

## **Significance of Country of Origin on Consumer Buying Behavior with Mediation Model of Religiosity among the Students of Higher Education Institutes in Lahore**

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### **Abstract**

*The study concerns with the significant impact of Country of Origin (COO) on Consumer Buying Behavior (CBB) along with discussing the mediating role of Extent of Religiosity (EOR) in consumers regarding COO for food and personal hygiene items. The study confers with explanatory examination in nature while addressing the behavior of 405 university students of both public and private sector universities in Lahore city of Pakistan enrolled in applied sciences and social sciences disciplines. Different statistical analyses were used to analyze the data i.e. Descriptive Statistics, Factor Analysis (KMO and Bartlett's test, Eigen values and Total Variance), Regression analysis and Correlation analysis by using SPSS 20.0 to ensure reliability and validity of research contents. The empirical result indicates that COO has statistically significant impact on CB which is positively mediated by EOR.*

**Keywords:** Country of Origin (COO), Consumer Buying Behavior (CBB), Extent of Religiosity (EOR).

### **Introduction**

Being the emerging market today, Pakistan is relying best on its strengths to win the race of dynamic emerging market group members. According to Pakistan Economic Survey 2015-16, Pakistan was lucky enough to be enlisted in MSCI Emerging Market Index in June 2016 due to significant growth in GDP as FY 2016 ended up with 4.71% growth in GDP which was the highest rate in last eight years. After being upgraded from a frontier economy to an emerging market in MSCI index, Pakistan is considered potential enough to perform well in all economic sectors (Lagarde, 2016). Such economic transformations along with distinct geographic and cultural attributes have made world act more consciously about this country. Not only investors, but the consumers are also acting more wisely in their decision making process about the consumption of a particular product/ brand. To compete the growing markets, global brands are trying hard along with local brands by meeting more of cultural and social needs of consumers; this in return earns long lasting customer-brand relationships (Kashif, Awang, John , & Altaf, 2015). The competition today has reached beyond the price and quality of the product; to gain

consumer loyalty social approval is a necessity now. One such element that can alter consumer choice of buying a product/brand can be “Made in” tag which is a good influencer to make consumer buy or boycott specific countries’ products (Gao , Wong , House , & Spreen 2014).

Moreover, religious orientation is another factor that is being observed playing prevailing role in product positioning among consumers of countries like Pakistan where religious believes are said to dominate every basic aspect of people’s lives. Pakistan is an Islamic state; consumers here are observed to depict strong religious orientation in case of accepting product/brands especially owned by non-Muslims; therefore Pakistanis like other Muslim Consumers if doubt the ingredients of the product or makers of the product they simply refuse to use it under their religious obligations(Alam, Arshad, & Shabbir, 2012). In such conditions an analysis of Pakistani consumer market is very crucial before setting up a business here. Hence present study is an attempt to play a basic role while conveying consumers’ expectations regarding foreign products to the investors if product origin is a hated country which is being hated on religious basis and/or the product contains haram (prohibited by Islam) ingredients.

### Literature Review

Although studying consumer psyche regarding product purchase behavior is vast and complex phenomenon yet (T. A. Baazeem, Bougoure, & Neale, 2013) has presented three simplified components to study “Made in” effect under consumer emotions i.e. animosity, ethnocentrism, and religiosity. Following study has tried to dig deeper penetrations in all possible aspects animosity and religiosity in order to study behavior of students from Higher Education Institutes (HEIs) of Lahore, the capital city of Punjab province of Pakistan regarding foreign products.

### Consumer Buying Behavior

As defined by Sharma and Sonwalkar (2013) “*Consumer Behavior is study of the processes that individuals or groups go through in making their purchasing choices in order to satisfy their needs*”. Consumer Buying Behavior (CBB) is a form of human behaviors under which consumer decided whether to buy a product or not and have logical reasons for consuming or avoiding a product. The CBB can be affected by daily routine of the consumer, culture, economy of the country, quality of life of the consumer and social influence. Therefore it is considered both a psychological and a social process as it involves physical as well as mental activities that are activated due to combine effect of internal emotions and external routines in the surroundings of the consumer after which a consumer finally becomes able to design its buying behavior (Modi & Jhulka, 2012). As identified by (Kotler & Armstrong, 2012), CBB is influenced mainly due to four basic factors i.e. psychological characteristics, personal characteristics, social characteristics and cultural characteristics of the consumer. CBB is also not a fixed phenomenon and it keeps on changing as there occurs some change in all or any of the basic four factors as described by Modi and Jhulka (2012) therefore it is considered a complex and dynamic process for any analysis. Present study has attempted to study CBB when consumers have to make choice between consuming and denying a foreign product in case if no domestic alternatives are available and Country of Origin does not have a positive image in front of consumers.

### Country of Origin and Consumer Buying Behavior

International Markets are concerned more to study influence of image of Country of Origin on consumer buying behaviors (Leonidou, Samiee, Aykol, & Talias, 2014; Samiee, 2010, 2011) and when no tangible information is present, the consumers look up for the image of COO regarding foreign products in order to make wiser buying decisions, this ultimately depicts COO is able to impact consumers' feelings, willingness to buy foreign products and product preferences. The concept is conceptualized as the country of manufacture or assembly, identified by "made in" or "manufactured in" labels (Han & Terpstra, 1988). Therefore COO is now considered a keen factor to study consumers' decision making process as well (Hogg, Askegaard, Bamossy, & Solomon, 2006). A product/brand today is induced today to be aligned with consumer needs hence creating a competitiveness among products from different manufacturers or different countries of manufacture. This rivalry is tried to be tackled by promoting the Country of Origin – COO by the international marketers in order to gain more customer loyalty by influencing customer choices (Koschate-Fischer, Diamantopoulos, & Oldenkotte, 2012; Xie, Batra, & Peng, 2015).

Utilizing COO as a tool to motivate consumers to buy a product is not always beneficial. The studies have also shown that COO also plays important role in consuming or denying a product when consumers do not have sufficient information about the product and are compelled to believe on the rumors and exposures they have set in their minds because of stereotyping about that country (Koschate-Fischer *et al.*, 2012). Consequently, positive country images give the country's products a competitive edge, whereas negative country images can be formidable barriers to international marketers attempting to enter foreign markets, even if the perceptions are misguided or erroneous(Balabanis & Diamantopoulos, 2011). The investigations done by (Ali, Rehman, & Rehman, 2015) suggested that Pakistani consumers are always found "Made in" effect conscious and they chose products on the basis of COO if they are provided with alternatives. Even a strict refusal is received from majority of consumers about certain products if they do not know the COO of those products. Such consumers have their own benefits of knowing COO like few of them believes knowing origin of product makes it easier to decide quality of the products as well.

Therefore regarding impact of Country of Origin and Consumer Buying Behavior, the study suggests its first hypothesis as

- $H_1$ : There exists a positive and statistically significant relationship between Country of Origin and Consumer Buying Behavior.

### **Extent of Religiosity and Consumer Buying Behavior**

The factors that decide consumer behavior are also affected by culture of the consumers' societies making a strong influence on the marketing decisions of the investors (Tse, Lee, Vertinsky, & Wehrung, 1988) and on the behavior of consumers(Maheswaran & Shavitt, 2000). However, (De Mooij, 2010, 2013) in her important work on culture, has noted that research has shown that once basic needs are met, rather than converge, people's consumption diverges consistent with their local and national cultures. Given that, across a group consisting of 1.8 Billion who share a culture, consuming in line with their Muslim culture should surprise no-one. Rather than reducing Muslim consumption to its bare bones, the acknowledgement and need meeting of this significant segment is both profitable and forecasted to become more so (Stephenson, 2014). In this way, branding to the Ummah rather than individual Muslim nations can not only be successful, but is a reasonable strategy (El-Bassiouny, 2014). Identifying the

Muslim nation as a segment, rather than identifying just a geographical national segment for Muslims, also acknowledges the free will of individual Muslims, their diversity and variation(s). Among the cultural factors, religion also falls as a key factor (Sood & Nasu, 1995) in the form of impelling consumers' buying decisions under the norms obliged by that religion/religions because the consumption patterns of consumers regarding almost all products are aligned with their religious teachings. (T. A. S. Baazeem, 2015) made investigation in same direction to study how much a religion can restrain its consumers to avoid a prohibited product under the religious norms and consumers' religious beliefs and contributed this dimension of consumer shopping behavior by confirming strong influence of religion on consumer choices; which is also a worldwide accepted concept for example, Hinduism prohibits the consumption of beef products, while in Islam, religious values and norms prohibit gambling.

Generally accepted as "Degree to which individuals are committed to a specific religious group" (Nejdet Delener, 1990) religiosity is the parameter; if studied thoroughly, can give insight into decision making power of consumers obeying any religion towards buying a product (Worthington, Martin, Al-Husseini, Dyer, & Johnson, 2003). N Delener (1990b) claimed that it is religiosity that is the utmost cultural operator in shaping consumer buying behaviors because a firm purchase decision is related to adhere religious faith; Sood and Nasu (1995) and Patel (2012) affirmed this by narrating an individual's beliefs and behaviors are only affected to that extent as much he obeys his religion because a highly religious person is evaluated to involve more religious obligations in daily chores. Bailey and Sood (1993) have conducted studies which showed that different religious groups show different consumer behaviors based on their religious teachings plus the adherence towards religion. These studies from Washington DC and Mauritius respectively proved that religions like Buddhism, Catholicism, Protestantism and Judaism all have dominance in consumers' shopping attributes but the Hindus and Muslims remained those who show more rationale and distinct consumer behaviors. The study was done on a bit larger scale in six countries by Fam, Waller, and Erdogan (2004) to analyze the effects of four controversial products advertising on four religious groups and the results clearly proved that Muslims have the most unpleasant responses towards such advertisements. The same study was conducted by Nooh, Shukor, Aziz, Khairi, and Abdullah (2014) where it was depicted that religiosity has direct relationship with the offensiveness towards the controversial products in Malaysia.

Nooh et al. (2014) affirmed the study done by Abdur Razzaque and Nosheen Chaudhry (2013) that religiosity is directly proportional to consumer information seeking behavior where a more adherent religious person is found to seek more in-depth information about a product or brand before purchasing that. The study of Talay, Townsend, and Yeniyurt (2015) found that customer tries to attain maximum information by focusing on word of mouth, the packing, labeling and ingredients of a product before deciding to consume that as it the matter of belief and religious obligations because a religious person especially a Muslim cannot risk his religion for a product or brand. Marketing strategies, tactics or even reactions over events occurring in a given market, which mainly aim to reach consumers' satisfaction, may experience serious consumer backlash if they conflict with the religious norms of their target audience (Muhamad & Mizerski, 2013; Swimberghe, Flurry, & Parker, 2011) therefore considering extent of religiosity in the consumers of potential market is now a keen factor for the international investors. Therefore, to study the effect of Extent of Religiosity on Consumer Buying Behavior for foreign food and personal hygiene items, present study suggests its second hypothesis as

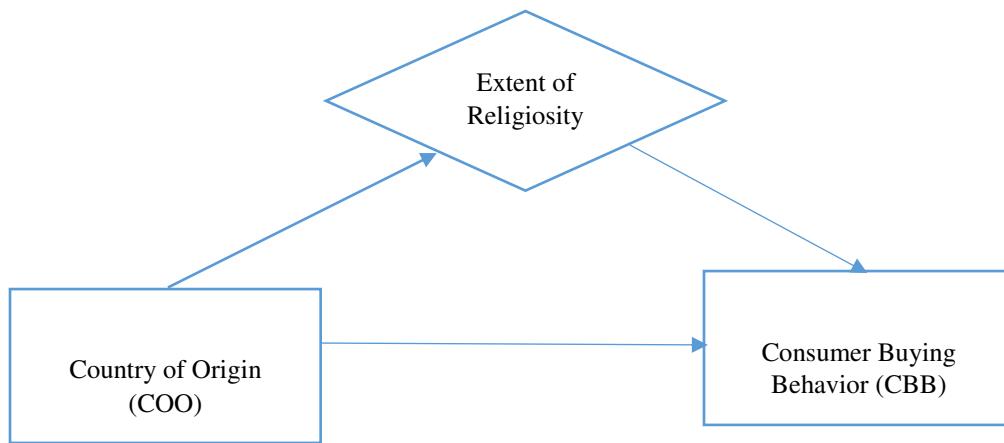
- $H_2$ : Extent of Religiosity positively and statistically significantly mediates the impact of Country of Origin and Consumer Buying Behavior.

### **Research Question**

Does country of origin effects Consumer Buying Behavior of the students of Higher Education Institutes of Lahore when Religiosity plays mediation role?

### **Conceptual Model**

Based on literature, the current study proposed following conceptual model



*Figure .1 Conceptual Model*

### **Purpose and Significance of the Study**

The goal of this study is to examine the impact of Country of Origin on Consumer Buying Behavior of home country hate host country on religious basis. The study of students of HEIs as representative of Pakistani Consumers will provides evidence that whether religious norms affects consumers' buying psyche to noticeable extent or not. More extensive and enduring focus on this element is invited to be made to allow religious consumers make risk free choices among various available alternatives of same product from different countries as well as investors must also be benefited from their increased global sales.

The aim here is to generally improve the theoretical understanding of consumer perceptions regarding a foreign product if the product or the COO of the product has harmed religious emotions of consumers. Although literature has some work in similar dimensions yet very few valid and detailed researches exist in the context of Pakistani Muslim Consumers especially regarding food and personal hygiene products.

### **Research Methodology**

This chapter covers the rationale of current study's methodology by establishing its philosophical foundations of the main basic purpose of study while justifying research design; chosen sampling methods; data collection, its measurement, analysis methods and validity & reliability of data.

## **Variables**

The study was conducted to analyze the impact of COO on CBB with the mediating role of EOR. The study focuses that if Pakistan does not have a particular food or personal hygiene product and has to import that product from a country that has damaged religious emotions of Pakistani Consumers then whether Pakistani Consumers will consume that product or they will boycott it. To study this effect, COO is taken as independent variable, CBB is dependent variable and EOR is the mediating variable.

## **Population and Sampling**

Population is defined as "each conceivable case that could be incorporated into a study" (David & Sutton, 2011). A population is about whole group of individuals that the researcher wishes to investigate or search about (Stangor, 2014). For present study samples were heterogeneous therefore stratified sampling technique was utilized by dividing population into strata and samples were drawn from each stratum to pool single-set observations.

The unit of analysis in this research is students of HEIs of both public and private sector universities in Lahore city of Pakistan as representative of whole HEIs students of Pakistan. As per the Higher Education Commission (HEC), there are following HEIs recognized as universities/DAIs under general categories. The list of both public and private universities is given below where Public Sector was considered Stratum 1 and Private Sector as Stratum 2.

<b><u>Stratum 1: Public sector HEIs in Lahore</u></b>	<b><u>Stratum 2: Private sector HEIs in Lahore</u></b>
1. Virtual University of Pakistan	1. University of South Asia
2. University of Veterinary & Animal Sciences	2. University of Management and Technology
3. University of the Punjab	3. University of Lahore
4. University of Health Sciences	4. University of Central Punjab
5. University of Engineering & Technology	5. The Superior College
6. University of Education	6. Qarshi University
7. Pakistan Institute of Fashion & Design	7. Nur International University
8. National College of Arts	8. National College of Business Administration & Economics

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|---|--|
| 9. Lahore College for Women University              | 9. Minhaj University   |
| 10. Kinnaird College for Women                      | 10. Lahore University of Management Sciences                               |
| 11. King Edward Medical University                  | 11. Lahore School of Economics   |
| 12. Information Technology University of the Punjab | 12. Lahore Leads University  |
| 13. Government College University, Lahore           | 13. Lahore Garrison University   |
|   | 14. Institute of Management Sciences                                       |
|   | 15. Imperial College of Business Studies                                   |
|   | 16. Hajvery University   |
|   | 17. Global Institute (Admission & Attestation<br>stopped by HEC from 2016) |
|   | 18. Forman Christian College   |
|   | 19. Beaconhouse National University  |
|   | 20. Ali Institute of Education   |
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### **Sample Selection**

The universities are selected by following the method used by researches like 20, 21, 22; where if number of selected items (N) is less than or equal to 13 then value of (n) will be 2. Since the Public Sector Universities are 13 here, therefore  $N_{13}=n_2$ . So

### **Public Sector University, Lahore**

$$N_{11}=13$$

$$n_{11}=02$$

Hence by following this criterion, the researcher has chosen two mentioned Public Sector Universities randomly from the already developed two strata (Public and Private), Universities selected from Public Sector are 9 and 11 i.e.

1. Lahore College for Women University
2. King Edward Medical University

Similarly, if number of selected items (N) is greater than 18 and equal to 23 then value of (n) will be 3. Since the Private Sector Universities are 20 here, therefore  $N_{23}=n_3$ . So

### **Private Sector University, Lahore**

N<sub>21</sub>=20  
n<sub>21</sub>=03

Universities selected from Private Sector are 3, 5 and 16 i.e.

1. University of Lahore
2. The Superior College
3. Hajvery University

### **Choosing Respondents**

The sample consists of students of HEIs of Applied Sciences & Social Sciences departments only from both Public and Private Universities of Lahore Pakistan. Secondary data was collected by distributing questionnaires and respondents were requested to fill the self-administered questionnaires by carefully understanding the concepts of COO, CBB and EOR. The minimum required sample size for present study came out to be 300, since suggested sample size for factor size should be five times greater than the total number of items used in the study; therefore total 500 questionnaires were distributed to the respondents in selected universities. Data collection was done within one month during September, 2017 by field visits. Out of 500 questionnaires, data from 405 questionnaires was analyzed for the final results as 72 questionnaires were not returned to the researcher whereas 23 were not filled properly by the respondents.

To confirm the validity of collected data, Principal Component Analysis (PCA) was applied to the data since it is considered most refined method for factor analysis. PCA is statistical tool to check inter-item correlation of the scale. If the items of variables measure same underlying concept, the PCA exact only one component with greater eigenvalues 1.0 that provides better measurement of the concept.<sup>26</sup> Lower than 0.4 or 0.5 factor loadings should be deleted. SPSS version 20.0 is utilized to apply PCA.

### **Reliable and Valid Measurements**

The variables of the study Country of Origin, Extent of Religiosity and Consumer Buying and all 15 attitude statements against these three variables are measured by the 5 point Likert scale. This present study followed robust procedures to ensure the reliability of research findings. First of all, the researcher utilized the principally accepted measurement scale – Likert Scale to test the variables. The internal consistency of this study's modified Likert Scale was analyzed by a reliability test, in which Cronbach's Alpha values have been varying from 9.21 to 9.6 suggest a very good level of internal consistency. This means the Likert scale adopted by this study produces consistent results.

### **Data Analysis**

After applying descriptive analysis, following results came out for the collected data.

*Table 1. Demographic Profile of Respondents*

Respondent Demographics	Frequency	%
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Gender (N = 405)		
• Male	202	49.9
• Female	203	50.1
Level of Education (N = 405)		
• BS	200	49.4
• MS	190	46.9
• PhD	15	3.7
Name of University (N = 405)		
• Lahore College for Women University	80	19.75
• King Edward Medical University	81	20.0
• University of Lahore	79	19.5
• The Superior College	85	21.0
• Hajvery University	80	19.75
Discipline (N = 405)		
• Applied sciences	190	46.9
• Social sciences	215	53.1

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Source: Own calculation using SPSS 20.0

According to table 1, out of 405 populations, 202 (49.9%) respondents were males and 203 (50.1%) respondents were females. The Education Level of all 405 respondents was also different, 200 (49.4%) respondents were having degree of BS, 190 (46.9%) were holding degree of MS and 15 (3.7%) alone were having doctorate degree which showed majority of the respondents have MS degrees. Whereas statistics from the above table explained that 80 (19.75%) respondents belong to Lahore College for Women University, 81 (20%) respondents belong to King Edward Medical University, 79 (19.5%) respondents are from University of Lahore, 85 (21%) are designated in The Superior College whereas 80 (19.75%) respondents are the students of Hajvery University.

*Table 2: Descriptive Statistics of Questionnaire*

Items	N	Minimum	Maximum	Mean	Std. Deviation
Extent of Religiosity					
EOR 1	393	1	5	3.46	.589
EOR 2	392	1	5	3.48	.258
EOR 3	396	1	5	3.47	.369
EOR 4	397	1	5	3.59	.485
EOR 5	394	1	5	3.45	.254
Country of Origin					
COO 1	397	1	5	3.78	.895
COO 2	398	1	5	3.58	.365
COO 3	396	1	5	3.89	.458
COO 4	395	1	5	3.47	.489
COO 5	393	1	5	3.45	.489
Consumer Buying Behavior					
CBB 1	394	1	5	3.58	.789
CBB 2	397	1	5	3.69	.598
CBB 3	396	1	5	3.54	.458
CBB 4	397	1	5	3.48	.698
CBB 5	398	1	5	3.45	.258

*Source:* Own calculation using SPSS 20.0

A total of 15 items are used in the study where each dependent (CBB), mediating (EOR) and independent (COO) variables consist on 5 items to be studied under them. This was done in order to get deeper knowledge of respondents' intentions about the chosen variables and also to analyze presence of relationship among variables for the present study. Responses of all items were measured using Likert scale which gave mean score of different values ranging from 3.26 to 3.69, while standard deviation with the range 0.547 to 0.992 for the collected data.

*Table 3:* Reliability of Measurements

Constructs	Valid N	Number of Items	Cronbach's alpha
Extent of Religiosity	384	5	.945
Country of Origin	389	5	.969
Consumer Buying Behavior	394	5	.926
Over all reliability (taking all items)	394	15	.921

*Source: Own calculation using SPSS 20.0*

Table 3 is constructed to inspect the reliability of questionnaire with the help of Cronbach's Alpha. The estimated values of coefficient of Cronbach's Alpha make sure whether items are reliable if the values go higher and vice versa. The present table shows overall value of Cronbach's alpha varying from .921 to .969 where value for CBB is .926, value for EOR is .945 and value for COO is .969 that state reasonable reliability of items used in the study. As the values are higher here, this depicts that there is strong consistency amongst constructs items(Cronbach, 1951). The overall reliability of construct is shown as 0.921.

### **Factor Analysis**

Validity is to identify if instruments used in research are capable enough to measure accurate content of the research area and research content is accurate (Shah Alam & Mohd Yasin, 2010). Present study has related extent of COO influence CBB when EOR acts as mediating factor with the help of research instrument i.e. self-administered questionnaire. So to affirm that the given data gathered from respondents is sufficient for component examination, KMO is utilized with Bartlett's test and Eigen values.

*Table 4: KMO and Bartlett's Test*

Constructs	No of items	KMO Measure of Sample adequacy	Bartlett's Test of Sphericity Chi-Square	Bartlett's Test of Sphericity Significance
Extent of Religiosity	5	.897	1.46	.000
Country of Origin	5	.985	1.11	.000
Consumer Buying Behavior	5	.889	1.11	.000

*Source:* Own calculation using SPSS 20.0

Since to measure the convergent validity, factor analysis is considered the most recommended and reliable tool (Klein, Astrachan, & Smyrnios, 2005; Kreiser, Marino, & Weaver, 2002; Moriano, Palací, & Morales, 2006), therefore this study has applied Kaiser–Meyer–Olkin (KMO) for factor analysis. If KMO results are lies equal or exceeds 0.7, then it proves research contents are valid. The results came for selected sample gave KMO values for COO equal to .985, CBB equal to .889 and EOR equal to .897 whereas Bartlett's Sphericity Test remained highly significant at .000 for all three elements; hence these statistics are greater than the pre-set level therefore data remained suitable as research content.

*Table 5:*Eigen Values and Total Variance Explained

Constructs	Components	Initial Eigenvalues		
		Total	% of variance explained	Cumulative % of variance explained
Extent of Religiosity	COMP 1	3.957	89.256	89.256
Country of Origin	COMP 1	3.875	82.569	82.569
Consumer Buying Behavior	COMP 1	3.589	85.256	85.256

*Source:* Own calculation using SPSS 20.0

As per (Shah Alam & Mohd Yasin, 2010) and (Alfansi & Sargeant, 2000), factors having eigenvalue of greater than 1.0 are considerable for further investigations. All three factors came out with eigenvalues greater than 1 and the factors showed cumulative variance as COO 82.569%, EOR equal to 89.256% and CBB equal to 85.256%,

*Table 6:* Factor Loadings

	Items	Loadings
Extent of Religiosity		
EOR 1	My religion Islam answers all questions of my life	.895
EOR 2	Quite often I am keenly aware of the presence of ALLAH while doing my daily chores	.879

EOR 3	Occasionally I find it necessary to compromise my religious beliefs in order to protect my social and economic interests	.859
EOR 4	I somehow believe in my religious orders but I feel there are many more important things in my life	.924
EOR 5	I willingly assume responsibility to take action when I see an un-Islamic act to resolve the issue	.965

#### Country of Origin

COO 1	Pakistan should not participate in any international organization which requires that Pakistanis give up any of their national rights of freedom of religious actions	.895
COO 2	I believe Pakistani people should always buy Pakistani-made Halal products instead of imported products	.896
COO 3	It is not right to purchase foreign Halal products, because it puts Pakistanis out of jobs	.845
COO 4	If I move to the foreign country and I have to buy a product, then it is very likely that I would switch to that country's brand	.896
COO 5	When consuming a particular foreign product, I do not try it if it does not fit the norms and values of my religion	.865

#### Consumer Buying Behavior

CBB 1	I feel that it is important to look for a country of origin information when deciding which product to buy	.875
CBB 2	When I am buying a new product, the country of origin is the first piece of information that I consider	.845
CBB 3	To purchase a product that is acceptable to my family and my friends, I still look for the product's country of origin	.865
CBB 4	I consume a foreign product if I have social influence	.789
CBB 5	I consume a foreign product if it is of high quality	.795

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*Source: Own calculation using SPSS 20.0*

The loading off value for all elements must be greater than 0.40 and loadings less than 0.40 are ought to be deleted. All of factors here have shown loadings more than 0.40 and varied between 0.859 – 0.965 for EOR, 0.845 – 0.896 for COO and 0.795 – 0.875 for CBB.

## Correlation Matrices

*Table 7: Correlation Matrix for Extent of Religiosity*

	1	2	3	4	5
EOR 1	1	.581**	.896**	.548**	.879**
EOR 2		1	.583**	.607**	.698**
EOR 3			1	.985**	.604**
EOR 4				1	.895**
EOR 5					1

*Source: Own calculation using SPSS 20.0*

\*\*significant at 1%

*Table 8: Correlation Matrix for Country of Origin*

	1	2	3	4	5
COO 1	1	.251**	.458**	.879**	.896**
COO 2		1	.369**	.745**	.478**
COO 3			1	.369**	.895**
COO 4				1	.769**
COO 5					1

*Source: Own calculation using SPSS 20.0*

\*\*significant at 1%

*Table 9: Correlation Matrix for Consumer Buying Behavior*

	1	2	3	4	5
CBB 1	1	.785**	.458**	.725**	.369**

CBB 2	1	.698**	.896**	.715**
CBB 3		1	.589**	.706**
CBB 4			1	.758**
CBB 5				1

*Source:* Own calculation using SPSS 20.0; \*\*significant at 1%

To measure discriminant validity, correlation is used which analyses the relationship between items that is represented by correlation coefficient in numeric terms. If value of correlation coefficient is close to 1, the correlation is very strong, conversely, if r is close to 0, the correlation is very weak while if value is 1 it means relationship is perfect and if value is exact 0 than there exists no relationship between variables. Items should correlate more strongly with their own construct than with any other, indicating that they are perceived by respondents as belonging to their theoretical construct (Messick, 1988). Tables 7 to 9 show correlations matrices for EOR, COO and CBB respectively and the results show there is association between the items.

### Regression Analysis

To study dependence of variables on independent variables, regression analysis is carried out. Simple regression is a statistical technique that estimates the dependence of a variable of interest on one independent variable. It can be used to estimate the effects on the dependent variable of a given independent variable. It is a powerful and flexible technique that can be used in a variety of ways while multiple regression is a technique that allows additional factors to enter the analysis separately so that the effect of each can be estimated. It is valuable for quantifying the impact of various simultaneous influences upon a single dependent variable. Further, because of omitted variables bias with simple regression, multiple regression is often essential (Agresti & Kateri, 2011) (Hilbe, 2011).

*Table 10:* Direct Relationship of COO, EOR and CBB

Independent variables	Dependent variables	
	Extent of Religiosity	Consumer Buying Behavior
Country of Origin	.889** (39.589)	.878** (39.587)
Adjusted R <sup>2</sup>	.805	.812
F-Statistics	1.61	1.59

*Source:* Own calculation using SPSS 20.0; \*\*significant at 1%

In table 10 regression is applied on the data. Here the value of adjusted R-square is checked to show percentage of change brought in dependent variables EOR and CBB due to independent variables COO. The Prob. (F-statistics) value is also checked which shows whether data is stationary or not. The above table shows that value of adjusted  $R^2$  is 0.805 for EOR which shows that there occur 80.5% change in EOR due COO while value of adjusted  $R^2$  is 0.812 for CBB which shows that there occur 81.2% change in CBB due to COO. The Prob. (F-statistics) value in the above table is 1.61 for EOR and 1.59 for CBB which is greater than 0.05 and it shows data is stationary.

*Table 11:* Direct Relationship of EOR with CBB

Independent variables	Dependent variables
	Consumer Buying Behavior
Extent of Religiosity	.489** (31.658)
Adjusted $R^2$	.895
F-Statistics	1.42

*Source:* Own calculation using SPSS 20.0; \*\*significant at 1%

In table 11, regression is applied again on the data and the value of adjusted R-square is checked to show percentage of change brought in dependent variable CBB due to independent variable EOR. The Prob (F-statistics) value is also checked which shows whether data is stationary or not. The above table shows the value of adjusted  $R^2$  is 0.895 for CBB which shows that there occur 89.5% change in CBB due EOR. The Prob (F-statistics) value in the above table is 1.42 for EI which is greater than 0.05 and it shows data is stationary.

### Mediation Analysis

As per previous studies, mediation effect can be measured if following assumption are fulfilled all at once (Baron & Kenny, 1986):

- ✓ Independent variable must significantly impacting dependent variable
- ✓ Independent variable must also be significantly impacting mediating variable
- ✓ Mediating variable must significantly impacting dependent variable

Regression analysis carried out through SPSS is shown in tables 10 & 11 which has already fulfilled above mentioned three conditions. Therefore mediation is applied on the sample data to study intervention impact. To calculate aberrant impact of independent variable COO on dependent variables EOR and CBB, Sobel Test is applied that not only measures extent of aberrant impact but also computes critique of this impact.

*Table 12:* Direct Relationship of COO and CBB

Independent variable	Dependent variables
	Consumer Buying Behavior
Country of Origin	.878** (39.587)
Adjusted R <sup>2</sup>	.812
F-Statistics	1.59

*Source:* Own calculation using SPSS 20.0; \*\*significant at 1%

*Table 13:* Mediation relationship of EOR

Independent variable	Dependent variable
	Entrepreneurial Intention
Word of mouth	.789** (22.874)
Knowledge sharing	.548** (2.978)
Adjusted R <sup>2</sup>	.878
F-Statistics	750

*Source:* Own calculation using SPSS 20.0; \*\*significant at 1%

*Table 14:* Sobel Test

Independent variable	Mediating	Dependent	Sobel test value	P-value
Country of Origin	Extent of Religiosity	Consumer Buying Behavior	2.96960926	0.0029

*Source:* Own calculation using SPSS 20.0

*Table 15: Aroian Test*

Independent variable	Mediating	Dependent	Aroian test value	P-value
Country of Origin	Extent of Religiosity	Consumer Buying Behavior	2.96866757	0.0029

Source: Own calculation using SPSS 20.0

*Table 16: Goodman Test*

Independent Variable	Mediating	Dependent	Aroian test value	P-value
Country of Origin	Extent of Religiosity	Consumer Buying Behavior	2.97055184	0.0029

Source: Own calculation using SPSS 20.0

Here in these results, significance of coefficients of both mediating (EOR) and independent (COO) variables shows partial mediation of mediating (EOR) variable among dependent (CBB) and independent (COO) variables.

### **Discussion & Conclusion**

COO plays an important role in shaping consumers decision making skills as shown by the regression analysis results of present study where COO significantly impacts EOR and CBB with variances of 80.5% and 81.2% respectively. Thus the studies like (Leonidou *et al.*, 2014; Samiee, 2010, 2011) are proved by the present study by affirming impact of COO on consumer buying behaviors. This information is a crucial contribution for all those international investors who are trying to make adult Muslim consumers a potential market for their future product lines of food and personal hygiene items or who have plans to expand their existing business of such products into other Muslim consumer markets when the Country of Origin of these products is different whereas Country of Consumption is different.

COO image can also be damaged if it is involved in hurting religious emotions of consumers as observed by Nooh *et al.* (2014), Abdur Razzaque and Nosheen Chaudhry (2013) and Talay *et al.* (2015); so to analyze this fact, Muslim Consumers were examined in the current study as Muslims are expected to be extra concerned for their religious sentiments. Pakistani HEIs students were asked to share their views whether they will buy foreign food and personal hygiene items of a country that is being hated for damaging Islamic norms and Muslims in any sector of the world, and the results showed EOR brings 89.5% change in CBB and COO is found

to brings 80.5% change in EOR which means if COO is involved in such anti-Islamic activities, the Muslim consumers will not consume the products from that country even if no domestic alternative is available.

These results when generalized to global markets show that if these keen factors are ignored before entering into a new market or while introducing a new product line in an existing foreign consumer market, serious setbacks can be faced by the investors that not only let down the business ventures but also effects image of the home country in front of the host country. Hence it can be concluded that respecting religious levels of consumers can provide proper portals that can enhance Consumer Buying Behaviors in right direction regarding foreign products. Similarly a good country image is a key to make consumers satisfied with country's products as well while a bad country image can cause a barrier for country's products to enter into foreign markets.

### **Limitations and Future Directions**

Due to the time and resources restraints, this present study has certain limitations. First of all, because of the limited time and resources, this study could not apply a probability sampling strategy on all cities of Punjab province and also on all four provinces of Pakistan. This means the generalizability of the research findings are limited. Although the cluster random sampling obtained a relatively large quantity of data, and multiple educational institutes gave access to both Public and Private Higher Education Institutes of Lahore, the findings could only be reasonably generalized to Pakistan and to the students of HEIs only rather than to all Urban Adult Muslim Consumers of the world.

Secondly, the researcher only had access to ten HEIs which means profiling of students is still limited. Conducting investigations into more institutes and regions of Pakistan will provide a comprehensive picture. Finally, if it is allowed, a further quantitative survey could be conducted after the analysis of the questionnaires' findings to further validate the key conclusions. A further stage of data collection and analysis will dramatically improve the robustness of the research results and make further clarifications.

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