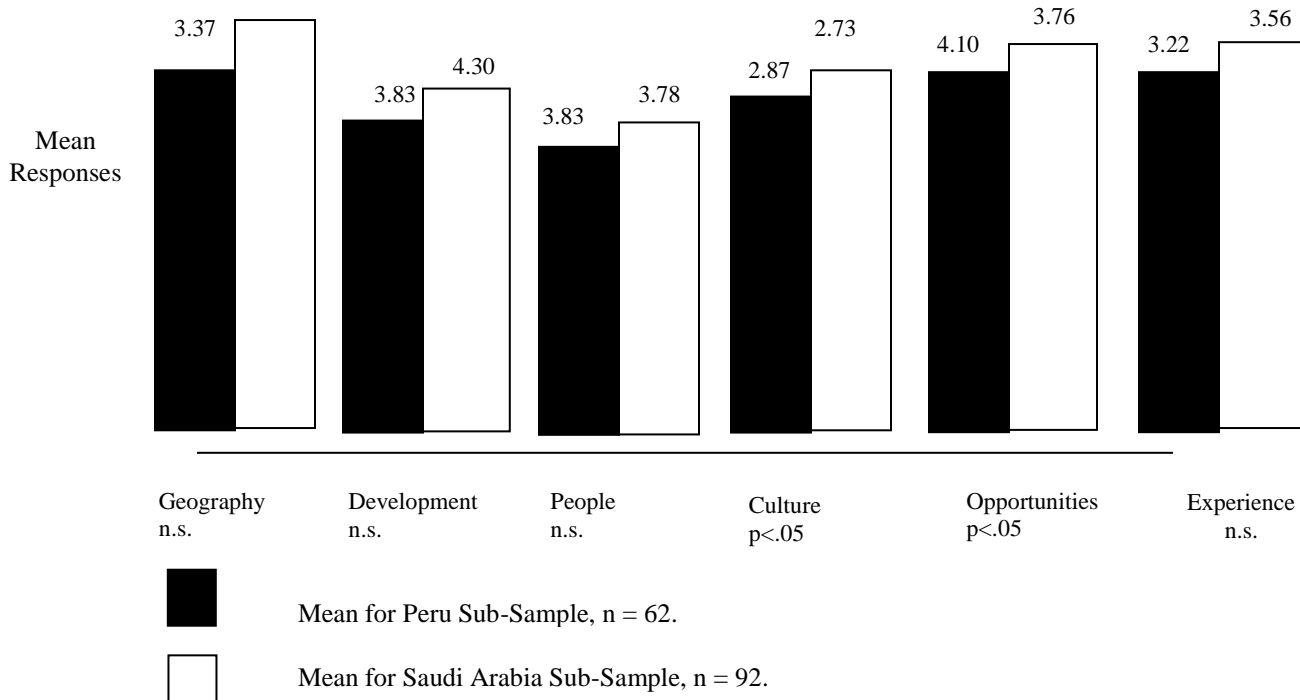
Table 2: Means and Standard Deviations of Trade Driver Variables Across Samples

	Peru		Saudi Arabia	
	Mean	Std. Deviation	Mean	Std. Deviation
Trade				
Geographic Location	3.37	1.36	3.67	1.46
Level of Development	3.84	1.27	4.30	1.14
People	3.84	1.26	3.78	1.27
Similarity of Culture	2.87	1.23	2.74	1.40
Many Opportunities	4.10	1.31	3.76	1.35
Experience with Country	3.23	1.40	3.57	1.45
Tourism				
Geographic Location	3.44	1.60	4.08	1.45
Level of Development	3.11	1.39	4.15	1.14
People	3.77	1.43	3.85	1.45
Similarity of Culture	2.18	1.25	2.71	1.43
Many Opportunities	3.19	1.46	2.99	1.60
Experience with Country	2.94	1.46	3.74	1.38

Table 3: Regression Analysis: Dependent Variable: Trade Preferences

	Peru		Saudi Arabia	
	Model 1 Beta	Model 2 Beta	Model 1 Beta	Model 2 Beta
Demographic Variables				
Expatriate	-0.23*	-0.24*	-0.15	-0.14
Education	0.37**	0.41**	-0.02	-0.04
Management Level	0.22*	0.26*	-0.04	-0.08
Gender	-0.12	-0.09	-0.12	-0.10
Marital status	-0.09	-0.04	0.33**	0.36**
Age	0.01	-0.04	-0.02	0.02
Firm size	-0.03	-0.05	-0.07	-0.07
Country Brand Drivers				
Geography		0.02		-0.24*
Development		0.12		0.06
People		-0.19		-0.01
Culture		0.06		0.09
Opportunities		0.32*		0.15
Experience		-0.10		0.05
F (full model)		1.64*		1.37†
R ²		0.31		0.20
Adjusted R ²		0.12		0.05
N		62		92

†p<.10, *p<0.05, **p<0.01, ***p<0.001.

Table 4: Independent-Samples Test of Mean Differences of Perceptions of Trade Driver Variables Between Saudi Arabia and Peru

V. Results

The results from the two-stage hierarchical regression analysis are presented in Table 3. Two *two-stage* models were run independently for Saudi Arabia and Peru with *trade* serving as the dependent variable. In Stage 1 the following variables were entered into the regression model: expatriate, education, management level, gender, marital status, age, and firm size. In Stage 2 the following variables were entered into the regression equation: geography, development, people, culture, opportunities, and experience. This procedure was performed for both the trade and tourism dependent variables. The final model, Model 2, for Peru was significant ($F=1.64$) at the $p<0.05$ level with an R^2 of 0.31. The country brand driver variable *opportunities* was significant for Peru ($B=.32$) at the $p<.05$ level. Model 2 for Saudi Arabia ($F=1.37$) was significant at the $p<.10$ level and the predictor variable *geography* ($B=-.24$) was significant (negative) at the $p<.05$ level. In Hypothesis 1 we posited that working adults from Saudi Arabia and Peru will differ in preferences of *country brand drivers* when selecting preferred trade nations. As a follow up analytical procedure we performed an independent samples *t*-test and found significant differences between Peru and Saudi Arabia on the *culture* and *opportunities* country brand driver variables (see Table 4). Although our results are not overwhelmingly strong, we did find, through our regression analyses and *t*-tests, that differences do indeed exist between the two national subgroups: thus Hypothesis 1 is supported.

Table 5: *t*-test for Differences Between Peru and Saudi Arabia on World Top-Ten Tourism Destinations

Country	World Tourism Rank	Peru Mean Rating	Saudi Arabia Mean Rating	<i>t</i> -test Result
France	1	4.47	4.55	not significant
United States	2	4.15	4.68	p<.01
China	3	4.24	3.86	p<.01
Spain	4	4.08	4.51	not significant
Italy	5	4.30	4.75	p<.001
Turkey	6	3.01	4.46	p<.05
Germany	7	4.19	4.45	p<.05
U.K.	8	4.13	4.61	p<.01
Russia	9	3.54	2.83	p<.05
Malaysia	10	3.30	4.34	p<.01

Table 6: Regression Analysis with Dependent Variable: Top Tourism

Demographic Variables	Model 1 Beta	Model 2 Beta
Expatriate	-0.16	-0.16*
Education	-0.04	-0.05
Management Level	-0.01	-0.02
Gender	0.07	0.09
Marital status	-0.03	-0.07
Age	-0.11	-0.09
Firm size	0.05	0.07
Institutional		0.17*
Cultural		-0.02
Trade		0.31***
F (full model)		2.93**
R ²		0.17
Adjusted R ²		0.11
N		154

* p<0.05, **p<0.01, ***p<0.001.

In Table 5 our results related to the testing of Hypothesis 2, that Saudi Arabia and Peru differ in their preferences of top tourism destinations, are presented. An independent samples *t*-test was performed to explore significant differences between Peruvian and Saudi perceptions of the top ten tourism destinations in the world. On 8 of the top 10 tourism countries, the Saudi and Peruvian groups differed significantly. Peru scored higher than Saudi Arabia in preferences for China and Russia, whereas Saudi Arabia was higher on six nations: the U.S.A., Italy, Turkey, Germany, U.K. and Malaysia. Thus, Hypothesis 2 is supported. It appears that Saudi Arabia has a stronger preference for either developed nations or nations that embrace Islam as the dominant religion (Turkey and Malaysia). Peru has strong ties to China, culturally and economically, so that preference makes sense. Based on the results, it is plausible that there is an anti-Russia perception in Saudi Arabia that yields the higher preference of Russia by Peruvians.

Hypothesis 3 focuses on relationships between variables utilizing the full sample, therefore regardless of cultural differences. In Hypothesis 3 we theorized that higher preferences for trade with foreign countries are positively related to higher perceptions of top tourism countries. In Table 6 *top tourism* was utilized as the dependent variable while *institutional*, *cultural*, and *trade* served as the independent variables. Demographic variables were entered in Stage 1 of the regression equation and the independent variables in Stage 2. The overall model was significant ($F=2.93$; $p<.01$) and the R^2 was .17. Independent variables of *institutional* ($B=.17$; $p<.05$) and *trade* ($B=.31$; $p<.001$) were significantly related to *top tourism*. These findings support Hypothesis 3 and suggest that regardless of culture, working adults prefer top tourism destinations in which they also have a positive impression of trade, as well as a high regard for the institutional environment.

Support of our hypotheses suggests two key findings. First, the cognitive driving forces, or antecedents, behind perceptions of country brands tend to vary across cultural groups. Our findings suggest that business opportunities carry significant weight in the mind of Peruvian consumers, while geography is not an important factor in Saudi Arabia. Second, preferred tourism destinations tend to vary across national groups. Although unsurprising, our finding in Hypothesis 3 builds on the identification of a positive relationship between preferred trade and tourism destinations. Thus, people rate tourism destinations higher if they have a positive image of doing business in the country being considered.

VI. Discussion

The purpose of this study was to extend the body of research published on country branding through the development of a survey instrument and subsequent collection and analysis of data in Saudi Arabia and Peru. Although only two nations were examined in this study, the translation of the survey to Spanish and Arabic will hopefully set the stage for additional research endeavors. Future researchers may elect to refine and expand upon our hypotheses and research design. For example, more targeted hypotheses, such as the impact of geographic distance of preferred trade partners, could be analyzed with a larger sample under the context of country brand strategy. By exploring Saudi Arabian and Peruvian perceptions of country brands in the current study, and identifying potential differences across national groups, we believe that the literature in this area is now stronger as we have identified potential constructs that may help determine how cultural differences may impact institutional environments across borders. The focus in this study on how certain perceptions of country brands on trade and tourism may have different ‘drivers’ or antecedents led to some interesting findings.

From a practitioner perspective, individuals working for MNCs may indeed find the initial results interesting for a variety of reasons. First, very little information is available about how

people from Middle Eastern and Latin American nations perceive the rest of the world. Second, any firm that intends to engage in business in Saudi Arabia or Peru may find it prudent to consider altering brand identification strategies and policies based on the local traditions, best practices, and perceptions of external governance techniques. And third, firms may elect to seek additional information related to impressions that managers and consumers may have of brands that originate from different world regions, and the variation in perceptions of those brands that may exist. On a global scale, the pattern of convergence versus divergence of values has significant implications for multinational firms that view the world as one market.

To further build on our hypothesis testing, we performed two post-hoc analyses. First, we split the entire sample into two groups based on the variable ‘expatriate.’ This facilitated a comparison between people who lived, worked, or spent time abroad and those who have not (regardless if they were from Saudi Arabia or Peru). We suspected that the individuals who have lived abroad would differ in their preferences of *country brand drivers*. Roughly two-thirds of the sample fell into the expatriate category with one-third in the ‘local’ group. A *t*-test revealed a number of significant differences. When assessing perceptions of countries for trade, the ‘local’ group rated *geography* higher. With respect to tourism, the ‘expatriate’ group was significantly higher on *level of development*, *culture*, and *experience with country*. This suggests that, especially with tourism perceptions, individuals who have substantial experience abroad tend to have different factors that they weigh when evaluating foreign nations.

Table 7: Peru and Saudi Arabia: Top-Ten Nations for Trade and Tourism

Peru			
Trade	Mean	Tourism	Mean
1. China	4.4603	1. France	4.4762
2. United States	4.4194	2. Hong Kong	4.4603
3. Australia	4.3333	3. Belgium	4.3492
4. Peru	4.2857	4. Brazil	4.3492
5. Brazil	4.2698	5. Italy	4.3016
6. Canada	4.2698	6. Peru	4.2857
7. Japan	4.2222	7. China	4.2381
8. Hong Kong	4.1746	8. Germany	4.1905
9. Colombia	4.0317	9. Netherlands	4.1746
10. Chile	4.0000	10. United States	4.1452

Table 7: Peru and Saudi Arabia: Top-Ten Nations for Trade and Tourism: Continues

Saudi Arabia			
Trade	Mean	Tourism	Mean
1. China	4.6196	1. Italy	4.7500
2. United States	4.4891	2. United States	4.6848
3. Japan	4.3261	3. United Kingdom	4.6087
4. United Kingdom	4.1087	4. France	4.5543
5. Turkey	4.0870	5. Spain	4.5109
6. Hong Kong	4.0870	6. Germany	4.4457
7. Canada	4.0435	7. Turkey	4.4457
8. Germany	4.0326	8. Switzerland	4.4348
9. Malaysia	3.9891	9. Canada	4.4130
10. United Arab Emirates	3.9565	10. United Arab Emirates	4.3804

VII. Conclusion

Although we assessed differences between Peru and Saudi Arabia on top tourism destinations, we did not determine the rankings of nations from our overall list of 107 countries. As a second follow up we decided to rank, by means, the top ten nations based on scores from our respondents from both countries (see Table 7). A few observations are noteworthy. Both groups rated China and the United States (the world's largest economies) as their highest trade preferences. Yet in the top ten, nations from the same world region tended to rate quite high with four Latin American nations in Peru's top ten and three Middle East nations for Saudi Arabia. The tourism rankings revealed that both Saudis and Peruvians have a very high perception of Europe as a tourism destination, with five European nations in the top ten for each group.

Any study that includes data collection in emerging economies can have some limitations. Normally, obtaining a sample with an even distribution of men and women in Saudi Arabia is a challenge due to a much higher percentage of the working population stemming from the male group for religious and cultural reasons. As a result we made an extra effort to target female groups, which ended up skewing our sample a bit in the opposite direction. Although this challenge was partially overcome, the samples were slightly uneven with respect to certain other demographic variables, such as education. However, the research questions have been more than adequately addressed and cultural differences have been captured in the current analyses. Also, the convenience samples have some drawbacks, although the size, consistency in data collection, and sample uniqueness trump any major issues. Recent research has also revealed that factors such as economic distance and economic freedom distance could be contributing factors to the survival of firms in the Middle East, and this could play into the transference of corporate citizenship values between home and host subsidiaries (Demirbag *et al.*, 2011). A number of precautions were taken to help minimize the threat of potential response bias. For example, all respondents were given a statement insuring anonymity as part of their participation. Survey administrators left the room during survey administration. Surveys were translated by local native speakers to ensure that any colloquialisms or slang did not lead to misinterpretation. An additional limitation is the theoretical link between our country brand metrics and tourism preferences. For example, some tourists may indeed seek cultural differences when they travel and may prefer to travel to destinations with greater cultural distance. Moreover, although some country brand metrics (such as Bloom Consulting's index)

split trade and tourism rankings, others, such as Future Brand, lump the two constructs together. So the conceptual impact of the country brand drivers is not completely clear. Future studies may elect to split these phenomena into separate categories and perform independent analyses. With larger sample sizes, this could strengthen the results unveiled in the current study while probing deeper into the antecedents to country brand preferences.

A deeper analysis of cultural differences between Saudi Arabia and Peru, especially with respect to collectivism, may be worthy of future research. The Peruvian variety of collectivism seems to be a bit more influenced by the dual pressures of foreign influences on society and the traditional values of the Incan Empire. A recent study of Peruvian cultural values found that the Hispanic subculture embraces European values more than the indigenous subculture and therefore tends to be more self-oriented than the deeply communal indigenous population that stems from the socialistic Incan civilization (Robertson and Guerrero, 2009). Nonetheless, future researchers of country brands must consider the various subcultures that exist in a society and how their perceptions may vary based on historical and ethnic factors. It is our hope that this study has established a new foothold for scholars who are attempting to unravel both the driving forces behind country brand perceptions and interrelationships and variations between trade and tourism as a new paradigm for this research stream.

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