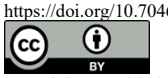
ALBUS
Academy of Latin American Business and Sustainability Studies

Work in Progress

Disentangling “Made in' and 'Designed in”: Country-of-Origin signals and consumer perception of sustainable fashion in the Philippines and Dominican Republic

Susan Butac[1], **Maybelle Gallardo**[2] **and Salvador Pancorbo**[3]

Citation: Butac. S., Gallardo, M. & Pancorbo, S. (2025). Disentangling “Made in” and “Designed in”: Country-of- Origin signals and consumer perception of sustainable fashion in the Philippines and Dominican Republic. Proceedings of the 2025 Academy of Latin American Business and Sustainability Studies (ALBUS), San Miguel, El Salvador.
https://doi.org/10.70469/ALBUS.WIP10



1 Graduate School of Business, San Beda University, The Philippines, sbutac@sanbeda.edu.ph
2 Graduate School of Business, San Beda University, The Philippines, mgallardo@sanbeda.edu.ph
3 School of Social Sciences, Universidad APEC, Dominican Republic, spancorbo@unapec.edu.do

Abstract: As global supply chains become increasingly fragmented, the distinction between “Made in” and “Designed in” country-of-origin (COO) cues has grown in relevance, particularly in symbolic and sustainability-linked markets such as fashion. This work-in-progress study investigates how these COO signals, both independently and jointly, influence consumer perceptions of quality (PERQ), innovativeness (INNO), and prestige (PREST), and how these perceptions mediate purchase intention (PI). It introduces consumer xenocentrism (CXEN), a psychological disposition favoring foreign over domestic products, as a moderator, alongside national context, in shaping the interpretation of COO cues. Drawing on signaling theory and symbolic consumption literature, the study employs a between-subjects experimental design and structural equation modeling (SEM) to examine consumer responses to COO manipulations across 600 urban participants in the Philippines and the Dominican Republic. Findings will contribute to reconceptualizing COO as a multidimensional construct and provide theoretical and practical insights into sustainable fashion branding in postcolonial emerging markets. This research offers implications for marketers, policymakers, and sustainability advocates seeking to navigate identity-driven consumption, COO signaling, and global-local tensions in ethical consumption contexts.

Keywords: Country of origin, sustainable fashion, consumer xenocentrism, perceived innovativeness and prestige, emerging markets.

1. Introduction

Amid accelerating climate change and the rise of ethically conscious consumerism, sustainable fashion has emerged as a pivotal domain within global value chains. Increasingly, consumers demand transparency in material sourcing, labor practices, and carbon footprints, as well as accountability in the design and production processes (Joy et al., 2012; Henninger et al., 2016; Thøgersen et al., 2017). In response, global fashion brands are adopting sustainability narratives and strategically employing country-of-origin (COO) cues to signal quality, ethics, and innovation in their value propositions (Usunier, 2010; Verlegh & Steenkamp, 1999).

Traditionally, COO research emphasized the role of manufacturing origin, often signaled through the “Made in” label, as an extrinsic cue that influences consumer PERQ, reliability, and authenticity (Camacho et al., 2022a; Roth & Romeo, 1992; Insch & McBride, 2004). However, as globalization and value chain fragmentation have increased, a complementary cue has gained prominence: the “Designed in” label. This cue has emerged in high-involvement and symbolic product categories, such as fashion, electronics, and automobiles, as a signal of conceptual sophistication, aesthetic value, and cultural capital (Magnusson et al., 2011; Lee & Johnson, 2017; Kapferer & Michaut-Denizeau, 2014).

“Designed in” labeling, unlike its “Made in” counterpart, often evokes perceptions of forward-thinking ideation, cultural legitimacy, and trend sensitivity. In industries such as sustainable fashion, where the symbolic value of a product is as important as its functional utility, the origin of design can significantly influence how consumers evaluate a product’s innovativeness, quality, and prestige (Wiedmann et al., 2009). However, consumer interpretations of COO cues are not monolithic. Cultural, historical, and geopolitical factors shape them. In

emerging markets such as the Philippines and the Dominican Republic, such interpretations are influenced by postcolonial identity tensions, aspirations for global modernity, and perceptions of domestic versus foreign credibility (Camacho et al., 2020; Cleveland et al., 2009). These dynamics are further complicated by psychological dispositions, such as consumer xenocentrism (CXEN), which refers to a systematic preference for foreign over domestic products (Balabanis & Diamantopoulos, 2016). In highly xenocentric consumer segments, COO cues from developed nations may be disproportionately valued, regardless of actual sustainability attributes.

Given these complexities, there is a growing imperative to disentangle the independent and interactive effects of “Made in” and “Designed in” cues. This is particularly vital in sustainability-linked product categories, where ethical and symbolic attributes play a central role in shaping consumer behavior. At the same time, psychological and cultural moderators, such as CXEN, must be accounted for, particularly in regions where foreign products are strongly associated with prestige and modernity.

1.1. Problem statement

Although the “Made in” label has been extensively explored in the COO literature as a cue for perceived quality and credibility (Roth & Romeo, 1992; Usunier, 2010; Verlegh & Steenkamp, 1999), the distinct and increasingly salient role of the “Designed in” cue remains underexamined, particularly within symbolic, value-laden categories such as sustainable fashion. Existing research often conflates design origin with manufacturing origin, overlooking their potentially divergent semiotic functions (Kapferer & Michaut-Denizeau, 2014; Magnusson et al., 2011). This conflation limits theoretical clarity and constrains managerial strategies aimed at signaling innovation and ethical intent within fragmented global value chains. While “Made in” cues typically denote physical production standards, labor practices, and craftsmanship, “Designed in” signals are often interpreted as markers of conceptual novelty, trend leadership, and cultural alignment (Lee & Johnson, 2017). The relevance of design origin is heightened in product categories in which symbolic meanings, such as fashionability, ethical status, or modern identity, strongly influence consumer decision-making (Sweeney & Soutar, 2001; Wiedmann et al., 2009).

Compounding this gap is the limited attention given to individual-level psychological moderators that shape how COO cues are interpreted. CXEN, a socio-psychological orientation characterized by the belief that foreign products are superior to local alternatives, remains underexplored in contexts of COO signaling (Balabanis & Diamantopoulos, 2016; Camacho et al., 2022b). CXEN may lead consumers to valorize foreign-origin cues, such as “Designed in Sweden,” while devaluing local production efforts, even when those efforts align with sustainability goals (Mueller et al., 2016; Rojas-Méndez & Chapa, 2020).

In emerging economies like the Philippines and the Dominican Republic, where historical dependencies, postcolonial narratives, and global status aspirations converge, xenocentric tendencies can distort the interpretation of COO cues, potentially undermining local sustainability initiatives and domestic brand equity (Cleveland & Balakrishnan, 2019). Moreover, such biases may privilege the symbolic prestige of Western design origin over the functional and ethical dimensions of local manufacturing.

Given these gaps, there is a critical need to conceptually and empirically disentangle the distinct signaling effects of “Made in” and “Designed in” labels, and to explore how each influences consumer perceptions of product quality (PERQ), innovativeness (INNO), and prestige (PREST). Equally important is the examination of how CXEN moderates these effects and varies across national contexts. Without such inquiry, COO research risks offering an incomplete account of how identity, culture, and psychology interact with product-origin cues to shape sustainable consumption behavior.

1.2. Purpose of the study

This study aims to investigate the differentiated impact of two key COO signals, “Made in” and “Designed in”, on consumer evaluations of sustainable, reusable fashion accessories. Drawing on signaling theory (Spence, 1973, 2002) and the COO literature (Magnusson et al., 2011; Verlegh & Steenkamp, 1999), the research seeks to clarify how these distinct origin cues influence PERQ, INNO, and PREST, three critical mediators of consumer purchase intention (PI) in the context of symbolic and value-driven consumption. Additionally, the study examines the moderating effects of CXEN and national context, employing a comparative design that focuses on consumers in two culturally and economically distinct emerging markets: the Philippines and the Dominican Republic. These countries represent diverse postcolonial narratives and consumer landscapes in which aspirations for global identity and skepticism toward local production intersect (Camacho et al., 2020; Cleveland et al., 2009; Rojas-Méndez & Chapa, 2020).

By integrating COO signaling with psychological orientation and cross-cultural dynamics, this study aims to advance theoretical understanding of how design and manufacturing origin cues interact with internal dispositions and sociocultural structures to shape consumer judgment.

Specifically, it builds upon and expands prior work on extrinsic cues (Dodds et al., 1991; Zeithaml, 1988), innovation perception (Talke et al., 2009), symbolic consumption (Wiedmann et al., 2009), and status-oriented buying behavior in emerging markets (Batra et al., 2000; Mueller et al., 2016).

The study also responds to calls for a reconceptualization of COO theory by accounting for complex origin constellations, such as dual labeling (e.g., “Designed in Sweden, Made in the Philippines”), which are increasingly prevalent in globalized supply chains (Insch & McBride, 2004; Kapferer & Michaut-Denizeau, 2014). Through experimental design and structural modeling, the research provides a more granular understanding of how COO cues are cognitively processed, emotionally interpreted, and behaviorally acted upon in sustainability-linked consumer contexts.

1.3. Significance of the Study

Understanding how consumers interpret and respond to COO, especially in the context of sustainable fashion, has far-reaching implications for theory development, business strategy, public policy, and social transformation. This study provides original contributions in four major domains:

1.3.1. Academic significance

This research advances international marketing and consumer behavior theory by integrating the underexamined dimension of design origin into the dominant COO paradigm, which has historically focused on the country of manufacture (Roth & Romeo, 1992; Usunier, 2010; Verlegh & Steenkamp, 1999). By examining both “Made in” and “Designed in” cues as distinct signaling mechanisms (Spence, 1973, 2002), the study reconceptualizes COO as a multidimensional construct relevant to symbolic product categories, such as sustainable fashion (Kapferer & Michaut-Denizeau, 2014; Magnusson et al., 2011). Furthermore, the study introduces CXEN, a relatively new but theoretically potent construct (Balabanis & Diamantopoulos, 2016; Rojas-Méndez & Chapa, 2020) as a psychological moderator that helps explain variation in COO cue interpretation. This contributes to the emerging literature that bridges identity-based consumption with extrinsic product evaluation (Cleveland et al., 2019; Diamantopoulos et al., 2025), responding to the growing scholarly interest in how cultural disposition, postcolonial ideology, and status aspiration influence brand perceptions in the Global South.

1.3.2. Practical and institutional significance

For sustainable fashion brands, especially those navigating hybrid supply chains and dual-origin strategies, this research offers actionable insights into how origin labels can be optimized to align

with target consumer values and market positioning goals (Henninger et al., 2016; Wiedmann et al., 2009). In particular, the study sheds light on how “Designed in” labels can enhance perceived innovation and prestige, while “Made in” labels may evoke associations with ethical sourcing, local authenticity, or craftsmanship, depending on cultural context and consumer disposition (Insch & McBride, 2004; Talke et al., 2009). The study is also significant for emerging market firms and cooperatives seeking to strengthen brand equity through design and origin narratives. It provides insights into how local production can be repositioned as ethically superior or culturally resonant, counteracting xenocentric bias and reasserting domestic value creation.

1.3.3. Policy significance

Findings from this research can inform public policy efforts to promote ethical consumption, reinforce national branding strategies, and enhance the credibility of eco-certification and fair-trade labels (Batra et al., 2000; Sweeney & Soutar, 2001). By illuminating how COO cues interact with consumer identity and institutional trust, the study provides evidence-based guidance for designing campaigns that support local industries while maintaining global competitiveness. In countries such as the Philippines and the Dominican Republic, where consumer trust in domestic manufacturing is often uneven, understanding the mechanisms by which foreign versus local origin influences perceptions of sustainability is essential for building institutional credibility and economic resilience.

1.3.4. Societal significance

This study contributes to the broader agenda of climate-conscious behavior and responsible consumption by examining how symbolic cues, such as CO2 labels, influence the adoption of sustainable products. By clarifying how design and production origins influence purchase intentions, this supports the creation of inclusive and culturally adaptive marketing narratives that can enhance sustainable consumption, even in aspiration-driven or postcolonial consumer cultures (Camacho et al., 2020; Cleveland et al., 2009). Moreover, the findings help

stakeholders better understand the barriers posed by internalized foreign preference (CXEN) to the development of sustainable economies in the Global South. In doing so, the study informs consumer education programs, entrepreneurship training, and local branding initiatives aimed at revalorizing domestic innovation and production.

1.3.5. Key beneficiaries and stakeholders

- Sustainable fashion companies and international marketers
- Local entrepreneurs and cooperatives in emerging economies
- Government institutions and trade ministries
- NGOs and sustainability advocacy organizations
- Academic researchers in marketing, sustainability, and consumer behavior
- Urban consumers in the Philippines and the Dominican Republic

1.4. Research Questions

The study is guided by the following research questions, designed to explore the signaling effects of COO cues, the psychological and cultural moderators influencing consumer responses, and the mechanisms through which product perceptions shape sustainable fashion purchase intentions:

- How do “Made in” and “Designed in” COO influence consumer PERQ, INNO, and PREST?
- To what extent do PERQ, INNO, and PREST mediate the relationship between COO cues and PI?
- How does CXEN moderate the effect of COO on consumer perceptions (PERQ, INNO, PREST)?
- How do these relationships differ across national contexts, specifically between the Philippines and the Dominican Republic, where postcolonial identity, market maturity, and consumer culture vary?

2. Objectives of the study

2.1. General objective

To examine the influence of “Made in” and “Designed in” COO on consumer PI of sustainable fashion products in the Philippines and the Dominican Republic, through the mediating effects of PERQ, INNO, and PREST, and the moderating roles of CXEN and national context.

3.1. Specific objectives

- To determine how “Made in” and “Designed in” cues independently affect consumer PERQ, innovativeness, and prestige.
- Grounded in signaling theory (Magnusson et al., 2011; Spence, 1973) and COO research (Verlegh & Steenkamp, 1999).
- To assess the role of PERQ, INNO, and PREST in the relationship between COO cues and purchase intention.
- Informed by prior studies linking extrinsic cues to behavioral outcomes via perception pathways (Dodds et al., 1991; Wiedmann et al., 2009; Zeithaml, 1988).
- To evaluate the moderating effect of CXEN on the influence of COO cues on product perceptions.
- Based on emerging evidence of CXEN's effect on COO signal interpretation (Balabanis & Diamantopoulos, 2016; Camacho et al., 2022).
- To compare the structural relationships among COO cues, product perceptions, and purchase intention between consumers in the Philippines and the Dominican Republic using multi-group structural equation modeling (SEM).
- Addressing the need for cross-national comparative research in emerging markets with postcolonial consumer dynamics (Cleveland et al., 2009; Mueller et al., 2016).

3. Literature review

3.1. Country-of-Origin (COO)

The concept of COO has long been recognized as a pivotal extrinsic cue in consumer decision-making, influencing PERQ, credibility, and brand image (Roth & Romeo, 1992; Usunier, 2010; Verlegh & Steenkamp, 1999). Traditionally, COO research emphasized the “Made in” label, which refers to the country of manufacture and is often interpreted by consumers as a proxy for production standards, labor conditions, and technical reliability (Insch & McBride, 2004).

However, globalization has fragmented the design and manufacturing processes across multiple national borders, giving rise to new forms of origin signaling. Increasingly, firms employ the “Designed in” label to emphasize conceptual innovation, cultural sophistication, and aesthetic leadership, especially in symbolic and lifestyle-driven product categories such as fashion, automotive, and technology (Kapferer & Michaut-Denizeau, 2014; Magnusson et al., 2011; Lee & Johnson, 2017). This distinction between production and design origins

challenges earlier monolithic interpretations of COO and suggests that each label should be treated as a functionally and symbolically distinct construct (Talke et al., 2009).

Grounded in signaling theory (Spence, 1973, 2002), both “Made in” and “Designed in” serve as extrinsic indicators that reduce consumer uncertainty and facilitate heuristic judgments about product attributes. “Made in” labels often communicate information about tangible product aspects such as material durability, regulatory compliance, or ethical sourcing. In contrast, “Designed in” labels emphasize symbolic aspects such as forward-thinking ideation, alignment with global trends, and creative legitimacy, attributes that are particularly relevant for sustainable fashion (Henninger et al., 2016; Joy et al., 2012).

Emerging evidence suggests that, in symbolic product categories, design origin may exert a greater influence on consumer evaluations than manufacturing origin, particularly when consumers are motivated by status signaling, aesthetic value, or ethical identity (Sweeney & Soutar, 2001; Wiedmann et al., 2009). This is especially relevant in markets where consumers engage with foreign brands to express aspirational identities or a sense of global belonging (Cleveland et al., 2009).

As globalization reshapes consumer expectations, the COO must be reconceptualized not as a singular cue but as a constellation of signals that may operate in tandem or in contradiction.

Products labeled as “Designed in Sweden, Made in the Philippines” exemplify this complexity and raise new questions about how consumers parse hybrid origin claims. This study addresses that gap by disaggregating the effects of “Made in” and “Designed in” cues and examining their influence on PERQ, INNO, and PREST. These three perceptual constructs significantly drive consumer purchase intention in sustainability-linked categories. Hypotheses Derived:

H1a: COO cues positively affect perceived quality (PERQ).
H1b: COO cues positively affect perceived innovativeness (INNO).
H1c: COO cues positively affect perceived prestige (PREST).

3.2. Perceived Innovativeness

Perceived innovativeness (INNO) refers to a consumer’s evaluation of a product’s novelty, forward-thinking character, and departure from conventional solutions (Talke et al., 2009). It reflects the extent to which a product is perceived as introducing new ideas, features, or design elements that differentiate it from existing market alternatives. INNO plays a critical role in shaping consumer responses in high-involvement and symbolic product categories, where emotional and identity-related factors are central to purchase behavior (Wiedmann et al., 2009). In the context of sustainable fashion, INNO encompasses both functional innovations, such as the use of recycled materials or biodegradable fabrics, and symbolic innovations, which involve cultural messaging, visual aesthetics, and alignment with ethical or lifestyle values (Henninger et al., 2016; Joy et al., 2012). This duality is particularly relevant among younger, more cosmopolitan consumer segments, where environmental consciousness is often intertwined with the pursuit of social distinction and the expression of modern identity (Cleveland et al., 2009).

COO cues, particularly “Designed in,” serve as heuristics that consumers use to infer innovativeness in the absence of direct product experience (Spence, 1973, 2002). Labels such as “Designed in Sweden” or “Designed in Japan” may evoke associations with creativity, minimalism, functionality, or trend sensitivity, depending on the design country's cultural reputation (Lee & Johnson, 2017; Magnusson et al., 2011). This symbolic value can significantly influence consumer evaluations, particularly among xenocentric consumers who associate foreign design origins with superior style or conceptual leadership (Balabanis & Diamantopoulos, 2016). Importantly, perceived innovativeness is not an isolated cognitive construct. It can shape and reinforce perceptions of quality and prestige by suggesting that a product is not only modern but also well-constructed and socially desirable (Talke et al., 2009; Wiedmann et al., 2009). This cascade of effects makes INNO a central mediator in understanding how COO cues influence downstream variables such as purchase intention. Hypotheses derived:

H2a: INNO has a positive influence on PERQ. H2b: INNO has a positive influence on PREST.
H2c: INNO mediates the relationship between COO cues and PI.

3.3. Perceived Quality

Perceived quality (PERQ) is defined as the consumer’s overall assessment of a product’s excellence or superiority, based on available information and prior beliefs (Zeithaml, 1988). As a core construct in consumer behavior theory, PERQ plays a central role in shaping product attitudes, value judgments, and purchase intentions, particularly when the product has intangible, symbolic, or experiential attributes (Dodds et al., 1991; Sweeney & Soutar, 2001). In the context of sustainable fashion, quality evaluations are often made without direct physical interaction with the product. As a result, consumers rely heavily on extrinsic cues such as brand reputation, third-party certifications, and, critically, COO information. COO serves as a cognitive shortcut, enabling consumers to

infer manufacturing precision, environmental standards, labor practices, and regulatory environments (Insch & McBride, 2004; Roth & Romeo, 1992).

While “Made in” labels traditionally signal production expertise and craftsmanship, “Designed in” labels may indirectly influence perceptions of quality by reinforcing notions of conceptual excellence, attention to detail, and holistic product development (Magnusson et al., 2011). This is especially relevant in product categories such as fashion, where quality extends beyond material durability to encompass factors like aesthetic integrity, ethical coherence, and symbolic consistency (Joy et al., 2012; Henninger et al., 2016). Furthermore, INNO has been shown to shape quality judgments. Consumers may interpret novel or forward-looking design as an indication of superior performance or advanced thinking, thereby enhancing the product's overall perceived quality (Talke et al., 2009; Wiedmann et al., 2009). This interdependence between INNO and PERQ suggests that COO cues signaling innovation can simultaneously elevate perceptions of quality through associative reasoning. Therefore, PERQ functions as both a direct outcome of COO signals and an intervening mechanism that mediates the link between those signals and ultimate purchase intention. In sustainability-linked categories, where consumers are susceptible to quality trade-offs, understanding the dual role of PERQ is essential. Hypotheses derived:

H3a: PERQ positively affects PI.
H3b: PERQ mediates the relationship between COO and PI.

3.4. Perceived Prestige

Perceived prestige (PREST) refers to a consumer’s belief that a product confers status, exclusivity, or social recognition to its user (Steenkamp et al., 2003). PREST is a significant symbolic dimension in global consumer culture, serving as a motivational driver in high-involvement product categories, particularly those associated with identity signaling, lifestyle aspirations, and socio-economic mobility (Wiedmann et al., 2009). In the context of fashion, PREST is not merely derived from material attributes but from the meanings attached to origin, design, and brand narrative. COO, particularly when associated with economically advanced or culturally esteemed countries, can elevate a product's symbolic capital by linking it to perceived creativity, exclusivity, and modernity (Kapferer & Michaut-Denizeau, 2014; Magnusson et al., 2011). For example, phrases like “Designed in Italy” or “Made in France” may evoke connotations of high fashion, craftsmanship, and cultural sophistication, whereas “Designed in Sweden” may suggest minimalism, innovation, and ethical progressiveness (Lee & Johnson, 2017).

This signaling effect is powerful among consumers with cosmopolitan or xenocentric orientations, who may equate foreign design and manufacturing with global status and aspirational identity (Balabanis & Diamantopoulos, 2016; Cleveland et al., 2009). In emerging economies, such as the Philippines and the Dominican Republic, products with foreign origin cues may acquire elevated prestige, not only for their perceived superiority, but also because they resonate with symbolic ideals of success, education, and modern lifestyle (Batra et al., 2000; Camacho et al., 2020). Moreover, INNO can reinforce PREST by framing the product as avant-garde, forward-looking, and globally relevant when consumers perceive it as conceptually unique or culturally aligned with global aesthetics; its prestige increases regardless of tangible performance (Talke et al., 2009; Wiedmann et al., 2009). This interplay suggests that INNO may serve as a precursor to PREST, particularly in sustainable fashion, where consumers increasingly seek brands that combine ethical commitments with social distinction.

As a result, PREST is conceptualized here as both a direct response to COO signaling and a mediator linking these signals to purchase intention, particularly among consumers who use fashion products to express their identity and achieve social visibility. Hypotheses derived:

H4a: PREST positively affects PI.
H4b: PREST mediates the relationship between COO and PI.

3.5. Consumer Xenocentrism

Consumer xenocentrism (CXEN) is a socio-psychological disposition characterized by a systematic preference for foreign over domestic products, often rooted in perceptions of local inferiority, admiration for Western standards, and the construction of an aspirational identity (Balabanis & Diamantopoulos, 2016; Camacho et al., 2020; Camacho et al., 2025; Rojas-Méndez & Chapa, 2020). Unlike cosmopolitanism, which reflects openness to cultural diversity, xenocentrism entails a negative self-comparison that devalues local goods while idealizing foreign alternatives (Cleveland et al., 2019).

CXEN is particularly salient in postcolonial and emerging economies, where historical subordination, economic dependency, and global media exposure have shaped consumer narratives around modernity, prestige, and global belonging (Camacho et al., 2020, 2022). In such settings, foreign origins, especially from culturally or economically dominant countries, often signal not just quality but status, competence, and aspirational alignment. Research has shown that xenocentric consumers are more likely to overvalue foreign COO labels and undervalue

domestic production, even when local products are ethically or functionally superior (Diamantopoulos et al., 2025; Mueller et al., 2016). This cognitive bias has significant implications for sustainability marketing, as it may undermine consumer support for local innovations and erode confidence in domestic supply chains.

In the context of COO signaling, CXEN is expected to act as a moderator, intensifying the influence of “Made in” or “Designed in” cues from foreign countries, particularly when those cues are associated with symbolic attributes like prestige, innovation, and cultural capital (Kapferer & Michaut-Denizeau, 2014). For example, a xenocentric consumer in the Dominican Republic may interpret a “Designed in Sweden” label as inherently more credible or fashionable than a locally designed product, even when the two products have equivalent sustainability performance. Furthermore, CXEN may shape the mediation pathways between COO and purchase intention by amplifying the effects of INNO, PERQ, and PREST for foreign-origin products. It may also suppress these perceptions when the product is locally manufactured or designed, thereby deepening consumer bias and distorting symbolic interpretation.

By integrating CXEN into the COO framework, this study provides a more nuanced understanding of how internalized cultural preferences interact with extrinsic product cues, particularly in identity-sensitive categories such as sustainable fashion. It also opens space to explore interventions to revalorize local production and counter symbolic dependency on foreign branding. Hypotheses derived:

H5a: CXEN moderates the relationship between COO cues and PERQ. H5b: CXEN moderates the relationship between COO cues and INNO. H5c: CXEN moderates the relationship between COO cues and PREST.

3.6. Cross-National Comparison

Consumer interpretation of COO cues is not universal; it is shaped by national history, cultural values, postcolonial legacies, and levels of socioeconomic development (Usunier, 2010; Verlegh & Steenkamp, 1999). In emerging economies, such as the Philippines and the Dominican Republic, where global branding intersects with tensions over localized identity, the meanings consumers assign to “Made in” and “Designed in” labels may differ markedly from those in Western contexts. The Philippines, with its long-standing colonial histories under Spain and the United States, has extensive exposure to Western media, brands, and educational systems. Similarly, the Dominican Republic, with its Spanish and American influences, faces structural dependencies that shape consumer perceptions of quality and prestige. In both cases, consumer aspirations toward global modernity often coincide with a devaluation of local production capabilities, a phenomenon exacerbated by xenocentric tendencies (Balabanis & Diamantopoulos, 2016; Camacho et al., 2020; Cleveland et al., 2009).

Moreover, these countries differ in their levels of economic development, digital connectivity, institutional trust, and exposure to sustainable fashion movements. These macro-structural factors may influence how COO cues are processed, both cognitively (e.g., quality inference) and symbolically (e.g., prestige signaling). As such, “Made in the Philippines” may evoke different reactions among Filipino consumers than “Made in the Dominican Republic” does among Dominicans, even when accompanied by the same “Designed in Sweden” label.

This cross-national perspective responds to calls in COO literature for greater cultural contextualization and less Eurocentric generalization (Kapferer & Michaut-Denizeau, 2014; Mueller et al., 2016). It also addresses a methodological gap by applying multi-group structural equation modeling (SEM) to assess whether and how the COO–perception–intention relationships vary across countries with distinct cultural profiles but comparable postcolonial dynamics. The two-country comparison enriches theoretical understanding by identifying cultural contingencies that may moderate the efficacy of COO-based marketing strategies. It also offers practical insights for global brands seeking to implement differentiated branding and labeling strategies in diverse emerging markets. Hypotheses derived:

H6a: Country context moderates the relationship between COO and PERQ.
H6b: Country context moderates the relationship between COO and INNO.
H6c: Country context moderates the relationship between COO and PREST.
H6d: Country context moderates the relationship between PREST and PI.

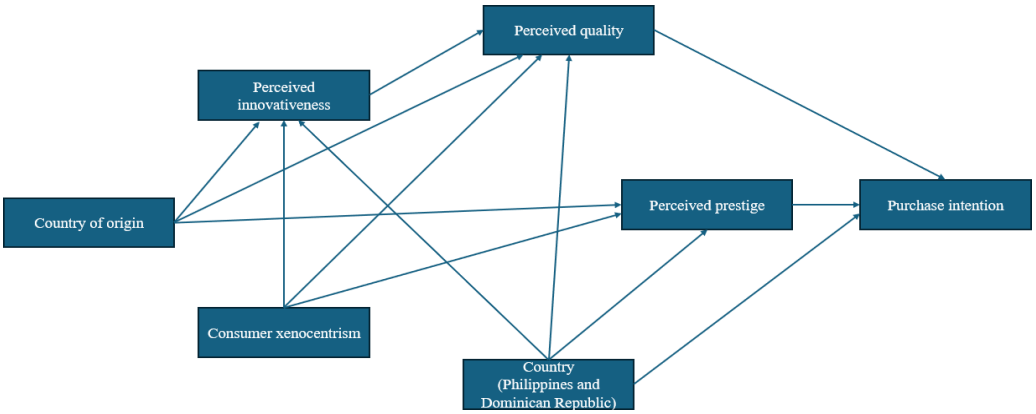


Figure 1. Conceptual Framework

4. Methodology

4.1. Research design

This study employs a quantitative, cross-sectional experimental survey design to empirically investigate the signaling effects of COO labels, specifically “Made in” and “Designed in,” on consumer perceptions and PI for sustainable, reusable fashion accessories. The design is grounded in signaling theory (Spence, 1973, 2002), which posits that extrinsic product cues reduce uncertainty and shape consumer inferences about intangible product attributes such as quality, innovativeness, and prestige.

A between-subjects experimental design will be employed, in which participants are randomly assigned to one of three COO cue conditions embedded within a controlled product description. This methodological approach simulates real-world product encounters, wherein consumers typically interact with only one COO label at a time, and it helps isolate the unique effects of COO signaling while controlling for potential confounds (Magnusson et al., 2011; Talke et al., 2009).

- COO Experimental Conditions:
- Made in the Philippines / Made in the Dominican Republic
- Signals manufacturing origin and local production.
- Designed in Sweden
- Signals conceptual origin and perceived design innovation.
- Designed in Sweden, Made in the Philippines / Dominican Republic
- Signals dual-origin strategy, common in global fashion branding.
- Each participant will be exposed to only one of the three COO conditions via an online experimental vignette, ensuring internal validity and minimizing demand effects or cross-condition contamination.

Justification of Approach

This experimental design allows direct testing of the main effects (H1–H4) and the moderating effects of CXEN and national context (H5–H6). By embedding COO cues within a standardized product description of a sustainable tote bag, the study ensures that observed perceptual differences are attributable to COO manipulation, not to variations in product features or category familiarity (Kapferer & Michaut-Denizeau, 2014; Lee & Johnson, 2017). The choice of fashion accessories as the focal category aligns with the theoretical emphasis on symbolic, lifestyle-linked goods, where COO and CXEN are most likely to influence perceptions of prestige, innovation, and identity expression (Joy et al., 2012; Wiedmann et al., 2009).

4.2. Target population and sampling method

- The target population for this study consists of urban adult consumers (aged 18 and above) in two emerging markets: the Philippines and the Dominican Republic. These countries have been strategically selected to reflect comparable legacies, increasing exposure to global fashion branding, and growing consumer engagement with sustainability discourses (Camacho et al., 2020; Cleveland et al., 2009).
- Urban consumers in these regions are more likely to be:

- Exposed to foreign COO labeling (e.g., “Designed in Europe”)
- Active in online or mall-based retail environments
- Familiar with sustainable product narratives and ethical branding
- Influenced by xenocentric and aspirational consumption patterns (Balabanis & Diamantopoulos, 2016; Mueller et al., 2016)
- These characteristics make them a theoretically appropriate population for studying the cognitive, affective, and symbolic processing of COO signals in the context of sustainable fashion.

Sampling Method

- A non-probability, quota-based sampling technique will be used to ensure demographic representation within each national sample. Stratification will be based on age group (e.g., 18–24, 25–39, 40+) and gender, mirroring the socio-demographic composition of urban populations in each country.

Sample Size:

- A total of 600 participants will be recruited, comprising 300 from the Philippines and 300 from the Dominican Republic. This sample size is justified based on guidelines for structural equation modeling (SEM), which recommend a minimum of 10–20 participants per observed variable for stable parameter estimation and adequate model fit (Hair et al., 2010; Kline, 2015).

Recruitment Strategy

- Participants will be recruited using digital channels, including:
  a. Email invitations sent through university networks
  b. Targeted outreach via social media platforms (e.g., Facebook, Instagram)
  c. Collaboration with local consumer research panels and student associations
  d. Each participant will be randomly assigned to one of three COO experimental conditions via distinct SurveyMonkey survey links, ensuring random assignment and condition integrity.

Inclusion Criteria

- Reside in urban centers (e.g., Manila, Santo Domingo)
- Aged 18 years or older
- Access to a smartphone, tablet, or computer with internet
- Consent to participate voluntarily in an online survey
- Basic familiarity with fashion products and e-commerce

5.3 Data collection techniques and instruments

Instrument Overview

The primary data collection instrument will be a self-administered online questionnaire, developed using the SurveyMonkey platform. The questionnaire will include both manipulated experimental stimuli (COO scenarios) and validated psychometric scales measuring the constructs of interest: PERQ, INNO, PREST, PI, and CXEN.

The survey will consist of four key sections:

1. Introduction and Consent
2. COO Experimental Manipulation (via product vignette)
3. Construct Measures (using Likert-type scales)
4. Demographic and Screening Items

Experimental Manipulation

Participants will be exposed to one of three COO labeling scenarios embedded within a realistic product description of a sustainable, reusable tote bag. The core product features (e.g., 100% recycled fabric, reusable, ethical production) will remain constant across all versions. Only the COO label will differ.

Sample vignette: “This eco-friendly tote bag is made from 100% recycled materials and is ideal for everyday use. It is designed in Sweden and manufactured in the Philippines.”

By varying the COO while keeping product content constant, the design isolates the cognitive effect of origin information, a key requirement for valid COO signaling experiments (Magnusson et al., 2011; Talke et al., 2009).

Measurement Scales

All perceptual constructs will be measured using 7-point Likert-type scales, adapted from prior validated instruments:

- PERQ: Adapted from Zeithaml (1988) and Dodds et al. (1991)
- INNO: Items adapted from Talke et al. (2009) and Sweeney & Soutar (2001)
- PREST: Based on Steenkamp et al. (2003) and Wiedmann et al. (2009)
- CXEN: Using items from Rojas-Méndez & Chapa (2020) and Balabanis & Diamantopoulos (2016)
- PI: Behavioral intention measures adapted from Batra et al. (2000) and Cleveland et al. (2009)

Each scale will undergo translation and back-translation (Brislin, 1980) for Spanish and English versions, ensuring semantic and cultural equivalence across both national samples.

Language and Localization

In the Philippines, the questionnaire will be administered in English, which is commonly used in academic and consumer contexts.

In the Dominican Republic, the questionnaire will be administered in Spanish to ensure accessibility and clarity for native speakers.

Survey Length and Duration

- Estimated completion time: 10–12 minutes
- Number of items (excluding demographic questions): 25
- Administration period: 4 weeks, scheduled for September 2025
- Informed Consent and Ethical Assurance
- A detailed consent form will be embedded on the first page, outlining the study’s purpose, voluntary nature, confidentiality, and data handling procedures.
- Participants will be required to provide active consent before proceeding to the survey.

4.3. Proposed data analysis methods

This study employs a quantitative, cross-sectional design, and data will be analyzed using a multistage approach that incorporates descriptive statistics, inferential statistics, and structural equation modeling (SEM), following the guidelines proposed by Kline (2015). The analysis aims to test hypothesized relationships among xenocentrism, perceived academic prestige, and preference for graduate program location, while examining both mediation and moderation effects across two national contexts: the Philippines and the Dominican Republic.

4.3.1. Data Screening and Preparation

- Missing Data: Cases with excessive missing responses will be excluded. For minor missing data, appropriate imputation methods (e.g., mean substitution or expectation- maximization) may be applied.
- Reliability Assessment: The internal consistency of each construct will be evaluated
- using Cronbach’s alpha (threshold ≥ 0.70) and composite reliability metrics.
- Common Method Variance (CMV): Given the reliance on self-reported measures collected via a single instrument, Harman’s Single-Factor Test will be conducted. All survey items will be subjected to unrotated exploratory factor analysis. If a single factor accounts for less than 50% of the variance, CMV will not be considered a significant concern (Podsakoff et al., 2003).

4.3.2. Descriptive Statistics

- Frequencies, means, and standard deviations will be computed for all study variables.
- Cross-tabulations will be used to describe the demographic profile of respondents across national samples.

4.3.3. Factor Analyses

- Exploratory Factor Analysis (EFA) will be conducted as needed to explore the dimensionality of newly adapted or unvalidated items.
- Confirmatory Factor Analysis (CFA) will be used to validate the measurement model, assessing:
- Convergent validity using Average Variance Extracted (AVE ≥ .50)
- Discriminant validity using the Fornell-Larcker criterion
- Model fit using standard indices: CFI, TLI, RMSEA, and SRMR.

4.3.4. Structural Equation Modeling (SEM)

- SEM will be employed to test the complete structural model and the following hypothesized paths. The SEM analysis will be conducted using AMOS, with both direct and indirect effects assessed. Mediation effects will be evaluated using bootstrapping procedures with 5,000 resamples to determine the significance of indirect paths.

4.3.5. Multi-Group Analysis (MGA)

To test cross-national differences, a multi-group SEM approach will be implemented:

- Measurement invariance will be tested across groups (configural, metric, and scalar) to ensure comparability.
- Once invariance is established, path coefficients will be compared between countries to assess moderation by national context.

References

Balabanis, G., & Diamantopoulos, A. (2016). Consumer xenocentrism as determinant of foreign product preference: A system justification perspective. Journal of International Marketing, 24(3), 58–77. https://doi.org/10.1509/jim.15.0138

Batra, R., Ramaswamy, V., Alden, D. L., Steenkamp, J.-B. E. M., & Ramachander, S. (2000). Effects of brand local and nonlocal origin on consumer attitudes in developing countries. Journal of Consumer Psychology, 9(2), 83–95. https://doi.org/10.1207/S15327663JCP0902_3

Brislin, R. W. (1980). Translation and content analysis of oral and written material. In H. C. Triandis & J. W. Berry (Eds.), Handbook of Cross-Cultural Psychology (Vol. 2, pp. 389– 444). Allyn & Bacon.

Camacho, L. J., & Miranda, R. (2025). The xenocentric tourist: An examination of motivation and purchase intention in the Dominican Republic’s Tourism Sector. Multidisciplinary Business Review, 18(1), 79–93. https://doi.org/10.35692/07183992.18.1.6

Camacho, L. J., Ramírez-Correa, P. & Salazar-Concha, C. (2022a). Consumer ethnocentrism and country of origin: Effects on online consumer purchase behavior in times of pandemic. *Sustainability*, *14*(1), 348; https://doi.org/10.3390/su14010348

Camacho, L. J., Ramírez-Correa, P., & Salazar-Concha, C. (2022b). Xenocentrism and formal education: Evaluating its impact on the behavior of Chilean consumers. Journal of Risk and Financial Management, 15(4), 166. https://doi.org/10.3390/jrfm15040166

Camacho, L. J., Salazar-Concha, C., & Ramírez-Correa, P. (2020). The influence of xenocentrism on purchase intentions of the consumer: The mediating role of product attitudes. Sustainability, 12(4), 1647. https://doi.org/10.3390/su12041647

Cleveland, M., Laroche, M., & Papadopoulos, N. (2009). Cosmopolitanism, consumer ethnocentrism, and materialism: An eight-country study of antecedents and outcomes. Journal of International Marketing, 17(1), 116–146. https://doi.org/10.1509/jimk.17.1.116

Cleveland, M., & Balakrishnan, A. (2019). Appreciating vs venerating cultural outgroups: The psychology of cosmopolitanism and xenocentrism. International Marketing Review, 36(3), 416–444. https://doi.org/10.1108/IMR-09-2018-0260

Diamantopoulos, A., Matarazzo, M., Mrad, M., & Maack, M. (2025). Consumer xenocentrism and well-being: Conspicuous consumption orientation, brand addiction, and self-esteem. Journal of International Marketing, 33(1), 51–70. https://doi.org/10.1177/1069031X241264992

Dodds, W. B., Monroe, K. B., & Grewal, D. (1991). Effects of price, brand, and store information on buyers' product evaluations. Journal of Marketing Research, 28(3), 307–
319. https://doi.org/10.2307/3172866

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). Multivariate data analysis (7th ed.). Pearson.

Henninger, C. E., Alevizou, P. J., & Oates, C. J. (2016). What is sustainable fashion? Journal of Fashion Marketing and Management, 20(4), 400–416. https://doi.org/10.1108/JFMM-07- 2015-0052

Insch, G. S., & McBride, J. B. (2004). The impact of country-of-origin on buyers' perceptions of product quality: A binational test of the decomposed country-of-origin construct. Journal of Business Research, 57(3), 256–265. https://doi.org/10.1016/S0148-2963(02)00323-5

Joy, A., Sherry Jr, J. F., Venkatesh, A., Wang, J., & Chan, R. (2012). Fast fashion, sustainability, and the ethical appeal of luxury brands. Fashion Theory, 16(3), 273–295. https://doi.org/10.2752/175174112X13340749707123

Kapferer, J.-N., & Michaut-Denizeau, A. (2014). Is luxury compatible with sustainability?

Luxury consumers’ viewpoint. Journal of Brand Management, 21(1), 1–22. https://doi.org/10.1057/bm.2013.19

Kline, R. B. (2015). Principles and practice of structural equation modeling (4th ed.). Guilford Press.

Lee, S., & Johnson, Z. S. (2017). The effect of new product design and innovation on South Korean consumers’ willingness to buy. Asia Pacific Journal of Marketing and Logistics, 29(1), 98–113. https://doi.org/10.1108/APJML-06-2015-0093

Magnusson, P., Westjohn, S. A., & Zdravkovic, S. (2011). “What? I thought Samsung was Japanese”: Accurate or not, perceived country of origin matters. International Marketing Review, 28(5), 454–472. https://doi.org/10.1108/02651331111167589

Mueller, R. D., Wang, G. X., Liu, G., & Cui, C. C. (2016). Consumer xenocentrism in China: An exploratory study. Asia Pacific Journal of Marketing and Logistics, 28(1), 73–91. https://doi.org/10.1108/APJML-11-2014-0158

Podsakoff, P. M., MacKenzie, S. B., Lee, J.-Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. Journal of Applied Psychology, 88(5), 879–903. https://doi.org/10.1037/0021- 9010.88.5.879

Rojas-Méndez, J. I., & Chapa, S. (2020). X-scale: A new scale to measure consumer xenocentrism. Marketing Intelligence & Planning, 38(3), 354–368. https://doi.org/10.1108/MIP-01-2019-0062

Roth, M. S., & Romeo, J. B. (1992). Matching product category and country image perceptions: A framework for managing country-of-origin effects. Journal of International Business Studies, 23(3), 477–497. https://doi.org/10.1057/palgrave.jibs.8490276

Spence, M. (1973). Job market signaling. The Quarterly Journal of Economics, 87(3), 355–374. https://doi.org/10.2307/1882010

Spence, M. (2002). Signaling in retrospect and the informational structure of markets. American Economic Review, 92(3), 434–459. https://doi.org/10.1257/00028280260136200

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. https://doi.org/10.1057/palgrave.jibs.8400002

Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. Journal of Retailing, 77(2), 203–220. https://doi.org/10.1016/S0022- 4359(01)00041-0

Talke, K. S. S., Salomo, S., Lutz, A., & Wieringa, J. E. (2009). What about design newness?

Investigating the relevance of a neglected dimension of product innovativeness. Journal of Product Innovation Management, 26(6), 601–615. https://doi.org/10.1111/j.1540- 5885.2009.00686.x

Thøgersen, J., Pedersen, S., Paternoga, M., Schwendel, E., & Aschemann-Witzel, J. (2017).

Consumers’ use of country-of-origin information in the context of organic food: Trust in regulations and label cues. British Food Journal, 119(3), 542–557. https://doi.org/10.1108/BFJ-09-2016-0406

Usunier, J.-C. (2010). Relevance in business research: The case of country-of-origin research in marketing. European Management Review, 3(1), 60–73. https://doi.org/10.1057/palgrave.emr.1500049

Verlegh, P. W. J., & Steenkamp, J.-B. E. M. (1999). A review and meta-analysis of country-of- origin research. Journal of Economic Psychology, 20(5), 521–546. https://doi.org/10.1016/S0167-4870(99)00023-9

Wiedmann, K.-P., Hennigs, N., & Siebels, A. (2009). Value-based segmentation of luxury consumption behavior. *Psychology & Marketing, 26*(7), 625–651. https://doi.org/10.1002/mar.20292

Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means–end model and synthesis of evidence. *Journal of Marketing, 52*(3), 2–22. https://doi.org/10.1177/002224298805200302