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Factors Affecting Consumers' Intention to Buy Foreign Brands - An Empirical Survey in Serbia

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Abstract:

Research question: The purpose of this paper is to analyze the factors that influence consumers' intentions when buying foreign brands, and then the purchase itself. **Motivation:** The business environment is experiencing an extensive change and it has become very demanding for companies to retain customers as well as market share. Companies must learn to adapt to changes in order to survive in the market, and therefore need to be aware of the needs of their customers and their purchasing decisions. The rise in consumer awareness has led consumers to opt for well-known and high-quality foreign brands. Hence, if companies hope to outperform their competitors, they need to persuade consumers to purchase their products and brands. **Idea:** The main objective of the research is to be based on previous research in this field to find out whether perceived quality, prestige, perceived value and environmental impact affect the intention of domestic consumers to buy foreign brands, and consequently the purchase of these foreign brands. **Data:** The survey was conducted on the territory of the Republic of Serbia by means of a questionnaire and included 158 respondents. Data were collected from the respondents electronically during a period of about one month. **Tools:** Statistical analyses of all collected data (utilizing linear correlation, multiple regression analysis, t-test of sample independence and ANOVA) were used to draw conclusions about the relationships between the observed variables and to determine differences in the mean values between individual categories of respondents in terms of buying foreign brands. **Findings:** Multiple regression analysis confirmed the statistically significant influence of perceived quality and perceived value on the intention of consumers in Serbia to buy foreign brands. Other factors do not have a statistically significant effect on consumer intention. Also, a simple regression analysis revealed a statistically significant influence of consumer intention on the act of purchase. At the very end of the paper, it was determined that statistically significant differences regarding the purchase of foreign brands existed when respondents were observed by gender and education levels, while age did not have a statistical significance. **Contribution:** This research has a scientific and practical contribution in terms of collecting information about the factors that influence the consumers' intention to buy foreign brands.

Keywords: brand, customer, intention, buying foreign brand

JEL classification: M31, M21

1. Introduction

The process of globalization has resulted in the development of global marketing across the globe. Globalization allows the users to choose among products from various countries. Therefore, in a growing global economy, brand is gaining in importance. A brand is a very important asset (Gunter & Kriegbhaum-Kling, 2001). A symbol, sign and name of the product create the brand. Choosing a brand is a very important decision made by customers. Companies try to increase their brand image in different ways, as image increases brand loyalty and greater brand loyalty leads to re-purchase. The connectivity of different brand theories suggests that branding is a tool that links customers with the company and helps in maintaining such a relationship in the long term (Chang & Chieng, 2006; Davis et al., 2000). The brand enables cus-

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tomers to make the right choice that meets their wishes and needs for any product or service. A number of researchers have developed various models, theories and frameworks to establish how brands influence consumer behaviour from different aspects. Macdonald and Sharp (2000) point out that while consumers are aware and inclined to buy a product, brand awareness is still a dominant factor influencing their final decision to buy a particular product. Products with greater brand recognition will have a higher market share and a higher quality score. Suh and Kwon (2002), on the other hand, believe that impact of globalization should not be neglected. Not all consumers are contented with globalization. In addition, the abundance of foreign products is said to contribute to the negative feelings of local consumers towards foreign brands (Shimp & Sharma, 1987). In addition, consumers who associate political happenings with regard to product purchases become hostile to products from these countries (Klein et al., 1998). Thus, growing globalization requires from marketers to fully understand the reactions of foreign consumers to their brands.

Consumer behaviour is a complex process associated with numerous activities: searching, selecting, buying, using and evaluating products and services to fulfill different needs and desires. Various internal and external factors influence customer behaviour (Komal Prasad & Jha, 2014). The whole buying decision-making process involves considering the type of a product, quality of a brand, place, time and time spent on shopping. Accordingly, the direct result of customer behavior is the final decision on product and brand selection, quantity, timing and frequency of purchase (Khaniwale, 2015).

2. Literature Overview

2.1. Perceived quality

In marketing literature, perceived quality is widely recognized as a major driver of consumer intention to buy a product (Calvo-Porrall & Levy-Mangin, 2017; Olson & Jacoby, 1972). Perceived quality is defined as the opinion of consumers whether a product or brand can fulfill their expectations. Therefore, if consumers feel that a particular brand can meet their expectations, they will certainly buy it (Kocic et al., 2016). Thus, perceived quality is determined by consumers' subjective assessment of the product (Hazen et al., 2017; Konuk, 2018; Zeithaml, 1988). Bhuian (1997) regards the perceived quality to be an estimate of the consistency of a product specification or an estimate of the added value of a product. Brand quality is defined as recognizing the quality of a product, which affects consumer buying. Garvin (1983) suggests that perceived quality can be explained as the recognition by consumers, whereas objective quality is defined due to product or production orientation. The distinction between objective and perceived quality are reflected in the fact that standards for pre-product quality exist for objective quality, and perceived quality is determined by the internal and external qualities of the product, which is the basis for consumer evaluation (Zeithaml, 1988). Perceived quality is the consumer's assessment of the product's accumulating advantages and a personal sense of product quality (Dodds et al., 1991; Zeithaml, 1988). As Aaker (1996) states, the perceived quality can indicate a visible distinction of a product or service and become the basis for brand selection in the mind of consumers. In a holistic approach, Sirieix and Dubois (1999) reflected on the perceived quality of a product as "an estimate made by the consumer relying on the internal as well as the external dimensions of the product or service". Perceived quality is defined as the consumer's assessment of overall brand excellence based on internal (performance and durability) and external attributes (brand name) (Kirmani & Baumgartner, 2000). Consumers believe in brand and labels as signs of product quality. Consumer appreciation of brand quality replaces price when making a purchasing decision (Dodds et al., 1991). Thus, quality is an assessment of the overall excellence or superiority of a product or service, because quality can be defined at the moment when the consumer assesses the product's characteristics, during purchase or consumption. If a certain product stands out from the competition ones, consumers start to see it as unique and rare. This implies that when the consumer on many occasions differentiates the product from the products made by competitors, then the product becomes recognizable and the perceived quality of the product can be seen as an intermediary variable that is likely to affect the consumer's purchase. A better perception of quality leads to higher profits and long-term growth of a business, which further includes expanding markets and increasing market share.

2.2. Brand prestige

The notion of prestige can mean different things for different consumers. The general premise is that prestigious brands require higher level of interest of the buyer himself and are strongly associated with a self-concept of individual buyers. Consumers' perceived prestige for a brand is created from a multitude of interactions between consumers and different environmental factors, so consumers are expected to have different perceptions of how prestigious the same brands are. Consumers gain the meaning for brand prestige through interaction with people (e.g., peer group), item characteristics (e.g., best features), and hedo-

nic values (e.g., visible beauty) (Vigneron & Johnson, 1999). Brand prestige is an expression of appreciation brought by higher or lower social status defined by life experience, knowledge and awareness of competing brands (O'Shaughnessy & O'Shaughnessy, 2002). Brand prestige represents the relatively high status of product positioning associated with the product brand (Steenkamp et al., 2003). Uniqueness, related to a particular feature or to the overall product quality and performance of a product, is a main criterion based on which a brand can be considered prestigious (Dubois & Czellar, 2002). Compared to non-prestigious brands, prestigious brands not only provide intangible benefits to consumers, but create value for the consumer through status and expressed consumption. Accordingly, some researchers have implied that consumers may think of foreign brands as more prestige with because it is hard to find them and they cost more than the local brands (Batra et al., 2000; Bearden & Etzel, 1982).

Brand prestige is directly related to perceived quality. Steenkamp et al. (2003) found that the consumer value of a global brand was positively related to brand prestige and perceived brand quality. Their results showed that brand prestige significantly influences purchase intent. Vigneron and Johnson (1999) concluded that there are five values consumers seeking prestige usually desire: perceived striking value (to indicate wealth and status of a brand owner status), perceived unique value (related to scarcity), perceived social value, perceived hedonic value and perceived quality value. The first three values are related to social effects and the last two values are related to personal effects. Vigneron and Johnson (1999) clearly state that it is justifiable to explain that consumers expect quality (perceived value of quality) when they opt for famous brands. Wong and Zhou (2005) find that purchase decision are influenced by perceived brand prestige especially with the product categories bearing high social value. Because prestigious brands have the status of high-quality products, consumers do not put much effort to obtain product information necessary to make a purchasing decision. Thus, the cost of information regarding a purchasing decision would be reduced when consumers perceive brands as prestigious (Baek et al., 2010). Therefore, consumers find prestigious brands valuable because, in their opinion, such brands are linked to higher social status, which affects their decision on purchasing these brands.

2.3. Perceived value

Preferred value is an important factor when deciding on a purchase. It is an assessment of the usefulness of a product in terms of value (money) spent by the customer and the value (satisfaction and utility) he or she gets from it (Gan & Wang, 2017; Zeithaml, 1988). In the process of creating the perceived value of a particular product or service, the most important role is played by the benefits and costs that the consumer perceives in the process of purchasing that product or service (Pandza, 2012). Value implies a set of different benefits that consumers receive by investing cash, time and energy in the procurement and consumption of a product and / or service (Sapic et al., 2014). The total value for the buyer is the monetary value that is made up of the economic, psychological and functional benefits that the buyer expects from the offer. The total cost to the buyer is the total perceived cost that the buyer expects during the assessment, procurement, use and disposal of the offer, including monetary, time, energy and psychological costs (Boras, 2018). Dodds and Monroe (1985) also find that consumers will personally estimate what they give and what they receive when purchasing a product / service. In accordance with the utility theory, it is highly likely that the consumers will decide to buy a product if they get more convenience than they pay for the product (Dickson & Sawyer, 1990). According to Woodruff (1997), perceived value is the result of the benefit that customers receive over the price paid for a product / service. Consumers cannot clearly and accurately identify all the benefits offered by products / services, nor the financial investments needed to procure and consume them, so they rely on their valuation when determining value (Sapic et al., 2014). If consumers acquire trusted perceived value while consuming products / services, it will result into a good brand image, loyalty, profit and competitiveness. Several authors state that perceived value influences customer satisfaction, loyalty, and other important actions (Cronin et al., 2000). Also, some authors conclude that perceived value is positively related to purchase intentions (Chen et al., 2017; Pham et al., 2018). Earlier research shows that perceived limited product offerings increase consumer value and brand preference (Verhallen, 1982). This attitude is supported by the understanding of Solomon (1994) that items with limited supply are of high value, while those readily available are less desirable. Therefore, consumers generally consider high value products to be rare and unique, and the shortage of such products greatly stimulate the demand.

2.4. Environmental impact

It is of great importance to mention another factor that can have an impact on purchasing foreign brands, that is, the influence of environment. To be more precise, it denotes a change in the behaviour that happens due to the influence of other people, intentionally or unintentionally. Gladwell (2000) states that new products or trends are designed by creative innovators. Then come the early adopters, followed by an early ma-

majority. At this point, a large number of people are already consuming the idea or product, and the normative and informative influence urges others. As Gladwell explains, the early majority is followed by the so-called late majority, and then finally there is the group called backlog, typically very conservative and resistant to change. A study conducted by Ergin et al. (2010) found a statistically significant influence of the environment (others) on the consumer's intention to buy foreign brands. Therefore, this factor should not be neglected when trying to explain the intention of consumers in Serbia to buy foreign brands.

2.5. Purchase intention

Purchase intention is measured as a dependent variable that depends on various external and internal factors. It is the conscious plan of an individual to buy a certain brand of product. The intention to buy refers to the estimation how probable it is that consumers will or at least will be ready to buy a certain product or service in the future. Increasing purchase intention implies increasing purchasing opportunities (Dodds et al., 1991; Schiffman & Kanuk, 2007). If there is an intention to buy a particular brand, then an evaluation of all brands available in the market is required (Teng et al., 2007). The intention to buy is a probability that a certain product will be bought (Dodds et al., 1991). There is a high correlation between intentions and actual behavior. Rana and Paul (2017) concluded that purchase intention is positively correlated with consumer behaviour and attitude. The stronger the intention to undertake a particular type of behaviour, the more likely it is that the behaviour will be put into action (Sapic, 2017). Having consumers with a positive purchase intention creates a customer loyalty to a certain brand that drives consumers to the actual act of buying.

3. Research Methodology

The subject of research in this paper is to examine the factors that influence the intention of domestic consumers when buying foreign brands. The main objective of the research is to find out whether perceived quality, prestige, perceived value and environmental impact affect the intention of domestic consumers to buy foreign brands, and consequently the purchase of these foreign brands. The defined subject and the aim of the research have been set on the basis of previous research in this field, in which the above mentioned factors were used (Ergin & Akbay, 2010; Hanzaae & Taghipourian, 2012; Rodrigo et al. 2019; Sapic et al., 2018).

Empirical research was conducted by data collecting and analysis. Based on the previous studies mentioned, a selection of the findings was modified and included in the questionnaire. The questionnaire is structured so that in addition to general data on respondents such as gender, age, education and level of monthly income, it also contains findings that determine the factors that influence the intention of domestic consumers when buying foreign brands. Respondents expressed their level of agreement in the questionnaire using a five-step Likert scale (1 – strongly disagree, 5 - strongly agree), which is one of the most commonly used techniques for answering and drawing concrete conclusions in this type of research.

Perceived quality was analyzed in the questionnaire using the first six findings (Ergin & Akbay, 2010; Hanzaae & Taghipourian, 2012). Brand prestige was analyzed through findings 7 - 10 (Ergin & Akbay, 2010; Hanzaae & Taghipourian, 2012), while environmental or other influences were evaluated based on findings 12 - 15 (Ergin & Akbay, 2010). The last factor, perceived value, has been evaluated through findings 16 - 18 (Ergin & Akbay, 2010; Hanzaae & Taghipourian, 2012). Consumer intent, as a dependent variable (variable), in this research was tested through findings 19 - 21 (Rodrigo, Kahn & Ekinci, 2019; Sapic, Furtula & Filipovic, 2018), while purchases were valued through the last two findings 22 and 23 (Sapic, Furtula, & Filipovic, 2018).

In accordance with the defined goal and the subject of the research, the authors set and tested the following hypotheses:

H1: Perceived quality has a statistically significant effect on the intention of domestic consumers to purchase foreign brands.

H2: Brand prestige has a statistically significant effect on the intention of domestic consumers to purchase foreign brands.

H3: The environment has a statistically significant influence on the intention of domestic consumers when buying foreign brands.

H4: Perceived value has a statistically significant effect on the intention of domestic consumers to purchase foreign brands.

H5: The intention of domestic consumers to purchase foreign brands has a statistically significant impact on the purchase of foreign brands.

Because the paper analyzes whether there is a statistically significant difference in the mean values between individual categories of respondents (viewed by their demographic characteristics) in terms of buying foreign brands, the following hypotheses will be set and tested:

H6: There is a statistically significant difference between gender variable towards purchase of foreign brands.

H7: There is a statistically significant difference between the education variable towards purchase of foreign brands.

H8: There is a statistically significant difference between the age variable towards purchase of foreign brands.

To determine the relationship between the observed variables, the hypotheses were tested using the results of descriptive statistics, correlation analysis, as well as simple and multiple regressions. Statistical software SPSS 19.0 was used to analyze the data collected.

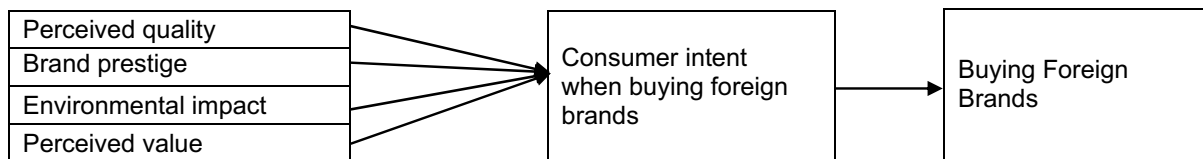


Figure 1: Research model

4. Research Results and Discussion

In determining the factors that influence the intention of domestic consumers to buy foreign brands and then the purchase itself, the interview method or questionnaire technique was used. Data were collected from the respondents electronically in the period from 15.07. to 05.08.2019. In the aforementioned period, a total of 158 respondents provided answers to the statements defined in the questionnaire. The demographic characteristics of the respondents will be shown in the following table.

Table 1: Demographic structure of respondents (n=158).

Demographic characteristics	Frequency	%
Gender		
Men	102	64.6
Women	56	35.4
Age		
18-24	7	4.4
25-34	70	44.3
35-44	60	38.0
45-54	13	8.2
> of 55	8	5.1
Education		
Lower	0	0
Secondary	51	32.3
Higher	9	5.7
High	49	31.0
Master/Magister/Doctor	49	31.0

Source: Prepared by the authors (SPSS 19.0)

Based on Table 1, it can be concluded that the participation of women in this survey (64.6%) is higher than the participation of men surveyed (35.4%). If we look at the age structure, we notice the presence of almost all age groups, with the most significant participation being people from 25 to 34 years (44.3%) and people from 35 to 44 years (38.0%) of age. The smallest number of respondents is comprised of the youngest respondents aged 18-24 (4.4%) and the oldest respondents over 55 years (5.1%) old. In terms of educational structure, the participation of respondents with secondary education (32.3%) and respondents with higher education and titles of masters and PhD (31% each) can be observed. There were no respondents with lower education, while the participation of respondents with higher education was only 5.7%.

In order to determine the homogeneity and heterogeneity of the respondents' attitudes regarding the intention to purchase foreign brands, a descriptive statistical analysis was performed and the arithmetic mean and standard deviation for each statement included in the questionnaire were calculated. It can be observed that the highest values of the arithmetic mean are the statements that belong to the perceived quality. Specifically, the respondents agreed that the quality of a foreign brand is significant to them ($M = 4.42$), and that the quality of a foreign product affects their positive attitude towards a foreign brand ($M = 4.25$). On the other hand, the lowest average value was recorded when stating that the brands owned by the respondents provided prestige, status and respect by members of society ($M = 1.70$). Similarly, for the two statements with the highest average values, the most homogeneous attitudes of the respondents were observed. In other words, the slightest deviation of the responses of each individual respondent from the average value was observed when stating the importance of the foreign brand quality for them ($SD = 0.933$), while the biggest difference in the answers of the respondents was observed in the statement that owning foreign brands gives them status (prestige) in society ($SD = 1.423$).

Since all the findings are grouped into 6 variables, it is necessary to evaluate the reliability of the variables so defined, as well as the internal consistency of the findings associated with those variables. For this purpose, the author used the Cronbach's alpha coefficient. According to the results presented in Table 2, it is observed that the value of this coefficient for all variables is above the recommended 0.7, indicating the corresponding reliability and consistency of the findings (Nunnally, 1978). It should also be noted that the reliability coefficient for the entire model is 0.809.

Table 2: Cronbach alpha coefficient value

Variable	Cronbach alpha coefficient
Perceived quality	0.790
Brand prestige	0.792
Environmental impact	0.783
Perceived value	0.747
Consumer intention	0.758
Buying foreign brands	0.804

Source: Prepared by the authors (SPSS 19.0)

Prior to applying the regression analysis, it is necessary to make a correlation analysis, i.e. to check the degree of dependence between the six variables defined in the model. Based on the results presented in Table 3, we can conclude that there is a statistically significant correlation between all variables in the model and that it is of moderate intensity. The correlation coefficient between consumer intent as a dependent variable and all four independent variables (perceived quality, prestige, environmental impact, and perceived value) is generally of moderate intensity and ranges from 0.3 to 0.6. It should be emphasized that the most significant degree of dependence, i.e. correlation, exists between the perceived value, as an independent variable, and the intention of the consumer, as the dependent variable ($r^2 = 0.573$).

Table 3: Correlation matrix

Variable	1	2	3	4	5	6
Perceived quality	1	0,349**	0,338**	0,418**	0,457**	0,403**
Brand prestige	0,349**	1	0,585**	0,595**	0,333**	0,174*
Environmental impact	0,338**	0,585**	1	0,588**	0,375**	0,193**
Perceived value	0,418**	0,595**	0,588**	1	0,573**	0,425**
Consumer intention	0,457**	0,333**	0,375**	0,573**	1	0,618**
Buying foreign brands	0,403**	0,174*	0,193**	0,425**	0,618**	1

** The correlation is statistically significant at the 0.01 level.

* The correlation is statistically significant at the 0.05 level.

Source: Prepared by the authors (SPSS 19.0)

After the correlation analysis was performed, multiple regression analyses were performed to confirm or refute the research hypotheses. The following independent variables were used in the model: perceived quality, prestige, environmental impact, and perceived value, while consumer intention is set as the dependent variable. Also, multi-collinearity, i.e. the presence of high dependence between independent variables, will be tested, which often makes it difficult to examine the influence of independent variables on the dependent variable. The results of the regression analysis are presented in the following table.

Table 4: Results of multiple regression analysis (dependent variable = consumer intention)

Variable	β	T	Sig.	VIF
Perceived quality	0.268	3.796	0.000	1.244
Brand prestige	-0.071	-0.834	0.406	1.797
Environmental impact	0.047	0.555	0.580	1.770
Perceived value	0.475	5.466	0.000	1.894

Source: Prepared by the authors (SPSS 19.0)

As can be seen, based on the results shown in Table 4, perceived value contributes most to predicting the intention of domestic consumers to purchase foreign brands ($\beta = 0.475, t = 5.466, p = 0.000$) - H4 is confirmed. Multiple regression analysis found that perceived quality also significantly contributed to the prediction of the dependent variable ($\beta = 0.268, t = 3.796, p = 0.000$) - H1 is confirmed, while brand prestige and environmental impact did not have a statistically significant effect on the intention of domestic consumers to purchase foreign brands (H2 and H3 are rejected). Also, we can conclude that the assumption of multi-collinearity in the regression model is fulfilled, i.e. there are no independent variables that correlate highly with each other. Specifically, the variation factor value ranges from 1.24 to 1.89, which is significantly lower than the VIF cutoff value of 10.

In order to test the last set of research hypothesis, we will apply a simple regression analysis. Consumer intention will be used as an independent variable in testing this hypothesis, while buying foreign brands will be set as a dependent variable. The test results of this hypothesis will be presented in Table 5.

Table 5: Results of simple regression analysis (dependent variable = purchase of foreign brands)

Variable	β	T	Sig.	VIF
Consumer intention	0.618	9.827	0.000	1.000

Source: Prepared by the authors (SPSS 19.0)

A simple regression analysis found that there was a statistically significant effect of the intention of domestic consumers to purchase foreign brands ($\beta = 0.618, t = 9.827, p = 0.000$), and that there was no problem of multi-collinearity due to the presence of only one independent variable. Thus, we conclude that the hypothesis of H5 is confirmed.

In addition to the above relationships, the paper analyzes whether there is a statistically significant difference in the mean values between individual categories of respondents (viewed by their demographic characteristics: gender, age and education) in terms of buying foreign brands. For this purpose, the T test of sample independence was used to determine whether men and women differ in their purchases of foreign brands. Also, one-factor analysis of variance (ANOVA) was used to determine whether age and educational status affect the acquisition of a foreign brand. The results of these tests will be presented below.

Table 6: Results of Independent t-test (dependent variable: purchase, control variable: gender)

Control variable	Levene's homogeneity test		Independent t-test	
	F	Sig.	T	Sig.
Gender	0.000	0.992	-3.125	0.002

Source: Prepared by the authors (SPSS 19.0)

Based on the results shown in Table 6, we can conclude that the variance of these two categories of respondents is homogeneous ($F = 0.000, p = 0.992$), and that women and men differ significantly in terms of buying foreign brands ($t = -3.125, p = 0,002$). So, we conclude that the hypothesis of H6 is confirmed. Many previous research studies have concluded that gender has a significant impact on consumer purchase intention (Chen, 2013, Omar et al., 2017).

Table 7: Results of one-way analysis of variance - ANOVA (dependent variable:purchase, control variable: education)

Control variable	Levene's test homogeneity		ANOVA	
	F	Sig.	T	Sig.
Education	1.086	0.357	4.405	0.005

Source: Prepared by the authors (SPSS 19.0)

The results of the Leven test show that there is an equality of variance in the results in each of the five groups of respondents observed by educational profile ($F = 1.086, p = 0.375$), and that the basic assumption for the analysis of variance is fulfilled. Further analysis shows that there is a statistically significant difference between the mean values of buying foreign brands in the observed groups of educated status ($t = 4.405, p = 0.005$) – H7 is confirmed. In a subsequent comparison, the mean values of the second and fourth groups of respondents were found to be statistically significant. In other words, respondents who have a college degree differ significantly from those who have a university degree in terms of buying a foreign brand ($MD = -0.729, p = 0.003$). Also, this result is in line with other research studies which showed that there is a statistically significant relationship between education as control variable and consumers' purchase intention (Paul & Rana, 2012; Wang et al., 2020).

Table 8: Results of one-way analysis of variance - ANOVA

Control variable	Levene's test homogeneity		Welch	
	F	Sig.	F	Sig.
Age	2.560	0.041	2.260	0.092

(dependent variable: purchase, control variable: age)

Source: Prepared by the authors (SPSS 19.0)

In this case, where the age of the respondents was used as a control variable and its influence on the purchase of a foreign brand was determined, the results of the Leven test showed that there was no homogeneity of variance in the results in each of the five groups of respondents by age ($F = 2.560, p = 0.041$), and that the basic assumption for the analysis of variance was not fulfilled. The results of a robust Welch test that is resistant to violating the assumption of homogeneity of variance ($F = 2.260, p = 0.092$) show the same.

Due to the impossibility of applying a one-factor analysis of variance in the previous case, the authors decided to apply a non-parametric alternative, i.e. Kruskal-Wallis test (results will be shown in Table 9).

Tabela 9: Results of the Kruskal-Wallis test (dependent variable: purchase, control variable: age)

Control Variable	Chi-Square	Sig.
Age	8.535	0.074

Source: Prepared by the authors (SPSS 19.0)

The results of the Kruskal Wallis test shown in Table 9 show that there is no statistically significant difference in foreign brand acquisition between the five different age groups ($\chi^2 = 8.535, p = 0.074$) – H8 is rejected. Young and Khanh Giao (2020) proved that the relationship between age as control variable and consumers' purchase intention was not statistically significant.

Therefore, we conclude that certain demographic characteristics have a significant influence on the purchase of foreign brands, that is, men and women, as well as persons with secondary and university education differ in this point of view. Other groups also differ in terms of purchase, but these differences are not statistically significant.

Conclusion

The main purpose and aim of this paper is to determine what factors drive domestic consumers to buy foreign brands. Based on the selection of relevant literature from previous research, the influence of four factors affecting the intention of domestic consumers in Serbia to buy foreign products has been analyzed, namely: perceived quality, prestige, influence of others (environment) and perceived value. Multiple regression analyzes revealed that there was a statistically significant effect of perceived quality and perceived value on the intentions of domestic consumers when buying foreign brands. The statistically significant impact of perceived quality on brand acquisition intention has been confirmed in many existing studies (Baek et al, 2010; Erdem, & Swait, 2004; Ergin & Akbay, 2010; Hanzaee & Taghipourian, 2012; Sapic et al., 2018). Research conducted by Ergin and Akbay (2010) and Thaler (1985) found a statistically significant effect of perceived value on consumer intentions when buying foreign brands. The remaining two factors (prestige and environmental impact) do not have a statistically significant effect on consumers' intentions in buying foreign brands and this finding is consistent with other research studies (Chen et al., 2015; Jeng, 2016). Also, a statistically significant impact of consumer intentions on the act of buying foreign brands was determined, which is in line with a survey conducted in 2018 by Sapic et al. Finally, it was examined whether

there was a statistically significant difference between different groups of respondents according to demographic characteristics when it came to buying foreign brands. It was found that men and women had a statistically significant difference when it came to buying foreign brands and that there was a statistically significant difference among respondents with different levels of education. The effect of age groups on buying foreign brands is not statistically significant.

The results of this research can have a scientific as well as a practical contribution. With regard to the theoretical implications of this research, this paper has contributed to current studies related to determine factors affecting consumers' purchase intention to buy foreign brands. The main contribution of this research lies in understanding the impact of the perceived quality, the brand prestige, the environment and the perceived value on purchase intention, which all ultimately lead to the purchase of foreign brands. The results of the research provide a contribution in terms of their practical application. Namely, having in mind that there is a strong competition among domestic and foreign brands and among the foreign brands themselves, in a large number of products and services in every country, it is very important to understand consumers' attitudes and preferences when choosing brands in the buying process. For the managers of these foreign companies is very important to understand the way consumers perceive the quality, the value and prestige of foreign brands, as well as the way in which these perceptions affect their decisions to buy foreign brands. Thus, managers of foreign brands can develop and invest in these aspects of brands, create positioning strategies and provide an advantage on the market, compared to competitive brands. The research that has been conducted also has some limitations. First, the number of factors included in the research model is limited. Other factors influencing the intention to buy foreign brands can be found in the literature, and further variables should be included in future research to further understand the intentions of domestic consumers. Second, it is important to increase the sample size, in order to obtain a more uniform age structure of the respondents, and then examine whether in this case there are statistically significant differences regarding the purchase of foreign brands among different age groups.

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