

The Importance of Country-of-Origin Information and Perceived Product Quality in Uzbekistan

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Abstract : Globalization and the internet have completely changed the way in which businesses operate as well as has equipped customers with endless potential. Today, consumers' product choice is not only affected by branding, price and quality of the product, but also by the country-of-origin information. Precisely, 'Made In' label is considered as one of the driving factors which directly impact on consumers' preferences. Generally, it is obvious that products manufactured in less developed countries are considered to be of lower quality and riskier compared to the products made in developed countries. In this regard, it is worth to note that this phenomenon is mainly applicable to western developed countries. However, there is a lack of empirical research on underlying the influence of country-of-origin phenomenon in emerging economies such as Uzbekistan. Today, Uzbek market is being dominated by growing number of foreign made products. Uzbek manufacturers are facing intense competition not only from local producers but also from the availability of foreign goods suppliers. Consequently, consumers are given wider choice of products than ever before. In this regard, it is important to define the importance of country-of-origin information in order to understand Uzbek consumers' preference. The methodology of the research is formulated based on the methodology of previous papers. A total 527 online questionnaires were completed. Data analysis was conducted using factor analysis and analysis of variance test (ANOVA). Findings of the research support the view that Uzbek consumers attach great importance to the country-of-origin information of products. Precisely, it can be stated that Uzbek people perceive product quality by its 'Made in...' label, especially when buying high involvement goods such as car or refrigerator. Another findings of the paper show that products manufactured in developed countries including Germany, Japan and USA are found to be of high quality, while products manufactured in less developed countries are considered to be of lower quality. Marketers can use this information for segmentation purposes. For example, products manufactured in less developed countries can be targeted for low-to-middle income families while goods manufactured in developed countries can be targeted for higher income families. In conclusion, it can be stated that perceived product quality of products that are made in Uzbekistan has slightly increased since 18 years. It implies that nowadays products under 'Made in Uzbekistan' label is continually becoming available to many consumers in foreign markets, especially among Commonwealth of Independent States (CIS) countries. Therefore, conducting further research to explore the phenomenon of country-of-origin information and perceived product quality in emerging markets is of paramount importance.

Keywords : country-of-origin, consumer behavior, product evaluation, perceived quality

Conference Title : ICIM 2016 : International Conference on Innovation and Marketing

Conference Location : London, United Kingdom

Conference Dates : October 17-18, 2016