

**What's a European brand made of? Perspectives and perceptions from five European
consumer cultures**

Elfriede Penz*
Barbara Stöttinger

* Corresponding author

Dr. Elfriede Penz

Institute for International Marketing and Management

Vienna University of Economics and Business Administration

Augasse 2-6

A-1090 Vienna/Austria

Tel.: +43-1-313-36/5102

Fax.: +43-1-313-36/90 5102

e-mail: Elfriede.Penz@wu-wien.ac.at

Dr. Barbara Stöttinger

Institute for International Marketing and Management

Vienna University of Economics and Business Administration

Augasse 2-6

A-1090 Vienna/Austria

Tel.: +43-1-313-36/5104

Fax.: +43-1-313-36/793

e-mail: Barbara.Stoettinger@wu-wien.ac.at

What's a European brand made of? Perspectives and perceptions from five European consumer cultures

Abstract

The economic integration within the EU has promoted the generation of one of the world's largest common market creating tremendous sales opportunities. Among the benefits of the economic unification, it was predicted that consumer behavior within the EU would converge. As part of a research endeavor, encompassing "old" and "new" EU countries, this contribution focuses on how consumers in the respective EU-countries perceive local, regional, i.e. European, and global brands and how these perceptions feed into consumption behavior. We applied a qualitative research method and conducted 25 focus groups in five European countries. The obtained results confirm that consumers' perceptions of brands along the continuum from local to regional to global have different rationales. These can be used for Pan-European branding efforts.

Keywords: European brands, global vs. local brands, European Union, consumer culture, cross-national marketing research, qualitative research

What's a European brand made of? Perspectives and perceptions from five European consumer cultures

INTRODUCTION

Since many years, the integration of nation-states into a common market has been a major undertaking in Europe to provide ground for a peaceful and prosperous future. Not only political but also economic considerations played an important role in this process. Today, the world's largest free trade area with a market of more than 450 million consumers has become reality (Halliburton & Hunerberg, 1993; Schmidt, 1996).

For marketing initiatives, this raises the potential for standardized approaches across the EU allowing for economies of scale. In that context, brands as a key component of a firm's marketing strategy have been discussed for their potential of "Pan-Europeanization" (e.g., Kapferer, 2002; Littler & Schlieper, 1995; Whitelock, Roberts, & Blakeley, 1995).

While past research has focused primarily on EU markets which have been part of the Common Market for many years (e.g., Schuiling & Kapferer, 2004), the reception of European brands in new member countries in CE has not been explored yet. These markets have been inaccessible for Western brands for many years (Schuh, 2007), so local brands were dominant in the daily life of consumers. Observing the changing behavioral patterns and consumer perceptions would contribute to explore the potential for Pan-European markets in these regions as well.

This paper starts from the theoretical discussion on the globalness of brands and their benefits, as well as how local brands contribute to consumer satisfaction at the other end of the continuum. While existing research focuses on other country contexts or the manufacturer perspective, our research takes a different approach. Focus groups in five selected markets (Poland, Czech Republic, Slovenia as new EU member countries; Denmark, Austria as two established EU markets to contrast findings) allows us to come up with rich insights into

issues and implications of Pan-European branding efforts (vs. global or local brands) from a consumer's perspective. After presenting the theoretical background, the methodological pathway and first results, we open up various ways for further research in this area.

THEORETICAL BACKGROUND

The discussion of brands transcending one local geographic context into other geographic areas is one of the key areas in international branding research (Whitelock & Fastoso, 2007). Drivers favoring global brands are manifold, such as, for example, supply-side driven factors (e.g., economies of scale in production and marketing efforts), environmental changes (e.g., harmonization of legal regulations concerning packaging, labeling, etc.; worldwide communication channels and media) or trends towards consumers sharing the same tastes and values across cultures. Advantages for manufacturers are obvious and thus received a lot of research attention to optimally design global brand strategies. How consumers perceive and evaluate these efforts has received less attention, mostly through ex-post analysis of purchasing behavior.

In their literature review, Whitelock and Fastoso (2007) identified a couple of key research endeavors in international branding that focus on consumer perception of brand globalness and localness. These studies investigated consumer preferences for either local or global brands and what kind of rationale consumers base their decision on (e.g., Holt, Quelch, & Taylor, 2004; Schuiling & Kapferer, 2004; Steenkamp, Batra, & Alden, 2003).

Steenkamp et al. (2003) as well as Holt et al. (2004) found that consumers prefer global brands for what they offer in terms of higher quality and prestige. Schuiling and Kapferer's study shows contrasting results (2004): consumers attribute local brands with higher trust and similar advantages in terms of quality and prestige than global brands. These contradictions in the findings suggest that more in-depth insights into how, to what extent and

in which respect local and global brands differ in the minds of consumers is needed (Whitelock & Fastoso, 2007).

In the European context, another facet adds to these results. While the previously mentioned studies focus on the dichotomy global versus local, there is a stream of literature that investigates the potential for “European” brands. Several authors raised in their work the issue whether pan-European marketing or viewing Europe as a distinct – regional/geographic – market segment would still have its merits in a world where global and local markets represent both ends of a continuum (e.g., Littler & Schlieper, 1995; Whitelock et al., 1995).

The debate on the effects of EU integration on firms’ marketing activities has a long tradition. Particularly, in the 1990s, the potential of so called pan-European marketing, i.e., standardized marketing activities across EU markets, has spurred considerable interest in academic and business discourse and was fuelled with each round of countries joining the EU (e.g., Daser & Hylton, 1992; Ganesh, 1998; Guido, 1991; Halliburton & Hunerberg, 1993; Leeflang & van Raaij, 1995; Littler & Schlieper, 1995; Schmidt, 1996; Whitelock et al., 1995). Several studies (e.g., Aistrich, Saghafi, & Sciglimpaglia, 2006) outline the current degree of standardization within the EU in various industries. Moreover, Domzal and Unger (1987) have identified a number of underlying themes which would provide a good basis to position products as “European” products (Littler & Schlieper, 1995).

To fully explore the potential of branding on a global vs. European vs. local continuum and the potential of standardization vs. adaptation across EU markets from a customer perspective, we added perspectives on how consumers would see the benefit of global vs. European vs. local brands and products. Balabanis and Diamantopoulos (2004) state that consumer preferences for foreign products are determined by product- and/or origin-specific factors. In their research, they draw a differentiated picture of the importance of consumer ethnocentrism for consumer preferences (domestic vs. foreign product) across various product categories which may serve as a starting point (Balabanis & Diamantopoulos,

2004). Further theoretical underpinnings of when would consumers choose different alternatives may be derived from consumption related to the self (i.e., “as a European, I favor European products, Belk, 1988).

METHODOLOGICAL APPROACH

In order to refine the proposed concept of European brands a qualitative research design was used. This seemed appropriate as the topic is new and the research question focuses on the identification of underlying motives and perceptions of various levels of brands, i.e. national, regional and global.

In this context, the question had to be answered which level of aggregation of a culture should be used. Past research in this context suggested that nation-states as units of analysis would be appropriate (Hofstede, 1991; Kale, 1995). Also, it appeared useful to select countries which have been members of the EU for a longer period of time and which differ in size and geographic location within the EU, and countries which are rather new members or just about to enter the EU. Based on literature review and political events, such as the accession of countries to the EU, we chose three countries that are new members to the EU, namely Slovenia, Poland and the Czech Republic. These three CE countries have developed at a similar rate and manage sustainable growth. Historically, each of them has many links with Western Europe, which makes them psychologically close to the “old” European Union members (Hruzova & Soucek, 2000). Poland is the biggest of these markets with around 40 million inhabitants who are said to be highly receptive to international marketing campaigns. Because of its market size, Poland received superior attention from MNCs and other foreign attracting initially half of the FDI in the region (Szumski, 2000). With around 10 million inhabitants, the Czech Republic is much smaller than Poland, but with a traditionally strong industrial production and well-established ties to international markets (Hruzova & Soucek, 2000). Slovenia with its 2m people is the smallest of the three countries. Despite its small

home market and thus limited global strategic importance, Slovenia is currently one of the most “Westernized” and economically thriving countries in the region with strong ties to “old” EU-countries like Austria or Italy (Filipovic, 2000).

Beside the differences in the economic environment, the three countries under investigation also differ in marketing terms. In her research, Rojsek (2001) looked into differences between CEE countries in terms of purchasing and consumption behavior. For example, Czech consumers were identified as those being most familiar with Western brands, Polish consumers as buying local brands more frequently. Slovene consumers are rather inclined to buy local brands, particularly with food, where they regard local quality as superior (Rojsek, 2001; Williams & Mather, 1995).

As for the selection of already established EU-member countries, we decided to use Austria and Denmark. Both are small open economies and EU-member for some time. Thus, consumers in the two countries share familiarity with the EU. So while both countries share much communality in terms of their relationship to the European Union, Denmark – in contrast to Austria - opted out of introducing the common EU currency, the Euro, twice (1992, 2000) after considerable public debate.

In total, 25 focus-group discussions were run in five European countries (Poland, Czech Republic, Slovenia, Denmark, Austria). The basis for the formation of the focus groups, each with five to eight participants was education (with or without graduation) and age (below and above 30 years old). The rationale behind these delimiters draws on previous research that points towards younger and more educated people who are more receptive to pan-European marketing initiatives (e.g. 1991 100).

A discussion guideline was developed by the researcher team and research assistants were trained to run and observe the discussions. The guideline included questions regarding general views on Europe and the EU in order to identify the existing value system of the

participants. More specific questions were on respondents' consumption patterns and their motivations to buy national, regional (European) or global brands and products.

Group discussions were tape-recorded and transcripts were available in the original language and summaries in English were produced by the discussion moderators. The discussion transcripts as well as the summaries and observations of the moderators were the basis for the coding and further analyses. The coding scheme was developed by the research team and successively adapted while analyzing the texts. The coding strategy followed Strauss and Glaser's (1994; 1998) recommendations, i.e. open, selective and axial coding.

RESULTS

In order to understand consumers' perceptions of Pan-European branding efforts versus national or global brands, participants were asked, if they could think of any "European" products or brands. At this point, it has to be noted that consumers in the sample used the term "product" and "brand" interchangeably. Next to the perceptions, preferences for either type of brands (national, regional – European - or global) were discussed. In the following, the main results are discussed.

To start with, there seems to be no major influence of age or education on participants' perceptions and preferences. Small differences pertain to the way opinions are expressed and the general level of discussion: participants who are below 30 (abbreviation in the subsequent section: "<30") and with lower education ("no grad") express more everyday opinions and refer to more concrete examples when talking than participants with graduation ("grad") and those above 30 (">30"). Since this is not very strong but an observation of the communication style in the following participants were analyzed together.

Regarding consumer views from the five countries, some differences are found and discussed in the subsequent section. In short, there is a difference of preferences and

perceptions between consumers in CE countries with only short EU-membership and those with longer membership in the EU.

Brands as key components of a Pan-European marketing

With regard to consumers' perceptions of European brands or products, it turned out that participants relate "European" to specific *brands* rather than *products* like Nokia (instead of Mobile phones) or IKEA (instead of furniture), as the following quote illustrates:

"But it's more the brand then, isn't it? You wouldn't go for an Italian product; you would go for a Gucci thing." (Dk, <30, grad)

In general, European brands are perceived as superior or luxury, because of higher quality, better taste, but also due to ecological and ethical reasons, such as being produced under fair labor conditions.

"A: European products are of more quality.

"B: A typical European product is quality and service" (Slo, <30, grad)

"Perhaps we have more like a 'refinement' in Europe! Not this mass production..." (A, <30, grad)

"In Europe, something that is perhaps related to environmental protection or something that is produced resource neutrally." (A, <30, no grad)

Besides, less affluent consumers from CE countries associate the following marketing activities with European products:

"A: everything is beautiful, colorful, beautifully packaged, with a late expiry date

B: and full of chemicals.

C: and we don't have the money for it (laughing)

A: and lots of chemicals and preservatives (laughing)... and extremely high prices.

B: and very expensive, that's right." (Pl, >30, no grad)

At the same time, participants in some cases perceive the Europeaness of brands or products as negative: for symbolic products such as cars or fashion they believe that Europeanness would diminish the value of the strong national brand.

Consumers do not reflect much on the internal dynamics of companies (are they local, regional, global?). We found that brands were preferred over others regardless of where the products are actually produced.

“I think the only thing for me to answer here is marketing. I don't care where they are and what they do. For me to buy, they need to tell me one way or the other that this is better than what I can normally get. And if it's a phone company, they need to tell it in Danish how many Oere I need to pay per minute and what the subscription fee is. If it is a perfume, they can just put an ad in whatever magazine, they can write everything in English, it could be exactly the same they have all over the world. I might react on that. For me to react on a company starting in Europe it would be communication, marketing. (DK, >30, grad)

In some cases, the company itself does not count at all. As such, consumers avoid possible problems in determining the national/regional identity of a company or a product. More specifically, participants call products, like cars from Germany, *European* while being quite aware of the fact that they actually have a “country” of origin (see below). However, the definition what is “European” does not depend on EU territory, as the example of *Nestlé*, a Swiss company, shows:

“Nestlé would for me stand for one of the strong European brands.” (DK, <30, grad)

The three product categories which were discussed in all focus groups extensively as being typical European ones were (a) cars, (b) food and (c) clothes. Besides, technical and electronic products were mentioned but at a considerable lower degree.

(a) With cars, most participants said they would prefer European cars, instead of U.S. or Japanese cars. Examples are German cars like Mercedes Benz or BMW but also the Spanish Seat or Skoda:

“A: To me, European products are of better quality, such as cars.

B: I agree, Mercedes, BMW, Audi, Volkswagen are really great cars.” (Pl, <30, no grad)

“I would only buy an European car at the moment; European cars are famous for their high quality (Slo, >30, no grad)”

Yet, there are also other selection criteria that overrule the country of origin:

“It depends on the quality and if I like it. If I like a particular car, then I don’t consider the country of origin... if it’s not polish, I still would buy it.” (Pl, >30, grad)

However, respondents are questioning the nationality of the car brands, as the following quotes show:

“Also it is hard to define, what Czech is. Our car producer Skoda is German today. A part of a product is produced here, another there. We also have Japanese or Korean factories and the workers are Czechs, so they will be selling a Japanese product that was produced with Czech hands.” (Cz, >30, no grad)

„From a Mercedes one would perhaps not say that it is German, but European. But this depends on the perspective, I guess. (A, <30, grad)

“Having some experience with products from a company... I look at the company, and not where the product was produced. If it were a Mercedes, but produced in France, if it looked exactly the same, then it would not interest me if it were a French product but only that it is a Mercedes.“ (Pl, <30, grad)

Quality is not the only key criteria for preferring European over foreign brands. For some consumers, the brand adds to positive emotions such as proud or trust:

“It makes me feel proud when I am abroad and see Skoda alongside other brands like Peugeot and Ford. I say to myself they are aware of our products. (Cz, >30, no grad)

“I trust more a car from Europe than a car from Japan or China.” (Dk, >30, grad)

(b) Food was named as a product category where consumers from the focus groups predominantly buy domestically. Particularly within the Polish sample, the decision in favor of local food products was very outspoken. Domestic products were said to have a much better quality, be fresher, as it had not travelled across the EU and more reliable in terms of ingredients (not genetically manipulated etc.). For Polish consumers, food is not only better in terms of quality but also because of price.

“A: In my opinion, Polish products (food) are of much better quality.

B: You can’t generalize, I think... But when it comes to food, then I think, Polish food is better.

C: Food is definitely better. In Germany, for example, potatoes are very bad and unappetizing.

B: Apples from Germany... I don’t have good memories of German food. (Pl, >30, no grad)

„Polish food has always been recognized in the West.“ (Pl, >30, grad)

„When it comes to food, I exclusively would buy Polish products.“ (Pl, <30, grad)

In the other countries, this tendency prevailed yet not as pronounced as in Poland.

“A: I try to buy Czech food. Especially with vegetables I usually look at the country of origin, mostly Czech and surrounding countries.

B: I buy Czech products on purpose, e.g. I buy Czech milk products. Germans buy their own products and protect their own market this way.” (Cz, >30, grad)

Some respondents prefer food from local or national production because they trust more in the producers, and explicitly reject products from other European countries, such as Czech production of eggs or Dutch tomatoes. They would choose a foreign, imported product only if it's exotic in Europe:

“I would not buy European bananas, because I know that they would be grown in greenhouses; to my knowledge they do not grow bananas in Europe. Or pineapples: I would not buy European pineapples.” (A, <30, no grad)

“I prefer domestic vegetables because I can imagine that an apple which is imported is awful. It was collected unripe and traveled four weeks through Europe. I'd prefer an apple that comes from Burgenland (i.e. a region in Austria).” (A, <30, grad)

Participants mentioned that they are very sensitive to production standards in this category and thus have to have a lot of trust in the quality, which is only provided by local, well-monitored producers. At the same time, they do value the broader assortment of products and country-specific specialties (like French cheese, Austrian chocolates etc.) which now are more widely available from other EU-member countries. Regarding brands, consumers mentioned brands, such as *Carlsberg* (beer, Danish Focus groups), *Radenska* (mineralwater, Slovenian focus groups), cheese from *Bohinj* (Slovenian focus groups), *Müller Milchreis* (diaries, Austrian focusgroups) or *Demeter* (organic food, Austrian focusgroup). However, as with cars, consumers' perceptions of where the brands come from are unclear, often linked to emotions of proud and feeling at home:

“A: Carlsberg and Tuborg, which are basically both Carlsberg, have become extremely trendy.

B: One could also say that Carlsberg is also a European product. It comes from Europe!

C: It is Danish. Carlsberg is for me particular Danish.” (Dk, <30, grad)

“A: Trzesniewski. That is an already established company, existing more than 100 years.

B: Really? Well, I’d associate it with Poland; at least with Polish people who go there occasionally (note: to Vienna, where the company sells sandwiches). There are many foreign cafés and restaurants; same in Poland. ... other cultures have their locations too, thus everything is melting. ... It is very convenient. Sometimes one feels at home when being abroad.” (Pl, >30, grad)

(c) Clothes were another important product category that was mentioned in the discussions. Brands such as *H&M*, or *Gucci*, *Dior* or *Lagerfeld* were named. Changes after the accession to the EU are noticeable in CE countries:

“I am much more aware of labels now. Especially in clothes. There are many nice clothes to buy, labeled ones, I really like it and I don't mind paying more for it.” (Slo, <30, grad)

Moreover, a unification of the clothing sector is observable for consumers, e.g. in Slovenia where *H&M* is perceived as becoming more dominant. Respondents can find the products from the same brand all over Europe.

Other product categories and brands that were mentioned are cosmetics, e.g. *L’Oreal*, *Nivea*, and perfumes from *Chanel* and *Dior*. Next, aircraft production was brought up with brands such as *Airbus*, *Eurofighter*, and *Boeing*. Finally, electronic and technical brands like *Nokia*, *Siemens*, *Bosch* or *Gorenje* were named.

Positioning brands as “Made in Europe”

With respect to the label “Made in Europe”, participants were rather skeptical to resistant. It would “distort” the clear picture of where products were actually produced within the EU and have less credibility than the “country” label. However, this is true also for the country labels as can be seen below:

“I don’t consider the country of origin. For me, it is important, that the product is good. Then the price....” (Pl, >30, grad)

A: In this context, I found out that some products have the label “Made in the EU” on them.

B: This means, you check from where the product comes from?

A: mmh...yes, I check where the product comes from. However, I am aware that when it says ‘Made in Germany’, it was produced by Turks in Germany and ‘Made in USA’ means produced by Mexicans (laughter).” (Pl, <30, grad)

“I read the label and read ‘Made in Austria’ or see the symbol; then I trust in it, that it really comes from Austria. But obviously I don’t have a guarantee for that.” (A, >30, grad)

Although focus group participants are aware of country of origin labels, they are not able to clearly identify its function and aims:

A: There is the label „Made in Europe“, it has been introduced one or two years ago. That was a big fight. All the member states, the bad, bad commission, the „Made in Europe”..

B: Where can I find the label?

A: On some products...

C: Outside the EU... inside the EU they don’t use it; export to the US.

A: Don’t know, but the label exists. It was a big step, a big fight.” (A, <30, grad)

Even if the label would be accepted by consumers, they don’t believe in the practical implementation:

“The EU-label would be an interesting development. But the realization would be very difficult.” (Slo, <30, no grad)

“No, the Label ‘Made in EU’ doesn’t touch me really. I think it’s not useful. (Slo, >30, no grad)

With respect to other countries, Czech participants for example wonder if European products can be positioned in a competitive way, or doubt their existence:

“I cannot think of a European product, which would be desired in America, Asia or Africa. Europe is missing to dominantly place itself with a product or an achievement.” (CZ, >30, grad)

“I do not know what a European product is.” (CZ, <30, no grad)

Pan-European branding strategies

Based on the discussions on European brands and products, three different perceptions of European brands can be identified. First, the perception that Europeanness means “working together”. Products that consist of different parts, all from Europe; or something that is done

in “co-production” are perceived as European. In this way, Europeanness exists if several European countries are involved and this can take many forms, such as the assemblage of big items:

“Big items for space travel; they buy and produce also European products, but in different European countries and somewhere they are put together and sold as European products,” (A, <30, no grad)

Another characteristic refers to the more philosophical ideal of working together which transcends national borders and possible inter-cultural conflicts, as the following statement is illustrating:

“I think it is very big. It is working together in different countries.” (Dk, >30, grad)

However, in a more practical sense, parts simply are assembled and added:

“But that depends if you have a European part. Some of the parts were made in Italy and another component had been shipped from the UK.” (Dk, >30, grad)

“If we have a cup and part of the product was taken from the Italian soil and the burning of the cup was made in another country then you would have a European product. If different components of the products or different processes were in different countries then it would be a European product.” (Dk, >30, grad)

“The products are already there: the components come from Europe, that’s why I think that many products are already European – in the economic sense.” (A, >30, grad)

“Polish milk with a Czech price tag on it.” (CZ, <30, no grad)

Finally, the Pan-European cooperation refers also to cultural artifacts (film, research and development), as this statement shows for example:

“A film done in co-production.” (CZ, <30, no grad)

Second, Europeanness means differentiation: something that stands out from global (US) brands and products and that is of higher quality etc. as was discussed above too.

“Something that we have in many European countries that they don't have in other countries.” (Dk, >30, grad)

Third, the origin of products and brands becomes irrelevant, and consumers would not think anymore from which European countries the components, company etc. comes from.

“You don’t really think anymore. You don’t consider where the ham comes from. England, France or whatever. So there really is any European product.” (Dk, <30, grad)

As regards marketing and advertising strategies, consumers – especially from Denmark – do not think that positioning brands as European is advantageous for companies who want to succeed in Europe:

“A: It should hire from a policy of diversity and make it come true in the marketing. They should say this is German efficiency, French style and Roman type. Then I would notice it.

B: And have a lot of blond Swedish girls in the sales department.” (DK, >30, grad)

“A: Well, we discussed that the fact that it is European is pretty far down the list. So maybe it should first emphasize what it is, the brand, and the quality and price. And then I don’t know whether it is important to say that it is European.

B: But I think it is easier for them to advertise their “Frenchness”. Like I as a consumer would associate so much more with their national background than their regional background.” (DK, >30, grad)

“I still think it's too early to promote yourself as this is product that is good for Europeans. When you go into a country like for example Denmark, then the message this is good for Danish people would be better.” (DK, >30, grad)

Eventually, the industry is perceived as very influential in shaping consumer preferences and leads to convergence in behavior:

“McDonalds started with this. No matter where you are, you always get the same product with supposedly same quality at almost the same price. And that leads much stronger to identical people than a political community. This is what makes Europe unique compared to other state communities, that it is only a union and everybody keeps the personal identity.” (A, <30, no grad)

DISCUSSION

In our qualitative study our aim was to study consumers' perceptions of European brands, and their consumption patterns in order to evaluate a Pan-European branding strategy.

Brands are key components of a firm's marketing strategy and they have a big potential to support Pan-European marketing initiatives (e.g. Littler & Schlieper, 1995, Kapferer, 2002; Whitelock et al., 1995). Still, there is only limited insights into how consumers perceive European brands and in particular, if there are differences between "old" (Western European countries) and "new" (CE countries) EU members since the latter are expected to rely more heavily on local compared to regional or global brands (Schuh, 2007). We found evidence for this with regard to food, where in CE countries local food was preferred over foreign food. No such an effect was found with respect to other product categories; on the contrary, CE consumers seem to be more open towards Western brands, while consumers from "old" EU member countries are used to their local or European brands.

Local, European and global brands contribute differently to consumer satisfaction: While local brands are preferred in product categories such as food, European brands are attractive when consumers want to express ecological and ethical values or if brands from non-European countries are rejected (Asia, US) due to bad quality or service. Global brands are acknowledged to contribute to convergence in consumer behavior and are seen responsible for the disappearance of local brands and stores. European brands which can be found all over Europe seem to convey emotions such as proud, trust or feel at home, all of them being aspects of patriotism as well.

In our research we found support that the idea of European brands and products is not new to consumers but at the same time they see hurdles in the practical usability. The "Made in the EU" label does not convey their idea of working together or refining a brand or product by adding various – European – components to form a better European one.

Thus, further research is needed here. For example, consumers seem to be confused about brands' origins. This is due to the fact that prior local brands' manufacturers have been sold to international or global companies, which retained the original brand (Carlsberg, Skoda). Consumers base their purchasing decisions on origin-issues, as we found out, therefore limited knowledge and confusion might have negative effects on their behavior.

REFERENCES

- Aistrich, M., Saghafi, M. M., & Sciglimpaglia, D. (2006). Strategic business marketing developments in the New Europe: Retrospect and prospect. *Industrial Marketing Management*, 35(4), 415-430.
- Balabanis, G., & Diamantopoulos, A. (2004). Domestic Country Bias, Country-of-Origin Effects, and Consumer Ethnocentrism: A Multidimensional Unfolding Approach. *Journal of the Academy of Marketing Science*, 32(1), 80-95.
- Belk, R. W. (1988). Possessions and the extended self. *Journal of Consumer Research*, 15(3), 139-168.
- Daser, S., & Hylton, D. P. (1992). The European Community Single Market of 1992: European Executives Discuss Trends for Global Marketing. *European Business Review*, 92(1), 29-32.
- Domzal, T., & Unger, L. (1987). Emerging positioning strategies in global marketing *Journal of Consumer Marketing*, 4(4), 23-40.
- Filipovic, N. (2000). Slovenia - Small is Successful. In A. K. Kozminski & G. S. Yip (Eds.), *Strategies for Central and Eastern Europe* (pp. 150-176). London: MacMillan Press.
- Ganesh, J. (1998). Converging trends within the European Union: Insights from an analysis of diffusion patterns. *Journal of International Marketing*, 6(4), 32-48.
- Guido, G. (1991). Implementing a Pan European Marketing Strategy. *Long Range Planning*, 24(5), 23.

- Halliburton, C., & Hunerberg, R. (1993). Executive insights: Pan-European marketing - Myth or reality. *Journal of International Marketing*, 1(3), 77-92.
- Hofstede, G. (1991). *Cultures and Organizations*. New York: McGraw-Hill.
- Holt, D. B., Quelch, J., & Taylor, E. L. (2004). How global brands compete. *Harvard Business Review*, 82(9), 68-75.
- Hruzova, H., & Soucek, Z. (2000). The Czech Republic - A Window of Opportunity. In A. K. Kozminski & G. S. Yip (Eds.), *Strategies for Central and Eastern Europe*. London: MacMillan Press.
- Kale, S. H. (1995). Grouping Euroconsumers: a Culture-Based Clustering Approach. *Journal of International Marketing*, 3(3), 35-48.
- Kapferer, J.-N. (2002). Is there really no hope for local brands? *Brand Management*, 9(3), 163-170.
- Leeflang, P. S. H., & van Raaij, F. W. (1995). The Changing Consumer in the European Union: A "Meta-Analysis". *International Journal of Research in Marketing*, 12(5), 373-388.
- Littler, D., & Schlieper, K. (1995). The development of the Eurobrand. *International Marketing Review*, 12(2), 22-37.
- Rojsek, I. (2001). A comparison of the purchasing and consumption behaviour of Slovenian and other Eastern European consumers. *International Marketing Review*, 18(5), 509-520.
- Schmidt, R. A. (1996). Serving the Euro-consumer: a marketing challenge or a case for intervention? *Marketing Intelligence & Planning*, 14(5), 14-19.
- Schuh, A. (2007). Brand strategies of Western MNCs as drivers of globalization in Central and Eastern Europe. *European Journal of Marketing*, 41(3/4), 274-291.

- Schuiling, I., & Kapferer, J.-N. (2004). Real Differences Between Local and International Brands: Strategic Implications for International Marketers. *Journal of International Marketing*, 12(4), 97-112.
- Steenkamp, J.-B. E. M., Batra, R., & Alden, D. L. (2003). How perceived brand globalness creates brand value. *Journal of International Business Studies*, 34(1), 53-65.
- Strauss, A. L. & Corbin, J. M. (1994). Grounded Theory Methodology - An Overview. In N. K. Denzin & Y. S. Lincoln (Eds.), *Handbook of Qualitative Research* (pp. 273-285). Thousand Oaks, CA.: Sage Publications.
- Strauss, A. L., & Corbin, J. M. (1998). *Basics of Qualitative Research: Grounded Theory Procedures and Techniques*. Thousand Oaks, CA: Sage Publications.
- Szumski, A. (2000). Poland: From Solidarity to Solid Economy. In A. K. Kozminski & G. S. Yip (Eds.), *Strategies for Central and Eastern Europe* (pp. 57-85). London: MacMillan Press.
- Whitelock, J., & Fastoso, F. (2007). Understanding international branding: defining the domain and reviewing the literature. *International Marketing Review*, 24(3), 252-270.
- Whitelock, J., Roberts, C., & Blakeley, J. (1995). The Reality of the Eurobrand: An Empirical Analysis. *Journal of International Marketing*, 3(3), 77-95.
- Williams, J., & Mather, M. (1995). *Branding in Central and Eastern Europe - a quest for understanding*. Paper presented at the conference: Towards a Market Economy: Beyond the Point of No Return, Warsaw.