Impacts of Product Country Image, Consumer Perceived Pricing, and Advertising Information Content on Consumer Purchase Behavior: The Link Between International Product, Pricing, and Advertising Strategy

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ABSTRACT

To bridge existing gaps in prior studies, this research examines how product country image, consumer perceived pricing, and advertising information content impact consumer purchase behavior, international product, pricing and advertising strategy; and how international product, pricing and advertising strategy impacts consumer purchase behavior. The hypotheses are tested in a mixed factorial experimental design (2x2x2=8). Results indicate that if a firm formulates appropriate international marketing strategies, such as product positioning strategy or a bundling pricing strategy and an advertising information involvement strategy, a more positive impact on consumer purchase behavior occurs. Findings also specify that, among the three international marketing strategies, international advertising strategy is most highly influence, and the next is international product strategy, and international pricing strategy is least influence. Based upon implications of the research findings, several suggestions are discussed.

Keywords: Consumer Purchase Behavior, International Product Strategy, International Pricing Strategy, International Advertising Strategy, Product Country Image, Consumer Perceived Pricing, Advertising Information Content

INTRODUCTION

In recent years, the trend of internationalization inflicts keener competition in the international markets. How to extend national marketing of business products to international markets is a common problem, or trend, of today and implies that a business should utilize suitable international marketing strategies to enter foreign markets effectively. Yap and Sounder (1994) argue that when a business is more familiar with the local market and there is more feedback from consumers in these markets, the business will have lower market uncertainty; otherwise the business may suffer the higher market uncertainty contingency. Thus, for an organization, meeting changing consumer purchase behaviors by providing the right product or services is an ongoing marketing challenge in the competitive global market (Albaum and Tse, 2001). Hence, it is important for global marketers to identify prevalent antecedent consumer purchase behaviors in targeted international consumer markets, and to understand how these antecedent consumer purchase behaviors and appropriate international marketing strategies impact consumer purchase behavior.

In recent years, consumer purchase behavior is a popular topic in the realm of marketing management. It arouses scholars' interests for further exploration that has resulted in plentiful study (Rossiter, 2003). Many researches examine the issues related to consumer purchase behavior. For example, treating consumer purchase behavior as a dependent variable, they investigate the antecedent researches of consumer purchase behavior through different independent variables, such as consumer choice processing (Bloch, 1982), perceived evaluation (Chao, 1992), consumer preference (Cordell, 1992), consumer animosity (Klein and Ettenson, 1998), consumer ethnocentrism (Herche, 1994), country image (Han, 1990), advertising involvement (Zhang and Gelb, 1996), and effect of brand name (Rao and Monroe, 1989).

However, this research finds that prior studies seldom examine the impacts of product country image, consumer perceived pricing, and advertising information content on consumer purchase behavior; and rarely study the link between appropriate international product strategy, international pricing strategy and international

advertising strategy, and also the corresponding impacts on consumer purchase behavior.

In summary, to bridge the gaps of prior studies, this research purposes to: 1) examine how product country image, consumer perceived pricing, and advertising information content impact consumer purchase behavior, international product strategy, international pricing strategy and international advertising strategy; and; 2) examine how international product strategy, international pricing strategy and international advertising strategy impact consumer purchase behavior.

THEORY AND HYPOTHESES

Consumer Purchase Behavior

Teas and Agarwal (2000) define consumer behavior as one present in the seeking, purchase, use and evaluation of products and services so as to meet the needs of consumer. Rossiter (2003) argues that consumer behavior covers the various activities related to consumer's acquisition, consumption and handlings of products and services, including the decisions made before and after these actions are taken. Through consumption and purchase decisions, consumers perceived value, which reflects environmental and social influences and can affect their needs to be fulfilled to create purchase behavior (Kim, Forsythe, Gu, and Moon, 2002). In addition, Gaedeke (1973) proves that purchase intention can be a key predictor of consumer behavior and refers to the possibility or subjective probability of consumers' willingness to purchase the product. In addition, Zeithaml (1988) argues that perceived sacrifice represents the currency amount to be abandoned or sacrificed for the purchase of a product or service.

Product Country Image and Consumer Purchase Behavior

Product country image is consumer's recognition of the product image of a certain country according to his/her past knowledge of the merits and demerits of products produced and marketed by the country (Roth and Romeo, 1992). Han (1988) argues that when the products of a certain country are well understood by consumers, the country image is similar to the product image, being regarded as a summary construct. As products coming from the same country and of very close product natures compete with each other in several similar market segments, consumers can extract the related product information of the country. In addition, Wang and Lamp (1983) indicate that the political, economic and cultural characteristics of a product country affect the consumer purchase intention of its products. Therefore, country image becomes a summary construct of consumer over the product of a country and can further influence consumer's purchase attitude towards a product. Accordingly, this research attempts to develop Hypothesis 1.

Hypothesis 1: The better the product country image, the more positive the impact on consumer purchase behavior.

Consumer Perceived Pricing and Consumer Purchase Behavior

Erevelles, Rao, and Vargo (1999) argue that perceived pricing is the feeling of expensiveness or inexpensiveness of a product, as perceived by the consumer. Erickson and Johansson (1985) indicate that the price paid by the consumer for the product will lead to that consumer's decrease of wealth of consumer. This viewpoint implies that price plays a restricted role. It is suitable to regard price as a restriction of product selection because the price of a certain product limits consumer's usable budget for other products or services. In sum, it is known that product price has significant impact on consumer's purchasing budget, and will create great restriction on consumer purchase decisions. Hence, this research attempts to develop Hypothesis 2.

Hypothesis 2: The lower the consumer perceived pricing, the more positive the impact on consumer purchase behavior.

Advertising Information Content and Consumer Purchase Behavior

Advertising information content is a type of communication that persuades consumer via mass communication media (Zhang and Gelb, 1996). Macinnis, Moorman, and Jaworsk (1991) also argue that

consumer's abundant product knowledge of product, more complete knowledge structure and rich product experience lead them to ignore the product information in an advertisement. Therefore, the effects of advertising information content usually depend on the consumer's motive and ability to process the advertising information. Alba, Marmorstein, and Chattopadhyay (1992) show that content can be more easily memorized, and may better influence consumer's attitude persistence than complicated content. Hence, this research attempts to develop Hypothesis 3.

Hypothesis 3: High-quality advertising information content positively impacts consumer purchase behavior.

Product Country Image and International Product Strategy

Product country image is an important consideration for consumers in product evaluation determinations (Johansson and Thorelli, 1985). When the consumer is given a compound product, Han and Terpstra (1988) find that he/she evaluates domestic and foreign products according to the hints of brand and product country information. In addition, the research of Manrai and Manrai (1993) reveals that when they have an appealing image of a country, consumers will evaluate the product to have higher perceived quality and an enhanced image of the products manufactured by that country. Thus, this research attempts to develop Hypothesis 4.

Hypothesis 4: Better product country image positively impacts international product strategy formulations for consumers.

Consumer Perceived Pricing and International Price Strategy

Kubling (1990) argues that the prerequisite for effective pricing strategy formulation is a thorough understanding of product pricing environment, which refers to the understanding of sales volume effects on cost, the roles played by price in consumer purchase decisions, and the correct evaluation of the economic value of product. In the concept of consumer perceived pricing, price is a reference of quality standards. Higher price often results in higher perceived quality, which causes greater consumer purchases intention. Thus, in the context of price, an offset relationship between the consumer's attitude towards quality and currency sacrifice affects purchase intention (Monroe and Krishnan, 1985). In addition, as the perceived price and reference price are consistent, an increase in perceived value (effectiveness) will reduce the consumer's searching intention (Urbany, Bearden, and Weilbaker, 1988). Thus, this research attempts to develop Hypothesis 5.

Hypothesis 5: Lower consumer perceived pricing positively impacts international price strategy formulation.

Advertising Information Content and International Advertising Strategy

Advertising strategy is a key component of international promotion strategy. The four major tools, namely, advertising, personal selling, sales promotion and publicity, are synthetically termed by Kotler, Ang, Leong, and Tan (1999) as the marketing communication mix, or marketing mix. It is important for international advertisers to understand and decide as to whether they should transmit or localize advertising messages across national markets (Agrawal, 1995). The formulation of international advertising strategy transforms the complicated work into basic decision frameworks of theme and execution being central to the advertising program (Pae, Samiee, and Tai, 2002). Typically, demanding non-verbal presentations as well as emphasized visual effect and music are universal advertising execution styles that can be designed to reflect the local culture (Eger, 1987). Informational advertising is more often localized because the level of information depends on the local consumer's educational level and on the stage in the product life cycle of the brand (Pae et al., 2002). Transformational advertising style sells on premises based on the pull of associations. If the associative values are universal, transformational styles can be used cross-culturally (Pae et al., 2002). In sum, this research attempts to develop Hypothesis 6.

Hypothesis 6: Well-executed advertising information content positively impacts on of international advertising strategy formulation.

International Product Strategy and Consumer Purchase Behavior

Lim, Thomas, and Kim (1993) suggest that firms that pursue a product development strategy require a greater resource commitment than those firms that pursue an international market penetration strategy. Sound product positioning can strengthen the competitiveness of an enterprise as well as the market share of its leading product, and also helps consumers to identify directly with the product, subsequently enabling the product to be accepted by the consumer and establish a bridgehead in the market. For example, Wind (1976) argues that product positioning can utilize specific characteristics of the product, the kind of product, its benefits, problem-solving methods or needs met by the product, particular user timing, type of user, and resistance against other products, so as to fix the product positioning strategy and create proper market positioning for every product transmitted to the heart of consumer. Moreover, Delene, Meloche, and Hodskins (1997) argue that the selection factor for international product strategy is a consideration of a company's heritage, i.e. the culture and value of the company, including the prevalence of innovation and change of patterns, historical market and product orientation or operation traditions, previous international legacy, and its concentration on quality. Hence, this research expects to develop Hypothesis 7.

Hypothesis 7: The greater the formulation of appropriate international product strategy, the more positive impact on consumer purchase behavior.

International Price Strategy and Consumer Purchase Behavior

According to transaction utility theory (Thaler, 1985), consumer price expectation is influenced by contextual or situational factor, e.g. buying objective. Past researches demonstrate that if the buyer has expectations for a price of a product available in the market, then the buyer is likely to buy the product at the expected price (Tellis and Gaeth, 1990). From the perspective of consumer purchase behavior, the international pricing strategy of a company should rely on balancing the relationship between supply and demand. "Demand" refers to the relationship between price and product demand, whereas "supply," refers to the relationship between price and product supply. Nevertheless, in the markets of countries worldwide, changing demand factors are not exactly the same. Thus, the formulation of an appropriate product bundling pricing strategy (e.g., decisions to sell at a premium price, sell at a going-rate or neutral price, and sell at a discount price) tailored to the local market could help raise demand. In sum, this research establishes Hypothesis 8.

Hypothesis 8: The greater the formulation of appropriate international pricing strategy, the more positive the impact on consumer purchase behavior.

International Advertising Strategy and Consumer Purchase Behavior

Cultural differences between diffident countries are reflected in both advertising theme and execution style (Pae et al., 2002). Thus, it is important to understand cultures in different contexts in order to consider international advertising strategy between the home market and the local consumer, such as about how to adopt suitable advertising message involvement in each market. In formulating international advertising strategy, advertising information is regarded as a very important situational factor in the process of consumer advertisement handling (Laczniak and Muehling, 1993). In addition, marketers should pay attention during the advertisement exposure period to how the degree of consumer involvement in the advertising message may affect the formation or changing process of consumer purchase attitudes (Pettey and Cacioppo, 1983). In sum, this research develops Hypothesis 9.

Hypothesis 9: The greater the formulation of appropriate international advertising information strategy, the more positive the impact on consumer purchase behavior.

Having reviewed existing literature and developed some hypotheses, this research builds upon an hypothesized research model, as shown in Figure 1.
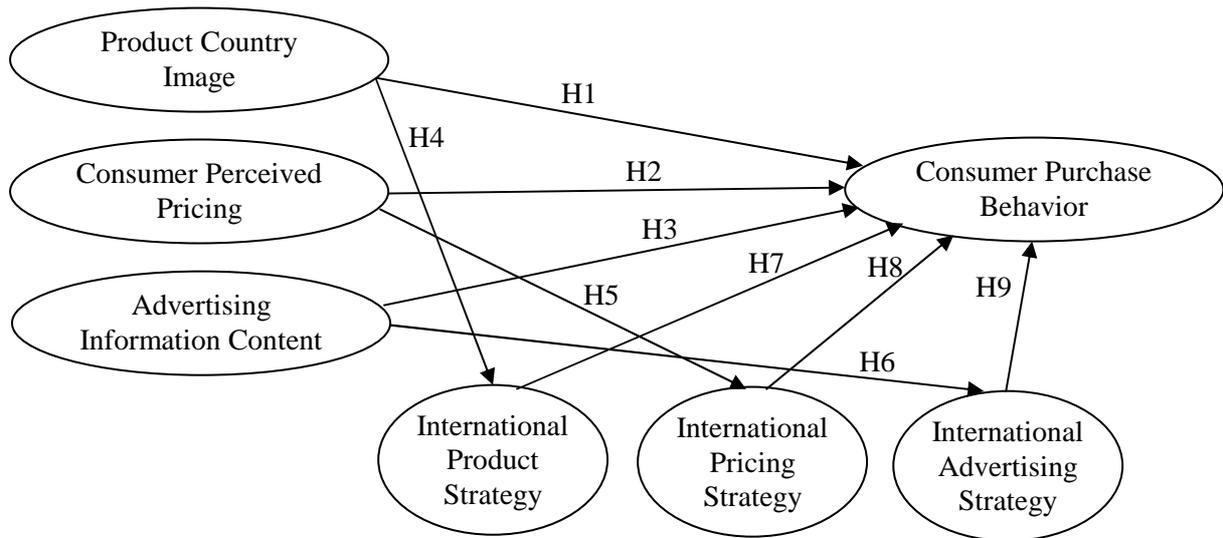
Figure 1. Hypothesized Research Model

METHODS

Sampling and Procedure

Product and pricing selection. The target product selected for this research is a cellular phone. According to Market Intelligence Center, Taiwan in 2004, as of the first quarter of 2003 the first five popular cellular phone brands, by market share, were: Finland's Nokia (34.7%), America's Motorola (15.5%), Korea's Samsung (9.6%), Germany's Siemens (8.8%), and Japan's/Switzerland's Sony Ericsson (6.4%). To provide a comparative study between Taiwanese brands and other country brands, this research adds the sixth brand to the study, Taiwan's BenQ. Each of the above six cellular phone brands used for this study has many family products with unique models and functions that are sold at different price points. Since this study's focal exploration covers only high or low product pricing in the consumer perceived pricing equation, the researcher gave the subjects demonstrations with colorful, printed pictures of cell phones, based on which the subjects filled out the questionnaires and then chose the most desirable branded products at either high or low prices.

Advertising information content selection. The researcher first downloaded the demonstrations of the six brands of cellular phones of different country origins and printed them out from the internet. To manipulate the selection of independent variables of advertising information content, the subjects were requested to read the two different, colorful demonstrations first, one with abundant advertising information content and the other with usual content, and then complete questionnaires when different recognitions were achieved.

Experimental design. Cook and Shadish (1994) argue that social experiments are typically designed to test an intervention or treatment that is better characterized as a global package of many components than as a presumptively unidimensional theory-derived casual construct. In this research, experimental design is used for several reasons. First, the causal nature of consumer purchase behavior is well demonstrated in social science research. Second, this research also demonstrates the relative ease with which the manipulation of product country image, consumer perceived pricing and advertising information content are affected by the use of advertisement photographs to increase internal or external validity.

The hypotheses are tested in a mixed factorial experimental design. Mixed factors include between-subject factorial design and within-subject factorial design. The three independent variables manipulated in this research are: product country image (appealing versus unappealing), consumer perceived pricing (high versus low) and advertising information content (abundant versus usual). As a result, there are eight experimental groups (2×2×2=8). Product country image and advertising information content are of between-subject factorial design. It is not suitable for these two variables of different standards to be presented in front of a subject at the same time; otherwise, the subject will be confused by the experimental situation.

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However, consumer perceived pricing is studied using within-subject factorial design. In addition, to requiring few sample searches, this design methodology can save time and expenses, and also avoids the unavailable maintenance of consistent environmental conditions before, and after, the experiment as normally caused by excessive numbers of samples and experiments, so as to reduce the experimental deviation.

Experimental procedure. Simulating the advertising method of cellular phone makers, the researcher downloaded from the Internet includes advertisements from the above six famous cellular phone brands, namely Nokia, Motorola, Samsung, Siemens, Sony Ericsson and BenQ. Then, colorful pictures of both high-price and low-price products of each brand in the available, abundant and usual advertising information content were selected and printed. These manipulated colorful pictures were appropriately distributed to the subjects of different experimental groups, who were also requested to complete the questionnaires. This study expects to see good research results in the end. In addition, potential subjects from the total student community were approached by the researcher and asked if they would like to participate in an international marketing research study.

Subjects. In this experiment, a total of eight experimental groups are used. Each group comprises 24 undergraduate students enlisted in South Taiwan. The subjects include 96 male and 96 female students, each of whom is assigned randomly to one of the eight experimental treatment conditions. All subjects are required to have had experience using cellular phones prior to participating the experiment.

Stage 1: Pilot test. The purpose of pilot test is to determine the relationship among the constructs of product country image, consumer perceived pricing, advertising information content, consumer purchase behavior, international product strategy, international pricing strategy, and international advertising strategy. It is thus the relationship among various constructs in the hypothesized research model as shown in Figure 1. In the pilot test, 64 subjects, different from those that comprise the above eight experimental groups are selected for the pilot test, which is designed to examine the differentiation of appealing/unappealing, high/low or abundant/usual effects of the three manipulated, independent variables. A series of exploratory factor analyses are carried out with maximum likelihood method and varimax rotation conducted on independent scale items. In addition, this research deletes some scale items of low factor loading. All eigenvalues of common factor are found to be above 1 and all factor loadings are above 0.6. The accumulative explanatory variance among product country image, consumer perceived pricing and advertising information content is 53.29%; the accumulative explanatory variance among international product strategy, international pricing strategy and international advertising strategy is 68.48%; and the accumulative explanatory variance of consumer purchase behavior is 79.94%. Moreover, all Cronbach's αs are above 0.6. The predicted results show that these three manipulated, independent variables successfully differentiate appealing or unappealing, high or low, abundant or usual standards.

Stage 2: Formal survey. Using formal questionnaires revised from results of the pilot test, this research conducts a formal survey on the 192 undergraduate students, as mentioned above, in eight experimental groups, in October, 2004. In order to allow all 192 subjects to see each of the different cellular phone brands on colorful demonstration, to fulfill actual time and environment constraints of the situation in questionnaires, and avoid the creation of selective bias, the researcher gave a 30-minute talk for all subjects explaining the survey, and randomly distributed each subject to one of the eight experimental groups. Each group was then chosen to see unique manipulated introductions to the country image of the cellular phone products, as well as their prices and advertising information contents.

Measures

Operational definition and measurement of variables. The hypothesized confirmatory model of this research includes seven constructs and twelve variables. Based on the arguments in prior literature, this research integrates and summarizes the operational definitions and measurements as found in different researches in Table 1. This research measures each of these variables using the Likert seven-point scale. The subjects were allowed to choose from "1," to indicate "disagree strongly" or "very low," to "7," to indicate "strongly agree" or "very high".

Table 1. Operational Definition and Variables Measurement

Construct	Variable	Operational Definition	Measurement Content	Reference
Product Country Image	Appealing Product Country Image	· Consumer fully understands the superiorities and inferiorities of product produced and marketed by a certain country.	· Degree of reputation and quality of product produced by the product country; degree of evaluation given by the consumer.	Roth and Romeo (1992); Teas and Agarwal (2000)
	Unappealing Product Country Image	· Consumer does not understand the superiorities and inferiorities of product produced and marketed by a certain country.		
Consumer Perceived Pricing	High Consumer Perceived Pricing	· Product price creates a feeling of expensiveness in the mind of the consumer.	· Degree of price expensiveness or in expensiveness when comparing with the same products ; the price of this product is more expensive than the same products.	Erevells, Rao,and Vargo (1999)
	Low Consumer Perceived Pricing	· Product price creates a feeling of inexpensiveness in the mind of the consumer.		
Advertising Information Content	Abundant Advertising Information Content	· Convinces consumer in an abundant communication way using mass media.	· Degree of "funniness," "attractiveness," "value" and further involvement for clearer understanding.	Engel, Blackwell,and Miniard (1995); Petty and Cacioppo (1983)
	Usual Advertising Information Content	· Convinces consumer only in the usual communication way using mass media.		
Consumer Purchase Behavior	Perceived Sacrifice	· Consumer's necessary sacrifice of currency or non-currency expenses for acquisition of a certain product.	· Degree of consumer's necessary decrease of spending on other products within a certain period after having purchased this product; consumer is unable to purchase other products that are currently desired.	Teas and Agarwal (2000); Zeithaml (1988)
	Perceived Values	· Based on perceived acquisition and sacrifice, consumer evaluates the general effectiveness of purchased product.	· Having purchased this product at such price, consumer thinks of it as good quality at a reasonable price; consumer considers it worthwhile to have purchased the product; after the purchase, consumer thinks it a reasonable transaction; after the purchase, consumer thinks the money spent was worthwhile.	Dodds, Monroe, and Grewal (1991); Zeithmal (1988)
	Purchase Intention	· The possibility and subjective probability of consumer to be willing to buy the product.	· Willingness to purchase this product; possibility of purchasing this product; possibility of recommending this product to relatives and friends after the purchase.	Gaedeke (1973)
International Product Strategy	International Product Positioning Strategy	· The process of the consumer's search for product differentiation.	· Search for differentiation degree of product appearance, style, message receiving power, abundance of functions, and brand image.	Dimigo (1988); Delene, Meloche and Hodskins (1997)
International Pricing Strategy	International Bundling Pricing Strategy	· The pricing strategy of a firm producing or offering diversified products or services by combining more than two products or services at less, or more favorable selling prices.	· Impact of pure bundling strategy and mixed bundling strategy on high or low degree of consumer purchase behavior.	Guiltinan (1987)
International Advertising Strategy	International Advertising Information Involvement Strategy	· The process of consumer's concern and attention to advertising information through situational manipulation.	· Degree of consumer's comment on the importance, involvement and value of advertising content, and consumer's involvement and ability to relate to the advertisement.	Alba et al., (1992); Petty and Cacioppo (1981)

ANALYSES AND RESULTS

Manipulation Check

Through manipulation of the independent constructs and comparison of the average values among the measured items, this study acquires certain findings. In the aspect of product country image, X appealing = 5.64, X unappealing = 3.71; in the aspect of consumer perceived pricing, X high = 5.82, X low = 3.53; and in the aspect of advertising information content, X abundant = 5.11, X usual = 3.48. From the above results, it is known that the P value of each of the three constructs in the between-subject T-test under different levels is less than .01. As this result implies a significant difference, the manipulation of this study's experiment is deemed quite successful.

Validity Analysis

This research used Confirmatory Factor Analysis (CFA) with the maximum likelihood method and varimax rotation to asses scale items for four constructs derived from the survey instrument. According to Kaiser (1985), the eigenvalue of common factor shall be above 1 and retain the above .5 scale item of the absolute value of factor loading in order to be of good convergent validity. As a result of CFA on the current study, all eigenvalues of common factors are above 1 and all factor loadings are above .6. It is shown that the measurement scale has been certificated to be a good convergent validity (Kaiser 1985) as well as, an interactive process to respect the measurement model on the basis of both content and statistical considerations (Anderson and Gerbing, 1988). Overall, a satisfactory fit was achieved (i.e. Chi-square($X^{2)}$ =250.71, degree of freedom (*df*) = 137, p < .01, X^2/degree of freedom (*df*)= 1.829, Goodness-of-fit (GFI) = .912, Adjusted Goodness-of-Fit (AGFI) = .896, and Root-Mean-Square Error of Approximation (RMSEA) = .045. These results are confirmed with the acceptable criterion of Bagozzi and Yi (1988).

In addition, this research assesses construct validity. Construct validity is the preoccupation with theory, theoretical constructs, and scientific empirical inquiry, involving the testing of hypothesized relations (Kerlinger and Lee, 2000). This research examines construct validity based on CFA on the retrieval of each mutual independent dimension factor and adopts Kerlinger and Lee's (2000) method of item-total correlation, in which if the total scores are significant, the value of item-total correlation shows the validity of measurement criterion of the construct. For each of the measurement dimensions of product country image, consumer perceived pricing, advertising information content, international product strategy, international pricing strategy, international advertising strategy and consumer purchase behavior, all the item-total correlations are above 0.5 (between .566~ .825), reaching the acceptable criterion for construct validity.

Reliability Analysis

According to Nunnally (1978), if Cronbach's α is above .6, reliability is acceptable. This research focuses on seven constructs to test the reliability of scale. After reliability analysis, the results indicated by Cronbach's α, the scale of seven constructs is between .752 and .863. Hence, each construct is deemed reliable.

Descriptive Analysis

The means, standard deviation, and correlations of all major variables are presented in Table 2.

Table 2. Means, Standard Deviations, and Correlation Matrix among Variables

Variable	*M*	*SD*	1	2	3	4	5	6	7
1.Product Country Image	6.23	0.38	—						
2. Consumer Perceived Pricing	6.08	0.46	.53*	—					
3. Advertising Information Content	5.94	0.88	.59*	.52*	—				
4. International Product Strategy	5.38	0.75	.45**	.36*	.39*	—			
5. International Pricing Strategy	6.25	0.22	.38*	.34*	.35*	.53*	—		
6. International Advertising Strategy	5.77	1.11	.40*	.33*	.48**	.53*	.57*	—	
7. Consumer Purchase Behavior	6.23	0.09	.51*	.63*	.56*	.52**	.50*	.55**	—

N= 192; * p < .05; ** p < .01

Structural Equation Modeling

The hypothesized research model is estimated via Structural Equation Modeling (SEM) by using LISREL 8.0 (Stephen, Mathilda, Joreskog, and Sorbom, 1999). This research adopts the model fit suggested by Bagozzi and Yi (1988), and the path relationships of SEM are shown in Table 3. First, as shown from the result of preliminary fit criterion in table 3, all t-values are above 5.775, p-values are below the significant level of .05, and all lambda (λ) values are above .65. Second, the result of internal structural model fit provides support to all items, having results above significance level, except $\gamma 11$ and $\gamma 12$. In table 3, it is also shown that all the t-values are above 1.96 and have reached the significance level, such as gamma $\gamma 11$= .603, p < .01; $\gamma 42$= .878, p < .05; and $\beta 43$= .759, p < .01. In addition, the reliability of all individual items is above .7, respectively, and these

results confirm Bagozzi and Yi (1988). The results of coefficients γ provide positive parameter estimates on the different constructs. Third, from the analytic result of overall model fit, although AGFI = .896 is below the acceptable level of .9, there is still some room for improvement to achieve the results of Table 3. After all, good convergent validity is found, which means that, having gathered the results from different sources and by different means, all results indicate the same or similar meanings of the construct, such as $X^2/df = 1.829$, GFI = .912, RMSEA = .045, and all the λ values are above .5. Therefore, this research develops a good overall model fit.

Hypotheses Testing

Hypothesis 1 (H1). Based on the results of Table 3, H1 ($\gamma 41$), which states the relationship between product country image and consumer purchase behavior (H1=0.729, t=7.524**, $p<.01$) is supported. This result confirms prior research findings as reported by Lee et al., (2001) and Wall et al., (1991).

Hypothesis 2 (H2). Based on the results of Table 3, H2 ($\gamma 42$), which states the relationship between consumer perceived pricing and consumer purchase behavior (H2=0.878, t=8.583*, $p>1.96$) is supported. Similarly, this result confirms existing research findings reported by Erickson and Johansson (1985), and Teas and Agarwal (2000).

Hypothesis 3 (H3). Based on the results of Table 3, H3 ($\gamma 43$), which states the relationship between advertising information content and consumer purchase behavior (H3=0.803, t=8.129**, $p<.01$) is supported. This result has also confirms prior findings, as reported by Alba et al., (1992).

Hypothesis 4 (H4). Based on the results of Table 3, H4 ($\gamma 11$), which states the relationship between product country image and international product strategy (H4=0.603, t=7.229**, p<.01) is supported. This result can be extended to two different approaches: 1) Appealing product country image has positive impact on the formulation of international product strategy; and 2) Unappealing product country image, in contrast,has negative impact on the formulation of international product strategy.

Hypothesis 5 (H5). Based on the results of Table3, H5($\gamma 22$), which states the relationship between consumer perceived pricing and international pricing strategy (H5=0.583, t=6.955*, $p>1.96$) is supported. This result also can be extended to two different approaches: 1) High consumer perceived pricing has negative impact on formulation of international pricing strategy; and 2) Low consumer perceived pricing has positive impact on formulation of international pricing strategy.

Hypothesis 6 (H6). Based on the results of Table 3, H6 ($\gamma 33$), which states the relationship between advertising information content and international advertising strategy (H6=0.697, t=7.102**, $p <.01$) is supported. This result also imply that abundant advertising information content has positive impact on the formulation of international advertising strategy, which has greater influence than usual advertising information.

Hypothesis 7 (H7). Based on the results of Table 3, H7 ($\beta 41$), which states that greater formulation of appropriate international product strategy has positive impact on consumer purchase behavior (H7=0.703, t=6.928**, $p<.01$) is supported. Hence, this research asserts that organizations should formulate appropriate positioning strategy for products in every different global market. International competitive advantage is gained from the increase of consumer delivery value, which typically involves product strategy.

Hypothesis 8 (H8). Based on the results of Table 3, H8($\beta 42$), which states that the greater formulation of appropriate international pricing strategy have positive impact on consumer purchase behavior (H8=0.655, t=6.525*, $p>0.96$) is supported. In terms of marketing objectives from the consumer's perspective, formulation of pricing strategies, premium pricing strategy, going-rate pricing strategy and discount pricing strategy are more important than concerns for cost minimization (Dorothy, Larry, and Dhruv, 1997). Hence, an organization should study how formulation of appropriate international pricing strategy impacts consumer purchase behavior.

Hypothesis 9 (H9). Based on the results of Table 3, H9 ($\beta 43$), which states that formulation of appropriate international advertising strategy has positive impact on consumer purchase behavior (H9=0.759, t=7.739**, $p<.01$) is supported.

DISCUSSION

Although this study offers research results to the knowledge of international marketing management, there are certain limitations to this study. Additionally, some suggestions can be derived for future research.

First, in this research, there are three related measurement variables of consumer purchase behavior, namely: perceived sacrifice, perceived value and purchase intention, which are clearly stated to explain the research results. However, there are some other important variables related to the measurement of consumer purchase behavior, such as function risk, financial risk, perceived quality, and perceived guarantee, etc. Thus, future research must decide how to measure these important variables of consumer purchase behavior. Researchers must examine methods of consumer purchase behavior measurement before interpreting results. Since consumer behavior is complex and replete with controversies and contradictions, this recommendation should appear as no surprise to marketing academicians. In fact, consumer purchase behavior is no exception, since there exist a number of debates between positivist and interpretive consumer behavior researchers over the last few decades. Hence, researchers should understand how to increase linkage between theoretical implications and empirical results for generalization on this issue.

Second, while the samples of this research are confined to the 192 undergraduate students of South Taiwan only, further studies should include more comprehensive findings with a broader subject group. Although this study's mixed factorial experimental design is suitable for manipulation of independent variables to increase internal or external validity, sample source from single common data may result in research error in the case of data analysis of related cross-country surveys. Future research is needed to validate the different sample sources from both consumers and organizations to avoid variances that result from the same source. For instance, two questionnaires (one version with two data, or two different versions with one data) should be designed: one for organizations to complete and the other for consumers to complete. In sum, researchers should pay careful attention to the response of non-students when linking the relationship between organizational international marketing strategies and consumer purchase behavior.

Third, in the realm of international marketing management, international channel strategy is also an important research area. This research only clarifies that international product, pricing and advertising strategies impact consumer purchase behavior. However, the impact of international channel strategy on consumer purchase behavior has not been explored in this research. In the international distribution channel, due to certain distances existing between both parties of buyer and seller, such as social distance, cultural distance, technological distance, time distance and geographic distance, how to increase the communication and improve the relationship among inter-channel members becomes a very important consideration factor for channel design (Holm, Eirksson, and Johanson, 1996). If an organization can not maintain smooth communication paths and effective interaction between channel members to create channel, such relationship among channel members or improper application of channel strategies, will likely cause a negative effect on consumer purchase behavior. Thus, this research suggests that future researchers further explore the issue of how international channel strategy impacts consumer purchase behavior.

Overall, the business activity of foreign investment is a complicated decision-making process. Since domestic business is unfamiliar with foreign market environments, foreign investment always encounters cross-cultural, economic and political problems, as well as some trading obstacles, industrial competition, etc. (Madhok and Phene, 2001). A business always faces uncertainties or encounter perilous phases in its life cycle. It is important that an organization implements appropriate international marketing strategies in response to local consumers' demand to increase its competitive advantage in foreign markets. Finally, this research expects that its research findings can indicate the direction to pursue in related issues for future academic researchers and practical managers.

Table 3. Results of Fit Indices of Structural Equation Modeling

Appraisal Criterion		Parameter Estimates Criterion	Result	t-value
Preliminary	• Product Country Image	• Appealing Product Country Image ($\lambda X1$)	0.754a	– –

Fit Criterion	· Consumer Perceived Pricing	• Unappealing Product Country Image ($\lambda X2$)	-0.693	7.011*
		• High Consumer Perceived ($\lambda X3$)	0.854a	– –
		• Low Consumer Perceived ($\lambda 4$)	-0.673	6.629*
	· Advertising Information Content	• Abundant Advertising Information Content ($\lambda 5$)	0.692a	– –
		• Usual Advertising Information Content ($\lambda 6$)	-0.560	5.775**
	· International Product Strategy	• Product Positioning Strategy ($\lambda Y1$)	0.689a	– –
	· International Pricing Strategy	• Bundling Pricing Strategy ($\lambda Y2$)	0.612a	– –
	· International Advertising Strategy	• Advertising Information Involvement Strategy ($\lambda Y3$)	0.834a	– –
	· Consumer Purchase Behavior	• Perceived Sacrifice ($\lambda Y4$)	-0.802a	– –
		• Perceived Value ($\lambda Y5$)	0.859	7.825*
		• Purchase Intention ($\lambda Y6$)	0.845	8.123*
Internal Structure Fit		• Product Country Image→ International Product Strategy ($\gamma 11$)	0.603	7.229**
		• Consumer Perceived Pricing→ International Pricing Strategy ($\gamma 22$)	0.583	6.955*
		• Advertising Information Content→ International Advertising Strategy ($\gamma 33$)	0.697	7.102**
		• Product Country Image→ Consumer Purchase Behavior ($\gamma 41$)	0.729	7.524**
		• Consumer Perceived Pricing→ Consumer Purchase Behavior ($\gamma 42$)	0.878	8.583*
		• Advertising Information Content→ Consumer Purchase Behavior ($\gamma 43$)	0.803	8.129**
		• International Product Strategy→ Consumer Purchase Behavior ($\beta 41$)	0.703	6.928**
		• International Pricing Strategy→ Consumer Purchase Behavior ($\beta 42$)	0.655	6.525*
		• International Advertising Strategy→ Consumer Purchase Behavior ($\beta 43$)	0.759	7.739**
Overall Model Fit		• Chi-Square (X^2)	250.71	– –
		• X^2/Degree of Freedom (*df*)	1.829	– –
		• Goodness-of-Fit (GFI)	0.912	– –
		• Adjusted Goodness-of-Fit (AGFI)	0.896	– –
		• Root-Mean-Square Error of Approximation (RMSEA)	0.045	– –

a: Fixed value being equal to 1 is not t-value; *p < .05; **p < .01

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If past purchase behavior on a product category is positively correlated with a consumer having high preferences in another category, a firm may want to advertise more intensively to those consumers that purchased the former category, if possible. This paper finds that this ... Â Impacts of Product Country Image, Consumer Perceived Pricing, and Advertising Information Content on Tsai-Lung Liu. Â Even though information products and services are like consumer products and services in many respects, there is little in the literature about their marketing. This is true for both the information and the marketing field. Yet, aspects of information products and services marketing are extremely interesting and challenging. define consumer behavior as one present in the seeking, purchase, use and evaluation of products and services so as to meet the needs of consumer. Rossiter (2003) argues that consumer behavior covers the various activities related to consumer's acquisition, consumption and handlings of products and services, including the decisions made before and after these actions are taken. Â Impacts of Product Country Image, Consumer Perceived Pricing, and Advertising Information Content on Consumer Purchase Behavior: The Link Between International Product, Pricing, and Advertising Strategy. Article. Tsai-Lung Liu.