

ABSTRACT

This study aims to explore how different languages affect the perceived quality of a brand through the prior formation of perceived brand globalness or perceived brand localness (PBG/PBL). The research employs a two-group between-subjects design to examine the aforementioned relationship. The data were collected through a set of structured questionnaires, collected through an online survey platform, Qualtrics. With a specific focus on the rapidly growing Indonesian beauty industry, this study utilises a sample comprising of individuals of Indonesian nationality. The data collected was analysed with Model 4 of Hayes' PROCESS macro extension in SPSS. The results from 166 viable samples shows that the use of foreign language leads to a direct effect of decreasing perceived quality. However, it also results into an indirect effect of PBG which subsequently results to an increase in perceived quality. The investigation of country-of-origin effects stemmed from language used on perceived quality that is mediated by PBG/PBL adds to the growing body of international branding literature. This study concludes with a discussion, theoretical implications, and managerial actions that can be taken to leverage country-of-origin effects from language in their branding strategies.

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