The Influence of Country of Origin on Purchase Intention in The Indonesian Market Mediated by Brand Image and Attitude: A Case Study of Vivo

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ABSTRACT

The objectives of this study are to examine the relationship between Country of Origin and Purchase Intention, to examine the relationship between Country of Origin and Brand Image, to examine the relationship between Country of Origin and Attitude towards the Brand, to examine the relationship between Brand Image and Purchase Intention, to examine the relationship between Brand Image and Attitude towards the Brand and to examine the relationship between Attitude towards the Brand and Purchase Intention. This research is quantitative. The population in this study is all consumers of the Vivo brand. The sampling procedure used in this study is non-probability with a purposive sampling technique; the researcher will take a sample of 164 consumers who have used the Vivo brand for at least 1 year. The primary data used in this study are the results of distributing questionnaires to Vivo brand consumers. The data analysis used in this study is the structural equation model (SEM), partial least squares (PLS) using Smart PLS 4.0.

Keywords - **Country of Origin, Brand Image, Attitude towards the Brand, Purchase Intention**

INTRODUCTION

The Indonesian smartphone market has become one of the largest in Asia, with penetration reaching nearly 90% of the population by 2025 (Statista, 2020). Alongside this growth, foreign smartphone brands such as Vivo, originating from China, have played an increasingly important role in shaping consumer preferences. Despite Vivo's competitive features and aggressive marketing, its market share has declined, while brands like Samsung maintain stronger positions. This raises questions about how the country of origin (COO), brand image, and attitude towards the brand influence purchase intention.

Previous studies have suggested that COO acts as a quality signal, brand image shapes perceptions, and attitudes drive purchase decisions. However, findings have been mixed, especially in the context of emerging markets. Therefore, this study aims to investigate the influence of COO on purchase intention in Indonesia, with brand image and brand attitude as mediating variables.

LITERATURE REVIEW

International marketing focuses on planning, promoting, pricing, and distributing products across national borders by considering differences in culture, market conditions, and regulatory environments to achieve sustainable profitability. As global competition intensifies, understanding consumer behavior becomes essential, as purchasing decisions are shaped not only by functional needs but also by psychological, social, and environmental factors. Purchase intention reflects a consumer's willingness to buy a product and is influenced by attitudes, social norms, and marketing stimuli, as explained by the Theory of Reasoned Action. In international contexts, country of origin plays a critical role in shaping consumers' product evaluations by influencing perceived quality and credibility. At the same time, effective branding strengthens recognition, trust, and emotional connections with

consumers, while a positive brand image and favorable attitudes toward the brand enhance consumer confidence and preference. Together, these factors interact to shape purchase intention, highlighting the importance of integrated global marketing strategies that align market adaptation, brand management, and consumer perception in international markets.

METHODOLOGY

The research methodology employed in this analysis is quantitative. Quantitative research is defined by Sugiyono (2019) as a positivist-based research methodology that is used to study a specific population or sample, collect data using research instruments, and analyze quantitative and statistical data to test the hypothesis. One objective of quantitative research is to ascertain how variables in a population relate to one another. Experimental and descriptive are the two categories of quantitative research designs. One measurement is all that descriptive quantitative research takes. This indicates a single occurrence of the link between the variables under investigation. While experimental studies compare factors before and after to determine the phenomenon's cause-and-effect relationship.

In this study, the researcher combined a quantitative approach with a descriptive strategy. According to Sugiyono (2022), the descriptive research method is defined as a study that explores the existence of independent variables, either one or more (stand-alone variables), without comparing the variables or searching for correlations with other variables.

RESULTS

Convergent Validity Results

Convergent validity tests and discriminant tests are the two categories of validity testing. If the actual loading value for each indicator is more than 0.7, the convergent validity test is deemed valid. Conversely, for the discriminant test to be deemed valid, the average variance extracted, or AVE, value must be higher than 0.5. An indicator's loading factor shows how accurately it represents the construct being measured. The table below displays the findings of the outside loading test used in this investigation:

Table 1. Convergent Validity of Factor Loadings

	ATB	BI	COO	PI
ATB1	0.805			
ATB2	0.938			
ATB3	0.814			
ATB4	0.852			
ATB5	0.909			
BI1		0.821		
BI2		0.838		
BI3		0.742		
BI4		0.866		
BI5		0.839		
BI6		0.818		
COO1			0.867	
COO2			0.896	
COO3			0.887	
COO4			0.827	
COO5			0.876	

COO6			0.865	
PI1				0.877
PI2				0.883
PI3				0.887
PI4				0.891
PI5				0.893

Source: SmartPLS Data Processing Results (2025)

Since each indicator in this study has an outer loading value larger than 0.7, Table 4.9 indicates that all of the indicators are legitimate.

Convergent Validity of AVE

Table 2. Convergent Validity of Ave

Variable	AVE	Result
Attitude Towards The Brand	0.749	Valid
Brand Image	0.675	Valid
Country Of Origin	0.757	Valid
Purchase Intention	0.785	Valid

Source: SmartPLS Data Processing Results (2025)

This table indicates that every variable has satisfied the AVE requirements, which are 0.5. Convergent validity has thus been satisfied.

Discriminant Validity Results

Table 3. Discriminant Validity HTMT

Variable	Attitude Towards The Brand	Brand Image	Country Of Origin	Purchase Intention
Attitude Towards The Brand				
Brand Image	0.867			
Country Of Origin	0.862	0.805		
Purchase Intention	0.842	0.851	0.895	

Source: SmartPLS Data Processing Results (2025)

The findings of the discriminant validity of HTMT can be ascertained because its value is less than 0.9, as shown in Table 4.11. Thus, it is possible to say that every variable is legitimate.

Cronbach's Alpha Reliability and Composite Reliability

TABLE 4. Cronbach's Alpha Reliability and Composite Reliability

Variable	Cronbach's Alpha	Composite Reliability	Result
Attitude Towards The Brand	0.915	0.937	Reliable
Brand Image	0.903	0.925	Reliable
Country Of Origin	0.936	0.949	Reliable
Purchase Intention	0.932	0.948	Reliable

Source: SmartPLS Data Processing Results (2025)

According to the table above, it is well known that the reliability test yielded composite reliability and Cronbach's alpha values greater than 0.7. This suggests that the measurement tool is sufficiently reliable to measure these variables on a regular basis. All variables are therefore deemed dependable.

Coefficient of Determination (R^2)

One way to gauge how well exogenous factors can explain endogenous variables is to use the coefficient of determination (R Square). The table of determination coefficient tests is as follows:

TABLE 5. R-Square Value (R^2)

Variabel	R^2
Attitude Towards The Brand	0.821
Brand Image	0.855
Purchase Intention	0.874

Source: SmartPLS Data Processing Results (2025)

This table data indicates that the R-squared value of Attitude Towards the Brand is 0.821, indicating that the Country of Origin can influence Attitude Towards the Brand by 82.1%, with other factors not included in this study influencing the remaining 17.9%. With a R-squared value of 0.855, Brand Image can be influenced by Country of Origin variables up to 85.5% of the time, with other factors not included in this study influencing the remaining 14.5%. Then, the R-squared value of purchase

intention is 0.874, indicating that the variables of attitude toward the brand, brand image, and country of origin can impact purchase intention up to 87.4%, with other factors not included in this study influencing the remaining 12.6%.

Predictive Relevance (Q2)

The PLS path model has predictive relevance if the Q2 value is greater than zero; a weak value is 0.02; a moderate value is 0.15; and a strong value is 0.35 (Ghozali & Latan, 2020).

TABLE 6. Predictive Relevance Value

Variable	Predictive Relevance (Q2)
Attitude Towards the Brand	0.570
Brand Image	0.536
Purchase Intention	0.602

Source: SmartPLS Data Processing Results (2025)

Based on the table above, it can be seen that the Q2 value in this study above 0 indicates that the PLS path model has predictive relevance. Attitude Towards The Brand, with a Q2 value of 0.570, means that it has met the relevance criteria with weak criteria, Brand Image, with a Q2 value of 0.536, means moderate criteria, and Purchase Intention, with a Q2 value of 0.602, means moderate criteria.

Structural Model Results (Path Coefficient)

TABLE 7. Structural Model Result

H	Variable relationships	Path Coefficient	t-statistics	P-Value	Result
H₁	Country of Origin positively affect Purchase Intention	0.730	5.588	0.000	Supported
H₂	Country of Origin positively affect Brand Image	0.924	46.411	0.000	Supported
H₃	Country of Origin positively affect Attitude towards the Brand	0.542	3.258	0.001	Supported
H₄	Brand Image positively affect Purchase Intention	0.027	0.197	0.844	Not Supported
H₅	Brand Image positively affect Attitude towards the Brand Image	0.382	2.364	0.018	Supported
H₆	Attitude towards the Brand postively affect Purchase Intention	0.197	2.158	0.031	Supported
H₇	Country of Origin Positively Affects Purchase Intention with Brand Image as a Mediating Variable	0.025	0.196	0.845	Not Supported
H₈	Country of Origin Positively Affects Purchase Intention with Attitude Toward the Brand as a Mediating Variable	0.107	1.579	0.114	Not Supported

Source: SmartPLS Data Processing Results (2025)

Hypothesis 1 proposes that Country of Origin has a positive influence on Purchase Intention. The path coefficient is 0.730, with a t-statistic of 5.588 and a p-value of 0.000. Based on these results, H1 is supported.

Hypothesis 2 proposes that Country of Origin positively affects Brand Image. The analysis shows a path coefficient of 0.924, a t-statistic of 46.411, and a p-value of 0.000, indicating that H2 is supported.

Hypothesis 3 proposes that Country of Origin positively influences Attitude Toward the Brand. The path coefficient is 0.542, with a t-statistic of 3.258 and a p-value of 0.001. Therefore, H3 is supported.

Hypothesis 4 proposes that Brand Image positively affects Purchase Intention. However, the path coefficient is 0.027, with a t-statistic of 0.197 and a p-value of 0.844, indicating that H4 is not supported.

Hypothesis 5 proposes that Brand Image has a positive effect on Attitude Toward the Brand. With a path coefficient of 0.382, a t-statistic of 2.364, and a p-value of 0.018, the results support H5.

Hypothesis 6 proposes that Attitude Toward the Brand positively affects Purchase Intention. The results show a path coefficient of 0.197, a t-statistic of 2.158, and a p-value of 0.031. Therefore, H6 is supported.

Hypothesis 7 proposes that Country of Origin Influences Purchase Intention with Brand Image as a Mediating Variable. The results show a path coefficient of 0.025, a t-statistic of 0.196, and a p-value of 0.845. Therefore, H7 is not supported.

Hypothesis 8 proposes that Country of Origin Influences Purchase Intention with Attitude Toward the Brand as a Mediating Variable. The results show a path coefficient of 0.107, a t-statistic of 1.579, and a p-value of 0.114. Therefore, H8 is not supported.

DISCUSSION

The descriptive analysis provides initial insights into consumer perceptions of Vivo's brand in the Indonesian market. Most respondents were between 29–38 years old, indicating that Vivo's consumer base is dominated by young adults who are digitally active and highly engaged with smartphones. Gender distribution was relatively balanced, with a slightly higher proportion of female respondents (54.3%).In terms of variables, the descriptive statistics revealed that consumers generally evaluated Vivo's country of origin (China) positively, with mean scores above the neutral point on the Likert scale. Similarly, brand image and attitude towards the brand were rated moderately high, reflecting that consumers acknowledge Vivo's product quality and innovation. Purchase intention also scored positively, indicating that despite the decline in market share, many consumers still consider Vivo a viable choice. These descriptive results suggest that Vivo is perceived favourably by Indonesian consumers, but perceptions alone may not guarantee actual purchase decisions.

The hypothesis testing offered a more rigorous evaluation of the relationships among the study variables. Results showed that Country of Origin (COO) significantly and positively influences Purchase Intention ($\beta = 0.730$, $p < 0.001$). This confirms that Indonesian consumers rely on COO as a strong extrinsic cue when evaluating smartphones, aligning with prior studies such as Pharr (2005) and Ahmed et al. (2019). Furthermore, COO had a strong effect on Brand Image ($\beta = 0.924$, $p < 0.001$) and Attitude Towards the Brand ($\beta = 0.542$, $p = 0.001$). These findings indicate that perceptions of a product's origin shape both the symbolic image of the brand and the emotional attitudes of consumers, reinforcing COO as a powerful factor in emerging markets. However, the analysis revealed an interesting anomaly: Brand Image did not significantly influence Purchase Intention ($\beta = 0.027$, $p = 0.844$). This contradicts many established studies, such as He et al. (2012) and J. F. Setiadi & Ruslim

(2020) which suggests that a strong brand image generally drives consumer purchase decisions. This result may reflect that Indonesian consumers place greater emphasis on practical considerations, such as value for money and COO, rather than on symbolic brand associations. On the other hand, Brand Image significantly influenced Attitude Towards the Brand ($\beta = 0.382$, $p = 0.018$), suggesting that while image may not directly trigger purchases, it helps shape consumers' overall evaluations of the brand. Moreover, Attitude Towards the Brand significantly affected Purchase Intention ($\beta = 0.197$, $p = 0.031$), confirming the role of consumer attitude as a psychological pathway from COO to actual purchase intention. Mediation testing further reinforced this conclusion: while Brand Image failed to mediate the relationship between COO and Purchase Intention, Attitude Towards the Brand partially mediated the effect, highlighting the importance of emotional and evaluative responses over mere perceptions.

CONCLUSION

This study examined the influence of Country of Origin (COO) on purchase intention in the Indonesian smartphone market, with Brand Image (BI) and Attitude Towards the Brand (ATB) as mediating variables, using Vivo as the case study. The findings reveal several key points, such as:

1. COO exerts a strong direct influence on purchase intention, confirming that Indonesian consumers regard the origin of a product as a critical factor in their purchasing decisions. COO also significantly affects both brand image and consumer attitudes, reinforcing its central role as an extrinsic cue in product evaluation.
2. Brand Image significantly shapes Attitude Towards the Brand, it does not directly influence purchase intention. This contrasts with prior studies but highlights that Indonesian consumers prioritize COO and brand attitudes over symbolic brand associations when deciding whether to purchase Vivo smartphones.
3. Attitude Towards the Brand significantly influences purchase intention and partially mediates the relationship between COO and purchase intention. This demonstrates that COO impacts consumer behavior not only directly but also indirectly through shaping consumer attitudes.

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