# PERCEPTION OF TURKISH CONSUMERS ABOUT COUNTRY OF ORIGIN EFFECT IN GERMAN AND CHINESE PRODUCTS

Evrim İldem DEVELİ

İstanbul Kültür Üniversitesi, İşletmecilik M.Y.O., Dış Ticaret Programı, Öğretim Görevlisi Dr.

#### PERCEPTION OF TURKISH CONSUMERS ABOUT COUNTRY OF ORIGIN EFFECT IN GERMAN AND CHINESE PRODUCTS

Abstract: Country of the origin effect (COO) is an important variable affecting consumer purchase in international marketing. There are many products where the COO is important to consumers, such as perfumes, accessories, automobiles, high-fashion clothes, consumer electronics, software and so on. Excellent products shape consumers start to equate a company with quality, but one single bad product may damage this perception. Sensitivity to culture could become one of the defining characteristics of the new century's successful global brands. This research will look at COO effects with respect to discover Turkish consumers perception of general country attitude about Germany and China and also perception of German and Chinese products like automobiles and Dvd players. As a research method Parameswaran, Ravi and Pisharodi's study (1994) which is published in Journal of Advertising "Facets of Country-of-Origin Image: An Emprical Assessment" is used.

Keywords: Country of Origin, Product and Country Image, Perception, Quality.

# I. INTRODUCTION

With the global economy stretching geographic borders and redifining alliances, the world has become a more connected and interdependent place. Though there are many disputes about influences of globalization, it can not be neglected. Numerous previously isolated countries suddenly are exposed to the world economy, and their inhabitants start forming attitudes about international brands and their COO [1].

In this respect China will be one of the cases of this study. Since the implementation of China's economic reform policy 30 years ago, the country has managed to lift an astounding 500 million people from poverty into the middle class, boasting a current unemployment figure of between 10% and 15%, and a private sector that has grown from virtually zero to represent 70% of gross domestic product (GDP) [2]. China is the world's largest consumer market. The IMF has recently determined that

### TÜRK TÜKETİCİLERİN ALMAN VE ÇİN ÜRÜNLERİNE Yönelik ülke menşei Algısı

Özet: Ülke menşei etkisi uluslararası pazarlarda tüketicinin satın alma kararını etkileyen önemli bir değişkendir. Ülke menşe etkisinin önemli olduğu birçok ürün bulunmaktadır. Bunlar arasında parfüm, aksesuar, otomobil, moda tekstil ürünleri, tüketici elektroniği, yazılım vb. yer almaktadır. Bazı zamanlarda ülke markalarının grafiğinde düşüş görülebilir. Mükemmel ürünler tüketiciyi işletmeyi ürünün kalitesiyle değerlendirmeye sevk etmektedir. Ancak, tek bir kalitesiz veya kötü ürün tüketicinin işletme hakkındaki bu imajını yıkabilmektedir. Bugün dünyanın birçok yerindeki tüketiciler öncekinden daha zengin, daha bilgili ve üreticiler üzerinde daha fazla güce sahiptirler. Kültüre karşı olan hassasiyet yeni yüzyılın başarılı marka değerlendirmesinde önemli bir kriter haline gelmiştir. Bu çalışma ülke menşei etkisinin Türk tüketicilerinin Alman ve Çin ülkelerine karşı genel ülke tutumu ile bu tüketicilerin Alman ve Çin otomobil ve dvd ürünlerine karşı görüşlerini ortaya koymaya yönelik olarak yapılmıştır. Calışmada Parameşwaran, Ravi ve Pisharodi'nin (1994) Journal of Advertising'de yayınlanan "Facets of Country-of-Origin Image: An Emprical Assessment" adlı makalesindeki araştırma esas alınmıştır.

Anahtar Kelimeler: Ülke Menşei Etkisi, Ürün ve Ülke İmajı, Algı, Kalite.

in terms of purchasing power, China's economy is now the second largest in the world after the USA. Both state and private enterprises contribute to the Chinese economy although the role of state enterprises is gradually decreasing.

The Chinese population is still more rural than urban, but the agricultural sector is declining in terms of both GDP and employment [3]. China's competitive advantage in terms of price and cheap labour force creates an opportunity for countries' production process. Products made in China are known cheap but sometimes of poor quality. This situation makes consumers think about purchasing on Chinese products especially in case of high involvement products. The other case of this study is Germany, which is associated with electric appliances and cars. The carindustry is huge in Germany and automobile infrastructure and technology are intricately linked with the country. Other industries in the world of engineering and technology with a good level of German involvement include ship building, electronic engineering, electrical engineering and aircraft manufacturing.

Evaluation of products from a country is found to be generally dependent on the perceived image of that country [4]. Consumers negatively evaluate the COO relative to brand name when the product is produced in a negative reputation country such as inefficient laborship, simulated product, poor quality etc. The sourcing country also has a powerful effect on the perception of consumers about the product. They evaluate the product regarding the image of the country. If this image is positive, consumers will not hesitate to buy product of it, but if it is negative then consumers question whether the product worths or not. When consumers have previous experience or knowledge of products from a foreign country, they are likely to base their evaluations of a new product from that country on past experiences with or knowledge of products from that country. For example, if asked to evaluate a TV made in South Korea, consumers might think about the performance of the Hyundai, a South Korean car, and use that knowledge to evaluate the TV. Thus, when consumers do not know about products form a foreign country, they rely on their general knowledge of the country (halo); but when they do know about products from the foreign country, they rely on these product beliefs (summary construct) [5]. Consumers make detailed researches especially requiring high involvement products like automobiles, tv, computer, camera. The technology and quality of these products effect decision making process of consumers to buy. At this point the country image is the determinant cue of buying behaviour.

## II. CONCEPTUAL BACKGROUND OF PRODUCT-COUNTRY-IMAGES AND COUNTRY OF ORIGIN

## Product-Country-Image

Baker and Currie [6] suggested that the country of origin concept should be considered a fifth element of the marketing mix along with the product itself, its price, promotion and distribution. As the globalization of marketing efforts continues, the relationship between product-country image and purchasing behavior becomes more important [7]. The image of a country is defined as a perceptual unit that includes various country associations, such as what the consumers know or think they know about the characteristics of a country, its people, their habits and behaviors, and the products associated with it (e.g. innovation, technology, reliability, price, overall quality, typical products) [8].

In general, the country of origin affects consumers' product evaluation [9]. Since consumers evaluate a product on the basis of information cues available [10]. Consumers are believed to use COO image as a proxy for

the performance of a product when they have prior experiences with the performance of other, similar products from the same COO [11].

Country image is an important construct that is of interest not only for businesses that need to enhance their competitiveness abroad, but also for public policy makers with a similar interests but at the national or industry level [12].

In Parameswaran and Pisharodi's study [13], COO image has multiple dimensions or facets such as the strength of its economy, nature of its political system, technological competence, cultural characteristics. Roth and Romeo (1992) [14] investigate COO image in association with product categories and define it as consumers' understanding of a country which is based upon their prior product perception of the strengths and weaknesses of the production and marketing of the product from country. Another definition of country image is as consumer's general perceptions of quality for products made in a given country [15].

Country image is an important consideration in evaluation of foreign-made goods and consequent decision to purchase them [5]. People who receive product information for the purpose of making a purchase decision are likely to interpret the attribute information in terms of pre-existing concepts that have positive or negative implications for the product's quality. They then integrate these implications to arrive at a more general overall assessment of the product's quality and an evaluation of the product. Finally, they transform this evaluation into a purchase decision [16].

Country image becomes a surrogate for quality when product information is lacking, and when there is a lack of familiarity with the Product [17].

Country image and COO have also been viewed as having a "halo" effect when the consumers are not familiar with the country's products [9], [18]. In their insightful book, Papadopoulos and Heslop [19] mapped out the large body of product and country images (PCI) literature into three distinct categories namely:

- 1. origin studies,
- 2. background studies and,
- 3. holistic studies.

Origin studies were sub-divided into three categories, namely mainstream PCI research in marketing and PCI research in allied subject areas and cross-cultural generalizability studies, whereas background studies were also subdivided into three categories as exhaustive literature reviews, consumer behavior research with

frames PCI research and research methodology as theory construction.

1. Origin studies; PCI is a potentially powerful image variable that can be used as a competitive business tool. In a study conducted by Parameswaran and Pisharodi [13], it was revealed that PCI is a multifaceted construct and that its facets are clearly interpretable [10].

2. Consumer ethnocentrism; is defined as the beliefs held by consumers about the appropriateness, indeed morality, of purchasing foreign-made products in place of locally made products [20]. The strength, intensity and magnitude of consumer ethnocentrism vary from culture/country to culture/country. Consumer ethnocentrism proposes that nationalistic emotions affect attitudes about products and purchase intentions [10].

3. As the researches on holistic studies were analysed it's seen that country-of-origin effects are only somewhat generalizable. Verbal products descriptions produced larger county-of-origin effect sizes than did the presence of an actual product. Likewise, single-cue studies produced larger COO effect sizes than did multiple-cue studies and larger samples produced effect sizes that on average were greater than those produced by smaller samples. The size of an observed COO effect was a function of whether the dependent variable was a quality/reliability perception or a purchase intention. Purchase intentions were more susceptible to methodological artifacts that were quality/reliability perceptions [21]. In another study by Martin & Eroğlu [22] it was shown that countries evoked different product images in consumers' minds. However, because COO effects vary across countries, samples and products, rhe results of this stream of research seem to lack consistency and generalizibility [10].

# Country of Origin

COO is defined as the picture, reputation, streotype that businessmen and consumers attach to products of specific country. This image is created by such variables as representative products, national characteristics, economic and political background, history and traditions [23]. For Pisharodi and Parameswaran [24], country of origin is an evolving construct which states that people attach stereotypical "made in" perceptions to products from specific countries and this influences purchase and consumption behaviors in multinational markets. Johansson *et al.* [25] and Ozsomer and Cavusgil [26] define country of origin as the country where corporate headquarters of the company marketing the product or brand is located.

COO is viewed as the overall perception consumers form of products from a particular country, based on their prior perception of the country's production and marketing strengths and weaknesses [14]. According to Cengiz and Kırkbir [27] country of origin is an important factor that affect consumer perception about product or service. Country of origin is actually a categorical variable that simply identifies the country that the brand is associated with. At times, COO has been operationalized as the image of a specific country with respect to a specific product category [18]. Han [15] used "country image" even though he implied "country of origin" about how the role of country image in product evaluation is viewed. In this respect, Han [15] viewed COO as a "summary" construct to infer overall attitudes toward a product when the consumers are familiar with the country's products.

COO may also act as a source of country stereotyping, directly affecting consumers' attitudes towards the brand of a country instead through attribute ratings [28]. Country of origin effects on consumers' evaluations of products have been firstly subject in Robert Schooler's study [29]. The quality of products that are typical of a country can sometimes be used as a standard of comparison in evaluating e new product, leading it to have a contrast effect on evaluations of the product [30].

Country of origin evaluations are not static, but are subjet to variations, caused by various factors, such as;

• changes in the socio-political and economic conditions in both selling and buying countries;

• alterations in the comperative advantage of nations, as well as in the competitive advantage of firms;

• introduction of new manufacturing technologies, as well as movements along the various stages of the international product life-cycle;

• changes in the way of goods are marketed and communicated by both selling countries and organizations; and

• emergence of regional and/or global buyers [31].

These changes have been intensified recently, as a result of the high speed of globalization, proliferation of free trade; and internationalization of production [32]

Some studies suggest a hierarchy of effects among countries, that is the relationship between the level of economic development and perceived superiority of the products [33].

In many developing countries, consumers place higher value on products that come from advanced countries [34,35]. This is because a product made in a developed country is perceived as insurance on the products' quality and performance. Country of origin not only impacts product perceptions, but also has a significant influence on price perception [36].

COO reflects the perceptions consumers form about products "made in" or associated with a given country [18]. COO is an indicator of a product for its quality, service and image. Despite their production facilities in many different countries, Honda is stil associated with Japan, BMW with Germany, and Ford with US. Even when a person drives a Honda built in the US, others perceive that person as driving a Japanese car. Country of origin serves as a cue from which consumers make inferences about product and product attributes [18].

The effects of country-of-origin on consumer behavior tend to vary from country to country, due to differences in economic, socio-cultural, political-legal, and other factors [37].

Consumers also have different attitudes towardvarious product categories from a given country, the result of the existence this being of associations/previous experience with the foreign country, beliefs about its manufacturing system, knowledge about specific brands, and so on [14,38,39].

Consumers are more likely to use the country of origin cue for product evaluations when they have high familiarity with a country's products. Differences in perceived product quality between developed countries and less developed countries are due to consumer beliefs that developed countries' workers are more technologically sophisticated than less developed countries' workers, and consequently more able to make quality products [40].

For Verlegh and Steenkamp [41], country of origin is not merely a cognitive cue for product quality, but also relates to emotions, identity, pride and autobiographical memories.

A country's image may also change dynamically as consumers gain experience with products made in certain countries [42]. Years ago when the Japanese products enter in the market their image was like low quality. But by years Japan invested in research and development and converted that low quality image to country producing high quality technology and reliable products.

In the same way, by time Chinese will notice and understand that the consumers don't want their money waste purchasing on low quality products. Because, consumers want to make reasonable purchase thinking about their budget regarding economic crisis. In this study German and China auto industry and secondly dvd player industry are chosen. These products require high involvement. A car is a complex product with many salient attributes, which consumers may use in product evaluations and subsequent brand preferences [43]. German auto is a big industry whole over the world. It's known with its manufacturing trade, technology for years. Dvd player is the other product that's researched in this study. Dvd player is chosen because of living style of people like watching films at homes rather than going to cinemas. At this point the usage of the players increased.

## III. RESEARCH METHOD

In this study aim was to analyse how consumers evaluate the general country image of Germany and China, and also perception on German and Chinese automobiles and dvd players.

Questionnaire is based on Parameswaran, Ravi and Mohan R. Pisharodi's study [13] published in Journal of Advertising "Facets of Country-of-Origin Image: An Emprical Assessment". The scale contains 51 questions. Facets of COO image factors consist of people facet, interaction facet, undesirable product attributes and distribution-promotion-based general desirable attributes.

In questionnaire 5-type Likert Scale is used. The survey consists of factor analysis and with the results of this analysis also the independent samples t-test is executed to 689 students in Istanbul Kültür University Vocational School of Business Administration and Technical Science.

The questionnaires are applied to students between March and May 2009. Firstly pre-test is performed to 189 students to see the questions well understood, and then applied to others. Demographical distribution of respondants are indicated in Table.1.

**Table.1. Demographics of Questionaires** 

Ago Dongo	Gen	der
Age Range –	Female	Male
18-24	193	217
25-31	137	131
32-38	5	6

#### **Research Findings**

The reliability of questionaire is tested by using Cronbach's coefficient alpha which has standard of 0,70 and found as 0,76. In Parameswaran, Ravi and Mohan R. Pisharodi's [13] Facets of Country-of-Origin Image study five factors are executed. As taken into consideration of answers factors were came out. And these factors are named as Economical-Cultural and Life Dimension, People Dimension, General Product Promotion and Recognition of Country, General Product Promotion and Recognition of Country which are indicated in below.

In Table.2 factors of general country attitudes of Germany is explained by Economical-Cultural and Life Dimension and People Dimensions. German economy is similar to China. German culture is similar to Chinese, Germans are participants in international affairs. Germans have high living standards, are the questions for Economical-Cultural and Life Dimension.

Germans are friendly and likable, Germans have technical education, Germans are hard-working are questions for people dimenson.

In Table.3 factors of general country attitudes of China is explained by Economical-Cultural and Life Dimension and People Dimensions. Chinese culture is similar to Germans, Chinese economy is similar to Germans and Chinese have high living standards are the questions of Economical-Cultural and Life Dimension and People Dimensions. Questions of People Dimension are Chinese have technical education, Chinese are participants in international affairs China's political ideas are similar to Germany, Chinese are friendly and likable and Chinese are hard-working.

In Table.4 factors of German Product attitudes is explained by General Product Promotion and Recognition of Country and General Product Workmanship and Distribution Dimensions.

In Table.5 factors of Chinese Product attitudes is explained by Recognition of Country and General Product Distribution Dimensions. Chinese products are prestigious, China is known mainly for industrial products are the questions for Recognition of country. Chinese products are easily avaliable, Chinese products are sold in many countries, Luxury products are sold in China are the questions for General Product Distribution.

In Table.6 factors of German automobile is explained by Quality, Workmanship And Desired Feature Dimensions. German automobile is overall excellent, German automobile service has high quality German automobile is made to last are the questions for Quality. German automobile has little maintenance, German automobile has good workmanship are questions for workmanship. German automobile has exterior styling attractive, German automobile has good fuel economy are the questions for Desired Feature.

In Table.7 factors of Chinese automobile is explained by Quality, Workmanship And Desired Feature Dimensions. Chinese automobile is overall excellent, Chinese automobile's service has high quality, Chinese automobile is made to last are the questions for Quality.

Chinese automobile has good workmanship, Chinese automobile has little maintenance are the quesitons for Workmanship and Chinese automobile has exterior styling attractive, Chinese automobile has good fuel economy are the questions of Desired Feature.

In Table.8 factors of German DVD player is explained by Product Quality and Product Feature Dimensions. German dvd has high quality and German dvd is good value for the money are the questions of Product Quality. German DVD operates very quickly and German DVD is versatile are questions for Product Feature.

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
	German economy is similar to China.	,877		
Economical-Cultural and Life Dimension	German culture is similar to Chinese.	,794	25 250	
	Germans are participants in international affairs.	,763	35,359	
	Germans have high living standards.	,561		0,793
	Germans are friendly and likable.	,834		_
People Dimension	Germans have technical education.	,664	24,908	
reopte Dimension	Germans are hard-working.	,658		
		Total 60	),267	

### Table.2. General Country Attitudes of German

 Kaiser Meyer Olkin Measure of Sampling Adequacy
 0,798

 Bartlett's Test of Spherity Chi-Square
 1463,905
 d.f. 21
 Sig. 0,000

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
Economical-Cultural	Chinese culture is similar to Germans.	,859		
Interaction and Life	Chinese economy is similar to Germans.	,791	35,960	
Dimension	Chinese have high living standards.	,672		
	Chinese have technical education.	,865		0,738
	Chinese are participants in international affairs.	,695		0,738
People Dimension	China's political ideas are similar to Germany.	,555	22,731	
	Chinese are friendly and likable.	,843		
	Chinese are hard-working.	,682		
		То	tal 58,691	
Kaiser Meyer Olkin Me	easure of Sampling Adequacy 0,700			
Bartlett's	Test of Spherity Chi-Square 1311,474 d.f. 28 Si	g. 0,000		

# **Table.4. German Product Attributes**

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
General Product	German products are intensely advertised.	,771		
Promotion and	Germany is known mainly for industrial products.	,705	35,640	
Recognition of Country	German products have good value.	,698		
	German products have meticulous workmanship.	,786		0,730
General Product	German products are sold in many countries.	,700	24.053	
Workmanship and	German products are easily avaliable.	,622	24,035	
Distribution	Luxury products are sold in Germany.	,606		
		Total 59,6	593	

Bartlett's Test of Spherity Chi-Square 1734,405 d.f. 21 Sig. 0,000

### **Table.5. Chinese Product Attributes**

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
Recognition of Country	Chinese products are prestigious.	,817	34,490	_
Recognition of Country	China is known mainly for industrial products.	,537	54,490	
	Chinese products are easily avaliable.	,702		0,765
General Product Distribution	Chinese products are sold in many countries.	,630	28,089	
	Luxury products are sold in China.	,552		
		Total 62,579		

 Kaiser Meyer Olkin Measure of Sampling Adequacy
 0,750

 Bartlett's Test of Spherity Chi-Square
 1082,671
 d.f. 28
 Sig. 0,000

### Table.6. German Automobile

Name of Factor	Questions		Exp. of Factor (%)	Rel.
	German automobile is overall excellent.	,810		
Quality	German automobile service has high quality.	,805	24,230	
	German automobile is made to last.	,548		
	German automobile has little maintenance.	,698	10 (04	0,737
Workmanship	German automobile has good workmanship.	,678	19,694	
Desired Feature	German automobile has exterior styling attractive.	,774	16.040	
Desired Feature	German automobile has good fuel economy.	,759	16,949	
		Total 60,873		

Kaiser Meyer Olkin Measure of Sampling Adequacy Bartlett's Test of Spherity Chi-Square 0,719 555,278

**d.f.** 21 **Sig.** 0,000

### Table.7. Chinese Automobile

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
	Chinese automobile is overall excellent.	,763		
Quality	Chinese automobile's service has high quality.	,713	21,940	
	Chinese automobile is made to last.	,758		
	Chinese automobile has good workmanship.	,878	21,625	0,738
Workmanship	Chinese automobile has little maintenance.	,813	21,025	
Desired Feature	Chinese automobile has exterior styling attractive.	,671	17 (77	
Desired Feature	Chinese automobile has good fuel economy.	,505	17,677	
		Total	61,242	
Kaiser Meyer Olkin Me	asure of Sampling Adequacy 0,550			

Bartlett's Test of Spherity Chi-Square 536,966 d.f. 21 Sig. 0,000

#### Table.8. German DVD Player

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
	German DVD has high quality.	,837	44.286	
Product Quality	German DVD is good value for the money.	,753	44,200	- 0.718
Product Feature	German DVD operates very quickly.	,941	32.236	0,/18
Ploduct reature	German DVD is versatile.	,923	52,250	
		Total 76,523		
Kaiser Meyer Olkin Mea	sure of Sampling Adequacy 0,720			
Bartlett's	Test of Spherity Chi-Square 781,557 d.f. 6 Sig. 0,	,000		

Name of Factor	Questions	Factor Load.	Exp. of Factor (%)	Rel.
Product Quality	Chinese DVD has good workmanship.	,799		
	Chinese DVD has high quality.	,768	28,885	
	Chinese DVD is good value for the money.	,730		0,719
	Chinese DVD operates very quickly.	,830	26 000	-
Product Feature	Chinese DVD operates very querkly. ,050 26,988 Chinese DVD is versatile. ,771		20,988	
		Total 55,873		
Kaiser Meyer Olkin Meas	ure of Sampling Adequacy 0,741			
Bartlett's T	est of Spherity Chi-Square 212,539 d.f. 10 Sig. 0,00	00		

Table.9. Chinese DVD Player

In Table.9 factors of Chinese DVD player is explained by Product Quality and Product Feature Dimensions. Chinese DVD has good workmanship, Chinese DVD has high quality and Chinese DVD is good value for the money are the questions for Product Qulity of China. Chinese DVD operates very quickly and Chinese DVD is versatile are the questions for Product Feature.

#### **Hypotheses And Significance Tests**

In this study it's aimed to analyse the perceptions of Turkish consumers about Germany and China in general country view and German and Chinese products. Within this part hypotheses are tested.

 $H_{0:}$  The mean of Turkish consumers' thoughts about German and Chinese Economical-Cultural Interaction and Life Dimension is equal to each other.

 $H_{1:}$  The mean of German and Chinese consumers' thoughts about Economical-Cultural Interaction and Life Dimension is not equal to each other.

#### Table.10. Economical-Cultural Interaction and Life Dimensions of Germany and China

Economical- Cultural		Ν	Mean	t	р	
Interaction	Germany	689	3,96			
and Life	China	689	3.98	-0,005	0,996	
Dimension			- 92 0			

When the p-value is less than the alpha level, the alternate hypothesis is accepted. However, if the p-value was greater than the alpha level,  $p>\alpha$  the null hypothesis would be retained. In this case p-value is greater than 0,05, so the null hypothesis is accepted. This means there is no mean difference about the Turkish consumers' thought regarding to the economical-cultural interaction and life dimension. They share the same views on German and Chinese economy and culture.

 $H_{0:}$  The mean of Turkish consumers' thoughts about People Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about People Dimension of German and Chinese nation is not equal to each other.

Table.11. People Dimensions of Germany and China

People		Ν	Mean	t	р
Dimension	Germany China	689 689	3,60 3,65	-0,444	0,657

In the mean of the Turkish consumers' thoughts about People Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. This result indicates that Turkish consumers don't have different ideas about

Germans/Chinese are friendly and likable, they have technical education and they are hard-working.

 $H_{0:}$  The mean of Turkish consumers' thoughts about General Product Promotion and Recognition of Country Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about General Product Promotion and Recognition of Country Dimension of German and Chinese nation is not equal to each other.

 
 Table.12. General Product Promotion and Recognition of Country Dimensions of Germany and China

General Product		Ν	Mean	t	р
Promotion and Recognition of Country Dimension	Germany China	689 689	2,89 3,03	-1,286	0,199

In the mean of the Turkish consumers' thoughts about General Product Promotion and Recognition of Country Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. This result shows that the Turkish consumers don't have different ideas about general product promotion and recognition of country.

 $H_{0:}$  The mean of Turkish consumers' thoughts about General Product Workmanship and Distribution Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about General Product Workmanship and Distribution Dimension of German and Chinese nation is not equal to each other.

Table.13. General Product Workmanship and Distribution of Germany and China

General Product		Ν	Mean	t	р
Workman- ship and Distribution	Workman- Germany ship and China	689 689	4,06 4,13	-0,720	0,996

In the mean of the Turkish consumers' thoughts about General Product Workmanship and Distribution Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. According to this result the Turkish consumers don't have different ideas about General Product Workmanship and Distribution Dimension of Germany and China like luxury products are sold in both country, and German and Chinese products are found easily around the world.

 $H_{0:}$  The mean of Turkish consumers' thoughts about Auto Quality Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about Auto Quality Dimension of German and Chinese nation is not equal to each other.

Table.14. Auto Qualities of Germany and China

Auto		Ν	Mean	t	р
Quality	Germany China	689 689	3,28 3,43	-1,324	0,186

In the mean of the Turkish consumers' thoughts about Auto Quality Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. This means that the Turkish consumers don't have different ideas about quality of German and Chinese autos.

 $H_{0:}$  The mean of Turkish consumers' thoughts about Auto Workmanship Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about Auto Workmanship Dimension of German and Chinese nation is not equal to each other.

Table.15. Auto Workmanship of Germany and China

Auto		Ν	Mean	t	Р
Work- manship	Germany China	689 689	3,28 3,45	-1,760	0,079

In the mean of the Turkish consumers' thoughts about Auto Workmanship Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. According to this result, Turkish consumers don't have different ideas about workmanship of German and Chinese autos.

 $H_{0:}$  The mean of Turkish consumers' thoughts about Auto Desired Feature Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about Auto Desired Feature Dimension of German and Chinese nation is not equal to each other.

Table.16. Auto Desired Features of Germany and China

Auto		Ν	Mean	t	р
Desired Feature	Germany China	689 689	3,48 3,70	-2,503	0,013

In the mean of the Turkish consumers' thoughts about Auto Desired Feature Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. This result means that, the Turkish consumers don't have different ideas about desired features like German and Chinese autos have exterior design and good fuel economy.

 $H_{0:}$  The mean of Turkish consumers' thoughts about DVD Product Quality Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about DVD Product Quality Dimension of German and Chinese nation is not equal to each other.

Table.17. DVD Product Qualities of Germany and China

DVD		Ν	Mean	t	р
Product Quality	Germany China	689 689	2,67 3,98	0,880	0,379

In the mean of the Turkish consumers' thoughts about DVD Product Quality Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. According to this result, Turkish consumers share the same view about desired features such as German and Chinese DVD players have good quality and money worth.  $H_{0:}$  The mean of Turkish consumers' thoughts about DVD Product Feature Dimension of German and Chinese nation is equal to each other.

 $H_{1:}$  The mean of Turkish consumers' thoughts about DVD Product Feature Dimension of German and Chinese nation is not equal to each other.

Table.18. DVD Product Features of Germany and China

DVD		Ν	Mean	t	р
Prod. Feature	Germany China	689 689	4,18 4,24	-0,670	0,503

In the mean of the Turkish consumers' thoughts about DVD Product Quality Dimension of German and Chinese nation the p-value is greater than 0,05 ( $\alpha$ ) which indicates that the null hypothesis is accepted. As a result of this, Turkish consumers have the same ideas such as German and Chinese DVD players operate quickly and they have versatile feature.

## IV. RESULTS AND DISCUSSIONS

Economic growth and relative political stability over the past decade have transformed Turkey into an important commercial center with a vibrant and lucrative consumer market. In recent years, Turkey has become an attractive, competitive and fast growing market for companies from around the world. Garten [44], ranked Turkey and China as the most important two markets in the world [10].

This research has showed that the perception of Chinese product has begun to change in a positive manner. China produces products in various quality. If a consumer wants low price and low quality she can find in variety of quality. The demand and preference of consumers assess the quality. Workmanship is getting more qualified in China because of the foreign investors' decisiveness. In general the country and its image effects the brand image of that product. The world became a small town anymore. In this distance consumers are aware of good and bad popularity about the countries and their products. At this situation it's needed to start from creating positive image about the country by performing promotion strategies around the world.

The German perception stays constant as before. The new perception of consumers is related to China. In this study it's seen that the perception of China or Chinese products are begin to change. The perception of Chinese low product quality has begun to change in Turkey. According to the results of this study in Turkish consumers view both Chinese and German automobiles are overall excellent, their services have high quality and they'are made to last. This may be beause of Turkish companies cooperating with Chinese partners. In general, people think that Chinese products are in low quality because of the low labour costs. On the other hand, years ago when Japan products begun to sold in many markets the perception was hesitating due to the unknown image of products. The case was that the inferior quality of Japan products [31].

In 1980's Japans invest on research and development and gain know how. At present Japan technology is leading whole over the world. Similar case is applicable for Chinese products and China. As China produces aircraft, craft and auto, there is also independent industrial system including satellite industry and modern equipment technology which has high technology. In research % 40,9 of the participants believe that Chinese products don't have high technology, and %36,1 of them think the Chinese products have high technology, %20 of respondents are hesitant. For German side % 55 of the respondents believe that German products have high technology, where %35 of them think the German products don't have high technology, %10 of respondents are hesitant.

In research % 73,1 of the respondents think that most Chinese products are imitation where %16,9 of them think the Chinese products are not imitation, %10 of respondents are hesitant. For German side % 65,4 of the respondents believe that German products are worthy to pay, where %17 of them think the German products are not worthy to pay. %17,6 of respondents are hesitant.

% 48,2 of the respondents believe that Chinese products are worthy to pay, where %31,8 of them think the Chinese products are not worthy to pay. %20 of respondents are hesitant. % 47 of the respondents believe that Chinese automobiles are made to last, where %53 of them think the Chinese products are not made to last. % 68 of the respondents believe that German automobiles are made to last, where %19,9 of them think the German automobiles are not made to last. %12,1 of respondents are hesitant.

For Chinese part % 44,6 of the respondents believe that Chinese dvd players are made to last, where %33 of them think the Chinese dvd players are not made to last. %17,9 of respondents are hesitant. % 53,3 of the respondents believe that German dvd players are made to last, where %32 of them think the German dvd players are not made to last. %22,4 of respondents are hesitant.

As China has open-door policy its products began to be sold abroad and many investors and companies also wanted to have partnership with China in many industries. Auto industry is one of these industries, as Chinese autos started to be sold in our country number of users is getting more. And also there is advertising campaigns on tv emphasizing the paying attention to product and also to the distributer's reassurance. With this tv ad awareness of brand has increased and this made the sellings rose.

China firstly should produce better quality then before and also organise broad integrated marketing communications around the world where the Chinese products sold. As people use these products if they get satisfied they will share with another people in satisfaction. By word of mouth the image will get better reputation then before.

### V. LIMITATIONS AND FUTURE RESEARCH

This research is conducted by two high involvement category such as automobile and dvd player. Customers may think in a different way when involvement is low for products. Because of this, country of origin effect should be studied in different types of products. In this research the age of sample is between 18-38, thus it shouldn't be generalized to whole age of population. And also because of the sample size the research cannot be generalized to Turkey as a whole. Finally the generalization of this study should be contained just in Turkey. The results are not communicable for whole over the world.

### REFERENCES

- Urbonaviĉius, S., Dikĉius, V. & Ĉasas, R. (2007). Automobile Country of Origin Related Associations in Lithuanian Market. *Transport*, 22(3), 1a-1.
- [2] Parker, D. (2008). The China Effect, 24th October. (http://www.engineeringnews.co.za/article/the-chinaeffect-2008-10-24). [24.11. 2008].
- [3] Ahmed, S.A. & d'Astous, A. (2004). Perceptions of countries as producers of consumer goods, A T-shirt study in China. *Journal of Fashion Marketing and Management*, 8(2), 187-200.
- [4] Bandyopadhyay, R.; Yelkur, M.; DaCosta & Coelho, F. (2002). Product Country-of-Origin Perceptions of Portuguese Consumers. *Revista Portuguesa de Marketing*, 6(12), 47-53.
- [5] Lala, V.; Allred, A.T. & Chakraborty, G. (2009). A Mutlidimensional Scale for Measuring Country Image, *Journal of International Consumer Marketing*, 21(1), 51-66
- [6] Baker, M.J. & Currie, C.A. (1993). Country of Origin: The Fifth Element of The Marketing Mix? *Journal of Advertising Research*, 12(1), 1-14

- [7] Nebenzahl, D.; Israel, D.J.E. & Lampert, I.S. (1997). Toward a Theory of Country Image Effection Product Evaluation. *Management International Review*, 37(1), 27-49.
- [8] Hamzaoui, L. & Merunka, D. (2006). The Impact of Country of Design And Country of Manufacture on Consumer Perceptions of Bi-National Products' Quality: An Empirical Model Based on The Concept of Fit. *Journal of Consumer Marketing*, 23(3), 145–155.
- [9] Bilkey, W.J. & Nes, E. (1982). Country of Origin Effects on Product Evaluations. *Journal of International Business Studies*, 13(1), 89-99.
- [10] Kaynak, E. & Kara, A. (2002). Consumer Perceptions of Foreign Products, An Analysis of Product-Country Images and Ethnocentrism. *European Journal of Marketing*, 36(7/8), 928-949.
- [11] Josiassen, A.; Lukas, B.A. & Whitwell, G.J. (2008). Country-of-Origin Contingencies Competing Perspectives On Product Familiarity and Product Involvement. *International Marketing Review*, 25(4), 423-440.
- [12] Papadopoulos, N.; Heslop, L.A. & IKON Research Group (2000). A Cross-National and Longitudinal Study of Product-Country Images with a Focus on the U.S. and Japan. *Working Paper*, Report No. 00-106, Marketing Science Institute: Cambridge.
- [13] Parameswaran, R. & Pisharodi, M.R. (1994). Facets of Country-of-Origin Image: An Emprical Assessment. *Journal of Advertising*, 23(1), 43-56.
- [14] Roth, M.S. & Romeo, J.B. (1992). Matching product category and country image perceptions: a framework for managing country-of-origin effects. *Journal of International Business*, 23(3), 477-497.
- [15] Han, C.M. (1989). Country Image: Halo or Summary Construct. *Journal of Marketing Research*, 26(2), 222-229.
- [16] Hong, S. & Kang, D.K. (2006). Country-of -Origin Influences On Product Evaluations: The Impact of Animosity And Perceptions of Industriousness Brutality on Judgments of Typical And Atypical Products. *Journal* of Consumer Psychology, 16(3), 232-239.
- [17] Monroe, K. B. (1973). Buyers' Subjective Perceptions of Price. *Journal of Marketing Research*, 10(1), 70-80.
- [18] Yagci, M. (2001). Evaluating the Effects of Country-of-Origin and Consumer Ethnocentrism: A Case of a Transplant Product. *Journal of Internatioanl Consumer Marketing*, 13(3), 63-85.

- [19] Papadopoulos, N. & Heslop, L.A. (1993). But Who Knows Where or When? Reflections on the Image of Countries and Their Products. (Eds.: Papadopoulos, N. & Heslop, L. A.). *Product-Country Images: Impact & Role in International Marketing*. New York: The Haworth Press Inc., 39-75.
- [20] Shimp, T & Sharma, S. (1987). Consumer Ethnocentrism: Construction and Validation of the CETSCALE. *Journal* of Marketing Research, 24(8), 280-289.
- [21] Peterson, R.A. & Jolibert, A.J.P. (1995). A Meta-Analysis of Country-of-Origin Studies. Journal of International Business Studies, 26(4), 883-900.
- [22] Martin, I. M. & Eroğlu, S. (1993). Measuring a Multi-Dimensional Construct: Country Image. *Journal of Business Resaerch*, 28(3), 191-210.
- [23] Nagashima, A. (1970). A Comparison Of Japanese And Us Attitudes Towards Foreign Products. *Journal of Marketing*, 34(1), 68-74.
- [24] Pisharodi, R.M. & Parameswaran, R. (1992). Confirmatory Factor Analysis of a Country-of-Origin Scale: Initial Results. (Eds.: Sherry, J. & Sternthal, B.). Advances in Consumer Research, 19(1), 706-714.
- [25] Johansson, J.K., Douglas, S.P & Nonaka, I. (1985). Assessing the impact of country of origin on product evaluations: a new methodological perspective. *Journal of Marketing Research*, 22(4), 388-96.
- [26] Ozsomer, A. & Cavusgil, S. T. (1991). Country-of-Origin Effects on Product Evaluations: A Sequel To Bilkey And Nes Review. Enhancing Knowledge Development in Marketing, AMA Educators Proceedings, 2, Chicago, 269-277.
- [27] Cengiz, E. & Kırkbir, F. (2007). Turkish Consumer's Evaluation of Products Made In Foreign Countries: The Country of Origin Effect. *Innovative Marketing*, 3(2), 72-98.
- [28] Wright, P.L. (1975). Consumer Choice Strategies: Simplifying vs. Optimizing. *Journal of Marketing Research*, 11(1), 60-67.
- [29] Schooler, R.D. (1965). Product Bias in the Central American Common. *Journal of Marketing Research*, 2(4), 394-397
- [30] Li, W.K. & Wyer, Jr.R.S. (1994). The Role of Country-Of-Origin in Product Evaluations: Informational and Standard of Comparison Effets. *Journal of Consumer Psychology*, 3(2), 187-212.
- [31] Terpstra, V. & Sarathy, R. (2000). International Marketing. 8th Ed. Forth Worth, TX: The Dryden Press.

- [32] Leonidou, L.; Palihawadana, D. & Talias, M. (2007). British Consumers' Evaluations of US versus Chinese Goods. A Multi-level Comparison. *European Journal of Marketing*, 41(7/8), 786-820.
- [33] Wang, C.K. &. Lamb, Jr.C.W. (1983). The Impact of Selected Environmental Forces Upon Consumers' Willingness To Buy Foreign Products. *Journal of the Academy of Marketing Science*, 11(2), 71-84.
- [34] Hong, S. & Wyer, Jr.R.S. (1989). Effects of Country-of-Origin and Product Attribute Information on Product Evaluation: An Information Processing Perspective. *Journal of Consumer Research*, 16(2), 175-187
- [35] Leclere, F.; Schmitt, B.H. & Dube, L. (1994). Foreign Branding and its Effects on Product Perceptions and Attitudes. *Journal of Marketing Research*, 31(2), 263-270.
- [36] Meng, J.; Nasco, S. & Clark, T. (2007). Measuring Country-of-Origin Effects in Caucasians, African-Americans and Chinese Consumers for Products and Services. *Journal of International Consumer Marketing*, 20(2), 17-31.
- [37] Cattin, P.; Jolibert, A. & Lohnes X. (1982). A Cross-Cultural Study of Made-in Concepts. *Journal of International Business Studies*, 13(3), 131-41.
- [38] Etzel, M.J. & Walker, B.J. (1974). Advertising Strategy for Foreign Products. *Journal of Advertising Research*, 14(3), 41-44.
- [39] Kaynak, E. & Cavusgil, S.T. (1983). Consumer Attitudes Towards Products of Foreign Origin: Do They Vary Across Product Classes? *International Journal of Advertising*, 2(2), 147-57.
- [40] Lee, C.W.; Suh, Y. & Moon, B. (2001). Product-Country Images: The Roles of Country-of-Origin and Country-of-Target in Consumers' Prototype Product Evaluations, *Journal of International Consumer Marketing*, 13(3), 47-62.
- [41] Verlegh, P.W.J. & Steenkam, J.-B.E.M. (1999). A Review and Meta-Analysis of Country-of-Origin Research. *Journal of Economic Psychology*, 20(5), 521-546.
- [42] Khan, H. & Bamber, D. (2008). Country If Origin Effects, Brand Image and Social Status in an Emerging Market. Human Factors and Ergonomics in Manufacturing. 18(5), 580-588.
- [43] Chao, P. & Gupta, P. (1995). Information Search and Efficiency of Consumers Choices of New Cars, Countryof Origin Effects. *International Marketing Review*, 12(6), 47-59.
- [44] Garten, J.E. (2000). *World View: Global Strategies for The New Economy*. Boston: Harvard Business School Press.

Ocak 2010.173-184.

**Evrim Ildem DEVELİ** (i.develi@iku.edu.tr) is a lecturer at Istanbul Kultur University, Vocational School, Program of Foreign Trade. She has gained her B.A. in Political Science and International Relations from Marmara University, in 2000. She received her M.A. in International Commerce from Istanbul Commerce University, Social Sciences Institute in 2003 and her PhD in Product Management and Marketing from Marmara University, Social Sciences Institute, in 2008. She gives courses on Integrated Marketing Communication, E-Commerce, Marketing Principles, Consumer Behaviors, International Marketing, Hotel Marketing, Tourism Marketing, Customer Relationship Management.