AIB REVIEW
By the Australian Institute of Business

# The Role of Country-of-Origin Perceptions in Times of Geopolitical Conflict

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*AIB Review*, Issue 15

**Introduction**

In an era where global trade intertwines with political dynamics, the perception of a product's country of origin (COO) is more than a mere label. It embodies national identity, political sentiment, and consumer values. This was notably evident during the Trump-era trade conflicts, where Canadian consumers' views on "Made in USA" products shifted dramatically. What began as a dispute over tariffs quickly evolved into a broader conversation about patriotism, consumer ethics, and the meaning behind the brands we support.

This article examines how geopolitical tensions can reshape consumer perceptions of country-of-origin (COO) and influence purchasing behaviour. Using the Canadian consumer response as a case study, it explores how American products, once prized for their quality, became symbolic targets during a moment of political strain. Drawing on consumer behaviour research, this article considers the implications of these shifts for global marketers, brands, and businesses navigating politicised marketplaces.

**From Quality Assurance to Political Statement**

Traditionally, American products have been associated with quality and innovation. However, during the Trump administration's imposition of tariffs on Canadian goods, this perception underwent a significant transformation. Canadian consumers began to view American products not just through the lens of quality but as symbols of political aggression. This shift was fuelled by policies perceived as hostile, including the introduction of tariffs and derogatory comments about Canadian trade practices.

Canadian consumers initiated boycotts of American products, leading to a surge in "Buy Canadian" campaigns. Retailers prominently displayed Canadian-made goods, and mobile applications were developed to help consumers identify and support domestic products. This movement was not just about economics; it was a manifestation of national pride and resistance to perceived external pressure.

**Consumer Behaviour and Geopolitical Conflict**

The Canadian response underscores a broader principle in consumer behaviour: purchasing decisions are influenced not only by product attributes but also by country of origin (COO). Studies have shown that consumers' willingness to buy products is affected by their perceptions of the producing country's political and economic actions. In times of conflict, these perceptions can override traditional brand loyalties and quality assessments.

This behaviour aligns with the concept of consumer ethnocentrism, where individuals prefer products from their own country, especially when foreign nations are viewed unfavourably. In the Canadian case, the preference for domestic products was amplified by political tensions, leading to a re-evaluation of foreign goods' desirability.

In moments of geopolitical strain, nationalism often becomes a driving force in how consumers interpret and act on COO labels. During the Trump-era trade tensions, many Canadian consumers began to see American products not just as imports but as emblems of political arrogance or disrespect. In this context, "Made in USA" no longer stood for quality and innovation, becoming more of a reminder of external aggression. By contrast, buying Canadian goods was reframed as an act of cultural loyalty and resistance. COO became a proxy for national alignment, where purchasing local felt like a form of protest, and continuing to support American brands felt like complicity.

This mirrors what scholars refer to as consumer nationalism, a belief that supporting domestic producers is a civic duty, especially when national pride or autonomy is perceived to be under threat. What distinguishes this from consumer ethnocentrism is the moral imperative that underpins it. In times of political conflict, shopping habits are moralised, and the act of choosing one product over another becomes a stance.

Digital platforms like Reddit amplify this by creating echo chambers of shared sentiment. In threads across subreddits like r/BuyFromEU, users exchange alternatives to USA goods, frame buying local as an ethical response, and express collective frustration through coordinated consumer behaviour. In these spaces, nationalism is crowdsourced and emotionally charged, turning COO into a living, reactive symbol.

This raises critical questions for global marketers: how resilient is a brand's COO image in times of political controversy? And how can brands navigate the fine line between national heritage and global reach when nationalism turns COO from a badge into a battleground?

**Implications for International Brands**

The Canadian boycott had tangible effects on American businesses. Companies like McDonald's and Starbucks experienced declines in sales and brand perception in Canada, with McDonald's CEO Chris Kempczinski citing an "uptick in anti-American sentiment", especially in Northern Europe and Canada. This sentiment was corroborated by Coca-Cola's CEO, Jacob Aarup-Andersen, who described the loss of sales as an outcome of a "level of consumer boycott around USA brands". In response, some American brands attempted to look less American. Major names like Coca-Cola, McDonald's, and Kraft Heinz are highlighting local production, such as Canadian-sourced ingredients, in order to better resonate abroad.

This scenario highlights the vulnerability of international brands to geopolitical shifts. A strong national identity associated with a brand can be a double-edged sword, offering a competitive advantage in stable times but posing risks during political conflicts. Brands must navigate these complexities by balancing their global identity with sensitivity to local sentiments.

**Brand Strategy in a Politicised Marketplace**

The Canadian experience during the Trump-era trade conflict illustrates that COO perceptions are not static. They are susceptible to change based on political events, media narratives, and public sentiment. This fluidity requires brands to remain vigilant and adaptable, continuously assessing how their COO influences consumer perceptions in different markets.

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Navigating the fluid and often politicised nature of COO perceptions will be essential for brands seeking to remain relevant and resilient in an era where every label carries meaning. As geopolitics increasingly seeps into the consumer psyche, companies must do more than promote quality or value. They must also consider what their COO signifies in the eyes of consumers, and how quickly that meaning can change.

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Bora is an accomplished academic leader with over a decade of experience in curriculum development, online and face-to-face program delivery, and student success strategy. Bora has been recognised as one of the top 4 most influential Online MBA Lecturers in Australasia.

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Svetlana is a Discipline Leader in Marketing & Entrepreneurship at AIB and Chair of its Alumni Industry Panel (Marketing). With a robust international career spanning Australia, Europe, and Asia, she brings expertise as a Senior Lecturer in Marketing and Strategic Management, shaping future business leaders through innovative pedagogy and industry engagement.

As Vice President of Academic Excellence for the American Phygital Association, Svetlana advances digital-physical integration in business. She holds a PhD in Business (University of Adelaide), with expertise in marketing, online education, and ethics.

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Lakma is a Lecturer at AIB specialising in entrepreneurship, innovation, data analytics, and strategic marketing. Having completed her PhD at The University of Queensland and with 8 years of higher education academic experience, Lakma explores new insights in the areas of dynamic capability development for firm innovation based competitive advantage.

Lakma is aiming to develop her teaching and research calibre by strengthening her network across academia and industry. For this, she is actively engaged in academic groups to share emerging business research ideas and conversations, one of which is presented in this article.

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Cite this article:

Qesja, B, De Vos, S & Algewatthage, L 2025, 'The Role of Country-of-Origin Perceptions in Times of Geopolitical Conflict, *AIB Review*, Issue 15.