ONE BRAND, TWO BRANDS, RED BRANDS, BLUE BRANDS: A CROSS-
CULTURAL ANALYSIS OF BRAND LOGO COLORS IN THE UNITED STATES
AND CHINA

by

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Marketers and advertisers, in a sense, dictate culture. They are able to present products and services in such a way as to impact our daily lives and consequently help change the course of history. In doing so, there are numerous components that come into play, and brand color is one of the most important aspects. Therefore, this research centers on the study of cultural differences in China and the United States and their respective associations to brand logo colors—specifically red and blue. The colors red and blue are analyzed closely and discussed throughout the project as each color provides insight about needed strategic brand logo color choices. The colors red and blue have different associations based on Chinese and American cultures; thus, this study is to help global brands better understand how consumers view their brand logos specifically based on American and Chinese cultural color associations. Overall, we found that Chinese and American cultures associated red and blue differently across an array of variables showing that each color plays a significant role in the formation of consumer brand perceptions in China and the United States.
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Chapter 1: Introduction

Marketers and advertisers, in a sense, dictate culture. They are able to present products and services in such a way as to impact our daily lives and consequently help change the course of history. Marketers creatively present colorful iPods, cars, and other goods in a particular fashion as to inspire us to action. The art of advertising is selling a belief, a vision, and a connection. In doing so, there are numerous components that come into play, and brand logo color is one of the most important aspects. Numerous companies are identified by their brand colors, and such colors create specific brand personalities.

In 2013, Forbes Magazine concluded that Apple, Microsoft, and Coca-Cola are the top three most powerful brands in the world (Badenhausen, 2013). Additionally, of the top ten most powerful brands, five brands have either solid blue or predominantly blue logos—IBM, Google, GE, Intel, and Samsung (Badenhausen, 2013). Therefore, it is no coincidence that the color blue has been deemed America’s corporate color (Aslam, 2006; Schmitt, 1995). Overall among the list of top ten, only the colors black, white, red, yellow, blue, and a sliver of green help create these iconic brand logos. There is also something to be said that the color orange does not enter the list until 48 with the Home Depot brand, purple at 91 with FedEx, and a pink brand logo does not even break the top 100 most powerful brands in the world. Consequently, strategic brand logo color is vital to success, and based on cultural values, colors have significant importance, and can help propel a brand to global dominance. Brand color associations also help create brand personalities, which in turn reach a particular target audience and help differentiate brands from other brands.
Therefore, this study centers on the cultural differences in China and the United States and their respective associations to brand logo colors—specifically red and blue. The colors red and blue are analyzed closely and discussed throughout the project as each color provides insight about needed strategic brand logo color choice. Two product labels, one red and one blue, and their Chinese or American cultural associations are the focus of the study. This research will help determine the extent to which Chinese and American consumers perceive brand logo colors and their associated meanings. Each color has emotional connotations and cultural connections that brands may not take into account or fully understand.

By knowing how consumers interpret and associate brand logos with different meanings, it will help companies better leverage their products and understand consumers’ color preferences. Often companies narrowly focus on price or durability of their products, but brand logo color also plays a significant role in determining the success of the product. This investigation addresses the importance of color for marketing brand management by focusing on the relationship between brand logo color and Chinese and American cultural values through one main study. We propose hypotheses and establish empirical evidence, drawing on theories of color, cultural identification, cultural classification, and psychology to further understand the significance of brand logo colors. Overall, our results contribute to marketing literature by showing that red and blue play a significant role in consumer brand perceptions and associations in China and the United States.

By examining such relationships in the context of brand logo colors, our findings extend existing knowledge in this area of brand color importance. The
remainder of this paper will flow as such: First, we review literature on the differences between Chinese and American cultural values. In addition, we will analyze the meanings of color and the importance of color to a brand’s identity. Then, based on theories of color and cultural identifiers, we link these two areas of study and propose hypotheses. Afterwards, we test the hypotheses with one comprehensive study. We then conclude with marketing brand management implications and suggestions for further research.
Chapter 2: Chinese and American Cultural Values

Cultures are unique and different. There are numerous beliefs, values, and principles that govern the world’s societies. Fiske (1989) defined culture as “the constant process of producing meanings of and from our social experience” (Fisk, 1989; Hsu and Barker, 2013). Thus, culture may be viewed as a framework that incorporates particular values, beliefs, and meanings that people use to orient themselves in relation to one another and the rest of the global population (Hsu and Barker, 2013).

Additionally, “meanings are produced and negotiated through language, which enables members of the same culture to share sets of concepts, images, and ideas and to experience and interpret the world in similar ways” (Hall, 1997; Hsu and Barker, 2013). With that, culture tends to unify those who share in its beliefs and meanings, but also marginalize those who resist compliance with its norms and values (Hsu and Barker, 2013). Sub-cultures or counter-cultures can then arise from diversity and tension within a cultural system (Hofstede, 2001; Hsu and Barker, 2013).

Nonetheless, Chinese and American cultural beliefs are vastly different in some regards and similar in other respects. Thus, it is important to understand the cultural differences between the United States and China because it helps further understand their respective cultural color associations and meanings. Using Geert Hofstede’s 6-D Model research about how values are influenced by culture, factors such as power distance, individualism vs. collectivism, and masculinity vs. femininity all come into play when analyzing cultural similarities and differences (Hofstede, 1984; 2001). Hofstede’s cultural value scale runs from 0-100 with 50 being the midlevel. If a score is
below 50, the culture scores relatively low on that dimension, and if any score is above 50, the culture scores high on that scale (Hofstede, 2001).

**Power Distance**

To start, power distance plays an important role in distinguishing the countries’ values. Power distance can be defined as “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally” (Hofstede, 2001). Power distance also refers to the fact that “all individuals in societies are not equal, and it expresses the attitude of the culture towards these inequalities amongst us” (Hofstede, 2001). With a score of 80 out of 100, China sits amongst the highest-ranking countries in regards to power distance (Hofstede, 2001). Hofstede found that in China, “the subordinate-superior relationship tends to be polarized and there is no real defense against power abuse by superiors” (Hofstede, 2001). In highly power distant societies, sanctions and formal authority influence individuals (Hofstede, 2001).

In comparison to China’s score of 80, the United States scored 40/100 on power distance. In the United States unique expression is a critical cultural driver, and individuals are, in general, optimistic about people’s capacity for leadership and initiative (Hofstede, 2001). According to Hofstede, “One of the most salient aspects of inequality is the degree of power each person exerts or can exert over other persons; power being defined as the degree to which a person is able to influence other people’s ideas and behavior” (Hofstede, 2001). Thus, power distance helps express the attitude of the culture toward these inequalities amongst society (Hofstede, 2001).
Individualism vs. Collectivism

Likewise, another main difference in U.S. and Chinese cultures is the level of individualistic characteristics. Hofstede states that collectivism is “the degree of interdependence a society maintains among its members” (Hofstede, 2001). Western cultures are more independent, whereas Eastern cultures are more collective and interdependent (Markus and Kitayama, 1991). More specifically in comparison to the United States, China is far more collectivistic (Hofstede, 2001). In accordance to Hofstede’s 6-D Model, China is a highly collectivist culture (20/100) where people act in the interests of the group and not necessarily of themselves (Hofstede, 1984; 2001).

Hsu and Baker stated, “differences in cultural values and norms may thus be understood in terms of in-group and out-group identities” (Hsu and Barker, 2013). In collectivist societies, there is a stronger dimension of “in groups” vs. “out-groups,” and people typically belong to “in groups” that then take care of them in exchange for loyalty” (Hofstede, 2001). Gudykunst (2003: 9) defined in-groups as “groups that are important to their members and groups for which individuals will make sacrifices” (Gudykunst, 2003; Hsu and Barker, 2013). Out-groups on the other hand, consist of individuals who do not belong or fit in with the in-groups (Hsu and Barker, 2013). For example, relationships with colleagues are cooperative for in-groups, but they are callous or even hostile to out-groups (Hofstede, 2001). People in collectivistic cultures tend to make decisions according to the in-group’s preferences to preserve a semblance of in-group harmony (Triandis et al. 1990; Hsu and Barker, 2013). By contrast, Triandis et al. (1990) state that both individualistic and collectivistic cultures identify in-groups and out-groups, but people in individualistic cultures such as the United States make
less of a distinction between the two (Hsu and Barker, 2013). Also, people in
collectivistic cultures make decisions based on a certain group that they are a part of,
whereas people in individualistic cultures make decisions based on their own
preferences (Hofstede, 1984; 2001; Hsu and Barker, 2013). In Chinese cultures there is
also a tendency for people to act in accordance with the anticipated expectations of
others and social norms rather than with internal wishes or personal attributes (Markus
and Kitayama, 1991). In-group characteristics further extend to the hiring and
promotional efforts with closer in-groups (such as family) receiving preferential
treatment (Hofstede, 2001).

Another causal factor of collectivistic societies is the fact that employee
commitment to the organization (but not necessarily to the individual people within the
organization) is also quite low (Hofstede, 2001). In collectivist societies, “personal
relationships prevail over task and company” (Hofstede, 2001). In regards to the family,
collectivistic cultures recognize the extended family or tribe as equally or more
important i.e. grandparents, aunts, uncles, cousins, but in individualistic cultures, the
core family is considered the primary focus (Hsu and Barker, 2013). Individualism vs.
collectivism is often analyzed with whether people’s self-image is defined in terms of
“I” or “We,” and the United States is much more individualistic than China (Hofstede,
1984; 2001). In individualist societies such as the United States, people are supposed to
look after their own self-interests. The American society also stresses “attending to the
self, the appreciation of one’s difference from others, and the importance of asserting
the self” (Markus and Kitayama, 1991). As with the independent self, “others are
critical for social comparison and self-validation, yet in an interdependent formulation
of the self, these others become an integral part of the setting, situation, or context to which the self is connected, fitted, and assimilated” (Markus and Kitayama, 1991).

Furthermore, using Hofstede’s cultural identifiers, the United States’ fairly low power distance (40/100) score in combination with being the highest individualistic (91/100) cultures in the world has several meanings. First off, “the American premise of ‘liberty and justice for all’ is evidenced by an explicit emphasis on equal rights in all aspects of American society and government” (Hofstede, 2001). In addition, within the American business and corporate sector, hierarchy is established for convenience, superiors are accessible, and managers rely on individual employees and teams for their expertise (Hofstede, 2001).

As such, both managers and employees expect to be consulted frequently and to be able to share information consistently (Hofstede, 2001). In doing so, the communication tends to be informal, direct, and participative (Hofstede, 1984; 2001). Additionally, in comparison to China, the US society is loosely-knit in which the expectation is that people look after themselves and their immediate families only and should not rely on authorities for support or handouts. This independent view of the self derives from core beliefs in the wholeness and uniqueness of each person’s configuration of internal attributes (Markus and Kitayama, 1991). The opposite tends to be found in China where people are more focused on the group’s well-being and the betterment of society as a whole (Hofstede, 2001). Non-Western interdependent cultures strongly associate with the oneness or connectedness of human beings to each other (Markus and Kitayama, 1991). Individuals often see themselves as a part of something bigger and a participant of a larger social unit. Therefore, the Chinese culture
tends to value group dynamics and being humble, but the American society resonates with individual perseverance (Wah, 2001).

Another defining characteristic of countries with collectivistic cultures is that their economy is typically less developed (or still developing) than in countries with individualistic cultures (Hsu and Barker, 2013). Therefore, people depend on each other more for survival and growth (Hofstede, 1984; Hsu and Barker, 2013); it is a “power in numbers” mentality. These cultural understandings of the self and others are also tied to the implicit, normative tasks that various cultures hold for what people should be doing in their lives (Markus and Kitayama, 1991). Achieving the cultural goal of independence requires construing oneself as an individual whose behavior is organized and made meaningful by reference to one’s own internal thoughts, feelings, and actions toward others (Markus and Kitayama, 1991).

In the Chinese culture, there is something of value placed on the collective welfare and betterment of others. Ancient Chinese ideologies of interrelatedness and kindness are still prevalent in Chinese mannerisms and ways of thought (Markus and Kitayama, 1991). Since people in collectivistic cultures tend to associate individualism with selfishness, the Chinese still value collectivism because they tend to be more selfless; however, it is possible that with the recent emergence of the Chinese economy and culture, those in the middle class and upper class are becoming more individualistic in their daily lives (Hsu and Barker, 2013). Within the next 5-10 years, China may see a drastic shift from a highly collectivistic society to a more individualistic culture.

When combining these cultural factors of power distance and individualism, a few conclusions can be drawn. With a lower power distance score and high
individualistic score, Americans are accustomed to doing business or interacting with people they do not know that well (Hofstede, 2001). Consequently, compared to China, Americans are not shy about approaching their prospective counterparts in order to obtain or seek information (Hofstede, 2001). Individual success and progress are the driving forces behind such decisions (Hofstede, 2001). In the business world, employees are expected to be self-reliant and display initiative whereas in China, the “in-group” vs. “out-group” dichotomy comes into play (Hofstede, 2001). Also, within the exchange-based world of work we see that hiring, promotion and decisions are based on merit or evidence of what one has done or can do rather than on the ability to conform to “in-group” attributes and characteristics (Hofstede, 1984; 2001).

**Masculinity vs. Femininity**

One thing that the Chinese culture and the U.S. culture have closely in common is their relatedness to masculinity. Using Hofstede’s 6-D Model, a high masculinity score (>50/100) indicates that the society will be “driven by competition, achievement and success, with success being defined by being the winner or the best in some respective field—a value system that starts in school and continues throughout organizational behavior” (Hofstede, 2001). On the other hand, a low (feminine) score (<50/100) means that the dominant values in society are caring for others and quality of life (Hofstede, 2001). In feminine societies, the quality of life is the sign of success and standing out from the crowd is not admirable (Hofstede, 2001). The fundamental issue here is what motivates people, wanting to be the best (masculine) or liking what you do (feminine) (Hofstede, 2001). Similarly, both China and the United States scored 66 and 62 respectively (Hofstede, 2001). At 66 China is a masculine society, driven by success
and achievement (Hofstede, 1984; 2001). Although China rates high on the collectivistic scale, their society is driven to provide for others, not oneself. Chinese citizens will often sacrifice family and leisure to work in order to obtain better wages and benefits for their families (Hofstede, 2001). Furthermore, success and being defined as the “winner” or “best-in-the-field” drives American society, but that is not as influential in China based on the strength of their collectivistic values. This American value system stems from childhood and is evident throughout one’s life—both in work and leisure pursuits (Hofstede, 2001).

Moreover, to reiterate, a low (feminine) score on the dimension of masculinity means that the dominant values in society are caring for others and quality of life rather than a constant pursuit of personal success (Hofstede, 1984; 2001). The United States’ masculinity score is high at 62/100, and this can be seen in the typical American behavioral patterns (Hofstede, 2001). In combination with being the most individualistic culture in the world, Americans, so to speak, show their masculine drive individually rather than collectively (Hofstede, 2001). Behaviors in American society are based on the shared values that people should “strive to be the best they can be” and that “the winner takes all” (Hofstede, 1984; 2001). As a result, Americans will tend to display and talk freely about their “successes” and achievements in life, which is not a common occurrence overseas in China (Hofstede, 2001). The greatest motivator is not whether one is being successful, but rather being able to show one’s success (Hofstede, 1984; 2001). This can be seen in the fact that employees aim for work accolades such as “employee of the month” honors and children receive golden stars that are then posted on the walls for other children to see. Although there are six facets to Hofstede’s 6-D
Model, power distance, individualism, and masculinity play the most important roles in distinguishing cultural differences and similarities in China and the United States.

There also exists a “can-do” mentality, which creates a lot of social dynamics stemming from the belief that there is always the possibility to do things in a better way (Hofstede, 2001). Another result of being highly individualistic and masculine is that Americans are notorious for the notion of “living to work” so that they can obtain monetary rewards, which in turn results in higher social status and the ability to show one’s success (Hofstede, 2001). Climbing the social ladder via promotions and accolades. One of the main cultural identifiers is the belief that a certain degree of conflict will bring out the best of people, i.e. competition resulting in a winner and a loser (Hofstede, 2001). These cultural value identifiers help to better understand the meanings and associations of brand logo colors, and such cultural values help to better understand marketing brand logo color implications.
Chapter 3: Color Theory and Brand Identity

American and Chinese cultures differ on several social facets and also differ on color associations and perceptions. Both countries relate differently in regards to dimensions of power distance, individualism, and masculinity, which helps provide insight into each culture’s relative color associations. Brand logo colors are also vital to the development of successful marketing campaigns. Color is “the first thing a consumer will notice about your logo” (Cioban, 2012) In fact, “80% of visual information that we take in is related to color” (Bhasin, 2012). Color is a pervasive part of everyday life and is pivotal to marketing and advertising practices. Color is more than just a simple consideration and choice from the “ROYGBIV” palette. There are an infinite amount of colors and color combinations one can create, and color is the backbone to perception and emotional association with a brand. Color matters.

As stated in an article from Ad Age in 2012, “A single word or logo conveys powerful brand messaging in an efficient, uncluttered way...likewise, with careful advertising strategy and execution, a single color can itself be a compelling brand” (Zelnick, 2012). Of the five senses, “visual perception is the primary sense humans have for exploring and making sense of their environment” (Dawson, 2013). In scientific terms, colors trigger an array of responses within the cerebral cortex of the brain and throughout the central nervous system (Dawson, 2013). Although “color is nothing more than the reflection of certain light waves picked up by your optic nerve, transmitted through nerves to your brain it is essential to existence; the proper perception of color has been one of the key drivers of human evolution” (Dawson,
Therefore, color is foundational to the visual identity of a brand and all of its accompanying expressions and executions.

Not only has color been vital to human evolution, it is quite important to building the value of the brand (Dawson, 2013). It is a part of logos, packaging, products, and all other forms of marketing communications (Dawson, 2013). However, the colors red and blue are of significant importance. Red and blue have quite different cultural consumer perceptions and associations. In addition, those differences are furthered when Chinese and American cultures are compared.

Color means different things to different cultures and people in different parts of the world. As Thomson Dawson states, “within our conscious minds, we have all been predisposed and indoctrinated to give meanings and feelings to particular colors within the context of what the culture at large values” (Dawson, 2013). The perceptions of color and associated meanings “change with race, age, social class, gender and religion” (Dawson, 2013). In the U.S.A. for example, the color white represents purity, while in some regions of Asia it is the color of mourning (Dawson, 2013). The demographics and psychographics that are most dominate in the culture will be important considerations in selecting the color(s) that represents a brand (Dawson, 2013). Therefore, such cultural associations to specific colors need to be a significant component of a brand’s strategic and creative decisions when forming the foundation of a brand’s identity in the marketplace (Dawson, 2013).

The cultural values previously mentioned such as power distance, individualism, and masculinity help differentiate each culture, and by studying the underlying Chinese and US cultural values associated with such colors, we aimed to understand the
application of brand logo color in a more meaningful way. Not only do companies have to decide on a brand name, but they must also choose a brand color, which carries intrinsic meaning that then adds to the basis of the brand’s identity (Abril et al., 2009). Moser (2003) illustrated that three factors, namely the level of sophistication of color, distinctiveness within a category, and the ability to elicit an emotional response influence the corporate logo color choice (Moser, 2003). When thinking of brands, color is the predominate element of identification and association, color enables us to instantly recognize and draw emotional associations to a brand (Dawson, 2013). A brand’s identity is comprised of several characteristics and attributes of the brand that cohere into a unique set of associations that a company aspires to create and maintain (Alselm and Kostelijck, 2008; Esch, 2008). A brand’s identity includes the shape, size, color, typeface, style and overall visual aesthetic (Phillips and McQuarrie 2004: 225).

Brand identity also helps create relationships between companies and the consumers (Fournier, 1998; Phillips and McQuarrie 2004: 225). Brand color contributes to the growth of brand recognition and communicates the desired image (Bottomley and Doyle 2006; Labrecque et al., 2011: 712). Each color evokes different feelings and emotions for each brand logo. For instance, green logos have been found to exemplify innovative, caring organizations, and yellow is associated with young, bright and exciting firms in the USA (Cheskin and Masten Inc., 1987; Aslam, 2006). In addition, because the logo is often the first thing that a consumer sees, it is vital to success. The brand logo conveys meanings, associations, and perceptions of the brand’s personality and identity. In doing so, the brand’s logo color must be strategically chosen as to not
convey the wrong message and best resonate with consumers (Aaker, 1997; Fournier, 1998; Phillips and McQuarrie, 2004: 225)

More specifically, color is a critical component of products, services, packaging, logos, displays, and overall brand aesthetics. Colors are brand identifiers and help create and maintain corporate identities (Garber et al., 2000; Madden et al., 2000) and consumer perceptions (Grossman and Wisenblit, 1999). Or in other terms, color is a powerful cue assisting brand recall (Tavassoli and Han, 2002). For instance, “red is associated with Coca-Cola, Sara Lee and Mickey Mouse, blue with IBM and Pepsi, pink with Barbie dolls and green with 7-Up and Canada Dry” (Aslam, 2006: 25; Cheskin and Masten Inc., 1987). Coca-Cola’s red cans or Nike’s orange shoeboxes help maintain the companies’ identity in their respective markets. Because color is so important to brands and brand identity, The Lanham Act in the USA protects product color as trade dress, provided it confers ‘secondary meanings”’ (Kilmer, 1995; Aslam, 2006). Thus, color connects consumers to brands and is a vital characteristic for brand differentiation (Schmitt and Pan, 1994).

In previous studies, color has been proven to be an important variable in marketing strategies and has been shown to affect consumer perceptions of advertising (Gorn et al., 1997). For instance, one would never see a FedEx advertisement with brown being used as the primary color. Such effects are triggered in memory through color’s referential meaning, thus the color of a brand logo should activate related color associations (i.e. red with love, passion, anger, etc.) (Labrecque et al., 2011). In addition, there are other stimuli that can activate brand associations such as shape and sound, which when combined with color creates a unique brand identity (Labrecque et
al., 2011). Therefore, if a consumer encounters a branding message for a known brand, two cues (color and brand) become activated in memory and together influence a brand’s perception (Labrecque et al., 2011). On the other hand, if a consumer encounters a new brand logo (i.e. a new branded sports drink), there are not any relevant brand associations existing in the consumer’s cognitive memory. Therefore, the resulting perception is primarily based on activated associations triggered by individual referential meanings of the color (Labrecque et al., 2011). In this case, perceptions and the subsequent marketing outcomes are highly contingent on color, especially for first time encounters with the brand logo (Labrecque et al., 2011: 712).

As brands are paired with colors, associations are created and colors become automatically linked in memory (Labrecque et al., 2011: 713). When thinking of McDonald’s iconic golden arches, one typically associates the golden arches with French fries and hamburgers. In the linkage, semantic meanings of color are created through a reflexive process (Labrecque et al., 2011: 713). Additionally, it is important to state that cultural associations to color, as well as their influence on affect, cognition, and behavior, may occur without a person’s conscious awareness or intention (Elliot et al., 2007).

Madden et al. found that colors evoke a variety of associations that, without prior conditioning, can then be used to help communicate a brand’s desired image in the consumer’s mind (Madden et al., 2000). At the basis of the argument, the inherent meaning of color has consequences to marketing decisions (Bottomley and Doyle, 2006). One study found that color influences how quickly a web page is perceived to download (Gorn et al., 2004) and another suggests that people prefer the color blue over
red in retail environments stating that blue is more relaxing, encourages longer browsing, and increases overall purchase intention (Bellizzi and Hite, 1992; Bottomley and Doyle, 2006).

In addition, colors tend to alter the meanings of the objects or situations with which they are associated and color preferences can predict consumer behavior. The meanings given to some colors may be pan-cultural, while some are regional and some are unique to specific cultures (Aslam, 2006: 27). Therefore, it is imperative to explore the meanings and effects of a chosen color in the target market before the launch of a product or promotion campaign. Roth and Romeo (1992) found that when country image (for instance, Hofstede’s level of collectivism) is congruent with the benefits desired from product use (beneficial to the whole), purchase intention is enhanced (Bottomley and Doyle, 2006). In addition to country image, brand evaluation is enhanced with emotion-category congruity—the extent to which a brand’s emotional benefit proposition matches the emotions associated with product usage (Ruth, 2001; Bottomley and Doyle, 2006). Therefore, colors that are connotatively congruent with the product will be rated as more appropriate (Bottomley and Doyle, 2006).

Although product quality is the ultimate determinant of consumer satisfaction, Cheskin & Masten Inc. (1987) showed that imagery is the avenue that generates interest, which implies that the emotional response triggered by colors in products, packages and brand logos influences consumer perceptions of the product and the company (Cheskin & Masten Inc., 1987; Aslam, 2006: 22). Color also signals a product’s attributes, thereby influencing perceptions about price and quality (Kerfoot et al., 2003). With that, “color is the least expensive way of changing the product”
(Parmar, 2004). For instance, in the United Kingdom, the color white is perceived as lackluster and below average, while neutral or beige colors are perceived as “boring and dull” but expensive and “for a mature person;” However, pink is associated with “looking young” and red is perceived as “garish and tacky,” which are both considered as average priced (Kerfoot et al., 2003). In addition, darker colors are often associated with richness and value in the USA, as seen in the dark grey and blue colors used for expensive, high technological products (Stanton et al., 1994; Aslam, 2006: 23). Therefore, in relation to our study and based on past research, it is expected that American consumers may prefer a blue label and as such they may be willing to pay more for it than Chinese consumers. Formally,

**H1: American vs. Chinese consumers will be willing to pay more for a product with a blue label.**

Furthermore, color has meaning, and examples of direct color and product association are evident in the food category. The color one sees in foods foretells the flavor one will taste (Downham and Collins, 2000). As stated, “Food color affects consumers’ ability for correctly identifying flavor and forming distinct flavor profiles and dominates other flavor information sources including labeling and taste (Garber et al., 2000), implying that altering the food color could affect consumer preferences” (Aslam, 2006: 23). For instance, a orange popsicle is most likely going to have an orange flavor, yellow candies are either lemon or banana flavored, and purple drinks are predominantly grape flavored. Rarely, if ever, does one receive a green colored, cherry flavored food. Not only is color useful in identifying flavor, but also color is useful in creating a different value from the environment or the competition. A marketer could
launch a product color that is typical of the category or differentiate from the category by using additional color cues or delinking the relationship between color and the product’s perceived quality or flavor. Apple, Gatorade and M&Ms have used this effectively by launching novel colored product lines (Garber et al., 2000; Parmar, 2004), whereas Pepsi has transitioned from the traditional red color associated with soft drinks and tried to create new color associations by choosing blue as its primary brand logo color (Grossman and Wisenblit, 1999). Consequently, color is essential to the identification and association of brands, especially red and blue.

**Red Brands and Blue Brands**

Color preferences are not identical across countries, especially red and blue (Choungourian, 1968). For instance, red has several meanings and associations throughout the globe. Jacobs et al. (1991) found red to be most strongly related to China, while the American subjects associated the USA with blue (Jacobs et al., 1991; Aslam, 2006: 24). Therefore, in our study we chose to specifically analyze these colors and further understand their marketing implications including willingness to pay and emotional association.

Within the spectrum of visible light, there is also a physiological effect. Colors with “long wavelengths (red for example) illicits the faster recognition response in the brain. While colors with shorter wavelengths (blue) are more soothing and can actually lower pulse, respiration, and blood pressure” (Dawson, 2013). Bottomley and Doyle (2006) found that red and blue have contrasting connotative meanings based on evidence from different countries and measured using different concepts and associations (Bottomley and Doyle, 2006). Further, Tavassoli (2001) found that the
connotative meanings of color are more important in communicating a desired brand image in eastern rather than western cultures (Tavassoli, 2001; Bottomley and Doyle, 2006: 80). In an article titled, “Are You Selling the Right Color? A Cross-Cultural Review Of Color As a Marketing Cue,” Mubeen Aslam identifies the significance of certain colors and found that colors associations are the basis for multiple cultural understandings (Aslam, 2006). Aslam identifies the multifaceted color associations related to each culture and highlights the importance of cultural brand relevancy. Although there is an endless array of colors, red and blue are two of the most predominant colors in Chinese and American societies.

*Red*

Red is one of the most iconic and recognizable colors on the color spectrum. Red evokes a passionate and visceral response (Cioban, 2012). As proven in previous literature, the color red can be linked to excitement as it is considered to be an arousing, exciting, and stimulating color (Bellizzi et al., 1983; Gorn et al., 2004). The color red also suggests aggression and energy, and it also is a proactive and attention-grabbing color (Cioban, 2012). It can be seen as the color of danger, power, passion, and love in the United States (Cioban, 2012).

Based on such research, we wanted to further test the color association of red with danger, especially relating to brand logo colors. In the business realm, a company does not want to be perceived as dangerous or have their products be perceived as dangerous because that would mitigate any chances of future growth. Therefore, because red is strongly associated with danger in the United States (red lights, stop signs, fire, etc.) it is predicted that in our study American respondents will perceive the
red label to be more dangerous compared to Chinese respondents. Formally,

**H2: American consumers will perceive the red label to be more dangerous than Chinese consumers.**

Adams and Osgood (1973) also found red to be the most active color (Adams and Osgood, 1973; Bottomley and Doyle, 2006). With its proactive meaning, red is most commonly associated with activity, stimulation, and movement (Labrecque et al., 2011: 714). Also, it is a color that can enhance human metabolism, increase respiration rate, as well as raise blood pressure (“Color Meaning”). Thus, red is predominantly found in restaurants, spurring people to eat faster and stay for shorter durations of time (Bottomley and Doyle, 2006). Whether deliberately or not, fast-food chains such as McDonald’s and Wendy’s have employed such color schemes.

On a more cultural basis, red emulates courage and is found in many national flags including China and the United States of America (“Color Meaning”). It means “lucky in China, Denmark and Argentina” (Neal et al., 2002). Hofstede’s masculinity and femininity identifiers also influence such associations. Red is known as a feminine bridal color in China, but a masculine color in the UK and France (Neal et al., 2002). The color red represents love in China, Korea, Japan and the USA (Jacobs et al., 1991; Aslam, 2006). In addition, red is the prominent business color in East Asia, whereas blue is the corporate color in the USA (Schmitt and Pan, 1994).

**Blue**

Moreover, color evokes strong product associations and category imageries, and the color blue is associated with several feelings and emotions that are relevant to brand logo strategies. Moving along the spectrum, blue is arguably the most popular choice
for a brand color because it is perceived as a secure color (Labrecque et al., 2011: 714). Blue also represents solidarity and responsibility (Aslam, 2006) and companies such as Wal-Mart, Dell, and Facebook have all chosen iconic blue company logos. In addition, several insurance companies, hospitals, and banks have blue as the main logo color. In doing so, the color blue is thought to put people at ease because it is reminiscent of the sky and ocean. It is no accident that an insurance brand such as Blue Cross would have blue as their primary color because blue conveys trustworthiness, dependability, security, and responsibility (Cioban, 2012). Blue is also linked to feelings and associations of competence, intelligence, communication, trust, efficiency, duty, and logic (Fraser and Banks, 2004; Mahnke, 1996). Also, Aslam states that blue is the American corporate color but is perceived as cold and evil in East Asia (Aslam, 2006; Schmitt, 1995).

In other countries, blue stands for warmth in The Netherlands, coldness in Sweden, death in Iran and purity in India (Schiffman et al., 2001). Blue also denotes masculinity (Neal et al., 2002), and is related to high quality, trustworthy and dependable in the USA, Japan, Korea and China (Jacobs et al., 1991). Thus, we wanted to further research the strength of association between the color blue and trustworthiness. Companies would much rather be perceived as trustworthy instead of dishonest and unethical. Therefore, it is predicted that all respondents, regardless of ethnicity, will have a stronger trustworthy association to the blue label as compared to the red label. Formally,

**H3: All respondents will perceive the blue label to be more trustworthy than the red label.**
With all of the different perceptions and associations, blue does not have one universal meaning; it is interpreted differently relative to culture. However, the wide array of meanings and associations highlight the importance of cultural color relevance. Brands should analyze cultural color meanings and better adapt to specific associations to better market their products; brands should be cognizant of the differing portrayals of their brand logo color (Aslam, 2006: 20).

Color makes the brand, and color is instrumental in attracting consumer attention to media advertisements (Aslam, 2006). It is hard to fathom brands such as Pizza Hut and Ford being as global if their brand logo color (red and blue, respectively) was not iconic to their company. Color also facilitates “emotional branding” and companies could use colors associated with specific emotions in order to target the heterogeneity of the market. Research shows that adapting advertisement execution to the local preferences, culture and marketing mix for each foreign market is effective (Hornik, 1980; Berg-Weitzel and Laar, 2001; Aslam, 2006: 26).

With the internationalization of markets and growing consumer demand in the emerging global economies, increased competition is likely to come from native businesses that enjoy a better understanding of the local environment and cultural color relevancy (Aslam, 2006). Such advantages could allow for upgrades and expansion of their future operations (Aslam, 2006). A dynamic culture-sensitive approach in color research and its strategic use will enhance corporate image, predict purchasing behavior and reinforce customer relationships, allowing foreign businesses to establish value-based marketing systems and develop a competitive advantage in the emerging markets (Aslam, 2006: 28).
Chapter 4: Experiment, Results, & Discussion

In order to test the relationship between ethnicity, either Chinese or American, and color, either red or blue, and their related color associations, we designed a 2x2 mixed factorial design experiment. We then distributed it to the University of Oregon Marketing Subject Pool. The subjects were undergraduate marketing students between the ages 18-23 at the University of Oregon. Subjects participated in return for class credit and were tested in a research lab at individual desks, free from outside distractions. In order to achieve our desired demographics, only subjects 18 years old or older and who were also either American citizens or Chinese citizens were eligible to participate.

At the beginning of the survey, each respondent was asked to provide his or her gender as well as ethnicity. If any ethnicity besides Chinese or Caucasian was chosen, we used skip logic to accurately determine eligible participants and filter out unwanted responses. We then wanted to make sure that the respondents, whether Chinese or Caucasian, had lived in either China or the United States for at least ten years. All in all, after removing all other subjects besides Chinese or American students, and making sure that they had lived in their respective countries for at least ten years with a simple “yes or no” follow up question, the sample size was narrowed down to 184 respondents.

As a manipulation check, we then removed 6 respondents from the sample and 5 more were also removed for extraneous pricing data. In order to make the 4 conditions equal, we randomly selected even sample sizes using SPSS for each of the following conditions:
1. American & Blue
2. American & Red
3. Chinese & Blue
4. Chinese & Red

Thus, the final analysis was conducted using 118 respondents: 30 American & Blue, 30 American & Red, 28 Chinese & Blue, and 30 Chinese & Red. Each respondent was then asked to take a few minutes to write about their favorite things in either the Chinese or American culture based on their ethnicity. Americans most commonly cited things such as sports, democracy, diversity, freedom, and education. In addition, Chinese respondents wrote most frequently about their rich culture and history, Chinese food, traditional festivals, and the importance of the family.

To further prime their cultural identification, we asked them to correctly choose every color on the American Flag or the Chinese flag, once again in accordance to their ethnicity. After identifying with their culture, respondents were randomly presented with picture of a bottle of water with either a blue or red label. Respondents were informed “the product was created for Dripping Well, a charity that helps provide the world with better access to clean water. For each bottle of water sold, a percentage of the sale will be donated to Dripping Well to help aid their efforts. The bottle’s label has been recently designed and can be seen here.” While respondents were looking at the bottle, they were then asked how closely they associate a list of adjectives with the bottle’s label (either blue or red) on a 5-point Likert scale from *Strongly Disagree* to *Strongly Agree* (See Figure 1 below). After the color association questions, we then asked how much money (in dollars and cents) each respondent would be willing to pay
for the product. Next, we asked respondents, “If given the opportunity, would you buy the product?” To conclude the study, respondents were thanked for their participation and directed to another unrelated study.

Figure 1: Strength of Associations (5-point Likert Scale)

This graph shows each adjective and its strength of association for each of the 4 conditions.

Results

Willingness to Pay

For the main effect of ethnicity, Chinese respondents ($M_{Chinese} = $1.28, $SD = .618$) are willing to pay significantly more money than Americans for the product ($M_{American} = $1.07, $SD = .558$), $F(1, 114) = 4.208, p = .043$. However, this effect was driven by a significant interaction between color and ethnicity, $F(1, 114) = 5.144, p = .025$. Further post hoc analysis revealed that Chinese respondents ($M_{Chinese} = $1.28, $SD = .618$) who saw the blue label were willing to pay significantly more than all of the
other groups ($M_{Others} = $1.08), $t(114) = -2.190, p = .031$. Overall, study participants were willing to pay an average of $1.17 for the product, with amounts ranging from $0 to $3.50. Therefore, our results did not support our original hypothesis (H1); Chinese consumers as compared to American consumers will actually pay more for the blue-labeled product.

Thus, specifically in China, the blue brand label color would sell better in China by an average of $.38. This is also surprising because of how strongly associated the color red is to the Chinese culture. Also, one would have assumed that because the color blue plays such a prominent role in brand logo colors in the United States that blue would have been chosen, but the opposite is true. Although, blue is perceived as more expensive and of higher value, Americans were actually willing to pay more for the red-
labeled product; the red colored label would reportedly outsell the blue label by an estimated $.10.

Main Effects of Ethnicity

Regardless of color, Chinese respondents felt the label to be more Secure, Aggressive, and Lucky than did American respondents. On a 5-point Likert Scale, Chinese respondents felt that the label inspired a marginally greater feeling of security ($M_{\text{Chinese}} = 3.257$, $SD = .807$), ($M_{\text{American}} = 3.000$, $SD = .921$, $F (1, 114) = 2.798$, $p = .097$. Chinese respondents ($M_{\text{Chinese}} = 3.00$, $SD = .879$) also associated the label with stronger feelings of aggressiveness than did American respondents ($M_{\text{American}} = 2.15$, $SD = .860$), $F(1, 114) = 28.451$, $p < .001$. Additionally, Chinese respondents perceived the label to have stronger associations of luck than did American respondents ($M_{\text{Chinese}} = 2.983$, $SD = .847$), ($M_{\text{American}} = 2.450$, $SD = .928$), $F(1,114) = 10.889$, $p < .001$. There were no significant differences between Americans and Chinese or between blue and red in regards to associated excitement about the product.

Ethnicity and Color Interactions

Additionally, there were also interactions between ethnicity and color on several dependent variables. In regards to the association of Danger, there was no main effect of color between respondents who saw the blue label as compared to the red label, but there was a main effect of ethnicity. Chinese respondents ($M_{\text{Chinese}} = 2.569$, $SD = 1.02$) as compared to American respondents perceived the logo to be significantly more dangerous ($M_{\text{American}} = 2.150$, $SD = .860$), $F(1, 114) = 6.201$, $p = .014$. However, this effect was driven by a significant interaction between color and ethnicity $F(1, 114) =$
6.201, $p = .014$. Post hoc analysis revealed that Chinese respondents ($M_{\text{Chinese}} = 2.569$, $SD = 1.028$) who saw the blue label perceived the label to be marginally more dangerous than all of the other groups ($M_{\text{Others}} = 2.267$), $t(114) = 1.892$, $p = .061$. Therefore, our results did not support our second hypothesis (H2). American consumers did not perceive the red label to be more dangerous as compared to Chinese. Instead, Chinese consumers actually perceived the label to be more dangerous. More specifically, Chinese consumers who were presented with the blue label associated it with stronger feelings of danger.

Also, we asked respondents to rate the labels on a 7-point bipolar scale from *Calm to Energized*, and respondents who saw the red label ($M_{\text{red}} = 4.200$, $SD = 1.388$) perceived the label to be significantly more energizing than those who saw the blue label ($M_{\text{blue}} = 3.345$, $SD = 1.596$), $F(1, 114) = 9.921$, $p = .002$. In addition, Chinese respondents ($M_{\text{Chinese}} = 4.138$, $SD = 1.594$) perceived the labels to be significantly more energizing than Americans ($M_{\text{American}} = 3.433$, $SD = 1.431$), $F(1, 114) = 7.000$, $p = .009$. However, these effects were driven by a significant interaction between culture and color $F(1, 114) = 4.587$, $p = .034$. Post hoc analysis revealed that Chinese respondents ($M_{\text{Chinese}} = 4.138$, $SD = 1.431$) who saw the red label perceived the label to be significantly more energizing than all of the other groups ($M_{\text{Others}} = 3.622$), $t(114) = -2.122$, $p = .036$. 


Main Effects of Color

Regardless of ethnicity, the blue label was rated more Secure, Trustworthy, Dependable, and Pure than the red label. Respondents perceived the blue label ($M_{\text{blue}} = 3.293$, $SD = .879$) to be associated with stronger feelings of security ($M_{\text{red}} = 2.967$, $SD = .843$), $F(1, 114) = 4.387$, $p = .038$. Respondents also associated the blue label ($M_{\text{blue}} = 3.397$, $SD = .836$) with stronger feelings of trustworthiness ($M_{\text{red}} = 3.000$, $SD = .8437$), $F(1, 114) = 6.618$, $p = .011$. Therefore our findings did support our third hypothesis (H3). Consumers, both Chinese and American, did perceive the blue label to be more trustworthy than the red labeled product. Combined, Americans and Chinese respondents associated the blue label ($M_{\text{blue}} = 3.293$, $SD = .773$) with stronger feelings of dependability as compared to the red label ($M_{\text{red}} = 2.967$, $SD = .758$), $F(1, 114) = 5.236$, $p = .024$. In addition, respondents rated the blue label ($M_{\text{blue}} = 3.741$, $SD = .909$) more pure than the red label ($M_{\text{red}} = 3.25$, $SD = .9136$), $F(1, 114) = 8.718$, $p = .004$.
Furthermore, for several other dependent variables, on a 7-point Bipolar Scale, there was also a main effect of color. Respondents who evaluated the blue label perceived it to be more *Favorable, Positive, and Happy* than those who saw the red label. Respondents favored the blue label ($M_{\text{blue}} = 4.376, SD = 1.594$) more than the red label ($M_{\text{red}} = 3.433, SD = 1.254$), $F(1, 114) = 11.285, p < .001$. Respondents also rated the blue ($M_{\text{blue}} = 4.776, SD = 1.390$) more positively than the red label ($M_{\text{red}} = 3.918, SD = 1.396$), $F(1, 114) = 11.003, p < .001$. In addition, respondents perceived the blue label ($M_{\text{blue}} = 4.552, SD = 1.111$) with stronger feelings of happiness as compared to the red label ($M_{\text{red}} = 4.150, SD = 1.005$), $F(1, 114) = 4.230, p = .042$ (See Figure 5 below).
Opportunity to Buy

From our study, we found that respondents who saw the blue label ($M_{\text{blue}} = .4828, SD = .504$) were significantly more likely to buy the product than respondents who saw the red label ($M_{\text{red}} = .2500, SD = .4367$), $F(1, 114) = 7.267, p = .008$.

Favorite Color

Afterwards, we asked all respondents to pick their favorite color, and our findings also support previous literature stating that the favorite adult color is blue, followed by green and red (Terwogt, 1995: 14). Regardless of ethnicity, our study upheld such conclusions with 36% choosing blue as their favorite color and 21% choosing color green (see Figure 6 below).
Discussion

Our interests lie in drawing conclusions about cultural differences to blue and red brand logo colors, and as stated in Hypothesis 1, we predicted that American consumers would be willing to pay more for the blue labeled product compared to Chinese consumers. However, we found that Chinese consumers will actually pay more for the blue-labeled product. Hypothesis 2 predicted that American consumers would perceive the red label to be more dangerous than Chinese consumers. Our results did not support this hypothesis. American consumers did not perceive the red label to be more dangerous as compared to Chinese. Instead, Chinese consumers had stronger perceptions of danger regardless of label color and, more specifically, Chinese consumers who were presented with the blue label associated it with stronger feelings of danger. Hypothesis 3 predicted all respondents, regardless of ethnicity, would
perceive the blue label to be more trustworthy than the red label. Our results did in fact support this hypothesis. All respondents did associate the blue label with stronger feelings of trustworthiness compared to the red label.

Moreover, we were able to draw a few conclusions from the results of the study. First off, Chinese and American cultures relate quite differently on several facets and such differences are also found in each culture’s color preferences and associations. Although Chinese and American respondents associated red and blue similarly in some respects, each culture differed on several relations. Therefore, a global brand’s logo color is important and will be rated differently in Chinese and American cultures. Based on our findings, Chinese consumers compared to American consumers will likely pay significantly more money for the product. Although there is no clear evidence as to which brand color will be most beneficial in the long run, a company should select their choice in brand logo color with serious consideration. We did not find any definitive evidence that a company can be dominant in both cultures specifically based on brand color logo alone; there are other factors that come into to play such as style, shape, font, and the overall aesthetic of the brand logo.

Further Research

For further research, it would be necessary to assess the actual relevancy and cultural implications of this study. Continued research would further analyze the relationship between cultural values and color. For instance, is blue seen as a more masculine color and if so, is it preferred more by an individualistic society such as the United States? Also, not all brands are one single color; therefore, additional research would be necessary to understand the associations with brands such as McDonald’s (red
and yellow) and Pepsi (red and blue). We would expect multicolored brands to be associated with a variety of perceptions and emotions aside from basic ones such as anger, happiness, trust, etc. Future research should also analyze the effect of color shading and hues to see if darker colors were preferred over lighter pastel colors and what products would be best suited for both. It would also be interesting to physically give a product to Chinese and American consumers rather than just presenting it to them on a computer screen.

Conclusion

From this study, we can conclude that there are several relative differences in brand logo color perception based on Chinese and American cultures. Although brands have full freedom in choosing their brand logo color, such a decision has numerous associated meanings. We have shown that colors have connotative meanings that are shared by cultures. We have also shown that regardless of culture, blue is still the most preferred “favorite color.” Chinese and American cultures are quite different, and thus have different perceptions of color. The debate on color perceptions, meanings, and associations are likely to grow as countries begin to move towards more global economies, and the decision to choose a brand logo color may hinge on whether color associations are similar or different across cultures. Therefore, in order for marketers and advertisers to dictate cultures, they must first understand cultures and their relative color associations.


