

THE OVERALL IMAGE OF SLOVENIA AMONG CROATIAN STUDENTS OF BUSINESS AND ECONOMICS

Podoba Slovenije med hrvatskimi študenti ekonomije in poslovnih ved

1. Introduction

The associations that people in Croatia make with Slovenia have taken decades to form and are undergoing a constant process of development. Many important elements for the future internationalization of business activities between Croatia and Slovenia (e.g. in foreign trade, tourism and/or foreign investments) depend on the respective country images created in the minds of decision makers - consumers and business people in both countries.

Numerous marketing studies and research have been devoted to the country image construct both in international marketing and cross-cultural consumer research. Early studies were conducted in the second half of the 20th century, starting in the 1960s and 1970s (e.g. Schooler 1965; Rierison 1966; Robinson and Hefner 1967; Jones and Ashmore 1973; Nagashima 1970; Nagashima 1977). The importance of country image, especially related to a country as a source of products and services, was growing due to the continuous growth of business internationalization and globalization. Consequently, many concepts related to the country image construct were identified and their research became useful from both an academic and applied perspective.

2. Country Image Construct

People everywhere are more likely than ever to have formed relatively organized mental representations of countries (D' Astous and Boujbel 2007). Country image is considered as a multidimensional construct which is usually defined as "the total of all descriptive, inferential and informational beliefs about a particular country" (Martin and Eroglu 1993). It is not stable; it changes over time and usually becomes better when consumers and business people become more familiar with the country. Consumers and business people tend to have stereotypes about countries that have been formed by experience, hearsay and myth. Countries are perceived differently in different parts of the world (Papadopoulos, Heslop and Beracs 1989). Most research on the determinants of a country's image is based on the characteristics of the evaluated country and the demographic differences of the perceivers (Balabanis, Mueller and Melewar 2002).

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Abstract

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The objective of the paper is to analyze the overall image of Slovenia among Croatian students of business and economics. A very short, relevant literature review on the country image construct is presented in the first part of the paper. The second part describes the methodology and results of the primary research. The research has shown that Croatian students of business and economics have homogeneous assessments of the Slovenian image dimensions of average and less importance for the overall country image profile. However, their assessments of four out of six image dimensions of the greatest importance are not homogeneous and depend on the level of experience they have with Slovenia. Students who are more informed about Slovenia have a more positive and a more complete picture. *Key words:* image, country image, Slovenia, Croatian students

Izvleček

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Namen tega članka je analizirati splošno podobo Slovenije med hrvatskimi študenti ekonomije in poslovnih ved. V prvem delu članka avtorji predstavijo kratak pregled relevantne literature o pojmu podobe (imidža) države. V drugem delu pa opišejo metodologiju in rezultate primarne raziskave. Študija pokaže, da imajo hrvatski študenti homogeno oceno podobe Slovenije glede povprečno pomembnih in manj pomembnih dimenzij za podobo države. Njihova ocena štirih, od skupno šestih najpomembnejših dimenzij podobe države pa ni homogena in je odvisna od ravni izkušenj s Slovenijo. Študenti, ki Slovenijo dobro poznajo, imajo bolj pozitivno in bolj celovito sliko države.

Ključne besede: podoba države, imidž, imidž države, Slovenija, hrvatski študenti

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Concepts related to country image are organized in a hierarchical framework where country image is seen as an image pool for product-related image concepts (Mossberg and Kleppe 2005). Therefore, the country image construct could also be described as the image source for product-related and service-related country associations. Nagashima (1970) is credited with the first definition of country image as the picture, the representation, the stereotype that businessmen and consumers attach to products of a specific country. Therefore, country image stereotypes can either benefit or hurt products and services from a certain country. While the image of the country affects the image of its products and services, experience with these products and services causes revisions in the country image (Jaffe and Nebenzahl 2001). Country of origin image is often a cue for evaluating products, and some authors suggest that favourable perceptions about the country result in the according of favourable attributions to brands from that country (Paswan and Sharma 2004). Roth and Romeo (1992) claim that there is a relationship between consumer preferences for a country's culture, economy and politics, and that consumers' evaluations of a specific product from country X are based on the match between the product and the country.

More recently, O'Shaughnessy and O'Shaughnessy (2000) claimed that a country's image is of paramount importance and that a country should be treated as a brand.

3. Research

The objective of the primary research is to analyze the overall image of Slovenia among Croatian students of business and economics. Students are consumers. They are also future business people who will, in the years to come, hold professional positions and make decisions regarding internationalization of business activities between Croatian and Slovenian companies, institutions and organizations. The analysis includes: the overall image of Slovenia among members of the selected target group, assessment of Slovenia based on relevant image dimensions and the importance of the image dimensions.

3.1. Methodology

The survey was based on the methodology developed by Professor Richard Kühn, from the Institute of Marketing and Management, University of Berne, Switzerland. The applied measurement instrument was consistent with the research of Papadopoulos, Marshal and Heslop (1988) and Papadopoulos, Heslop and Bamossy (1990), who define country beliefs as consumers' beliefs about the country's industrial development and technological advancement, and according to whom the concept of affect refers to consumers' affective responses to the country's people. A convenient sample consisting of 293 junior students (third year) from the Faculty of Economics and Business at the University of Zagreb, Croatia was surveyed. A self-completed, pre-tested, highly structured questionnaire was used. Data were collected during May 2007.

3.2. Hypotheses

On the basis of the relevant literature review, and in accordance with the applied research methodology, two hypotheses were set:

H1: The overall image of Slovenia among Croatian students of business and economics is homogeneous.

H2: Students who are more informed about Slovenia have a more positive and a more complete picture.

3.3. Research results

Data were analyzed by means of *Statistica* v7. Different methods and techniques were applied: mean values, t-test and one-way ANOVA.

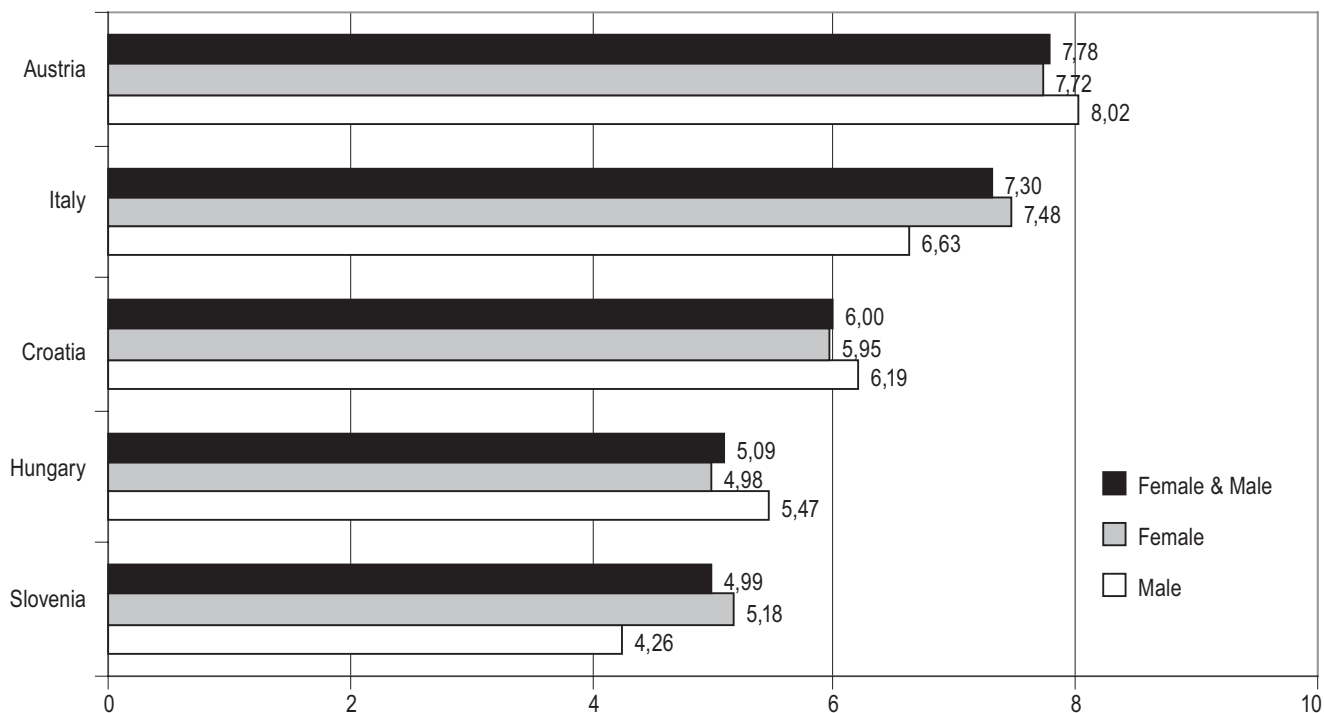
First, respondents were asked to evaluate the overall image of Slovenia compared with Austria, Croatia, Hungary and Italy on a 10 point numerical scale ranging from 1 ("Very bad") to 10 ("Excellent"). As shown in Figure 1, among selected countries, Austria was ranked first and Slovenia last as far as overall country image is concerned.

According to the applied research methodology, 18 statements describe and reflect important dimensions for creating a country image. Respondents were asked to grade the importance of each image dimension for assessing countries using a 10 point numerical scale, ranging from 1 ("Not important") to 10 ("Very important"). In accordance with the results obtained, dimensions were divided in three groups: those that are of top, average and less importance. Results are presented in Figure 2.

Next, respondents were asked to grade Slovenia's image using the same dimensions and scale. Results are shown in Figure 3, compared with the importance of image dimensions for assessing countries (previously presented in Figure 2). Slovenia scored high results for four out of six dimensions of top importance (marked bold in Figure 3). Two remaining dimensions of top importance got average ("Does Slovenia support humanitarian and human rights issues?") and very low results ("Is Slovenia an enjoyable place to visit?").

Combining both analyses (the first that showed the importance of the individual dimensions, and the second of the assessment of Slovenia by individual dimensions), a matrix was developed in order to distinguish four categories of Slovenia's strengths and weaknesses concerning country image (Figure 4). Slovenia's strengths of great importance are: providing high quality of life, political stability, caring for environmental protection, having a high level of education and research, supporting humanitarian and human rights issues and providing good investment opportunities. The only weakness of great importance is that respondents do not see Slovenia as an enjoyable place to visit (since that dimension also gained top importance for country image). Other dimensions are divided in two remaining categories and they are Slovenia's strengths (5 of them) and weaknesses (6 of them) of lesser importance.

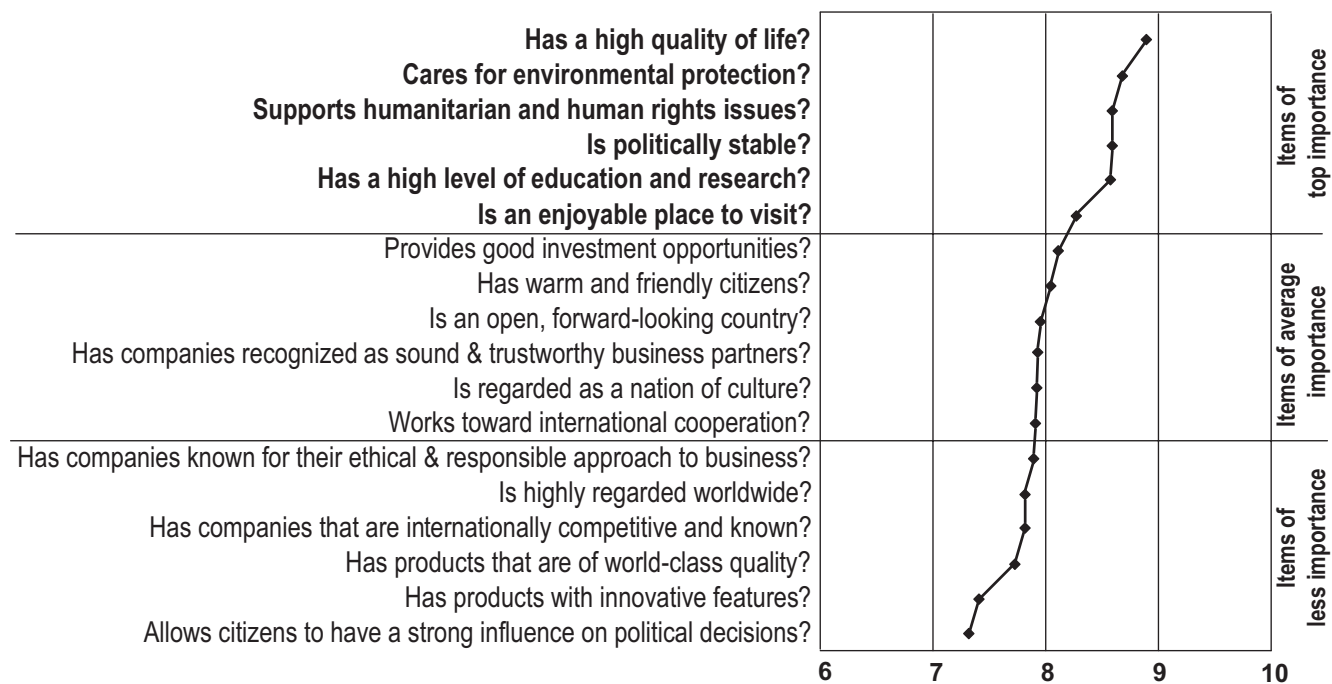
Figure 1: Overall image of Slovenia compared with Austria, Italy, Croatia and Hungary



N=293 students of economics & business; scale of 1-10; 1=very bad, 10=excellent

Source: research

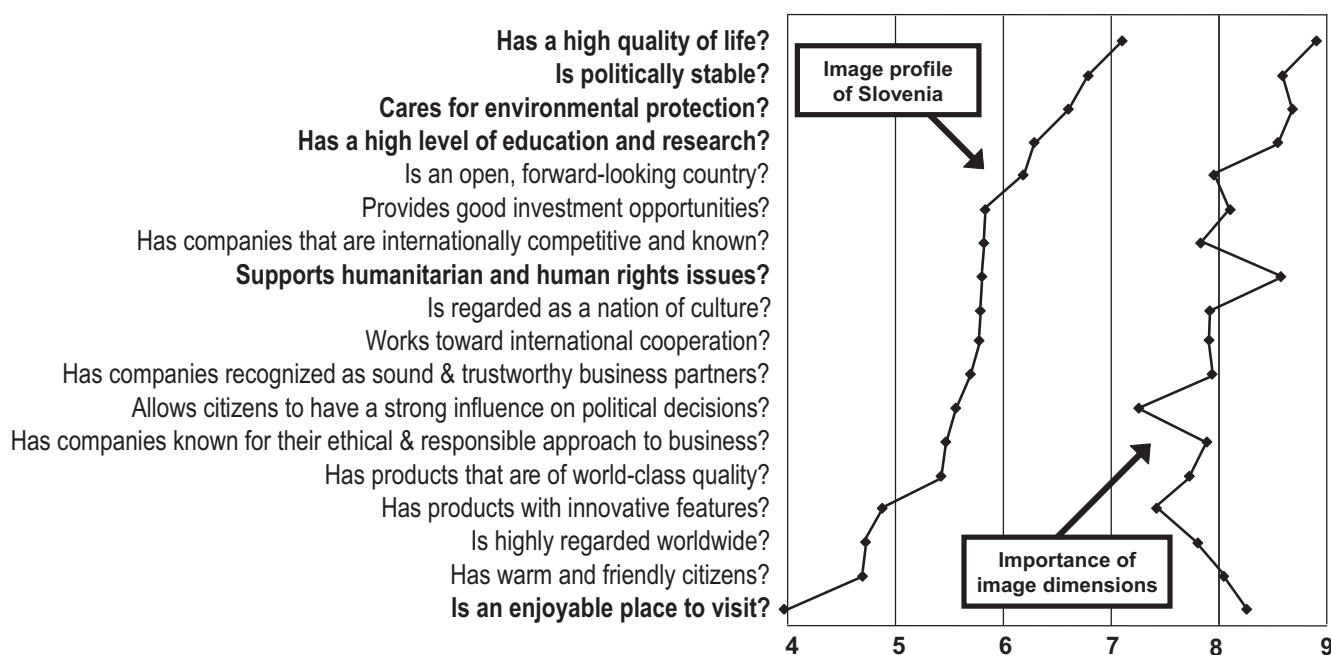
Figure 2: Importance of image dimensions for assessing countries (How important is it that a country...)



N=293 students of economics & business; scale of 1-10, 1=not important, 10=very important

Source: research

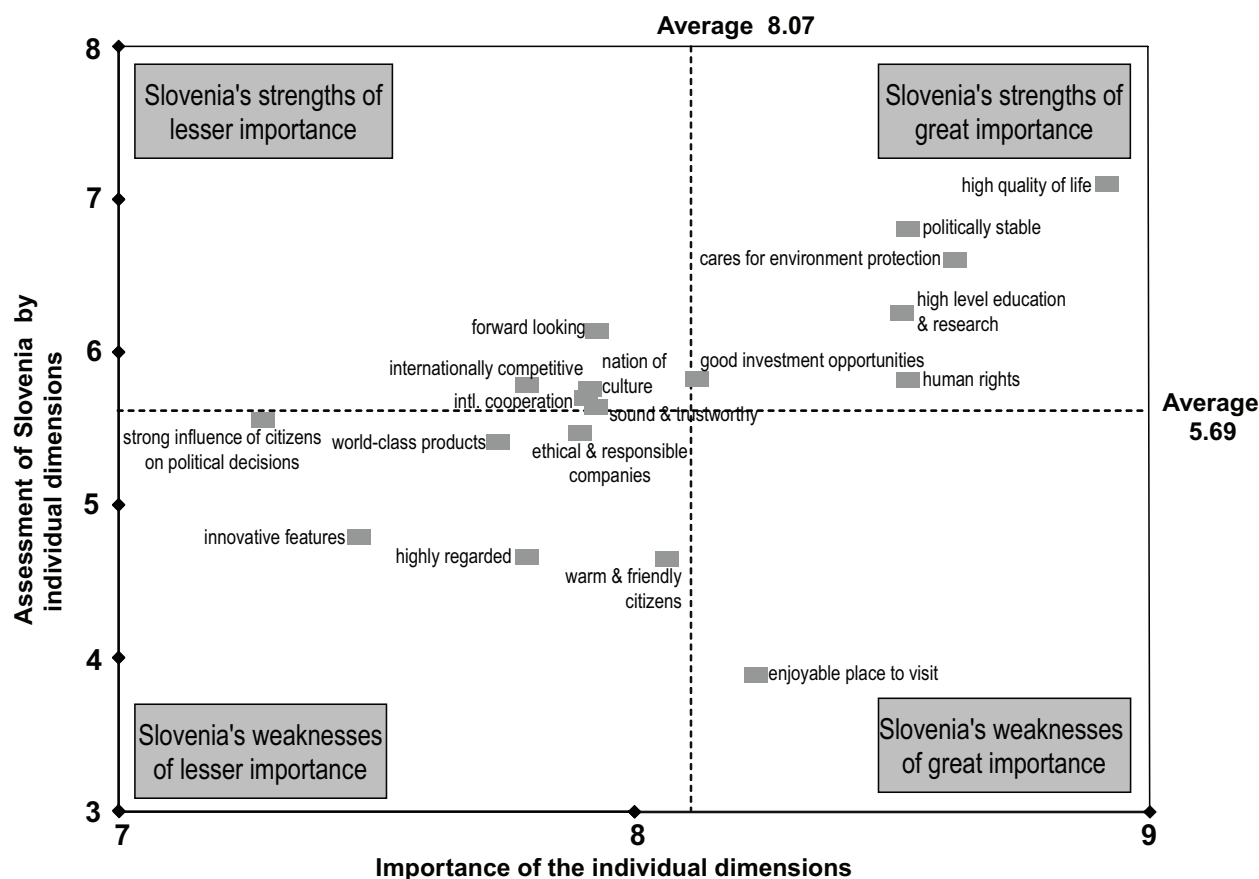
Figure 3: Comparison of the image profile of Slovenia and the importance of image dimensions for assessing countries



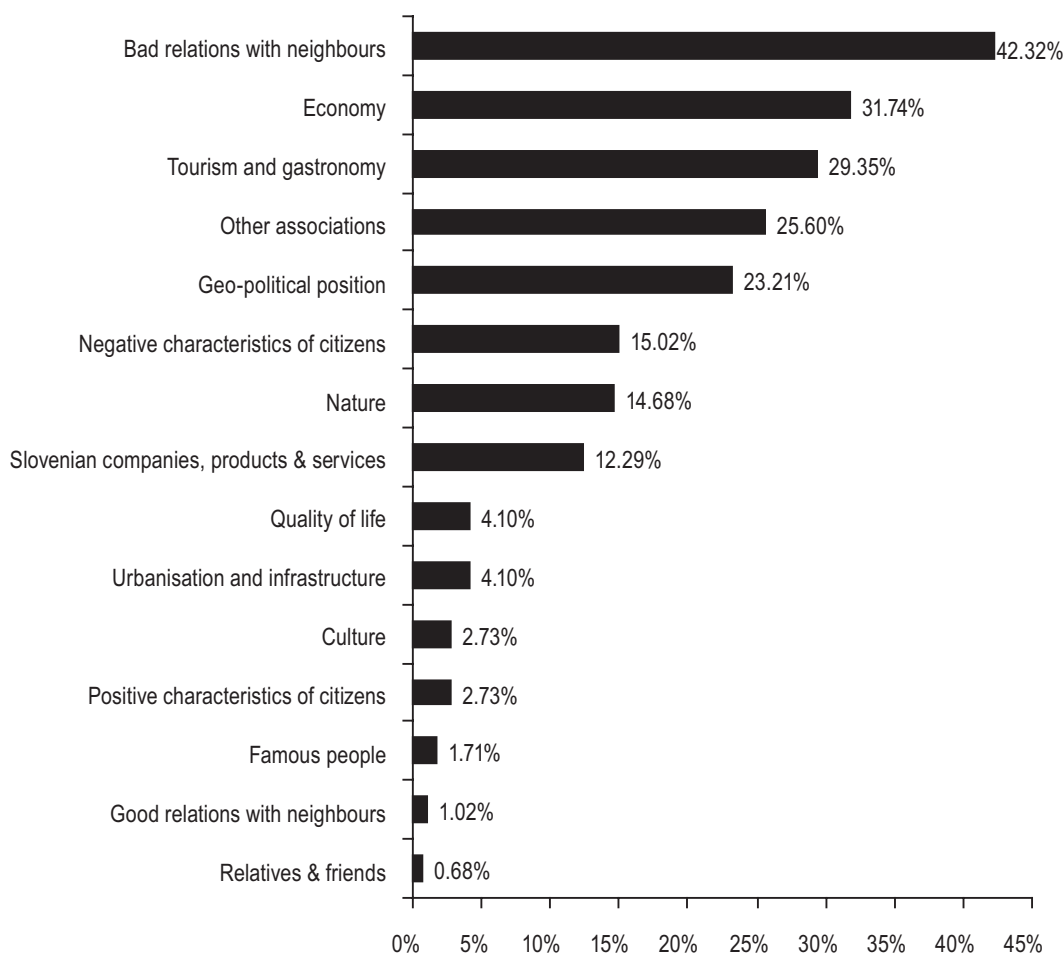
N=293 students of economics & business; scale of 1-10, 1=not important, 10=very important

Source: research

Figure 4: Combined analysis of the assessment of Slovenia by individual dimensions and the importance of the individual dimensions



Source: research

Figure 5: *Categorisation of associations about Slovenia among Croatian students of economics & business*

N=293 students of economics & business

Source: research

Finally, respondents were asked to write associations they have about Slovenia. The total number of associations listed by respondents was 827. On the basis of the content analysis, associations were grouped as shown in Figure 5. Almost half of the respondents (42.32%) have associations that could be generally called “Bad relations with neighbours from Slovenia.” This category is followed by associations related to the Slovenian economy (31.74%), tourism and gastronomy (29.35%) and geo-political position (23.21%).

3.4. Hypothesis Testing

The first hypothesis (H1), which stated that the overall image of Slovenia among Croatian students of business and economics is homogeneous, is partially confirmed.

To test H1, results of the respondents’ assessments of Slovenia by individual dimensions were divided into three groups on the basis of the prior experience students had had with Slovenia. One-way ANOVA was used. Statistically significant differences ($p < 0.05$) were found for four out of six dimensions of top importance among groups of students

who had visited Slovenia, who had only been in transit through Slovenia, and who had not visited Slovenia. For all remaining dimensions, statistically significant differences were not found. Results are shown in Table 1.

The results provide support for H2. The content analysis of respondents’ associations revealed positive, negative and neutral associations about Slovenia.¹ In the next phase, respondents were divided into two groups on the basis of the number of associations they had about Slovenia. The average number of associations per student was 2.82. Re-

¹ The content analysis of respondents’ associations also revealed that, regardless of the nature of associations (positive, negative or neutral), none of the associations in which facts about Slovenia were mentioned were wrong - e.g. some respondents linked to Slovenia the names of Slovenian politicians and/or athletes, renowned Slovenian tourist destinations, and Slovenian product and services brands. The authors believe that a possible explanation of such good knowledge is related to the fact that Slovenia is a neighboring country to Croatia (and a country which, in the very recent past, was a part of the same state for more than four decades).

Table 1: *Image profile of Slovenia (assessments by individual dimensions) for groups of students who had visited Slovenia, had been in transit through Slovenia and who had not visited Slovenia (mean values)*

DIMENSIONS	HAD NOT VISITED N=23	HAD BEEN IN TRANSIT N=69	HAD VISITED N=201	ANOVA (p<0,05)
Has warm and friendly citizens?	4.78	4.32	4.86	0.234272
Is an enjoyable place to visit?	4.09	3.33	4.14	0.017631
Has companies known for their ethical & responsible approach to business?	5.30	5.33	5.55	0.635074
Cares for environmental protection?	6.39	6.39	6.70	0.484480
Is highly regarded worldwide?	4.61	4.49	4.84	0.392106
Allows citizens to have a strong influence on political decisions?	5.22	5.58	5.59	0.615662
Is politically stable?	5.78	6.83	6.96	0.011663
Is regarded as a nation of culture?	5.13	5.71	5.90	0.273865
Has a high quality of life?	6.00	6.93	7.27	0.009758
Is an open, forward-looking country?	5.74	5.93	6.29	0.301997
Has a high level of education and research?	5.43	6.07	6.47	0.021292
Has companies that are internationally competitive and known?	5.57	5.90	5.82	0.788443
Works toward international cooperation?	5.26	5.46	5.96	0.161475
Has products that are of world-class quality?	4.96	5.33	5.48	0.451127
Has products with innovative features?	4.74	4.68	4.95	0.588620
Supports humanitarian and human rights issues?	5.52	5.64	5.89	0.557534
Has companies recognized as sound & trustworthy business partners?	5.97	5.74	5.81	0.848907
Provides good investment opportunities?	5.17	5.90	5.89	0.325650

N=293 students of economics & business

Source: research

Table 2: *Image profile of Slovenia (assessments by individual dimensions) for groups of students who are more informed and students who are less informed about Slovenia*

DIMENSIONS	MORE INFORMED* N=182	LESS INFORMED** N=111	
Has warm and friendly citizens?	4.82	4.55	0.319831
Is an enjoyable place to visit?	4.01	3.86	0.546833
Has companies known for their ethical & responsible approach to business?	5.63	5.24	0.091445
Cares for environmental protection?	6.85	6.20	0.008162
Is highly regarded worldwide?	4.78	4.68	0.645412
Allows citizens to have a strong influence on political decisions?	5.71	5.31	0.050606
Is politically stable?	7.11	6.40	0.000881
Is regarded as a nation of culture?	6.03	5.42	0.023412
Has a high quality of life?	7.41	6.58	0.000419
Is an open, forward-looking country?	6.36	5.86	0.055816
Has a high level of education and research?	6.66	5.69	0.000012
Has companies that are internationally competitive and known?	6.01	5.50	0.035526
Works toward international cooperation?	5.92	5.56	0.188192
Has products that are of world-class quality?	5.64	5.02	0.008151
Has products with innovative features?	5.05	4.56	0.034698
Supports humanitarian and human rights issues?	5.99	5.50	0.052371
Has companies recognized as sound & trustworthy business partners?	5.92	5.54	0.123496
Provides good investment opportunities?	6.06	5.46	0.022738

* respondents who had two or more associations about Slovenia

** respondents who had one or no associations about Slovenia

N=293 students of economics & business

Source: research

spondents who had fewer than 2 associations were, for the purpose of the study, considered less informed, while those who had 2 or more associations were considered more informed. As shown in Table 2, mean values for the assessment of Slovenia by individual dimensions are higher for all 18 dimensions of country image for the group of more informed students. A T-test was performed to find out if there were statistically significant differences between groups of more and less informed students. At the significance level of 95%, differences were found for 8 dimensions (out of which 4 belong to the group of dimensions of top importance). A comparison of content analysis of the associations that students have about Slovenia also shows that students who had 2 or more associations have a more complete picture of Slovenia. Therefore H2, which states that students who are informed about Slovenia have a more positive and a more complete picture, is confirmed.

3.5. Limitations

This research was conducted in a single academic institution with a sample of students of only one level (i.e. junior - third year) of business and economics education. It would therefore be necessary to carry out additional studies in faculties belonging to different universities and colleges that teach business and economics across Croatia, using more representative samples.

4. Conclusion

For the purpose of the presented research about the overall image of Slovenia among Croatian students of business and economics, the country image construct was studied as all associations linked to a country, i.e. it represented a pool of associations which were not exclusively linked to any particular context (e.g., the country as a source of products and services, the country as a tourist destination or the country as a destination for foreign direct investments).

Also, the analysis aimed to examine the extent to which the results of the research on country image of a neighboring country (and a country which was part of the same state for more than four decades with the country of origin of the respondents) could support and be compared with the results of numerous previous studies on the country image construct, conducted predominantly in developed countries. It can be concluded that the research results match the findings of previous studies and, generally speaking, they support the main contribution which defines country image as a multidimensional construct which is not stable, and which improves when consumers and business people are more familiar with the country.

Two hypotheses were set in the primary research, out of which one is partially and the other fully confirmed. The research has shown that Croatian students of business and economics, as far as Slovenian image is concerned, have homogeneous assessments of image dimensions of average and less importance for the overall country image profile. However, their assessments of four out of six image dimen-

sions which are of the top importance are not homogeneous and depend on the level of experience the respondents have with Slovenia. It is confirmed that students who are more informed about Slovenia have a more positive and a more complete picture.

Many challenging issues for future research and measurement of the country image of Slovenia in selected and/or in other Croatian target groups (and vice-versa, i.e. measuring the country image of Croatia in selected Slovenian target groups) exist, such as: product-country image, service-country image and destination image.

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