The Country-of-Origin Effect in Airline Branding and its Impact on Booking Intentions

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Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed. In particular, I did not use any text generators or other paraphrasing tools.

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Abstract

Ever since the early days of civil air transport, the reference to the country-of-origin and its influence on the overall service design is a common practice observed at many renowned airlines such as Air France, Austrian Airlines or British Airways. For airlines as service operators, branding functions as a mean of communicating service quality and therefore is of substantial importance to be well managed. When a company positions and markets itself with a strong country-of-origin reference, an immediate reference to the country-of-origin effect is drawn in marketing literature. This phenomenon has been extensively studied and indicates that consumers evaluate products differently, and consequently show purchase intentions, based only on their country-of-origin. The country-of-origin as a purchase cue has an influence on several factors of a brand including its image, its safety rating, or quality expectations of products and services offered. This study aims to explore and disclose whether the country-of-origin effect also applies to airlines and influences potential consumers' booking intentions. Although the use of country material is more ubiquitous in airlines than in any other comparable industry, there is no detailed and focused study in the existing body of knowledge.

To test the posed causal relationships and effects of country-branded material on an airline's booking intention an exploratory and quantitative research approach was chosen. Primary data collection was conducted employing an online experiment with an appended survey that aimed at showing significant differences between a country-branded and a neutral airline advertisement as stimuli. The experiment was published for around three weeks in April-May 2023 and was distributed over social networks and personal invitations. Participants expressed their opinions on airline brand image, trust levels and booking intentions. Further, participants' ethnocentric airline buying behaviour was taken into consideration. All items were assessed on a seven-point Likert scale. A total sample size of 167 answers was obtained out of which 148 qualified for valid analysis.

The subsequent statistical analysis of the data already showed average tendencies in favour of the country-branded advertisement, reaching significant scores for brand image and trust. Moreover, the multiple regression analysis validated the researcher's assumptions that the higher the brand image is perceived, and the more trust consumers have in an airline, the higher the booking intentions are. Lastly, no significant interaction effect between consumer ethnocentrism and the evaluation of the advertised airlines could be reported. Therefore, the study is in line with previous studies on the country-of-origin effect and expands its scope to the large industry of international airlines. Airlines are advised to keep a close eye on their home country's image internationally and, at best, maintain or design a well-rounded and thoughtful branding structure.

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List of Abbreviations

COO = Country-of-Origin

COI = Country-of-Origin Image / Country Image

IATA = International Air Transport Association

ICAO = International Civil Aviation Organization

UN = United Nations

1 Introduction

International passenger air travel is a market of exemplary recent growth. In 2022 over 3.7 billion passengers chose to fly, may it for business occasions or leisure activities (IATA, 2022). Continuous growing numbers of travellers were only shattered by the global COVID-19 pandemic; however, international air travel associations have again been increasingly optimistic about their forecasts since 2022 (Koech et al., 2023). In fact, plane manufacturer Airbus estimate an average annual growth of the passenger air traffic industry by 3.6% over the next 20 years (Airbus, 2022). Also, the recovery of the industry is exceeding expectations with a cumulated return to profitability to be reached already mid-2023 instead of only within the fiscal year of 2024 (KPMG, 2023). The international air transport association (2023) published the statistics for the first quarter of 2023: in March 2023 total air traffic is already at 88% of March 2019 levels (the year 2019 is generally used as a pre-covid benchmark). Moreover, the regrowth of the industry is presented by airlines having started to reinvest in operations and are increasingly updating their fleet and capacity levels (ICAO, 2023). For 2023 European airlines are expecting a demand growth of almost nine per cent compared to 2022 and thus adjust capacity forecast levels by six per cent (KMPG, 2023).

With the high demand, the overall market for airline operations is a very tight field of operations. Nowadays, passengers have a wide choice of airlines to fly with and given the fact that air transportation is a highly perishable product, airline companies must be very sure about their brand positioning and guarantee an alignment of their consumers' wants and expectations with their brand promises. From a business perspective, airlines need to continually distinguish themselves from competing rivals and accentuate unique selling points in their services to enhance their competitive edge. Therefore, each airline needs to leave the public with a clear picture of who they are in the fiercely competitive world of air travel (Ambros & Waguespack, 2021). With a strong brand, airlines are given a tool to do so. A brand further acts as a messenger for performance and quality (Koech et al., 2023; Wittmer et al., 2011). Therefore, effective branding and monitoring of brand perceptions are of particular importance for airline operators, as it is their way of delivering information that attracts and

ideally retains passengers (Chen et al., 2019; Woodruff, 1997). Branding becomes a crucial tool to create an identity and status (Lin & Ryan, 2016).

Generally, it is noteworthy that airlines operate in a very acute situation from a marketing perspective. The branding of an airline has to function internationally, and this is quite a challenge as different viewpoints and perspectives in various cultures (Steenkamp, 2014). That's why there are often multinational campaigns designed to convey a certain image of the airline. A common practice in airline branding is the reference to their country-of-origin, hereafter referred to as COO, in the brand name, slogan or by using country-related colours and words (Aichner, 2014). These airlines are most commonly referred to as flag carriers, which are or used to be state-owned federal enterprises (Keffallonitis, 2016). Examples of European airlines using their COO as a branding cue are Austrian Airlines, Swiss International Air Lines and Air France.

The reason behind these marketing strategies can be found in the positive effect of the COO on consumer brand/product evaluation and following purchase intentions. While the COO has only been scarcely explored in the context of services, several studies have investigated the COO effect on tangible goods (e.g., Eroglu & Machleit, 1989; Herz & Diamantopoulos, 2013; Lampert & Jaffe, 1998). Scholars agree that the knowledge of a product's COO minimises uncertainty levels and stimulates trust, which encourages consumers to buy a specific product (Khan & Lee, 2014). According to the literature, the effect is based on its power to manipulate consumers' perception of goods. The beliefs and attributes (country image/stereotypes) of a country are subconsciously covered over to the brand and help to form a picture of service and product quality (Yasin et al., 2007). Therefore, the COO has gained significant importance in branding strategies of internationally operating firms, as the creation and building of a strong brand is vital for every company to have superiority in the market (Adina et al., 2014).

As already stated, the COO has already evolved to be an advantageous tool for positioning and differentiating a brand (Berentzen et al., 2008). Even though airlines rely on COO branding practices the number of studies relating to the COO effect and

airlines are very limited. Primarily, airlines have only been considered in the context of "service providers" in general COO studies, e.g., Berentzen et al. (2008) studied low-cost airlines and banks as "high-risk" services. Moreover, Pecotich et al. (1996) revealed that airlines originating from different countries are perceived differently, however they did not study the further influence on actual purchase intention. Overall, most of the previous studies analysing the COO effect and its impact on product evaluation were aimed at testing the effect on physical products rather than perishable services operations, like an airline flight and if then different services are compared (Michaelis et al., 2008). Hence, despite the importance of the aviation sector and the widespread use of COO cues in the airlines' branding, so far, only a little attention has been paid to the distinct influence of the COO effect on an airline's brand image, trust levels and consequently actual booking intentions.

To close the identified knowledge gap, the findings of this thesis will contribute to the existing literature in at least three ways. First, the most common practices and strategies by airlines which make use of the COO in their branding will be identified and explained using theoretical frameworks and an in-depth review of existing literature in supported with the analysis of various airlines examples.

Secondly, the empirical part of this thesis tests if COO branding practices do influence an airline's brand image and quality expectations in the understanding of safety and trustworthiness evaluations. Hereby, the thesis examines how passengers' attitude towards a fictional airline with COO branding is, compared to another airline without COO reference. This will give insights on how the COO effect shapes the perception of an internationally operating airline and its service.

Thirdly, as a result of the first indicators an advanced knowledge of the causal connection between the factors of brand image and trust as of the COO effect and travellers' booking intentions for airlines will be gained. Further, the analysis takes consumer behaviour related to ethnocentrism and national pride into consideration when analysing the relationships. Moreover, based on the findings the research intends to reflect and strategically assess on branding paths that airlines follow to ensure the competitiveness of airlines in the market.

With this being said, the following research questions are posed and to be analysed:

Q1: How do airlines make use of the country-of-origin effect in their branding strategies?

Q2: Does a country-of-origin based branding strategy influence an airline's brand image?

Q3: To what extent does a country-of-origin based branding strategy influence trust when choosing an airline?

Q4: Does consumer ethnocentrism influence the country-of-origin effect for airlines?

Q5: Do airline brand image and trust in an airline influence passengers' airline booking intention?

Concludingly it can be said that the goal of this study thesis is to the COO effect in an air travel context and to explore its associated impacts. The empirical research will be conducted using an online experiment with an appended survey. A diverse set of participants should guarantee the study's reliability. It is aimed at testing the constructs under study to conclude with a valuable result for airline managers. The results of this study should be a helpful addition to the existing body of literature that can be used as a basis for decision-makers in airline branding.

2 Literature Review

2.1 The Importance of Branding in the Airline Industry

Section 2.1.1 aims to define a brand and its purpose in a business setting. This is followed by section 2.1.2 that provides a review of the importance of branding in the airline industry. Subsequently, the country-of-origin effect will be explained, and the current usage of country-of-origin branding strategies applied by airlines will be exploited.

2.1.1 A Definition of Brands and the Purpose of Branding

In extant literature, there are many conceptualisations of brands. Following the definition of Kotler & Keller (2006), a brand is defined as any mean of communication used to identify the source or producer of a product or the provider of a service. Likewise, Kotler & Pfoertsch (2010) summarize the functions of brands as giving and representing guarantees and confidence for consumers about product quality. Brands help with the identification of a product and its qualities as well as with the indication of its origin. Overall, brands are perceived to provide transparency and insurance to consumers (Kotler & Pfoertsch, 2010). Hence, a brand functions as an authenticator for the quality of the goods and services that the company representing the brand is providing. Furthermore, brands can convey a certain set of company values that are said to be embedded in their products. This in turn gives consumers a certain level of security and mitigates uncertainty levels. A brand is used as a distinct tool that demonstrates company values and qualities to consumers (Kotler & Pfoertsch, 2010). Brands are often represented through a series of symbols, names, colour schemes and other visual or auditive stimuli called branding iconographies (Ambros & Waguespack, 2021; Kotler & Pfoertsch, 2010). To build a strong and impressive brand, it is necessary to combine multiple organisational competencies by using various marketing- and communication tools and corporate design establishment guided by concise planning and brand strategies to spread the values and qualities of the product (Kotler & Pfoertsch, 2010). According to Huy-Ho et al. (2006), branding initiatives produce a stronger competitive advantage the higher the brand quality is regarded. Further, it

encourages customers to make new purchase decisions and repeat purchases, which boosts brand loyalty.

Moreover, Ambros & Waguespack (2021) classify brands as anything that is used by companies to distinguish their products from the competitors' offerings. Studies have indicated that in a modern economy with fast-paced markets and heavy competition, brand management is the utmost important tool to create long-lasting differentiation from equivalent companies (Kotler & Pfoertsch, 2010). Consumers must be convinced that brands in the same service or product category have substantive differences to create effective branding and benefit from it (Kotler & Keller, 2006). In branding practices, it is one of the main objectives to shape and influence a brand's perceived quality (Kotler & Pfoertsch, 2010). Following a definition from Aaker (1991), a brand's perceived quality is the image consumers have in their minds about the products. This image sets offerings apart from rivals and thus adds value to consumers by giving them a reason to purchase.

Marketing researchers such as Kotler & Keller (2006), agree that a strong brand presence and value simplifies the consumer decision-making process. Brands actively influence product evaluation and therefore are of great importance for companies. If consumers are confronted with a choice of brands, they generally prefer brands they are already familiar with (Aaker, 1996). To be able to benefit from this aspect, it is essential for a brand to be recognised in a market full of products and substitutes. When a consumer evaluates a product, brand recognition refers to their capacity to immediately link that product's features to the corresponding brand (Keller, 2003). Therefore, successful branding management and strategies are vital for any future-oriented company. Hence, branding is used to position a product on the market, however, for this the brand must be visible, and consumers need to be aware of this particular brand and its promises (Kotler & Pfoertsch, 2010).

A great deal of previous branding research has indicated that brand awareness is of high importance for customers' purchase and re-purchase intentions. According to Keller (1993), brand awareness is the ability of consumers to identify and recall various brand stimuli, such as the logo and brand slogan. According to Aaker (1996) brand

awareness is part of the overall brand equity. Brand equity is defined as the collection of assets connected to a brand's name or symbol which enhance the value offered to customers by the company and are valued by these very same customers (Aaker, 1996). This is also in line with the brand equity model developed by Keller (1993), which connects two brand components, brand awareness and brand image. The image of a brand in the minds of consumers is characterized by a collection of impressions and/or experiences one has about this brand and its products (Keller & Lehmann, 2006). Brand awareness is important as it fosters the likelihood of a brand being chosen. A brand that consumers are aware of (they think of it) directly becomes a member of the customers' purchase set (Keller, 1993). Furthermore, Kotler & Pfoertsch (2010) state that consumers tend to rebuy commonly known products and brands which allows the producers to set prices higher for branded products. Thus, a strong brand can be used to facilitate decision-making processes, minimize risk perceptions, reflect a level of quality, and ensure the consumer is putting trust in the company (Godey et al., 2012).

A recent study conducted in 2022 by Koech et al. (2023) tested the causal relationship of brand awareness and airline brand choice and in consequent relate it to frequent-flyer programs as measurement of airline brand loyalty. Their study results support the claims of the significance of brand awareness in previous studies and common literature (e.g., Aaker, 1996; Keller & Lehmann, 2006). It was found that also in the field of airlines increased brand recognition and awareness are said to be promoting quality perceptions. In connection with this, Aaker (1996) says that the better known a brand is, the more valuable it is regarded by consumers. This characteristic is often attributed to traditional brands, which appear to have invested a lot of time and money in the image of their brand (Koech et al., 2023).

2.1.2   Branding in the Airline Industry

In the context of service branding, academics have underlined the significance of the brand name in customer appraisals of brands since it helps the consumer recall brand benefits (Grace & O'Cass, 2005; Keller, 2003). Likewise, Sarker et al. (2019) accredit service-based industries to be highly dependent on the value of a strong brand. When

analysing service-based companies, Berry (2000) allots even more importance to the brand image and its reputation than for product-based companies. He claims that there is a notable distinction between product manufacturing brands and service brands in the meaning of the brand itself. Thus, when a product is tangible, the product takes on the role of the brand and represents its attributes. In contrast, the intangibility associated with services cause the company itself to become its perceived brand (Hsin Chang & Wen Chen, 2008). One reason for the importance of the company itself in the context of service branding is that it is an experience that creates a strong connection to the company, or, alternatively, the company must put a lot of effort into their marketing strategy to communicate the benefits with the offered service. It is not possible to package and touch a service, e.g., transportation. Therefore, it is of great importance for service providers to create a consistent and overall satisfying service strategy that goes along with the branding promises that are communicated before the customer experiences the actual service (by advertisements or slogans). These promises shape the customers' brand perception and ideally build trust and curiosity, which is an essential factor for purchase intentions (Berry, 2000; Sarker et al., 2019).

Concerning the international civil airline industry, researchers agree that the brand image of airlines is one of the key resources for economic success (Gosh & Chakraborty, 2004; Thashak, 2018). Similar to the study results of Koech et al. (2023), Konecnik & Gartner (2007) find brand awareness to be an important factor, yet they argue that by only recalling and knowing a brand, the purchase decision is not guaranteed. Hence, it is essential to bear in mind that brand perception in the context of airlines might change depending on several aspects, most typically in terms of safety. Additionally, a further determining aspect is the brand's overall performance, professionalism and service offered (i.e., premium service) (Ambros & Waguespack, 2021).

Branding in the airline business ensures that a homogeneous service offered by various airlines is successfully differentiated from the competing product (Wittmer et al., 2011). A homogenous service can be classified as a service for which a perfect substitute exists (OECD, 2006). In the field of airlines, the main service of transporting

passengers from one place to another is identical for all providers. Nevertheless, whilst the basic principles of airline services are homogenous, the brand experience is the essential part that differentiates airlines from each other. Various studies have assessed airlines' aim for a differentiation strategy between each other based on customer service expectations and experiences (Heracleous & Wirtz, 2009; Sarker et al., 2019). In detail, Sarker et al., (2019) claim that for airline services, the brand is experienced over at least five service touchpoints during the customer journey. These touchpoints shape a customer's brand perception and therefore their willingness to book and (re-)purchase this airline. The five steps are purchasing process, airport service experience, employee service, in-flight core service (the essential servicescape), and overall interaction.

In their study performed in 2019 with over 800 valid survey responses Sarker et al. (2019) tested the importance of an overall brand-matching service strategy throughout the five airline touchpoints on passengers' experience and brand awareness. The results revealed that consumers must have an overall satisfying brand perception within all stages to deeply recall, value and rebook the airline. In the study, the touchpoint in-flight service is referred to as the core touchpoint, having the highest relevance in the evaluation process. This is the case as the actual flight is the most predominant and longest service aspect. Accordingly, Thashak (2018) has already postulated that for international travellers, inflight service and the associated expectations are an airline's main asset. This is where airlines are being differentiated and should ensure strong brand communication.

Especially regarding premium service perception and classification, branding has become a versatile tool for airlines to gain a unique selling point in the face of strong competition. The deregulation of the air travel industry in the 1970s caused an uprise in competition for traditional airlines as of the establishment of low-cost carrier airlines (Brueckner et al., 1992). Since then, many traditional airlines have shifted parts of their competitive strategy away from pricing only, to selling experiences and unique services (Detzen et al., 2012). As of that the leading airlines do not only compete on pricing levels anymore. Hence, literature also suggests that increased competition is followed by enhanced service qualities and efforts (Greenfield, 2014).

Following the purpose of branding service industries, these efforts are then mainly communicated through airline brands. For instance, Heracleous & Writz (2009) report that Singapore Airlines is among the leading airlines that successfully managed to link their brand with outstanding service and air transport professionality. Moreover, when comparing the current ranking of the Skytrax World Airline Awards one can see that from the first ten rankings, nine are referred to be so called "national flag carries" (World Airline Awards, 2022). In other words, the majority of perceived premium airlines today are national flag carriers, which provides initial evidence for a benefit in terms of quality perception.

The construction of flag carriers is a derivative of the early days of civil air transport. They used to be state-financed and owned companies, comparable to most national railway organizations, and aimed to represent a country's power and national pride in the international air market (Singh, 2019). Nowadays, after most of these state-owned airlines have been privatized and act as economically autonomous entities, they remain of national importance and act as flying representatives of their home countries (Singh, 2019). Notably, for many of these flag carriers such as British Airways, Austrian Airlines or SWISS International Airlines, the references to their countries of origin in branding and marketing have evolved to be a standard instrument to shape consumers' brand perception (Ambros & Waguespack, 2021). By referencing the COO, the travellers' perception, and expectations of what the flight and service will be like are primarily shaped by the image of that specific country. It helps customers to get a feeling for the brand and ideally build trust in the airline, which in best cases persuades them to choose that airline for their travels (Lin & Ryan, 2016). The theory behind this concept is based on the theory of the country-of-origin effect, which will be explained in the subsequent section.

2.2   The Country-of-Origin Effect

The country-of-origin effect deals with the aspect that whenever consumers decide to buy a product, the country-of-origin (COO) becomes a vital factor in the product evaluation process (Aichner, 2014). In marketing literature, the COO is pertaining to "the country which a consumer associates a certain product or brand as being its

source, regardless of where the product is actually produced" (Jaffe & Nebenzahl, 2006 p.29). Consequently, the COO effect is regarded as the influence the origin of the brand or product is having on the attitudes, evaluations, and purchase intentions of consumers (Septianto et al., 2020). This stems from the fact that consumers are guided by a set of decision factors, especially in the case of unfamiliar brands. One of these factors is the COO, which is then often seen to be the basis for measuring the quality and performance of the product (Septioanto et al., 2020). This notion is in line with Berentzen et al.'s (2008) research that showed a strong positive correlation between the COO acting as a main source of information for quality assessment of new or unknown foreign products and their purchase intentions, making it even more prominent and stronger for internationally operating firms.

According to Rezvani et al. (2012), increased globalisation has made the participation of companies in foreign markets easier. This results in the rise of products accessible to consumers. For companies to gain trust in new markets, the COO offers consumers an already familiar aspect which they can use to estimate a product's quality based on country images and stereotypes (Lampert & Jaffe, 1998; Rezvani et al., 2012) Generally speaking, consumers are exposed to a variety of information cues when choosing a brand. Based on these, they must decide which brand and product offer the highest value to them. These cues serve as the foundation for opinion development and purchase assessment (Rao & Monroe, 1988). Following Herz & Diamantopoulos (2013) the cues are categorised into intrinsic and extrinsic cues. On the one hand, examples of intrinsic cues are the look, sound, or taste of a product, whilst on the other hand, extrinsic cues are the brand name itself, the price, visual and auditive advertisement material and the COO. They further state that whenever intrinsic cues are unavailable, the power of extrinsic cues is rising and consumers compel to rely on this information available, for example when faced with a service or new product (Herz & Diamantopoulos, 2013). Moreover, Gürhan-Canli and Maheswaran (2000) observed that customers' low processing motivation causes them to rely heavily on the COO as a trustworthy source of information about a product. As a result, people will bank on their perceptions about that nation out of convenience and a lack of ambition to acquire further information. Thus, the effect is considered

to have internally large impact on product evaluation and therefore business' success (Rezvani et al., 2012).

The effect was first discovered and conceptualized in research conducted by Schooler in 1965. Schooler's study was performed in Guatemala and resulted in a simple first conclusion that indeed a measurable connection between consumers' opinion of products and their originating country exists. It can be stated that Schooler's study was the basis for many subsequent studies concerning the COO effect (Dinnie, 2004). According to Suter et al. (2021) the COO effect can be distinguished based on two perspectives. The first suggests that the COO is representing actual product's quality in terms of usability and functionality on its own. The second postulates that the COO is strategically using a country's image (COI) in internationalization and branding strategies. The latter strategy is often used by well-known companies that are aware of their national advantages to profit from the well-researched phenomenon that within marketing certain countries are accredited with certain stereotypes (Septianto et al., 2020). Herz and Diamantopoulos (2013) revealed that Germany for example is perceived to have a functional and professional image for products. In their study, consumers ranked products originating from Germany to have a higher perceived quality than others. In contrast, they found out that southern European brands coming from France and Italy are more likely to have an emotional appeal to consumers. This finding is in line with previous COI studies conducted, for example, Lampert and Jaffe (1998) stated that there are differences in attributes to be found in different countries. Therefore, the COI is a very specific and fragile asset to claim, as the image and perception must match the advertised product (Lampert & Jaffe, 1998). In supporting this notion, Herz & Diamantopoulos (2013) concluded their study with the suggestion that the stereotypes of a COO occupy a subconscious place in the evaluation phase. Because of this, brands must be aware of their country's stereotypes in order to use them skilfully and managerially beneficial. For example, German car producer AUDI uses the German slogan "Vorsprung durch Technik" as seen in figure 1 (translated to "Advantage through Technology") also in international campaigning to undoubtedly position their cars as German and therefore with the image of producing high-quality products in technology.

Fig. 1: AUDI brand logo and slogan showing the use of German Attributes to position their cars (AUDI, 2009).

Accordingly, the COI is an important element in branding strategies. Berentzen et al. (2008) concluded that the COI is merely shaped by socio-economic factors (e.g., political development, technical proficiency, etc.). In regard to this, it is also important to remember that COI is not always beneficial for promoting products internationally. For instance, research by Klein et al. (1998) discovered that Chinese customers, particularly people of older age, may avoid purchasing items from a Japanese provenance due to historical negative associations and memories.

Regarding the development status of a country, marketing research proclaims that the COO is having a beneficial impact on the pricing strategies companies can apply. Whenever a price is set for a certain product, consumers will classify it relating to the perceived quality and features of the product (Diamantopoulos et al., 2021). According to the previously mentioned brand equity model, consumers are reportedly more inclined to pay more for a product when it originates from a strong brand due to their high perceived quality and brand awareness (Keller, 1993). If it is now considered that the COO effect has a significant influence on brand equity as it affects brand evaluation, it becomes an even more relevant purchase cue. According to Aichner (2014), customers will thus pay more for a product coming from a nation with a high perceived level of quality than one coming from another. Often these products are claimed to originate in developed countries, as they possess in general a more advanced and professional image, may it be rational or emotional. This is supported by recent findings of Diamantopoulos et al. (2021) who postulate that companies from Europe and North America often find it simpler to pursue premium pricing strategies.

Whenever the COO acts as the main source of purchase information, literature refers to it as a halo, outperforming other purchase cues like price or experience. It specifically holds for situations in which consumers have only limited access to

information or are not motivated to gain further (Rezvani et al., 2012; Gürhan-Canli & Maheswaran, 2000). Gürhan-Canli and Maheswaran (2000) also revealed that the more positive the perception and image of the COO are, the stronger the COO effect acts in consumer evaluation. This can be seen as a vital reason for companies to promote a favourable image of their origin. Moreover, Yasin et al. (2007) conclude that COI plays an important role in customers' purchase decisions as it shapes a brand's image. In general, if there is a high level of uncertainty, the COO and COI influence how consumers evaluate and select products. Similarly, Khan and Lee (2014) found that the better the image of the originating country is and the more present it is for customers, the better is the trust in a certain brand as it decreases levels of uncertainty. Uncertainty, herby related to low perceived quality and low levels of recognition of a product or brand. Factors which usually hinder potential customers from making a purchase (Khan & Lee, 2014). In the course of this, Nijssen and Herk (2008) postulate that there is a connection between satisfaction (related to quality) and trust in the brand. As confirmed by Khan & Lee (2014), this connection is strengthened by a relevantly favourable COO perception.

As discussed above, the level of uncertainty is a key component of the product evaluation process. This importance stems from the behaviour that consumers aim to be confronted with the lowest possible risk when choosing their products. In their study, Gaberino et al. (2001) showed that for many products, the COO provides a kind of safety cushion. They disclosed that consumers prefer to buy products that originate from a country they are familiar with. Uncertainty among consumers arises when certain core information, which is usually gathered through experience, is missing. This uncertainty about a product negatively influences the evaluation process of the whole brand (Gosh & Chakraborty, 2004). Therefore, especially for new consumers, the COO effect and the COI can be helpful support for classification, trust building, and risk minimization. This is a consequence of the COO and the strategic use of country-specific attributes in marketing efforts used to ascribe a certain level of expertise (in terms of professionalism and quality) and trustworthiness to the brands (Swait & Erdem, 2007). Additionally, Eroglu & Machleit (1989) have revealed that the COO in a brand's name has an effect that fosters brand recognition, as the easy way

to recall the brand by its originating country's name. Thus, it can be concluded that uncertainty can be avoided due to the easy recall of the brand's name and the subconscious perception of attributes, which then also shape the quality expectation.

Together, all these studies indicate that the COO effect mostly holds for products of unknown quality. Consequently, Josiassen et al. (2008) state that the COO effect is reduced by active experience and more product knowledge. Therefore, it seems that the exploitation of the COO in branding is limited to new consumers.

2.2.1 Consumer Ethnocentrism and National Pride

Notwithstanding, in contrast to the previous notion, it needs to be stated that national pride and patriotism also play a vital part in the way consumers might choose products from firms referencing their home country, regardless of having experienced the quality or not. Relating thereto, Morse & Shive (2011) noted that even though consumers are aware of higher service qualities from foreign products, a majority of 60% favour the domestic operator just based on the feeling of patriotism. Shimp & Sharma (1987) were among the first researchers to name and conceptualize this patriotic buying behaviour as consumer ethnocentrism. Following their definition consumer ethnocentrism results from a consumer's belief about the adequacy of purchasing foreign products. An ethnocentric consumer is afraid of doing injustice to national companies and brands if foreign brands are consumed. It was revealed that ethnocentric consumers are driven by a strong feeling of unity and national pride (Olsen et al., 1993). Nevertheless, a recent study performed by Mishra et al. (2022) was attempting to untie ethnocentric behaviour and national pride. According to their findings, a patriotic or pride consumer simply prefers local and national brands and products, without disrespecting foreign brands' qualities. On the other hand, ethnocentric behaviour is rooted psychologically deeper as it represents ignorance and biased perceptions towards foreign goods. A strong ethnocentric consumer actively, but mostly subconsciously, discounts the virtues of foreign-made products and glorifies national goods (Mishra et al., 2022; Shimp & Sharma, 1987).

In previous research, the concept of consumer ethnocentrism is closely observed alongside studies of the COO effect as seen by Morse & Shive (2011), Olsen et al.

(1993) or Van Loo et al. (2019). Yet, Herche (1992) postulated that ethnocentric behaviour and COO effects are no substitutes for one another. In his publication he gave the example of a US American consumer who has a positive COO effect on French wine, meaning the consumer is aware of the high quality and long history of vinery in France. However, the consumer's ethnocentrism will still urge the consumer to buy a US wine instead. Thus, consumer ethnocentrism can exist alongside the effects of COO. Interestingly, research by Rosenblatt (1964) found that consumers who often interact with foreign brands and goods (such as diplomats and business travelers) tend to be more nationalistic in their product evaluations than other social groups.

Nonetheless, the COO effect and consumer ethnocentrism can be found in a relationship towards each other. Firstly, a COO branding approach can not only be used to inform new markets and consumers about certain product qualities. It also has a benefit in campaigning towards national consumers in international settings. Van Loo (2019) disclosed that COO labelling can be used to promote national consumers' purchasing powers. Thus, by referencing the COO, nationals associate familiarity with their home country, perceive these products to be safer than others and therefore favor them over others. Likewise, Watson & Wrights (2000) studied how ethnocentric consumers will choose products if no directly comparable domestic alternative exists. They found that in certain cases consumers can shift their ethnocentric mindset from their own country to comparable countries (e.g., countries in geographical proximity or similar developmental and economic conditions). Thus, the reference to the COO can help consumers to find suitable substitutes for their national products. In stark contrast stands that, Watson & Wright (2000) also state that if consumer ethnocentrism is high, and/or a national product exists, the positive effects of the COO branding can be moderated. They also advise culturally distinct or highly competitive global companies to restrict their COO references to prevent ethnocentric prejudices among customers, which might lead to brand avoidance.

2.2.2   The COO in the Service Provider Industry

In the context of service provider branding, the amount of empirical research about the COO effect is very limited. However, a few studies have been explored the

adaptability of this effect for service providers, and hence broadened the COO effect scope to industries not having mainly physical products, including aviation.

Theoretically, as introduced in chapter 2.1.2 due to the characteristics of service companies (e.g., intangibility, perishability) consumers lack a variety of pre-purchase cues and information (Berry, 2000). Accordingly, companies aim to enhance the credibility to their services with the help of information, such as COO in their service descriptions or branding (Maurya & Gupta, 2015). In other words, whenever the COO is proactively promoted the nation is linked to the brand, and ideally, they become one perceived brand (Bose & Ponnam, 2011).

For instance, Michaelis et al. (2008) test the influence of the COO on service providers and concluded that the COO exerts a stronger influence on high-risk decisions. They examined the influence of the COO on insurance companies and telephone network providers between Germany and Poland. Germany has a generally professional image and Poland has a less positive image. Their results showed a strong positive relationship between the COO for the insurance company and Germany but not for the telephone providers. The insurance is devoted to be a high-risk service as it involves factors like safety and higher potential monetary loss. Therefore, it can be argued that a similar effect could be expected in the aviation industry as well. Flight choices are not part of the daily purchase sets of most consumers and come with a transfer of control, e.g., regarding personal safety, to the airlines (Berentzen et al., 2008). Nevertheless, it needs to be stated that the riskiness of services is a very subjective perception. This is confirmed by the fact that in marketing psychology it is fundamentally assumed that the decision-making process happens purely individually in the consumer's mind (Ambros & Waguespack, 2021).

Furthermore, a study demonstrated that indeed the COO plays a role in the service evaluation process (Berentzen et al., 2008). However, in contrast to Michaelis et al. (2008), Berentzen et al. (2008) specifically recommended that service providers should use the COO effect as an effective marketing tool to distinguish their services from their competitors – to recall the differentiation of services is the main target of branding. Their research recommendations also included that companies should

actively seek marketing means that contribute to a positive COI. For instance, the combination of positive COO attributes related to services (e.g., hospitality, cuisine, friendliness, etc.) can be exploited and communicated through branding iconographies and specific campaigns outlining these attributes. Figure 2 illustrates an example of Austrian Airlines stating how charming Austrian hospitality is and to actively bring this message to consumers. The strategy is supported by the study performed by Berentzen et al. (2008) who disclosed that a service distinction can be communicated through positive COO information. Yet, considering the literature summary of Maurya & Gupta (2015) it is important for brands to first discover whether a positive COO effect for their country exists to be profiting from the effect in positive terms. An analysis and explanation of various strategies to include the COO and COI in branding and marketing will be discussed in the subsequent chapter of this thesis.

Fig. 2: Austrian Airlines brand name and slogan to showing the use of COO attributes in promotional efforts (Austrian Airlines, 2022).

2.2.3   COO Branding Strategies and their Application by Airlines

Thus far this paper has focused on the theoretical analysis of branding functions and their significance for service providers, and more specifically, in the context of airlines. The previous section introduced the theory of the COO effect and reviewed past studies and opinions on this topic. The following section analyzes and discusses all these topics in the context of airlines to provide a theoretical foundation for the development of the conceptual framework and research hypotheses.

Successive to the aspects of COO effects in the service industry just discussed, Aichner (2014) deals with the analysis and classification of different methods and strategies and tools by which a company can show its COO in their branding. In his publication, he identified eight specific ways to incorporate the COO. When examining current

branding strategies used by airlines it can be postulated that a large majority of premium carrier airlines, as introduced earlier, base their branding on exactly these strategies. As mentioned in section 2.1.2, several of these airlines are referred to as flag carriers. Their reference to the country of origin, therefore, is authentic. Nevertheless, these airlines exploit an origin-based branding structure significantly.

A common practice is to have the COO embedded in the company name (Aichner, 2014). A strategy which is frequently seen at various airlines, for example at Air France and Austrian Airlines, both being considered the flag carriers of their home countries. Moreover, British Airways is using the word British to clearly position itself as a product of Great Britain, unequivocally stating where they are coming from. Further, other airlines do not directly state the name of the country, but they make use of the national language. Giving an example, the German flag carrier Lufthansa does not translate its German name wording for international operations, clearly showcasing their origin by the typical German word. Hence, it has been discovered that the words' real meaning must not be given; instead, they merely need to appear and sound indicative of the COO (White III et al., 2007 in Aichner, 2014). Additionally, flags and country colours are frequently depicted in iconographies and logos (Aichner, 2014). The name and logo are the first impressions a consumer gets to see of a brand. Therefore, a name reflecting the COO is used to convey a specific country related set of values, behavior, value, and trustworthiness towards the consumer (Jimenez & San Martin, 2010). An example of this method can be seen in figure 3, illustrating Austrian Airline's corporate design which is held in all red and the tail branding is an adaption of the national flag. By the application of these strategies, the COO is directly outlined, and it is the first cue that sinks into consumers' minds to shape the brand image together with the COI. Concerning this, Diamantopoulos et al. (2021) advised that primarily premium brands benefit from this strategy, as it revealed a less price-sensitive behaviour of consumers. Yet, it is to note that it also raises a certain level of quality and service expectations (Septianto et al., 2020).

Fig. 3: Austrian Airlines Plane showing brand name, colour, and flag (Austrian Airlines, 2023).

Even though, COO literature is vast today, only a few empirical studies have tested the effect of a COO branding on a brand's reputation (Chisik, 2003). Notwithstanding the effects on an airline's brand image. Against this background the following hypothesis is proposed:

H1: COO branding of an airline has a positive impact on an airline's brand image.

Another approach is merely found in the brand promotion practices, in which the objective is to create a certain brand image, namely using slogans further underlining the COO of the product under observation, often acting similar to "Made in…" labels on physical products. In addition to figure 2 in chapter 2.2.2 another example is given in figure 4. It shows a snapshot of a brand video from British Airways stating that the airline is "*Made by Britain".* For this campaign, British Airways also invited famous British artists and actors to create the commercials enhancing the perceived look and feel of the product to be even more British, which Aichner (2014) lists as another strategy. What is particularly interesting about this method is that the emotional factors of pride and patriotism are strongly taken up and making use of the historically related flag carrier legacy. With this strategy, the approach of the COO effect hereby is aimed at national guests rather than foreign travellers. According to Rezvani et al. (2012), it boosts national brand loyalty, as people want to feel at home and stay loyal to national brands, as introduced by consumer ethnocentrism and national pride. Potentially with even increased significance when travelling internationally and far away from their home countries. As seen in this campaign, airlines tend to set a strategy that works with emotional persuasion using appeals to emotions like familiarity and trust (Raza et al., 2019).

Fig. 4: British Airways Branding Campaign showing "Country Label Strategy" (British Airways, 2019).

Following this line of reasoning it is proposed that COO branding for airlines increases trust appeals and expectations. Formally the following hypothesis is formed:

H2: COO branding of an airline increases trust in the airline (in terms of quality and safety expectations).

Lastly, airlines often display famous landscapes and landmarks in their branding which further shapes consumers' brand recognition and has the effect of transferring certain characteristics of the COO to the brand. Recently, in May 2022 Air France published a branding campaign in which French elegance is represented alongside the Eiffel Tower as seen in figure 5. According to Aichner (2014), it is a company's objective to rise attention and increase brand awareness. The use of linguistic and visual cues is said to be reinforcing country stereotypes and connections to the country which in turn affect brand evaluation (Herz & Diamantopoulos, 2021). Displaying the Eiffel Towers subconsciously triggers consumers' country associations of France and relates the airline to the stereotypes of the country. Thus, the airline is intentionally playing with generally perceived stereotypes of France such as elegance. Further, Khan & Lee (2014) state that the more familiar a consumer is with a country, the fewer risks are perceived.

Fig. 5: Air France Brand Video 2022 showing "Attributes and Landmark Strategy" (Air France, 2022).

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Lately, it can be observed by the implementation of country-specific colours, landmarks and references brought into the cabin design of many flag carrier airlines. In figure 6 an example of SWISS International airlines cabin interiors that are specifically designed to mirror Swiss simplicity (Swiss, 2023) are shown. On the front wall of the cabin, the Swiss mountain Matterhorn is presented to deepen the impressions and associations inside consumers' minds. By creating appearance appeals that relate to the airline's origin it further distinguishes its onboard experience from competing brands by clearly pointing out where they are coming from. This further strengthens the associations of travellers.

Fig. 6: SWISS cabin design and Matterhorn wall (SWISS International Airlines, 2022).

Following the findings of Berentzen et al. (2008) the communication and use of COO in positive terms can be of great assistance for the differentiation process. Moreover, it can be observed that the COO is being implemented by airlines not only in their appearance structures but also in service concepts and designs. Thus, Austrian Airlines launched a new catering concept for their short-haul network called "Tastefully Austrian" and promotes it as serving the best of Austria anywhere in the world (Austrian Airlines, 2022). Following the branding study of Pabla and Soch (2023) the implementation of experience-driven methods assists modern airlines in their consumer management. They describe it as "to allow their consumers to live experiences with their brand […] (Pabla & Soch, 2023, p.8)." This way the airlines enable their consumers to actively engage with the COO during the onboard experience.

With regards to how influential a COO based branding strategy can be and as a consequent factor of H1 and H2, the following hypotheses were formed:

H3 (a): Brand image has a positive impact on airline booking intention.

H3 (b): Trust has a positive impact on airline booking intention.

Besides the positive effects of references to the COO along the complete customer journey of an airline for attracting new consumers and to targeting nationals, consumer attitudes resulting from ethnocentrism and national pride have been positioned as a moderating factor on the relationship between COO branding and airline brand image and trust. Based on the findings of Morse & Shive (2011) that national pride leads consumers to always favour domestic products. As well as Watson & Wright's (2000) statement that in certain cases of ethnocentric consumers the COO should be not displayed ubiquitously, the following hypothesis to be tested has been developed:

H4: National pride moderates the positive effect of COO branding of an airline on (a) brand image and (b) on trust in the airline.
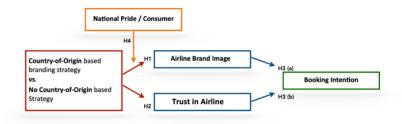
2.3   Conceptual Framework

Fig. 7: Conceptual Research Framework

3 Methodology

The following section will explain the research method used for this thesis. Firstly, the importance and ways of research designs are described and explained, based on Creswell's (2009; 2014) justifications. Secondly, a detailed description of the method applied for this research is followed by an explanation of the experiment design including the data gathering process and research measurements. Finally, an outlook on the experiment analysis and presentation of findings will be given.

3.1 Research Design

In academic research, the collection of primary data is of great importance. To collect valid and accurate data input the research design chosen is dependent on various factors including the general topic of study, whether existing theories and studies exist and the way the results are being interpreted. According to Creswell (2009), there are three major types of data collection: qualitative, quantitative, and mixed methods.

In qualitative research, the aim is to find an understanding of relationships between problems of social or human nature and individuals' behaviour. It employs an inductive method of logic and seeks to draw general conclusions from an individual's action. In qualitative research, common methods for gathering data include ethnographies, focus groups, narrative and grounded theories, and case studies (Creswell, 2009). In quantitate research, the objective is the investigation of the correlation between variables to support prevailing theories or assumptions. The encountered variables are predetermined and can be measured on instruments that further allow analysis by statistical means. Typically, experiments or surveys with brief item scales and predetermined answers are used to acquire quantitative data (Creswell, 2009; Williams, 2007). Findings are generally presented in deductive logic to protect them from biases and alternative explanation attempts (Creswell, 2009). Thirdly, mixed methods are the combined application of qualitative and quantitative research methods to enhance a study's findings and strengthen its significance. It allows the broadening of a study used with either one of the other two measures and grants even further insights into high-complexity problems (Creswell, 2009).

For the aim of this bachelor thesis, a quantitative research approach has been chosen. The acquisition of primary data was conducted through the establishment of an online experiment with an appended survey. Quantitative data collection by web surveys is convenient as it is less cost intensive and easy to administer compared to other approaches (Schmidt, 1997). Further, the prediction and explanation of existing phenomena is facilitated and is considered to provide objective measurement. An experimental research design is based on the widely objective analysis of the impact of one variable, the independent one, on another, the dependent variable. It is focused on gaining specific conclusions and results of often cause-and-effect relationships (Bell, 2009). In other words, an experiment aims to outline if a change in the stimulus is likely to have an impact on the outcome of the appended survey (Creswell & Creswell, 2018). According to Bell (2009), an experimental setting requires the control of all variables under study by the researcher, if this control is given the experiment result is stated as valid and reliable. The experimental design needs to be in a way that allows the original and independent researcher to replicate and re-validate the experiment. The results of the investigated relationship should be generalizable and applicable to populations other than the tested sample to ensure external validity (Bell, 2009). During the experiment, the sample individuals were randomly assigned to variations of stimuli material and then answer the same questions concerning the factors under study. Survey experiments offer a strong level of internal validity as the statistical analysis of survey answers outlines people's behaviour after being confronted with different stimuli (Arceneaux, 2010). Moreover, survey experiments conducted online show a higher level of external validity for the usually larger sample size than laboratory experiments (Arceneaux, 2010).

To test the developed hypothesis of the bachelor thesis, an online experiment employing a one factor, between subjects design with COO representing the manipulated factor was designed. It aims to answer the posed research questions and verify the formulated hypotheses H1 to H4, to either accept or reject them. As the thesis intents to answer whether the use of COO branding in the international airline industry has an impact on travellers' booking intentions causal research is of preference. More specifically, the research employed one factor between subjects'

design, with an airline advertisement as the manipulated variable (COO branding vs. no COO branding). The experiment and survey were structured in four sections. As a first part, an introduction to the survey was provided. In the second section, where the manipulated variable is present, the participants were shown one of the two airline adverts and the participants and asked to put themselves in the situation where they search for their next flight with the following text:

> "Imagine you are looking for your next flight choice. You are looking around and see this advertisement of a new airline.
> Please indicate in the following section how you would evaluate the information you see."

After the advertisements were shown, section three dealt with questions regarding the constructs under study were asked. Lastly, participants were asked about demographic information and flight behaviour to get deeper insight and information about the sample's characteristics.

3.1.1 Stimulus & Experimental Procedure

The experiment started with a stimulus that prepared participants for a fictitious new airline in Austria. Participants were offered two possible branding proposals: one with a strong reference to Austria as the COO and one without any COO reference (see Figures 8 & 9). The advertisements are similar in size and text. However, advertisement A has the addition "Austrian Airways" underneath the brand name and uses country specific colours red and white. This is the manipulated advertisement classified as COO branded. Participants were randomly assigned to either one of the two advertisements. In the experiment, the COO acted as the manipulated (independent) variable, and airline brand image, uncertainty reduction, and traveller's booking intention as the dependent variables. Furthermore, the research also intends to uncover whether national pride and consumer ethnocentrism moderate the effects of COO branding on airline brand image and uncertainty reduction. After viewing one of the advertisements the survey started with two dichotomous items served as a manipulation check, asking the participants whether they have even noticed the origin and slogan of the airline. A timer set to 15 seconds ensured, that participants were unable to skip the stimulus without recognition. Subsequently, an identical

questionnaire concerning the constructs under study was provided for completion by the participants. An attention check question was included to guarantee honest and man-filled responses of the survey. This attention check asked respondents to tick of the middle-scale point out of numbers one to five. If the dependent variables outcome change, the experiment design and randomization of the supplied stimuli allow for causal interpretations of the outcome. The main purpose of this experiment and survey was to conclude whether the airline brand image and uncertainty reduction level, as caused by the COO branded advertisement have a positive effect on booking intentions.

Fig. 8: Stimulus Material A with COO branding   **Fig. 9:** Stimulus Material B without COO branding

The questionnaire was divided into sections that initially focus on seven items (developed by: Chaudhuri & Holbrook, 2001; Han et al., 2019; Koech et al., 2023; Munuera-Aleman et al., 2003; Park et al, 2004; Yoo et al., 2000) testing airline brand image and participants' attitude towards the airline (e.g., "This brand gives me pleasure"). Followed by six items measuring trust in the airline (such as "This airline appears safe" and "I would have confidence in this airline" developed by: Lin & Ryan, 2016; Sichtmann, 2007; Washburn & Plank, 2015). Successive, five items were assessing the participants' booking intentions of the advertised airline (developed by: Bigne et al., 2018, adapted by Garaus & Hudáková, 2022; Park et al., 2004). After, five items originally developed by Ettenson & Klein (2005), Mishra et al., 2022 and Nijssen & Douglas, 2003 were posed to gather information about participants' national pride and ethnocentrism levels regarding airlines (e.g., "I would not feel safe flying with a foreign airline"). This information was required to test the moderating factor of the research model. All questions are answered on a seven-point Likert scale, ranging from "Strongly Agree" to "Strongly Disagree." The options in between are "Agree",

"Somewhat Agree", "Neutral", "Somewhat Disagree", and "Disagree". The "neutral" option was provided to avoid bias if a respondent wishes to stay abstinent from an answer.

The final part of the survey intends to find out more about the travel and flight habits of respondents and on a collection of demographic data. Participants were invited to share their favourite airline brand and state their air travel frequency, as well as main airline choice factors. The survey concluded with a set of demographic questions focusing on age, gender, nationality, income, and education.

The design of the questionnaire items derives from an extensive review of academic articles and publications, which served as a basis for the survey development; this is as previously established and tested items ensure validity and reliability for the current study. Some items were slightly adapted to fit better into the content of this study. The original sources are cited in Appendix A "Measurement Items" and the complete experiment design is attached in Appendix B "Experiment & Survey Design". Further, the study has been approved by the author's institutional internal reviewer board.

3.1.2   Data Collection

The collection took place in the spring of 2023. The survey was made available for around three weeks after it was published on 24th of April 2023; the survey got officially closed by midnight 10th May 2023. The researcher's objective was to obtain roughly 100 completed and valid experiments during this time to accurately understand consumer intentions and to be able to extrapolate the sample's results to a larger population. The experiment was carried out on the online platform SoSciSurvey. The research is conducted in English, however, as of the primary residence of the researcher is in Austria, the experiment was provided in German and English. This offers greater accessibility for international and German-speaking participants. Using convenience and snowball sampling strategies, the distribution took place through the researcher's Facebook and Instagram accounts as well as through personal invitations to friends and family. To encourage more users to take the survey, a direct link to it was added to the author of this thesis' Instagram profile

on April 25th, 2023, along with a separate story post that was accessible for 24 hours. Additionally, a direct survey link has been shared with the author's community on the social network LinkedIn. Secondly, the experiment was promoted in academic courses at Modul University, where students and faculty were invited to participate in the survey. The intention was to obtain a sample that is diverse in terms of age, income level, gender, and educational attainment. After the period of collection was over, the data was analysed using the statistical software Jamovi. The statistical data analysis allowed the researcher to outline conclusions visually and descriptively in the following subchapter.

3.2 Analysis & Results

After the data collection period has ended, the gathered data was sorted, and test- or incomplete answer sets were screened out before the answers were imported into the statistical software Jamovi. In total 167 responses were collected of which ten answers had to be omitted as of the failure of the attention check. On average it took participants 235 seconds (=roughly four minutes) to complete the experiment and survey. Answers of respondents who took less than 100 seconds (=1.5 minutes) were eluted from the data set as of their below average time duration to guarantee for thoughtful and trustworthy responses in the analysis. As a result, further nine answer sets had to be removed leaving in a total valid sample size of N=148.

3.2.1 Sample Characteristics

The sociodemographic information of the sample is displayed in Table 1. The mean age of the participants is at 32 years, with answers ranging from 19 to 72 years. A majority of 56% (83) of respondents identify as female, 41% (60) as male and 3% (5) identify as other or preferred not to disclose their gender. Furthermore, 56% (83) of participants completed high school (Matura or equivalent), 35% (52) hold a university degree (bachelor's, master's degree, or PhD Degree), 5% (8) did an apprenticeship and 3% (5) of the sample had finished compulsory schooling. The annual income of the sample is spread over 34% (51) of participants earning less than €10,0000, 23% (34) earning between €10,000-€29,999 followed by 22% (32) having a yearly income between €30,000-€49,999. 21% (31) of participants are having an annual income of

more than €50,000. A great part of the participants has the Austrian nationality with 57% (85) of the sample stating Austria as their nationality, followed by Germany with 13% (20). Another 11% (17) of the sample comes from other countries of the European Union and 12% (18) from other international countries. 6% (8) of participants did not disclose their nationality.

When it comes to the participants' flight behavior it was devised that within a year the participants take air transport around 7.6 times on average (see Table 2). For 68% of the participants, vacation was stated as the main air travel purpose, which was followed by 18% opting for family visits. Only 9% stated to be mainly flying for business and 5% of the sample have other, not specified reasons. In terms of airline choice, a majority of 55% of the sample reported the price as the main driver of airline choice, succeeded by the airline's connection possibilities with 33%. Only a minority of 6% opted for the airline brand as a main choice factor. Yet, 62% of respondents stated to have a preferred airline brand which at first glimpse refers to the national flag carrier of the corresponding home country.

	Sample Characteristics	N = 148	
Mean Age	32 years	Annual Income %	34 %
		Less than €10,000	34 %
Gender %		€10,000-€29,999	23 %
Female	56 %	€30,000-€49,999	22 %
Male	41 %	€50,000-€74,999	10 %
Other	2 %	more than €75,000	11 %
Prefer Not To Say	1 %		
Highest Completed Education %		Nationality % (most answered)	
Compulsory Schooling	3 %	Austria	57 %
Apprenticeship	5 %	Germany	13 %
High School Degree or Equivalent	56 %	Others (Bosnia, Belarus, Canada, Egypt, Hong Kong, Kazakstan, USA)	12 %
Undergraduate or Graduate Degree	34 %	European Union (Bulgaria, Hungary, Italy, Ireland, Portugal, Romania, Slovakia, Spain)	11 %
PhD Degree	1 %	Not Stated	6 %

Table 1: Sample Characteristics

Frequency of Air Travel per Year	7.6 times
Main Airline Choice Factor %	
Price	55 %
Connction	33 %
Brand	6 %
Other	5 %
Main Air Travel Purpose %	
Vacation	68 %
Family Visit	18 %
Business	9 %
Others	5 %
Preferred Airline Brand	
Yes	62 %
No / Not Stated	38 %

Table 2: Sample Flight Information and Airline Choice Factors

3.2.2   Data Preparation & Cronbach's Alpha

Since the respondents indicated their extent of agree to the constructs' measuring items on a seven-point Likert scale, the nominal answer sets were first recoded to numeric values reaching from "Strongly Agree" = 7 to "Strongly Disagree" = 1. Scale reliability was assessed in a subsequent stage. This should make sure that every item included in a scale accurately represents the construct it is meant to assess (Field, 2009). Therefore, Cronbach's alpha was calculated for each scale to ensure the internal consistency of the latent constructs. The reliability analysis (Cronbach's alpha) was highly satisfactory for all constructs, exceeding a value of 0.8 threshold, with literature suggesting a value of at least .7 or .8 (Field, 2009). Hence, composite scores of the constructs were calculated for the main analysis. Table 3 displays the constructs and corresponding Cronbach's Alpha values. In addition, the respective mean scores and standard deviations were computed and reported.

	Cronbach's Alpha	Mean	Standard Deviation
Airline Brand Image	0.94	4.53	1.16
Trust in Airline	0.95	4.68	1.09
Booking Intention	0.93	4.51	1.12
National Pride / Consumer Ethnocentrism	0.82	3.21	1.16

Table 3: Cronbach´s alpha, mean scores & standard deviation for measured constructs

3.2.3 Manipulation Check

The analysis started with an investigation of the success of the manipulation in the airline advertisement presented. In detail, the manipulation check consisted of two items that aimed to identify whether survey respondents have noticed the airline's origin and its slogan that stated the origin on the COO branded advertisement. A Chi-square test statistic determines if respondents were able to identify the advertised airline's country-of-origin or not, which is important for the main analysis. The test revealed that the respondents of the respective groups of the experiment, those exposed to the COO branded advertisement and those exposed to the neutral advertisement, perceived the advertisement different. For the first manipulation check, for the advertisement with COO branding 63 out of 74 respondents (85%) opted for the correct COO displayed and for the advertisement without COO branding 59 out of 74 participants (80%) said that there was no COO shown. Manipulation check two resulted in 48 out of 74 respondents (65%) choosing the correct slogan for the COO branded advertisement. Equally, 48 out of 74 (65%) stated that no slogan was shown for the neutral advertisement. Based on the observed significance value of p<0.001 for both manipulation checks [$\mathcal{X}^2$ (5, N_{MC1}=74) = 87.15, p < .001; $\mathcal{X}^2$ (3, N_{MC2}=74) = 64.53, p < .001] it can be derived that the displayed information on the advertisement has a significant association with the assessment of origin of the promoted airline. Figure 10 visualizes the answer percentages of each group on the manipulation check 1. In sum, it can be concluded that the manipulation checks worked out as intended. Thus, the data analysis continues with the hypotheses testing.
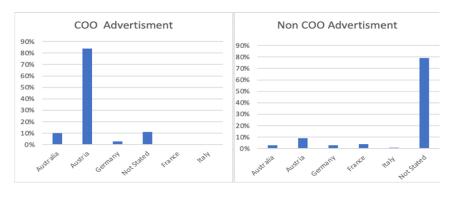

Fig. 10: Answer Percentages on Manipulation Check 1: What was the airline's nationality?

3.2.4 Hypothesis Testing

For the main analysis of the data set, the posed hypotheses H1-H4 were tested. In order to test the first two hypotheses (H1: COO branding of an airline has a positive impact on an airline's brand image and H2: COO branding of an airline increases trust in the airline (in terms of quality and safety expectations) a one-way multivariate analysis of covariance (MANCOVA) was performed using the composite variable scores for airline brand image and trust as the dependent variables and the experimental condition (COO vs. non-COO branded) as the factor variable (independent variable) to conduct one MANCOVA calculation. The data gathered about the participants annual flight frequency served as covariate in the analysis. The MANCOVA revealed a significant model for H1 ([Pillai's Trace = 0.05, $F(2,137)=3.83$, $p = 0.024$). The analysis revealed a significant difference for brand image between the two conditions (M_{COO} = 4.73, SD = 1.13 vs. M_{NonCOO} = 4.34, SD = 1.16), leading to acceptance of H1 [$F(1, 138) = 4.16$, $p = 0.043$]. With a p-value exceeding the threshold of .05, the covariate for flying frequency does not impact the significance influence of COO branded material on brand image [Pillai's Trace = 0.01, $F(2, 137) = 0.45$, $p = 0.64$].

In line with the researcher's expectations of H2 (COO branding of an airline increases trust related in the airline (in terms of quality and safety expectations)), participants confronted with the COO branded advertisement (as compared to the non-COO branded advertisement) stated higher trust indicators [M_{COO} = 4.97, SD = 0.99 vs. M_{NonCOO} = 4.44, SD = 1.13; Pillai's Trace = 0.05, $F(1, 145) = 7.62$, $p = 0.007$]. Further, also for H2 the covariate of flight frequency is not significant [Pillai's Trace = 0.01, $F(1, 145) = 0.5$, $p = 0.48$]. Hence, the posed assumptions that COO branding for airlines do positively impact the perception of airlines (in terms of brand image and trust) are confirmed.

	COO Branding N=74		Non COO Branding N=74		F	p-Value
	Mean	SD	Mean	SD		
Airline Brand Image	4.73	1.13	4.34	1.16	4.16	0.043
Trust in Airline	4.97	0.99	4.44	1.13	7.62	0.007

Table 4: MANCOVA results for H1 and H2

As H4 (national pride moderates the positive effect of COO branding of an airline on (a) brand image and (b) on trust in the airline) postulates national pride a moderating factor to H1 and H2 a further MANCOVA analysis was conducted. This time the analysis included the composite scores of national pride as an additional factor variable to test whether an interaction effect could be observed. As a preliminary step, the values of the national pride composite score were split in two categories reflecting a high national pride (answer scores which are equal to or exceeded the middle-point-value of 3.5) or low national pride level (answer scores below the value 3.49). The results of the MANCOVA test revealed a non-significant result for National Pride with a p-value exceeding 0.05 [Pillai's Trace = 0.01, $F(2, 143)$ = 1.07, p = 0.344]. About the interaction effect of national pride on the assessment of brand image and trust, no significant interaction effect was observed. Consequently, H4 is not supported.

	Pillai's Trace	F	p-Value
National Pride	0.01	1.07	0.344
Interaction Effects	0.00	0.03	0.966

Table 5: MANCOVA results for H4

Lastly, to test the final hypotheses: H3 (a): Brand image and H3 (b): Trust have a positive impact on airline booking intention, a multiple regression analysis in Jamovi was performed. Hereby, the dependent variable is represented by the composite score of the items measuring booking Intention. The independent variables are the values for airline brand image and trust in the airline. The multiple regression analysis allows for interpretation of relationships by predicting the dependent variable based on the independent variables. The results of the multiple regression analysis are displayed in Table 6. The goodness of fit value of R^2 implies that booking intention accounts for 50% of the variance of airline brand image and trust (R^2 = 0.5). This indicates that booking intention can be optimized through a positive brand image and high levels of trust. Figure 11 depicts a histogram visual representation of the standardized residual plot based on the regression model. Concluding the regression model represents a good estimate of the outcome and both hypotheses H3(a) and H3(b) can be accepted. The respective coefficient estimates show the extent to which the dependent variable varies with the independent ones and are meaningful positive

for both independent variables under study ($\beta_{\text{Brand Image}}$ = .029, *p* = .003; β_{Trust}= 0.45, *p* < .001).

Model Summary

Model	R	R²	Adjusted R²	F	p-Value
1	0.71	0.5	0.49	72.09	<.001

Multiple Regression Analysis

Model	Unstandarized Coefficients		Standardized Coefficients	t	p-Value
	Beta	Std. Error	Beta		
Airline Brand Image	0.29	0.10	0.3	3.00	0.003
Trust in Airline	0.45	0.10	0.44	4.36	<.001

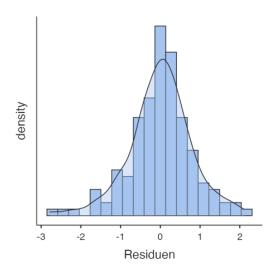**Table 6**: Multiple Regression Analysis

Fig. 11: Histogram of Regression Standardized Residual, dependent variable: booking intention

4 General Discussion & Conclusion

The main target of this study was to determine whether the COO effect holds in the setting of international airlines. Even though the COO effect has been thoroughly explored in international marketing already and several studies have proven the COO effect to be a measurable factor, a research gap in the airline industry had been discovered. The conducted review of academic articles and marketing literature allowed the researcher to get an understanding of the COO effect for service providers and called for the question if the effect for airlines also exists. Even though airlines actively apply COO strategies in extensive manners, the potential effects on actual travelers' booking intentions have not been researched in depth yet. Therefore, the current study complements the growing body of knowledge on this subject by concentrating on the impact of COO branding on airlines' image and degrees of trust. Further, as consumer ethnocentrism and national pride are commonly studied alongside COO effects (e.g., Morse & Shive, 2011; Rezvani et al., 2012; Van Loo et al., 2019) these factors have been included in this study to test if they act as a moderating factor on the COO branding effects on airline brand image and trust in the airline. The current research employed a quantitative method using an online experiment. The experimental approach ensured that the overserved impacts of the two airline advertisements on participants' answer scores may be indeed attributable to the COO effect and allowed the researcher to form causal relations.

In sum, the results from this study offer several important insights into the relationship between COO and consumers' airline booking intention. Firstly, the findings are affirming the posed theoretical reasoning that COO branding indeed positively influences an airline's brand image. Subsequently, the higher the airline brand image, expressed as the consumers' attitude towards the advertised airline brand compared to the other alternative, the higher the likelihood of the airline being selected as a travel partner. The findings regarding airline brand image support and expand previous studies conducted by Koech et al. (2023) and Sarker et al. (2019) who already assessed the positive influence of brand image on airline booking intention. Results of the current study validate the importance of brand awareness and image for airlines and adds the pervasive factor of the COO effect. This allows insights into

current brand strategies to be developed in a more profound and reality-based manner.

Further, the current research confirms that a strong COO reference in airline branding and marketing indeed increases the quality and safety expectations travelers might have of that airline as of its power to promote trust. This also accords with earlier observations, which showed that COO cues are used to stimulate trust in services (Michaelis et al., 2008). One possible explanation could be that the reference to the COO acts as a collective image for certain positively perceived attributes and/or familiarity of the advertised country that is subconsciously realized by travelers regarding the risky service of air transport (Gaberino et al., 2001; Rezvani et al., 2012; Swait & Erdem, 2007). Hence, it can be concluded that whenever trust in the airline is high the booking intentions are equally positively influenced by COO branding.

In conclusion, all hypotheses concerning the influence of COO branding on brand image, trust and then further airline booking intention (H1-H3(b)) were accepted. Lastly, only the results from the moderating factor of national pride/consumer ethnocentrism (H4) were insignificant. The results of the interaction test indicated neither in the case of high national pride nor low national pride had a significant effect on the evaluation of the airline. These findings are contrary to the results from Morse & Shive (2011) who indicated a strong preference of consumers to evaluate national products to be favorable. Whilst the results are generally in line with the proposed research framework, one result was somewhat surprising. Most of the participants possess the Austrian citizenship, because of that an interaction effect between high national pride and the airline's assessment was anticipated. Nevertheless, the results that neither high nor low ethnocentrism influences the airline's evaluation of the participants go along with the viewpoint of Herche (1992), whose argument is that consumer ethnocentrism and the COO effect can co-exist without interfering in the quality assessment stage of goods and services. However, this aspect has only been looked at in a shallow manner and requires further focused investigation.

4.1 Theoretical Implication

Based on the latest findings on the COO effect as well as theories and studies on the value of branding in the international aviation sector, the current research developed a theoretical framework that considers brand image, trust in the airline and national pride/consumer ethnocentrism as fundamental mechanisms that explain the impact of two advertisements (COO branded vs. non-COO branded) on airline booking intention. Employing an online experiment, the results are obtained and validated in a way that allowed the researcher to form causal relationships between COO branding and the mediating constructs. Prior research regarding the COO effect is vast and detailed for many different branches and industries. Despite the ubiquitous application of COO references and branding structures for many international airlines, as researched referring to Aichner's (2014) framework, only a few former empirical studies addressed the impact of the effect on airlines, even less on consumer action intentions (booking intention).

In general, the results validate existing studies on the COO effect and expand the investigated scope of application many times over. The most valuable research finding is that previous, yet very limited studies on the COO effect in service settings and airlines can be confirmed and expanded. It is proven that especially regarding the impact of COO branding on the brand image of an airline a meaningful relationship exists. The findings in this regard reinforce previous consumer-based studies, such as the one of Goa & Choy (2019), whose conclusion was that the more distinctive an airline brand image is, the higher booking intentions are. This could be since a strong COO reference in an airline name, logo, or with other iconographic means is easy to convey, pick up and memorize by consumers. Usually, consumers also relate a certain set of stereotypes and country image with the represented nation, which further shapes the perception and distinction. In turn, a differentiation from competing airlines is achieved. Further, an airline with positive COO attributes in its appearance benefits from the facilitation of recognition and familiarity (Sarker et al., 2019), aspects of great importance in highly competitive markets. This stands in contrast to Chen et al. (2019) who posed that a positive brand image is merely raising curiosity that leads to trial. While this conclusion is fundamentally plausible for other services

or products, concerning the airline sector the COO effect is more likely to be successful because of the rising emotions of familiarity and trust. This study found that the COO-branded airline resulted in higher scores for trust and safety. This aligns with results found in other COO studies (e.g., Michaelis et al., 2008; Swait & Erdem, 2007). A possible explanation is that the transferred COO information gives passengers and automatic picture of the brand. Based on the findings, it can be therefore concluded that COO branding for airlines has a direct positive effect on brand image and trust which subsequently prompt booking intentions.

The inspection of the moderating factor of national pride and consumer ethnocentrism revealed a non-significant correlation between the airline evaluation and the moderating factor. Although this means that the evaluation of the airline is not directly influenced, the COO effect and consumer ethnocentrism can still co-exist and potentially relate to each other. It could well be the case that an ethnocentric consumer is loyal to their national products, but also positively assesses foreign products or services with COO identification as seen in this study.

4.2   Managerial Implications

In addition to the theoretical contributions this study also provides important insights and practical implications to airline companies and air transport policymakers regarding marketing, perceived quality, and the importance of their company's branding structure in general.

Firstly, the research supports the assumption that a COO-referenced branding for airlines is not only a remnant of an aviation era in which national governments still ran the airlines. On the contrary, a COO-based branding can also serve its benefit to airlines, which are now predominantly privately managed and would not have to represent their nationality, today. On a macro-level, airlines are advised distinguish themselves from their competitors in international markets by communicating positively perceived COO information and by integrating it in their presence, or even further into their service offerings to deepen the effect. Therefore, decision-makers are encouraged to find a managerial message match between the COO image or stereotypes and the wanted effect on consumers. For any airline originating from a

country that has been found to have a positive image or attributes, a positioning of the airline brand through these attributes can influence positive evaluations of the airline brand. Additionally, building an airline brand around the COO can facilitate the process of designing a coherent overall experience for customers. Accordingly, Lin (2015) has already confirmed the benefits of a strong brand experience for airlines. As of that, it is advised to create an overall brand experience with a focus on the COO, including iconographies (coloring, slogans, etc.), the physical design of cabin interior, acoustic stimuli, and catering offerings – to let the traveler fully engage with the airline's origin (Pabla & Soch, 2023). Hereby, it is also recommended to take a creative approach that allows for crossovers with other companies or industries. For example, for their catering an airline could build a cooperation with a famous local chef or restaurant company. Nevertheless, to keep up with the positive image portrayed by the COO and invest in further or less heavy focus (e.g., COO-related service, campaigns, etc.) airline representatives should devise systematic methods for regularly assessing, monitoring, and enhancing these service attributes.

Secondly, especially for new airlines, it is advised that management should evaluate the COO's image in foreign markets and use this information to its benefit. Hence, a positive image should be used as a communication tool for brand values and risk reduction when entering a market. Founding and positioning an airline with no reference to the COO can be harder because it has not yet developed in the eyes of the target audience and consumers might abstain from the service in this case. As a result, at the time of market launch, the relevance of COO cues on the initial assessment of trust is significant and assists in positioning and communicating a brand message. As the airline becomes accepted on the international market, COO references can be further used to create even more distinct brand associations and images as explained before.

Simultaneously, airline managers should avoid creating any sort of dissonance between the perceived country image and the marketed airline qualities, when applying a COO branding structure. Mismatches in overall perceived attributes and purchase promises could lead to confusion and mitigate the initial positive effects of a COO branding. Country images might be perceived differently in various locations,

however, overall tendencies can be overserved or gathered using marketing research methods. Having said that, some airlines might experience difficulties in positioning their brand solely based on their COO. Thus, if the airline's origin is not particularly strong, a communication approach rather focusing on product attributes is recommended (Diamantopoulos et al., 2021). Generally, the overall extent and application of COO strategies by airline managers can also be modified and adjusted to only convey certain messages to relevant sectors. It should be mentioned that an airline's main asset is its attractivity to and satisfaction of travelers to confront rivalry. As a result, the findings of this study offer brand managers the clarity that the use of COO strategies can positively influence airline booking intentions. To leave a lasting impression on travelers, managers may utilize methods of communication that demonstrate their COO.

4.3   Limitations & Future Research

As with all experimental studies, it is important to note that the results and their interpretation are valid only for the current study. Thus, in the case of this study, the approach of only testing one country's origin effect could limit its external validity. It is therefore recommended to expand the analysis to the impact of various countries with alternative images or stereotypes in society, as former research already manifested the variations in the COO effect across countries and product categories. Further, the current research design could have neglected other important attributes that would influence travelers' airline booking intentions in real life such as price or connection possibility with the advertised airline. Even though the sample represented a good fit in covering multiple age and socio-economic groups, most participants originate from Austria or economically similar countries, which has been previously shown to be limiting factors such as consumer ethnocentrism (Watson & Wright, 2000) and could explain the high acceptance of the advertised airline stimuli using Austria as the referenced country.

Regarding future research, there is a need for further conceptual replications of the current study with different branding material and different COOs as stimuli, conducted in different countries. In general, research on COO effects should be

enhanced in various service settings, considering even more consumption or purchase elements. Further research can gain more insights into the relationship between the brand equity model as a whole and airline satisfaction/booking intention. Moreover, as airlines already apply COO strategies heavily, an investigation of the success of these structures already in use could deepen the understanding of the effect and scope of application.

Lastly, although results have been shown to be significant, it needs to be stated that answer scores of brand image, trust and national pride have been very close for both stimuli of this research. Thus, it is anticipated to replicate this study with an increased sample size to obtain deeper, more valuable insights into the relationships posed.

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Appendices

Appendix A Measurement Items

Booking Intentions: BI

BI1: I would consider this airline when I intend to fly in the future.
(Bigne et al., 2018 adapted by Garaus & Hudáková, 2022)

BI2: It is likely that I would book this airline in the near future.
(Bigne et al., 2018 adapted by Garaus & Hudáková, 2022)

BI3: I would expect to fly this airline in the future.
(Bigne et al., 2018 adapted by Garaus & Hudáková, 2022)

BI4: I would recommend this airline. (Park et al., 2004)

BI5: I would consider flying this airline brand in the future. (Park et al., 2004)

Measurement Scale: 7-point Likert ("7" Strongly Agree- "1"Strongly Disagree)

Brand Image/Attitude: BA

BA1: I would feel good when I would book this airline.
(Chaudhuri & Holbrook, 2001)
BA2: This brand gives me pleasure. (Chaudhuri & Holbrook, 2001)
BA3: I associate positive feelings when seeing this brand. (Yoo et al., 2000)
BA4: I feel like I know what to expect from this airline. (Munuera-Aleman et al., 2003)
BA5: Positive characteristics of the airline brand come to my mind quickly. (Koech et al.,2023)
BA6: My overall image of this airline is positive   (Han et al., 2019)
BA7: I have a good impression of this airline. (Park et al., 2004) at.

Measurement Scale: 7-point Likert ("7" Strongly Agree- "1"Strongly Disagree)

Trust in the Airline (Uncertainty Reduction): UR

UR1: This airline appears safe. (Lin & Ryan, 2016)

UR2: This is an honest airline. (Lin & Ryan, 2016)

UR3: This airline appears to be of high quality. (Washburn & Plank, 2015)

UR4: The likelihood that this airline brand is reliable is very high. (Washburn & Plank, 2015).

UR5: I would have confidence in this airline. (Sichtmann, 2007)

UR6: I believe this airline would be trustworthy. (Sichtmann, 2007)

Measurement Scale: 7-point Likert ("7" Strongly Agree- "1"Strongly Disagree)

National Pride /Ethnocentrism: NA

NA1: It is very likely that I will fly an airline from my home country compared to others. (Mishra et al., 2022)

NA2: I feel strong ties to products and services from my home country. (Mishra et al., 2022)

NA3: I would not want to fly with a foreign airline. (Ettenson & Klein, 2005)

NA4: I do not like the idea of flying an airline originating from another country than my home country. (Ettenson & Klein, 2005)

NA5: I would not feel safe flying with a foreign airline. (Nijssen & Douglas, 2003)

Demographic Items:

DI1: What is your nationality? _____

DI2: What is your gender?: Female – Male – Other – Prefer not to say

DI3: How old are you?: __ (yrs)

DI4: What is the highest level of education you have received?: Compulsory schooling –   Apprenticeship – High school degree or equivalent – Undergraduate or Graduate Degree – PhD degree

DI5: What is your annual income?: Less than €10,000 - €10,000-€29,999 - €30,000-€49,999 - €50,000-€74,999 – more than €75,000

Flight Information / Control Variables:

FI1: How often do you fly in a year on average? _____

FI2: If you are flying, what is the main reason for your flights? Vacation – Business – Family Visit – Other

FI3: Do you have a preferred Airline Brand? If yes, please state it: ___

FI4: What is most important for your airline choice? Price – Brand – Connection - Other

Manipulation Check:

MC1: What was the airline's nationality? Australia – Austria – Germany – France – Italy – Not stated

MC2: Which slogan was shown? Austrian Airways – Fly Like an Austrian – Flying High – No slogan

Appendix B Experiment & Survey Design

Page 1

Cover Letter:

Dear Participant, As student of Modul University I am inviting you to take this survey about the evaluation of various airline brands. To gather accurate and useful data for my bachelor thesis, I would be delighted if you would take a few minutes to answer the following questionnaire (maximum 5 minutes). Please note however, that is important for the accuracy of this study that you only carry out the following survey of you have been booking airlines in the past. I guarantee that your answers will remain confidential and will be used for academic purposes only. Please note that your answers should reflect your own opinion. You may choose to end the survey at any time. Thank you for participation.

Clicking on the "Start" button below would indicate that you have read the information above and that you voluntarily agree to participate.

Page 2

Stimuli Material is shown either Group A or Group B

1. **Group A:** Gets to see visual appeal with a COO branding (slogan, colors, name)

Imagine you are looking for your next flight choice. You are looking around and see this advertisement of a new airline.
Please indicate in the following section how you would evaluate the information you see.

1. **Group B:** Gets to see visual appeal without COO branding.
   Imagine you are looking for your next flight choice. You are looking around and see this advertisement of a new airline.
   Please indicate in the following section how you would evaluate the information you see.

Page 3

Manipulation Check Questions

Page 4

In the following I am interested in your attitude towards the airline brand marketed with the advertisement. Please indicate the extent to which you agree/not agree with the following statements. (1-strongly disagree – 7-strongly agree)

BA1 – BA7

Page 5

Attention Check Question: Please Tick off the middle-scale point.
1-2-3-4-5

Page 6
In the following I am interested in your perception of the airline brand marketed with the advertisement. Please indicate the extent to which you agree/not agree with the following statements. (1-strongly disagree – 7-strongly agree)

UR1 – UR6

Page 7
In this section I am interested in your future booking intentions regarding the airline advertised. Again, please indicate the extent to which you agree/disagree with the following statements (1-strongly disagree – 7-strongly agree).

BI1 – BI5

I would be also interested about your feelings about foreign products and airlines. Please indicate the extent to which you agree/not agree with the following statements. (1-strongly disagree – 7-strongly agree).

NA1 – NA5

Finally, I would appreciate if you could share some personal information with us. Again, this information is strictly confidential and will be used for academic purposes only.

DI1 – DI5

FI1 – FI4

Thank you very much for completing this questionnaire. Your answers have been saved, you now may close the window or tab. If you have any questions or concerns, please do not hesitate to contact me at 61904010@modul.ac.at Have a very nice day!