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**THE EFFECT OF COUNTRY OF ORIGIN AND COUNTRY
IMAGE: AN APPLICATION ON MOLDOVAN
CONSUMERS' PERCEPTION OF TURKISH TEXTILE
PRODUCTS**

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ÖZET

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Köken Ülke ve Ülke İmajının Etkisi: Moldovalı Tüketicilerinin Türk Tekstil Ürünleri Algılamasıyla İlgili Bir Uygulama

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Bu çalışma da köken ülke ve ülke imajının ürün değerlendirilmesi üzerindeki etkisi incelenmektedir. Köken ülke ürünün üretildiği ülke; ülke imajı ise tüketicilerin adı geçen ülkede üretilmiş ürünler için genel kalite algılaması olarak tanımlanmaktadır (Bilkey ve Nes, 1982). Esasen bu çalışmanın ana amacı Moldovalı tüketicilerin Türk tekstil ürünleri hakkındaki algılarını değerlendirmektir. Bu amaçla 244 katılımcıya Türk tekstil ürünleriyle ilgili algular hakkında bir anket formu uygulanmıştır. Moldovanın seçilme nedeni az gelişmiş ülkelerde köken ülke çalışma eksikliği bulunması ve Moldova pazarında son zamanlarda Türk tekstil markalarının sayısında bir artış meydana gelmesidir.

Sonuçlar, köken ülke literatürünün bulgularına destek verecektir. Bulgular göstermektedir ki Türkiye için olumlu bir yaklaşım Türk tekstil ürünleri için daha faydalı bir algılama yaratacaktır. Türk markalarının Moldovadaki farkındalık düzeyleri düşük olmasına rağmen (18.4%), Türk tekstil markalarının isimlerine aşina olan tüketicilerin Türk tekstil ürünleri hakkındaki algılarının daha olumlu olduğu görülmüştür. Bunun yanı sıra, bazı demografik değişkenler de ürün algılamasının üzerinde etkilerinin anlaşılması için değerlendirmeye tutulmuştur.

Anahtar Kelimeler: Köken Ülke, Ülke İmajı, Algılanan Kalite, Ürün Algılaması, Türk Tekstili, Moldova.

ABSTRACT

Master Thesis

The Effect of Country of Origin and Country Image: An Application on Moldovan Consumers' Perception of Turkish Textile Products

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This study examines the effect of country of origin and country image on product evaluation. Country of origin is viewed as the country where a product is produced and country image is defined as consumers' general perception of quality for products made in a given country (Bilkey and Nes, 1982). Specifically, the main objective of this study was to assess Moldovan consumers' perception of Turkish textile products. In the study questionnaire was applied on 244 respondents to evaluate the perception of Turkish textile product. Moldova was selected because there is a lack of country of origin studies in less developed countries, and also because the number of Turkish textiles brands has recently increased in Moldovan market.

The results give support to some findings of country of origin literature. The findings indicate that a positive attitude for Turkey generates a more favorable perception of Turkish textile products. Although, brand awareness of Turkish brands is low (18.4%) it was found that consumers who are familiar with Turkish textiles brand names have a more positive perception of Turkish textiles. Besides, some demographical variables were examined to understand their effect on product perception.

Keywords: Country of Origin, Contry Image, Perceived Product's Quality, Country Image, Product Perception, Turkish Textiles, Moldova.

**THE EFFECT OF COUNTRY OF ORIGIN AND COUNTRY IMAGE: AN
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ABBREVIATIONS

CETSCALE	: Consumer Ethnocentrism Scale
CIS	: Commonwealth of Independent States
COA	: Country of Assembly
COD	: Country of Design
COM	: Country of Manufacture
COO	: Country of Origin
COP	: Country of Parts
CSE	: Country Stereotyping Effect
MCT	: Ministry of Culture and Tourism of Republic Moldova
MIEPO	: Moldovan Investment and Export Promotion Organization
NBS	: National Bureau of Statistics of Republic of Moldova
PCI	: Product Country Image
RM	: Republic of Moldova
UK	: United Kingdom of Great Britain
U.S.A.	: United States of America
USSR	: Union of Soviet Socialist Republics
WTO	: World Trade Organization

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INTRODUCTION

In the last 40 years or so the development of international trade and global markets has reached dramatically high levels and as a natural reaction the interest in the nature of competitiveness has also increased. Today's markets offer a wide range of products thus, consumers have certain preferences for products when making the purchasing decision. These preferences are mainly related to the product, the brand of the product, the company that produces this product, and the country where the product was made (Samli, 1995: 117).

The "Made-in" concept has occupied an important place in international marketing strategy, public policy making and research. Both empirical observations and experiments suggest that country of origin has a considerable influence on the quality perceptions of a product (Badri et al. 1995: 49). In a review of their research Baker and Currie suggested that the country of origin concept should be considered as the fifth element in the marketing mix along with the product, price, promotion and distribution (Al-Sulaiti and Baker, 1998:173).

Country of origin and country image are two broad topics that are extensively debated at the academic level, in marketing related literature and in the business world. The primary purpose of this study was to bring some light on the specifics of Moldovan consumers' behavior with regards to country of origin issue by examining their perceptions of Turkish textile products.

The present study is composed of three chapters. The first chapter is structured in five parts that cover the theoretical framework of country of origin concept. First part comprises the emergence of the concept, definitions of country of origin, dimensions of country of origin, and the definition and importance of this external cue in product evaluation. Second part of the first chapter describes three main factors that affect country of origin. These include stereotypes of countries and products, demographic

variables and ethnocentrism. An actualization of the topic to nowadays reality was described in the next part. Due to globalization process country of origin has also been affected and has received a different interpretation. The changes that occurred as a result of the globalization are also presented in this part. In the last two subtitles the effects of country of origin and country image on product evaluations is provided.

Since the application of this study is made on Moldovan consumers' evaluation of Turkish textile products, the second chapter covers a presentation and a comparison of Turkish and Moldovan textile industries. In order to have an understanding about the image of Turkey, in second chapter it is described the image of Turkey and the perception of Turkish textiles products in the world and in Moldova.

The third chapter of this study presents the application which aims to understand consumers' perception of Turkish textile products. Results and conclusions of the study are presented in the last chapter.

CHAPTER 1

COUNTRY OF ORIGIN AND COUNTRY IMAGE

1. NOTIONS OF COUNTRY OF ORIGIN AND COUNTRY IMAGE

Country of origin and country image concepts started to be deeply researched only in the second half of the 20th century. Studies showed that consumers react and evaluate differently products manufactured in different countries (Bilkey and Nes, 1982: 90; Peterson and Jolibert, 1995: 884). The big question here is why consumers care about the origin of a product and the image of the country this product is coming from? What makes somebody think that a product produced in country “A” may be better or worse than exactly the same product from country “B”? Are consumers’ judgments about perceived products’ quality always objective? On what grounds do consumers base their evaluations? Research on this subject showed that there are many explanations and conclusions for this complex phenomenon.

To understand these phenomena, first of all, we have to explore the meanings of country of origin and country image. It is necessary to investigate the dimensions and factors that affect them, and subsequently the effects they have on products’ evaluation. A theoretical introduction of the country of origin and country image concepts is presented in this chapter.

1.1. COUNTRY OF ORIGIN

“Country of Origin” is a notion that marketers have been using for long time. First time “made in...” label was used in Great Britain in 1800s when British people made a “Made in Germany” stamp in order to easily spot German products on the United Kingdom market and to avoid them. The main idea of this initiation was to encourage British people to buy local products and to avoid foreign ones (Dyes, 2008).

In the marketing literature country of origin is defined in many ways. Chen and Pereira (1999) noted in their review that the “country-of-origin” term is basically known as the “made in...” label of a product, and it can communicate a stereotyped country image, that ultimately influences purchase decision of the customer (Chen and Pereira, 1999: 218). According to Nagashima (1970; 69) and Knight (1999; 152) country of origin is defined as “the picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country. This image is created from such variables like representative products, national characteristics, economic and political background, history and traditions” (Knight, 1999: 151). Country of origin denotes the country with which a firm is associated (Parameswaran and Pishardi, 1994:44). According to Papadopoulos (1993; 36) who made a research on the subject, concluded that country of origin analysis focuses on buyers’ opinions regarding the relative qualities of goods and services produced in various countries.

One of the first articles published on country of origin, based on survey data, was published in 1965 by Schooler in “Journal of Marketing Research”, entitled “Product Bias in the Central American Common Market” (Petersons, Jolibert, 1995: 884). The target of the research was Guatemalan students who had to evaluate identical products but with labels that reflected several countries in Central America. The single information cue available was four different labels from four different countries, i.e. Guatemala, El Salvador, Costa Rica, and Mexico. Schooler (1965; 395) found that Guatemalan students gave lower evaluations to products made in El Salvador and Costa Rica than to Mexican and domestic ones. He attributed this bias to the “regional jealousies, fears, and animosities” among people from these neighbor countries. He concluded that the name of the country on a product’s label had an effect on consumer’s product evaluations.

Even though many researches explored this subject, still scholars admit that there is one unclear thing on this issue. The question that remains without a definite answer refers to the degree of influence that country of origin has on consumer’s product

evaluation (Bilkey and Nes, 1982: 91; Al-Sulaiti and Baker, 1998: 153). Many past studies reached contradictory results; some of them state that country of origin has a significant influence on product's evaluation and purchasing decision while others affirm that it does not have an influence or the influence is not a major one (Bhaskaran and Sukumaran, 2007: 66).

After conducting an analysis of the past research to explore the reasons of these controversies Bhaskaran and Sukumaran (2007; 68) concluded that “the contradictions are often the outcome of different contextual and methodological underpinnings”. The variations in methodology include sampling frames, sample selections processes, sample sizes, data collection, and analysis techniques. Contextual issues comprise overall country image, product-specific country image, hybrid origins (raw materials are not from the same country where manufacturing and marketing is carried out), different products from one country, different products from different countries, or products from countries at different development levels.

One thing that most researches of this subject agreed is the composition of the country of origin. Country of origin is composed of three parts. In their research Inch and McBride (2004; 258) tested the parts of country of origin which are: country of design (COD), country of assembly (COA), and country of parts (COP). COD is the country where the product was designed and engineered. COA is the country where the main product' final assembly occurred, and COP – country where the majority of the materials used in the product came from and/or the component parts were made. The test was performed on Mexican and U.S. consumers that had to evaluate three types of products: television, athletic shoes and mountain bikes. Research results reported by Inch and McBride (2004; 260) indicate that country of origin has to be examined on a product-by-product basis. Otherwise, it would be impossible to apply the theory to all existent products and countries. Test results specified that COD, COA and COP do have different effects on the consumers' perception of product quality, with COP exhibiting

the strongest influence. Another interesting conclusion made by the authors is that in a poorer country (here Mexico) functionality is much more important than design.

1.1.1. COUNTRY OF ORIGIN DIMENSIONS

In 1969 Schooler and Sunoo were the first to postulate that country of origin was composed of more than one dimension: *cognitive* and *affective* (Nebenzahl et al., 2003: 384; McAuley, 2001: 60). The cognitive components are a country's perceived socio-economic, cultural and political attributes. Affective components are a buyer's feelings and attitudes towards a country that were obtained through his/her own experience and contact with the people and products of the respective country. In time, researchers found one more dimension of country of origin, the *normative* dimension. It implies that consumers hold personal and social norms related to country of origin. Many consumers prefer to buy domestic products from the consideration that this is the right way and by doing so they support the national economy. By the same rationale, consumers may refrain from buying foreign products originating from countries where dictatorship is ruling or where human rights are constantly violated" (Muhlbacher, 1999: 607).

The boundaries between these three processes are vague because cognitive, affective and normative processes are interacting in consumer decision-making (Verlegh and Steenkamp, 1999: 524). In Table 1.1. there are exemplified affective, cognitive and normative dimensions of country of origin.

Table 1.1. Examples of Cognitive, Affective and Normative Mechanisms for Country of Origin.

Mechanism	Description	Major Findings
Cognitive	Country of origin is a cue for product quality.	Country of origin is used as a “signal” for overall product quality and quality attributes, such as reliability and durability (Li & Wyer, 1994; Steenkamp, 1989).
Affective	Country of origin has symbolic and emotional value to consumers.	Country of origin is an image attribute that links the product to symbolic and emotional benefits, including social status and national pride (Askegaard & Ger, 1998; Batra et.al., 1998).
Normative	Consumers hold social and personal norms related to country of origin.	Purchasing domestic products may be regarded as a “right way of conduct”, because it supports the domestic economy. Consumers may refrain from buying goods from countries with objectionable activities or regimes (Shimp & Sharma, 1987; Smith, 1990; Klein et. al, 1998).

Source: Verlegh and Steenkamp, 1999, p. 524

Cognitive dimension: in the case of country of origin the relationship between a product’s cue and its attribute are shaped by product-country images. Product-country images are consumer’s image of a country’s people, culture and its national symbols (Verlegh and Steenkamp, 1999; 525). A study on product-country images was undertaken in 1994 by Leclerc, Schmitt, and Dube that revealed a positive effect of French sounding brand names on evaluations of hedonic products like perfume and wine. Another conclusion made in the same study was the negative effects on evaluation of French sounding functional products like cars and computers.

Product-country images contain general impressions of countries and beliefs about a country’s product which consumers have formed in direct or indirect experience with product. General impressions of countries play a big role in product evaluations.

For example, consumers understand that in order to produce high-quality technical products a country needs highly trained workforce. Therefore, they recognize that such products will have a higher quality if produced in developed countries.

Roth and Romeo (1992; 478) made a study where they presented a theoretical framework for the relationship of consumer preferences for a country's products and consumer's perception of a country's culture, economy and politics. Consumers evaluate a foreign product positively if there is a positive match between this country competitive advantage and the skills needed to manufacture this product. For instance, the preference for German cars may be explained by the match between high perception of the workmanship of German engineers and the fact that Germany is a highly developed country.

Affective dimension: Consumers possess emotional and affective connotations about countries. These associations may be formed in direct experiences during holidays abroad or interactions with foreigners and also in indirect experiences. Indirect experiences may be gained through mass media, education, art etc. These connotations have an affect of product's and brand attitude formation. The authors offered the example of the high appreciation by an Arab-American of an Israeli optical instrument. Even though the product has a recognized high quality, the consumer has a negative attitude towards these products, caused by the negative attitude toward Israel (Verlegh and Steenkamp, 1999: 525).

Consumers connect country of origin to personal memories, to national identities and to feelings of status and pride associated with the possession of products from countries that emphasize their beliefs. Therefore, country of origin also acts as an "expressive" or "image" attribute. Expressive attributes encompass esteem, social and self-actualization needs, while image attributes demonstrate the consumer association with some groups, role, or self-image when using this product. A remarkable example of the latter is the Indian consumers' use of Western products which they consider a demonstration of admiration for western life styles.

Normative dimension implies that purchasing products that originate from a specific country is a way of supporting this country's economy. Buying products from countries that engage in anti-human activities may be viewed as amoral. Smith (1990; 27) named this phenomenon as "customer voting". When accepting or refusing to purchase a foreign product, the consumer is "voting" pro or contra the activities and politics of this country's government. There are many examples that demonstrate this fact; Jewish consumers boycotting German products because of the holocaust, Australians boycotting French products because of the French nuclear tests in the Pacific. Another example that emphasizes the importance of the country of origin effect is the reaction that followed in the Middle East countries after a series of controversial cartoons picturing the Prophet Mohammed were published in Denmark. After this, Danish products were yanked off the shelves of many stores in the Middle East, finally costing Denmark's companies millions and raising fears of irreparable damage to trade ties (Fattah, 2006).

By the same token, another important country of origin norm is to buy domestic products. There are many consumers who consider that buying national products is morally correct, that by their action they sustain national economy. U.S., Canadian and United Kingdom governments have been sponsoring "buy national" campaigns to increase the consumption of domestic products. (Shimp, 1984: 285).

1.1.2. COUNTRY OF ORIGIN AS PRODUCT INFORMATION CUE

In present, markets abound with a great variety of products and services. Prior to purchase the consumer bases his/her perception of quality on some informational cues that are associated with the product. There are two types of cues; *intrinsic* and *extrinsic* (Schiffman, 2004: 188; Bilkey and Nes, 1982: 89; Samli, 1995:118). Olson and Jacoby defined in 1972 the intrinsic cues as those that "cannot be changed or experimentally manipulated without also changing the physical characteristics of the product itself" (Samli, 1995: 118). Steenkamp (1989; 310) considers that intrinsic cues are part of the

product itself in contrast with extrinsic cues which are related to the product, but are not physically part of the product. One may conclude that extrinsic cues can be changed without changing the characteristics of the product itself. Oude Ophuis and Van Trijp (1995) stated the same finding that says that “from a marketing perspective extrinsic cues are very interesting because they can be manipulated without the need to modify the physical product”.

Intrinsic cues are related to the physical attributes of the product such as style, taste, size, performance, and quality. On the other hand the extrinsic attributes of a product are packaging, pricing, advertising, warranties, country of origin and brand name (Chattalas, 2005: 26). Consumers do not form all the time their opinion about a product’s quality based on intrinsic cues only, although they like to believe they do. During the purchasing decision the extrinsic cues like brand name, advertising and price play a more important role. Terpstra and Han (1988; 223) argue that often consumers are unable to identify the true intrinsic quality of a product. Even when the financial commitment is considerable, many consumers engage in relatively modest information search prior purchasing.

When a consumer is lacking the experience in consuming a product or the intrinsic cues are not available, or the consumer cannot see them directly, in the case of E-commerce, he or she evaluates the quality on the basis of external cues, like brand image, price, manufacturer’s image, retail store image, and country of origin (Schiffman, 2004: 188; Usunier, 1993: 252; Inch and McBride, 2002, 258). Parallel to the increase in rate of use of E-commerce, the importance of the extrinsic cues is also increasing. In the virtual world the information about products is extrinsic in nature, in this situation any consumer has to evaluate a product’s quality based only on extrinsic cues (Usunier, 1993: 252).

Previous studies in consumer behavior have shown that country of origin is a salient cue in buyers’ evaluations of product quality (Eroglu and Machleit, 1988: 27).

Eroglu and Machleit (1998; 29) postulated that this extrinsic cue is more important than price and brand information. However, this does not mean that all extrinsic cues are more important than intrinsic cues in assessing a product's quality (Samli, 1995: 121). In a related study, Teas (2000) reached a similar conclusion that confirms that country of origin cue may directly affect consumer perceptions of quality (Teas, 2000: 280).

Various studies, however, have shown that country of origin is used not only as a cue for product quality but also it has a symbolic and emotional meaning to consumers. Consumers link a product's country of origin cue to feelings of national pride, memories, authenticity and status (Verlegh and Steenkamp, 1999: 523). Such symbolic and emotional connotations transform country of origin cue into an attribute of "expressiveness" or "imagination". Through their researches and works scholars proved that such attributes represent important determinants of consumer preferences and an important source of brand equity (Verlegh and Steenkamp, 1999: 524).

It is considered that a product's country of origin is one of the most important extrinsic cues, from the international marketing perspective (Manrai, 1998; 593). The main cause of this effect is the easiness and success that international marketers may obtain on the targeted markets if accentuating the country-of-origin cues in the marketing projects. The fact that consumers are using country of origin information as an extrinsic cue in evaluating products and services is documented in the international marketing literature (Manrai, 1998; 594).

Country of origin cues affect consumer's product evaluation in three different ways: (1) the halo process, (2) beliefs about the product's attributes, and (3) purchase intention (Samli, 1995: 118; Han, 1989: 224; Usunier, 1993: 253).

The halo process. Consumer's feelings about a country where the product was made influence the evaluation of the product. If in consumer's opinion the country in question does not have a reputation for producing high-quality products than the

products originating from this country will ultimately be evaluated negatively. These types of feelings change very difficult over time. In this situation, the country name acts as a quality cue. Samli (1995:118) concluded that these feelings create either a positive or negative halo effect over the product. Chao (1993) conducted an analysis that concluded that “when consumer’s confidence in the product quality is widespread, he/she is likely to generalize such quality perceptions to a wide variety of products from that country creating a halo effect” (Chao, 1993: 295). A study had tested the “halo effect” against consumers’ beliefs on two products; television sets and cars (Usunier, 1993:261). Research results showed that the “halo effect” is used more frequently when consumers are unfamiliar with the product category.

Beliefs about the product’s attributes. This is the case when beliefs about a product’s features or attributes are influenced by the product’s country of origin information. Respectively, these beliefs intercede for changes in attitudes toward the product. In the situation when the information about a country changes this will directly affect the beliefs of a product.

Purchase intention. Country of origin information affects consumer’s behavior in the purchasing process. Consumers’ perceptions of a country of origin affect their purchase intention (Teas and Agarwal, 2000: 280). To exemplify this model the authors use the example of an American potential buyer of a Japanese car. Ultimately the buyer is changing his/her intention to buy the Japanese car after being exposed to the “buy American” campaign.

1.2. FACTORS AFFECTING COUNTRY OF ORIGIN

Like any variable, country of origin can be affected by some factors. These factors may influence consumers’ evaluation of foreign made products. Among the most influential factors of influence are the stereotypes that people have for countries and for nationalities, demographic variables and ethnocentrism. Stereotypes are often used as a

surrogate indicator of a product's quality. Demographic variables and ethnocentrism also play a role in determining the degree of influence of country of origin on product quality evaluation.

1.2.1. EFFECT OF STEREOTYPES ON COUNTRY OF ORIGIN

Some consumers are sensitive to the country of origin of the products and their brands, while others make their purchasing decision without paying attention to the "made in..." label. Citizens of a country differ in terms of both the importance they assign to a product's country of origin and their perceptions of different countries.

Researchers have demonstrated that stereotyped attitudes toward foreign products and countries do exist. According to Chattalas et al. (2008) stereotypes represent "individuals' cognitive associations and expectations about any societal group, while national stereotypes are qualities perceived to be associated with a nation's people" (Chattalas et. al, 2008: 56).

Cattin et al. (1982) call stereotyping a "surrogate indicator" (Cattin, Jolibert and Lohnes, 1982: 131) because often consumers use country of origin as stereotypical information in making evaluations of the product. Expert and novice consumers differ in the extent to which they use the stereotypical information. Experts may either judge the product quality on its stereotypical or attribute information, while inexperienced consumers rely more on stereotypical information (Maheswaran, 1994:356).

Depending on their stereotypical knowledge consumers judge the product's quality. Those consumers who have a positive or negative attitude towards a particular country will have positive or negative perception for a particular product originating from that country. However, attitudes may change over time. Many studies and the life itself indicate an image improvement of Japan and the newly industrialized countries of Asia, such as Korea and Taiwan both in the perception of the American and Japanese

consumers and businessmen (Usunier, 1993: 259). After World War II Japan spent billions of dollars in the United States to overcome the damaged image that Japanese products had in the U.S.A. Even though, the success did not belong entirely to a victorious use of the country of origin cue, it had an important role in getting rid of the poor image of Japanese products (Samli, 1995: 122). Another prominent illustration of a change in reputation is the case of the “Made in U.S.A.” label. During the 1970s and 1980s this label was losing ground when compared to “Made in Japan”. Nowadays, however, American brands are more accepted in Europe, Japan, and other countries (Keegan, 2002: 415).

Usually consumers have stereotypes about specific countries and products from these countries. The most encountered examples of stereotypes are French perfumes, Italian shoes, English tea, Japanese electronics, and so on. This type of stereotyping is usually extending to specific products and is not covering all the products categories originating from these countries. Those items that are strongly associated with specific countries often benefit from these linkages. Nonetheless, there is no country that would have a totally favorable foreign reputation for all its products or a country with universally inferior reputation.

Countries are also stereotyped on the basis of their economical development. McAuley (2001) in his research argued that products originating from developed countries are viewed as more qualitative and have a more positive image than those from developing nations. Besides the economical development of a country there are several other factors that influence buying intentions. These factors are the political maturity of the country, historical events and relationships, traditions, level of industrialization, and the degree of technology virtuosity (Bhaskaran and Sukumaran, 2007: 69). Consumers stereotype the quality and the attributes of a product coming from a certain country, associate product’s quality with the images about this country of origin, and during purchasing decision the customer is more inclined to buy a product from a country that he/she has favorable images about.

Samiee (1994) refers to the country stereotyping effect (CSE) as any influence or bias resulting from the country of origin or the country of manufacture. CSE for consumers may come from varied sources. Some sources may be based on one's own experience with the product from the country in question, while others may originate from the personal experience regarding the country, political beliefs, ethnocentric tendencies, etc (Samiee, 1994: 585). According to Samiee there are three main factors that influence country of origin stereotyping:

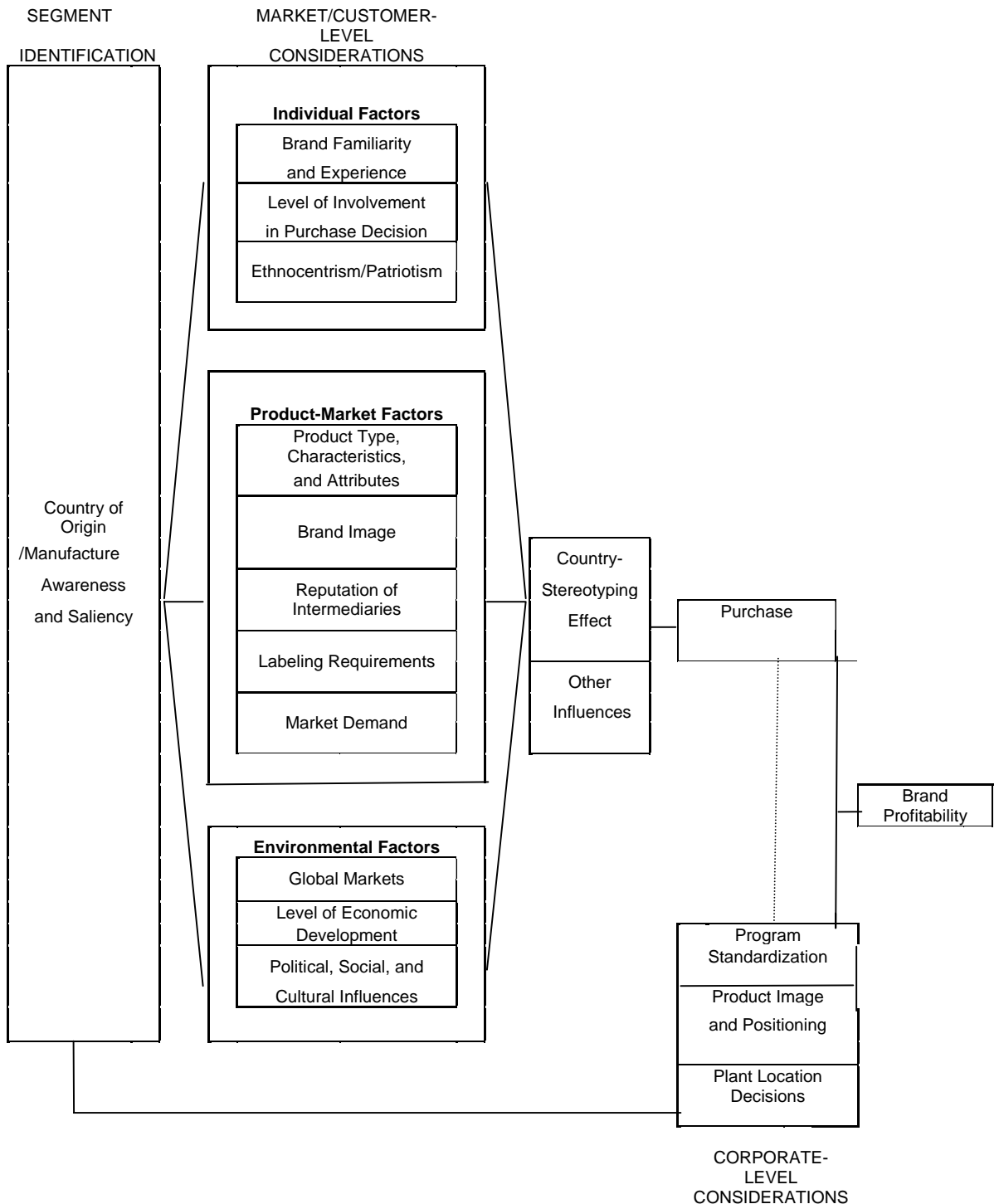
1. *Individual/customer* factors that consist of product familiarity and experience, level of involvement in purchase decisions, and ethnocentrism and patriotic tendencies.
2. *Product-Market* factors include product type, characteristics and attributes, brand image, the reputation of channel intermediaries, and market demand (sellers' vs. buyers' markets).
3. *Environmental conditions of nations* include their presence and influence in the global markets, level of economic development of the countries from which products come, and political social and cultural standing.

All these three groups of factors combined with other customer influences result in a CSE that ultimately affect the purchase decision (Terpstra et al., 2000: 240).

The framework that shows how country of origin and COM affect buying behavior, product-line decisions and brand profitability is presented in Figure 1.1. There are some managerial decisions that do not depend on the customer decisions which include: (a) marketing program standardization; (b) product image and positioning decisions; and (c) manufacturing location decisions (Samiee, 1994:586). CSE affects purchase decision that, in turn, affects brand profitability. Brand/product profitability is the final consideration in this framework. In the below figure country of origin and COM are presented as two different notions. Due to the global nature of businesses, the presence of multinational corporations and the global processes of commercial transactions the assessment of CSE in product evaluations is more complicated (Samiee,

1994; 587). Terpstra et al. (2000) conducted a study that shows the distinction between home and foreign brands and production. Famous brand SONY “made in Japan” (its country of origin) was rated higher than SONY “made in Indonesia”.

Figure 1.1. A Conceptual Framework for Assessing the Country of Origin Influence



Source: Samiee, 1994, p.587

1.2.2. DEMOGRAPHIC VARIABLE EFFECT ON COUNTRY OF ORIGIN

Demographic variables also play a role in the differences of “made in” image. Researches reported a difference of male and female attitudes towards foreign products, that is female consumers tend to show a more positive country of origin prejudice towards domestic products than males (Al-Sulaiti and Baker, 1998:155). Other sources of literature state the contrary, i.e. women evaluate foreign products more favorably than men (Bilkey and Nes, 1982: 91; Usunier, 1993: 258). Men seem to be more patriotic and more influenced by “buy national” campaigns.

With regards to age variable, older people tend to evaluate foreign products more positively than younger people do. A recent research conducted in the USA proves the above statement. It showed that people 61 years or older were most likely to be influenced by a product’s country of origin (Keegan, 2002: 416). The second most likely to be influenced age group is 31-45 years of age. However, there are studies with contradictory conclusions. Usunier (1993) in his study stated that readiness to purchase foreign products decreases with age and this might be a consequence of dogmatism, greater nationalism and stabilized consumption habits.

As stated in Al-Sulaiti’s and Baker’s (1998; 150) literature review, education is the most influential demographic variable. People with a high level of education have a more favorable attitude towards imported goods than those with limited education.

Another demographic variable that has a positive relationship with the attitudes towards imported goods is income level. Consequently, persons with higher income tend to have a more favorable acceptance of foreign products in general than do lower income persons (Bilkey and Nes, 1982; 258).

1.2.3. CONSUMER ETHNOCENTRISM

The general concept of ethnocentrism was introduced in 1906 by Sumner. This construct reflects “the view of things in which one’s own group is the centre of everything, and all the others are scaled and rated with reference to it” (Balabanis, 2004:80; http://findarticles.com/p/articles/mi_m0341/is_3_55/ai_58549254). Sumner highlighted a structure of ethnocentrism that includes unfavorable attitudes towards out-groups and a favorable attitude toward the in-group. Here the in-group represents the standard of comparison of other groups and the willingness to associate with them. Only later, in the late 1970s ethnocentrism started to be associated to the economical sphere and applied to the study of consumer behavior (Shimp, 1984: 285, Shimp and Sharma, 1987: 280; Balabanis, 2004:80).

The pioneers of the study of ethnocentrism were Jacoby and Terence A. Shimp. Nevertheless, in 1982 Nes and Bilkey proposed a study where they related to ethnocentrism as to consumer’s attitudes toward foreign markets or products. Consumer ethnocentrism has been characterized as the consumer’s beliefs in the superiority of their own country’s products. This explanation is capturing the idea that ethnocentric consumers believe that it is wrong and unpatriotic to purchase a foreign made product, because this may hurt the economy of his/her own country, and the level of the unemployment may increase. They believe that buying a domestic product is somehow good for the country. On the other hand, non-ethnocentric consumers or less ethnocentric consumers evaluate foreign products on their own characteristics without considering the originating country (Bilkey and Nes, 1982: 92).

Terence A. Shimp (1984; 285) undertook a research to address the following question related to consumer ethnocentrism: Who are ethnocentric consumers? What are the characteristics that define them? How do they differ from non-ethnocentrics? To find the answers of these questions Shimp used in his research the automobile as the focal product category and applied the questionnaires on 1200 households in two U.S.A.

states. Research results revealed that the two groups are roughly equivalent in life cycle stage and racial character, but there are big differences in education, income level and social class level. In the last three criteria ethnocentric consumers reflect significantly lower levels.

Academicians developed a general scale or factors that are used to assess ethnocentrism, which are:

1. Consumer concern: it consists of consumer's concern about a country's of origin political, economical and cultural influence over his/her home country.
2. Consumer acceptance: this factor consists of consumer's openness to foreign business in his/her country.
3. Consumer preference: It consists of consumer' preference of domestic over foreign products (Mascarenhas and Kuja, 1998: 5).

After researchers defined and theoreticians started to use the concept of consumer ethnocentrism, a study was designed to develop a scale that would measure the concept of consumer ethnocentrism. This instrument was developed and entitled Consumer Ethnocentrism Scale (CETSCALE). This scale measures consumers' ethnocentric tendencies related to purchasing foreign versus American made products (Shimp and Sharma, 1987: 280). There were used American made products since it was developed for the first time in the U.S.A. and measured American citizens' level of ethnocentrism. Research results indicated that the highest CETSCALE scores were registered for the more threatened consumers. By more threatened consumers, the authors denote consumers whose jobs and qualities of life are vulnerable to interruption from foreign competition.

One of the concerns of international marketers is whether the "foreignness" of a product will make it less preferable by consumers in different countries. Many studies

prove that a bias against foreign products and favor of domestic products does exist (Balabanis, 2004:80). This type of bias is expressed both in the form of product perceptions and buying intentions. Moreover, consumers' favorableness or unfavorableness toward a product varies according to product's origin and product category.

In this respect, Balabanis (2004; 82) undertook a research to find out the preference of UK consumers for domestic and foreign products using eight consumer products. Results illustrate that British consumers prefer domestic products above the foreign ones.

A number of studies show the contrary. Consumers in developed countries give preference to foreign product, for some type of products. For instance, American purchasing managers consider industrial products made in the USA inferior to those made in Germany and England. Similarly, British consumers rate products made in Germany higher than those made in UK (Philip et. al., 2002; Mooij, 2004).

In a decision situation when domestically manufactured goods are not available, ethnocentric consumers will show a preference for products from culturally similar countries over those from culturally dissimilar countries (Watson and Wright, 1999: 1149). Generally, the preference for domestic products is stronger in developed countries than in developing countries (Mooij, 2004:120). Researches made in developing countries show the same results. Wang and Chen developed a research in China to demonstrate that in developing countries consumers tend to perceive imported products as being of higher quality than domestic products.

Moreover, this idea may also be viewed from the "type of culture" point of view i.e. individualist and collectivist cultures. Gurhan-Canli and Maheswaran (2000; 99) studied the impact of individualism and collectivism on ethnocentrism on Chinese and American cultures. Scholars' research concluded that collectivist cultures (here Chinese

culture) evaluated home country products more favorably only when they are superior, while, individualistic cultures (here American culture) evaluated home country products more favorably regardless of their superiority.

Another confirmatory research in this area was developed in an Eastern European country, Poland. In Eastern European countries foreign brands are often viewed superior to domestic alternatives (Supphellen and Rittenburg, 2001:907). One of the few researches made in an East European country including the Commonwealth of Independent States (CIS), Russia, represents a significant value for the studies of consumer ethnocentrism. As Moldova is also a member state of CIS, and was a socialist country for more than seventy years we may conclude that the results for Russia may also be conclusive for Moldova. Up to our knowledge there are no studies made in Moldova that would research consumer ethnocentrism or the preference of consumers with regards to the origin of products. One of the objectives of this study is to bring light in this context and investigate Moldovan consumers' preference of products.

The main purpose of the above mentioned study was to assess if Russian consumers are ethnocentric in their attitudes towards imported products (Good and Huddleston, 1995: 35). Results showed that Russian consumers prefer domestic food products but imported clothing and manufactured items. For Russians, country of origin is more important than the brand name as an indicator of quality (Philip et al., 2002: 371). With regards to demographic effects age has been consistently significantly and positively related to attitudes towards products. Examining the relationship between age and ethnocentrism authors found that older consumers are more ethnocentric than younger consumers.

An emotional factor that also affects consumers' purchase behavior, related to consumer ethnocentrism is animosity. Klein (1998; 90) defined animosity as "anger related to previous or ongoing political, military, economic or diplomatic events". While consumer ethnocentrism is related to consumer's choice between a domestic and a

foreign good, animosity toward a foreign country is related to choices among foreign products. Animosity towards the offending country was found to be related to behavioral measures (willingness to buy) but not to product belief measures (Heslop et al., 2008: 586).

From the above mentioned researches one may conclude that ethnocentrism also has effects on the attitudes toward foreign products. It is important for international managers, when entering new markets, to take into account the level of consumers' animosity toward a nation and the ethnocentrism of consumers. Marketing strategies should be adjusted to the nature of the local markets.

When consumers in a market are mainly ethnocentric, a foreign company entering this market and wishing to be successful could have a few alternatives. It may sell its products through franchising, licensing or joint ventures. Or the corporation may convince customers with a better quality of products, outstanding services, warranties, or lower prices.

1.3. COUNTRY OF ORIGIN AND GLOBALISATION

World Bank Organization defines globalization as the growing integration of economies and societies around the world. In the era of global sourcing, global manufacturing and marketing, coupled with an increased level of global communications it is becoming more difficult to precisely define the country of origin of products. It has become a norm for multinational collaborations to exist for product research, design and manufacturing. Well known brands such as IBM is the perfect example of a global company. IBM customers are not likely to care about the COM of their products (Samiee, 1994: 594). On the other hand, less known brands manufactured and sold in second and third world countries, however, are more likely to be analyzed with regard to their COM.

There are products that are produced in more than one country; in this case the product is becoming a “global” one. From a legal point of view the “made-in...” label may be replaced by “manufactured-in”, “assembled-in”, “designed-in”, or “invented-in”. In this perspective, U.S. government made a change in the law of origin of products that states that any cloth “substantially altered” in another country has to be identified on the label. Famous brands like Gucci and Versace were affected by this amendment. Due to this change in law the top producers in fashion industry must write on the label of a silk product “Made in China” because the silk is imported from China. Even though Chinese silk is known to be one of the finest in the world, same time Chinese textiles are viewed as low quality which is creating a general stereotype of inferior quality. Almost 95% of all silk production comes from China (Philip, Cateora and Ghanan, 2002: 371), consequently producers like Gucci and Versace cannot write on their products’ labels “made in Italy” or “made in France”. IKEA, the Swedish producer of home furniture, has chosen a similar marketing tactics. It is positioning its products by reference to the Swedish design and not to the fact that the majority of the products are manufactured by subcontractors in different countries of the world.

Some authors argue that on the global markets, due to globalization, a product’s origin is not so relevant, in our era the “hybrid” products became a norm. A “hybrid” product is one that has components from more than one country. On the other hand there are researchers that claim the opposite, i.e. with the globalization countries are specializing and thus will accentuate the origins of the product (Papadopoulos, 1993:11).

As a consequence of the changes and development that happen in the global business, more products are emerging as a result of these unions. Country of origin is not just a single country phenomenon anymore. Paul Chao (1993; 23) conducted an analysis to explore the consumers’ evaluation of a hybrid product (TV sets). The author stated that due to these changes new terminology appeared: “captive import”, “transplant”, and “hybrid”. The central focus of the research was to find out how U.S. consumers would evaluate a hybrid product with a multiple-country designation in terms of product design

and country of assembly. Results show that consumer evaluations of design and product qualities are influenced more by price, COD and less by COA.

Han and Terpstra (1988; 235) carried out a research designed to determine the effects of country of origin vs. brand name cues on consumer evaluations of uni-national and bi-national products. U.S. made brands of TV sets and cars were compared with foreign TV sets and cars. The research was developed using survey technique and personal interviews among American consumers. Results reveal that the sourcing country stimuli were found to have more powerful effects than brand name on consumer evaluations of bi-national products.

1.4. COUNTRY OF ORIGIN EFFECTS

Within country of origin studies considerable attention had been focused on the effects of country of origin upon consumers' evaluation of products (Johansson et al., 1985: 388; Laroche et al., 2003: 97; Hui and Zhou, 2002:95). One of the main ideas of country of origin studies is to find out how an extrinsic product cue, like country of origin, influences the evaluation of a product's quality.

One of the main factors of "discrimination" among countries of origin is their level of economical development. There is a misconception that highly developed countries produce only high quality products, while the outputs originating from developing or less developed countries are only of low quality. This preference is also available for different product categories. Product type has a key influence on country of origin effects of product evaluation as not all types of products from a country are evaluated the same.

1.4.1. INTRODUCTION OF COUNTRY OF ORIGIN EFFECT CONCEPT

Along with the growth of international trade and development of global markets in the last two or three decades, a greater interest had been shown for the nature of competitiveness. It is believed that there are many factors that influence international competitiveness of countries, and country of origin effect is one of them. This subject has attracted growing attention in the recent years on behalf of both academicians and managers (Al-Sulaiti, Baker, 1998: 150).

The study of country of origin effects examines how consumers perceive products emanating from a particular country (Roth and Romeo, 1992: 477). A more often encountered definition in the specialized literature is “any influence (positive or negative) that the country of manufacture, assembly or design might have on the consumer’s choice process and subsequent behavior” (Philip et al., 2002: 369; Toyne, 1989: 425). It refers to the evaluation a consumer is giving to the product based upon the country where it is made.

Country of origin effect on buyer’s perceptions of the product’s attributes has become a highly debated topic in consumer behavior and international marketing areas not so long time ago. For forty years country of origin effects has been studied and debated at different levels (Peterson, Jolibert, 1985: 883).

Schooler can be considered one of the founders of country of origin effect concept. He was a pioneer in the field and conducted a study of this phenomenon. He published one of the first studies on the topic in 1965. Twenty years later, in 1982, Bilkey and Nes came with a more comprehensive publication entitled “Country of Origin Effects on Product Evaluations”, an article that summarizes the country-of-origin researches to that point in time. Based on their own research and on the studies reviewed they reached the main conclusion that country of origin does indeed influence buyer’s perceptions of product’s quality (Bilkey, Nes, 1982: 94). Another major contribution

brought by the above mentioned authors is that they set the base and urged for the additional research of the issues needed to be addressed in order to advance the state of the country of origin knowledge. Two of the issues were the degree of the importance of this external cue and the ways through which it can be reduced or compensated. In the long run, the last mentioned publication, reached a status of classic, being cited in the majority of country of origin researches that were published later on.

1.4.2. COUNTRY OF ORIGIN EFFECT ON PRODUCT EVALUATIONS

In product evaluation all information cues about a product are important and used. Consumers make deduction about the value of a product by considering information cues as a quality indicator and then combine judgments of the cues available in order to obtain an overall product evaluation (Manrai et al., 1998: 598). Consumers decide about a product's quality based on a systematic process of acquisition, evaluation and integration of product information or cues. For low-involvement products consumers rely more on extrinsic cues, as the cost for searching the intrinsic cues exceeds the benefits (Ahmed et al., 2004: 104). Citing Ahmed et al. in product evaluation consumers use country of origin as a stereotyping process that "allows consumers to predict the likelihood of a product manufactured in a certain country having certain features".

A favorable image of a country generates a more favorable product evaluation (Ahmed et al., 2004: 104). Country of origin effect on product evaluations refers to the tendency of a consumer to change his/her attitudes toward a product or brand on the basis of information on the country of origin of the product. The country of origin would have a negative effect if a consumer changes his/her attitudes unfavorably upon receiving information about where the product was made. Country of origin would have a positive effect if a consumer changes his/her attitudes more favorably after knowing the country of manufacture.

One dominant reason why country of origin information affects consumer's perception about a good's quality is because often consumers use country's image in product evaluation. The reason of this is that most of the times they are unable to detect the true quality of a product before purchase. Consumer's familiarity with a product or brand may influence the impact of country of origin on evaluations. Consumers who are familiar with specific product categories use country of origin cue less in product evaluation (Johansson, 1985: 388). Evaluating a product consumers generally use inferential, descriptive and informational cues. Cues may be intrinsic (design, color, taste) and extrinsic (price, country of origin, warranties, guarantees, brand reputation, seller reputation), and literature states that extrinsic cues are used as surrogate indicators of product quality when other intrinsic cues are difficult to evaluate or missing (Zhang, 1996:51).

The nature and strength of country of origin effects depend on the following factors: product category, product stimulus employed in the research, respondent demographics, consumer prior knowledge and experience with the product category, and consumer information processing style (Nakra, 2006).

Li and Wyer (1994; 187) in their study affirm that there are four ways in which the country of origin of a product could affect its evaluations:

- As a **product attribute** whose implications combine with other attributes to influence evaluations;
- As a **signal** to infer more specific product characteristics;
- As a **heuristic** to simplify the evaluation task;
- As a **standard** relative to which the product is compared.

Some scholars have concluded that there are two ways in which product's country of origin can influence consumer's judgments. First one is *informational influence*, when product evaluations are based on the reputation of the country. The

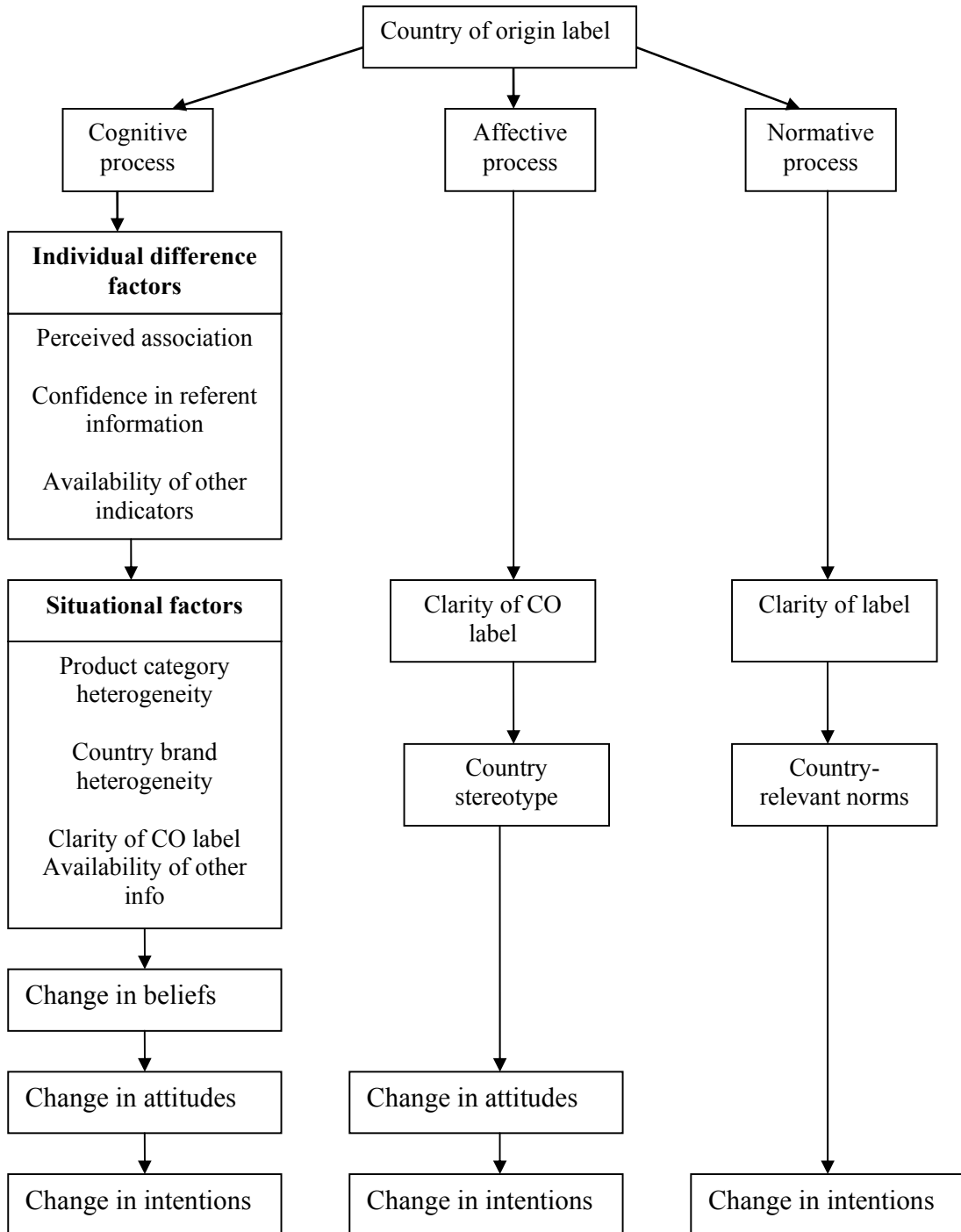
prestige of owning a product from a country with a famous reputation reflects on the consumer's own social status. Second one is *standard of comparison*; it suggests that the quality of products that are normally produced in a country serves as a standard of comparison for other products (Li and Wyer; 1994: 190).

Obermiller and Spangenberg (1989;454) developed a framework that distinguishes between *cognitive*, *affective* and *normative* processes of the country of origin cue, which are represented in Figure 1.2. According to the above mentioned scholars cognitive effect encompasses the traditional hierarchy of effects; affective effects are emotional responses to country stereotypes and which influence attitudes directly without changes in beliefs; and normative effects are the direct effect on behavior. In consumer decision-making these three processes are interacting among each other.

It is postulated that cognitive effect is the most frequent role of country of origin labels in product evaluations. Affective process is the emotional response that overcomes the cognitive evaluation. Consumers may evaluate favorably the main attributes of a product although responding negatively to the country of origin (Obermiller and Spangenberg, 1989: 455). Normative process reveals an influence on preferences without a change in overall evaluation or product attitude. The effect of country of origin in this case would intervene between evaluation and behavioral intention.

In the cognitive process there are identified individual and situational variables that mediate country of origin effects and output variables that indicate change in intentions. Individual difference factors are the limitations on any inference process (Obermiller and Spangenberg, 1989: 457). In this case consumers use country of origin cue to deduce other attributes in three situations: (1) if the two attributes are associated, (2) if they rely on their own knowledge of country of origin, and (3) if there are no other indicators of the target attributed value.

Figure 1.2. A Theoretical Framework for Country of Origin Effects



Source: Obermiller and Spangenberg, 1989, p. 456

As for the situational factors, product category heterogeneity implies that the consumer is familiar with the product category and the brand variations across countries of origin. When consumers are unfamiliar with product category they will rely more on perceived associations between country of origin and target attributes. Product category heterogeneity refers to brand variations across countries. In the situation when product heterogeneity is high country of origin cue may be a valid quality indicator.

Country brand heterogeneity is the consumer's knowledge of various brands from a particular country in a single or small set of related product categories. Clarity of country of origin labels refers to confidence in the informativeness of a label. Availability of other information occurs when consumers rely on country of origin labels as referents only if no better indicators are equally available.

Affective and normative processes bypass cognitive processing. An affective response requires an evaluative response to the country stimulus, a stereotype that overrides any attribute-based evaluation. It influence attitude directly, without affecting attribute beliefs. In this situation, marketers should focus more on promotion in order to emphasize the positive aspect of the country of origin. Instead of trying to change product beliefs marketers can try to change negative affective responses to their products.

Normative processing occurs when a country-relevant norm exists and when these norms regarding country-specific purchases (e.g. "Buy National Products" campaigns) are strong. In this situation country of origin may affect purchase intention without changing beliefs or attitudes.

1.4.3. COUNTRY OF ORIGIN EFFECTS AND ECONOMICAL DEVELOPMENT OF COUNTRIES

Country of origin effects are frequently explained in terms of sourcing-countries' economic development level. A country's economical development can be explained in two terms: (1) level of industrial development and (2) level of market development (Manrai et al., 1998: 592). For most of developed countries the level of industrial development and level of market development are at same stages, although there are exceptions. In socialist countries and former-socialist countries, the new democracies of Eastern Europe, market evolution lags behind industrial development. A more developed market helps to improve country image, while a less evolved market may lead to a more negative country image.

Country of origin effects can be an advantage or a disadvantage for a particular country. For instance, it is an advantage for products and services from a country with a positive image and respectively a disadvantage for those countries whose images are perceived in a worse light. Studies have demonstrated that the country of origin effects do not disappear over time, although country perceptions may change in time. The reason of this change is mainly due to market success and the flux of information that a consumer is getting through all the sources of modern communication. Because of global communication a consumer may discover new things about foreign countries and at what products these countries are best at (Manrai et al., 1998: 594).

An important factor for country of origin effect is whether a country produces through a period of time products at different quality levels. If companies in a country manufacture mainly products that are up to high quality standards, then all products originating from this country will automatically benefit from the country specific advantage (Schiffman, Kanuk, 2000: 238). A few countries have already succeeded to win such a trustworthy image for their companies such as Germany, Sweden, and Japan. Consumers trust the products imported from these countries because they show

relatively low quality variation. Marketers often benefit from this advantage and promote the fact that a product is made in a country with a reputation for manufacturing high quality merchandises.

Many studies support the idea that associating a product with a country that has an image of superior quality producer than this fact often increases the product's evaluation (Li, Wyer, 1994: 187). Having a good reputation, in this case country's reputation, can be a trump in the hands of marketers and businessmen. Li and Wyer (1994) confirmed that "the reputation of a product's country of origin information influenced perceptions of a product's quality well over the effects of information about its specific attributes". Moreover, Papadopoulus mentioned in his book "Product-Country Images" that country of origin effects is a supply side effect, and it derives from the capabilities of different countries to produce high quality products. In time, due to economical growth, countries specialized in producing what they make best. Consumers already recognize these products and managers should take advantage of this phenomenon (Papadopoulos, 1993; 83).

However, on the contrary not all the highly developed countries produce at same high quality level. Even though, such countries like Great Britain, United States and Italy are highly developed countries, the producers in these countries produce at different quality levels (Johansson, 2003: 41).

The level of economic development of a country may be an indicator for the evaluation of the products originating from this country. Many studies suggest that there are higher products' evaluations for products sourced in highly-developed countries, followed by newly-industrialized countries, and lowest for Eastern European/socialist countries and developing countries (Manrai et al., 1998: 592). Subsequently, there is a positive relationship between the level of economic development and product evaluations. Therefore, consumers from highly developed countries tend to evaluate their domestic products more favorably than products coming from foreign countries.

The opposite of this statement is also true. Namely, consumers from developing countries and newly industrialized countries rate their own country's products as inferior compared to products from developed countries (Nakra, 2006).

In a review of past research Bilkey and Nes (1982; 96) found that consumers in more developed countries tend to evaluate domestic products more favorably than do foreigners or they evaluate more positively the products from more developed countries. What concerns less developed countries, here the above mentioned authors conclude that consumers from more developed countries tend to regard the products originating from less developed countries as lower quality. Nonetheless, there are exceptions from the rule, like Colombian coffee which is considered the highest quality coffee.

Other variables that influence product evaluation are the source country's political climate/political freedom, cultural climate and similarities among the source country's belief system (Usunier, 1993:259; Han, 1988:24). In this respect, a study was developed to find out which countries American consumers prefer for foreign products. The results showed that American consumers prefer to buy products originating from politically democratic countries such as European countries, Australia and New Zealand (Usunier, 1993:258).

It has to be mentioned that for many consumers the effect of product evaluation bias can be offset by price concessions. As the price of domestic products increases compared to foreign ones, more consumers prefer foreign goods against which they had evidenced prejudice (Bilkey and Nes, 1982: 91).

1.4.4. THE INFLUENCE OF PRODUCT TYPE ON COUNTRY OF ORIGIN EFFECT

Many empirical studies have demonstrated that there is a linkage between country of origin effects and product types. For most of the product categories country of origin is important to consumers. Scholars demonstrated that country of origin effects do differ by product category (Bilkey and Nes, 1982: 92).

These “reactions” are effective for products in general, for classes of products, specific types of products, consumer products, and for industrial products (Nebenzahl, Jaffe and Unsunier, 2003: 384).

Kaynak and Cavuskil, in 1983, investigated if country of origin perception prejudices exist and differ among several product categories: electronics, food items, fashion and household goods (Zhang, 1996:53). Research made on Canadian consumers resulted that the quality perceptions of products differ both on country of origin and on product class. A country may rank high for a product type and low for another product. For example, Japanese electronics were ranked very high, while Japanese food products were ranked very low. An analogous study undertaken by Zhang with the Chinese consumers proved the same idea; Chinese consumers have a more favorable attitude for television sets produced in Japan and U.S.A. then shirts produced in these two countries. Similarly, another research was made with Australian consumers that had to rank French wines, French cameras, and French perfumes. The latest received very high ratings although cameras and wines seem not to be preferred by Australian consumers, as Australia produces heavier wines which are mainly preferred for consumption (Nakra, 2006, <http://www.i-b-t.net>). This occurrence may be explained by the fact that certain products are considered more typical for certain countries, as for instance Italy and pizza, Germany and machine tools, Britain and puddings.

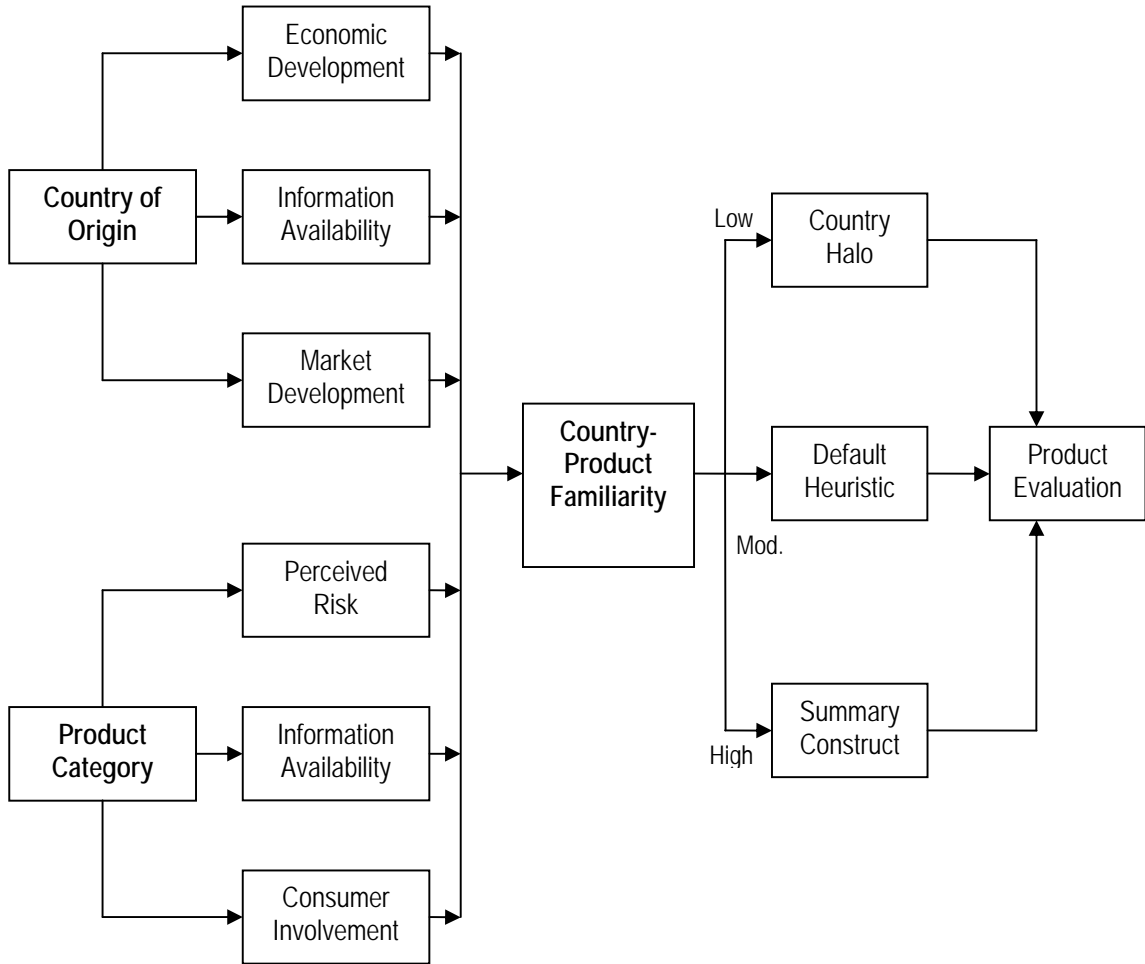
It is argued that consumers in less developed countries rely more on country image when forming their attitudes and behavior than do consumers from developed countries (Zhang, 1996:54). One of the reasons is that consumers in less developed countries are less informed and have less purchasing experience of foreign products. This may be particularly the case with more expensive and complex products. That is why, for consumers from less developed countries country of origin information can be more important for a durable product with more complex features than a common non-durable good with simple features. According to Zhang (1996) this product type effect may be more important than that typically found in developed countries.

Industrial products are also subject to consumers' evaluations. Various studies have been devoted to study the perception of industrial products and industrial purchasers. One of them was developed in the United States where industrial purchasers were asked about their perception of products' attributes: price, perceived quality and technological advance. Germany came out to be considered a leader in product quality, image reliability and the most capable producers of heavy industrial equipment (Usunier, 1993: 257).

As Nakra (2006) suggested in her recent research, product categories in which country of origin is usually given greater importance include perfumes, wines, cars, high-fashion clothes, consumer electronics and software. Country of origin effects are less pronounced in products in which production technology is widely diffused across the globe, regardless the country of origin these products are produced at the same standard of quality levels.

A theoretical model (Figure 1.3.) was developed to exhibit the effects of country of origin and product category on consumer's product evaluation.

Figure 1.3. Interactive Effects of Country of Origin and Product Category on Product Evaluations



Source: Manrai et al., 1998: 508.

The central part of this model is “country-product familiarity” that results from the combination of the effects of factors related to country of origin (economic development, information availability and market development) and product category (perceived risk, information availability, involvement). “Country-product familiarity” influences product evaluation in three ways. Country halo occurs under the condition of low country-product familiarity, while summary construct takes place in high familiarity. Default heuristic takes place under moderate country-product familiarity.

The main findings of the country of origin literature expressed above are exhibited in Table 1.2.

Table 1.2. Findings of the Country of Origin Literature

Finding	Supported	Refuted
In general, consumers display preference for products made in some countries more than others.	The great majority of COO studies: e.g. Schooler 1965, 1971; Hampton 1977; White 1979; Cattin et al. 1982; Papadopoulos et al. 1987	Gaedeke 1973; Johansson et al. 1985; Ettenson et al. 1988
This preference tends to be to the level of economic development of nations.	Gaedeke 1973; Kaynal & Cavusgil 1983; Wang & Lamb 1980, 1983; Lumpkin & Crawford 1985	Schooler & Sunoo 1969; Bannister & Saunders 1978.
Consumers from different countries respond differently to the COO cue.	Stephens et al. 1985; Papadopoulos et al. 1987	None
There tends to be a preference for domestically produced products.	Reiersen 1966; Gaedeke 1973; Krishnakumar 1974; Cattin et al. 1982; Morello 1984; Lumpkin et al. 1985	Nagashima 1977; Hester & Yuen 1987; Daser & Meric 1987
Preference for domestic products displayed by the ethnocentric group; the non-ethnocentric group exhibits characteristic similar to those of “innovators”: younger, educated, higher income etc.	Wang 1978; Shimp & Sharma 1987; Han & Terpstra 1988	None

Table 1.2. Findings of the Country of Origin Literature (continued)

Finding	Supported	Refuted
Patriotic sentiments typically increase COO awareness but not the brand choice.	Daser & Meric 1987; Hester & Yuen 1987	Han 1988
CSE varies by product type.	Nagashima 1970, 1977; Gaedeke 1973; Bannister & Saunders 1978; Dornoff et al. 1979; Festervand et al. 1985; Lumpkin et al. 1985; Wall & Heslop 1986	None
The influence of COO increases with increased product familiarity.	Johansson et al. 1985; Heimbach et al. 1989	Erickson et al. 1984; Hong & Toner 1989; Cordell 1992
Appropriate marketing strategy can change CSE.	Reierson 1967; Schooler et al. 1987	None
COO assessments are dynamic in nature.	Nagashima 1970, 1977; Darling 1987; Darling & Wood 1990	None
A large proportion of consumers are not aware of nor do they take COO in consideration.	Hugstad & Durr 1986; Hester & Yuen 1987	The majority of studies support the presence of CSE.

Source: Samiee, 1994: 582-584.

1.4.5. PERCEIVED RISK AS A DETERMINANT OF COUNTRY OF ORIGIN EFFECTS

Hampton was one of the first researchers who examined the influence of perceived risk on the evaluation of products in 1977 (Bilkey and Nes, 1982: 92). He examined three classes of perceived risk, high, moderate and low for American products versus same products produced by US companies abroad. Results indicated a general increase in perceived risk for products made by US companies abroad.

A hypothesis that has been proposed by several studies is the mediation of perceived risk to explain the influence of the country of origin on consumer evaluations (Usunier, 1993: 253). Normally consumers tend to take less risk when purchasing, so they either choose national products where they perceive a lesser risk, or they prefer products of certain countries with favorable images.

Jolibert (1977) has proved that perceived risk may be reduced in case consumers believe that a foreign country is suitable for the manufacture of specific products. Usually, the perceived risk for a product from a specific region is decreased by the ethnic products originating from that region. For instance, English overcoats for winter are considered as ethnic English products and are highly appreciated all over the world.

1.5. COUNTRY IMAGE

Country image is a concept with its own characteristics and dimensions that cannot be separated from country of origin concept. A country name serves as an informational cue for consumers during the evaluation process of a product.

Herein, a succinct presentation of the country image research is provided along with the effects that a country image may have on product evaluation.

1.5.1 COUNTRY IMAGE AND ITS EFFECTS

In international marketing and consumer behavior literature there was frequently stated that country image plays an important role in consumer's perceptions of products. A considerable number of studies conducted on country image bring the evidence that country image can and does impact consumers' behavior both directly and indirectly on product beliefs and purchase intention. These general perceptions towards a country image have considerable effects on consumers' attitudes towards the products made in this country (Han: 24; Heslop et al. 2008: 354).

It is critical for managers and government agencies to understand the dimensions, importance, and effects of country image and how they can be operationalised. “A proper management of a nation’s image can give its business institutions a competitive advantage in the world markets” (Dinnie, 2002: 396).

Nagashima (1970; 68) was one of the first who studied the country image perceptions on US and Japanese businesspeople. He defined country image as follows:

the picture, the reputation, the stereotype that businessmen and consumers attach to products of a specific country. This image is created by such variables as representative products, national characteristics, economic and political background, history and traditions (Nagashima, 1970:68). “The total of all descriptive, inferential and informational beliefs one has about a particular country (Roth and Diamantopoulos, 2008: 2).

An updated definition of country image from a marketing perspective would be:

consumer’s perceptions of products from a particular country based on their prior perceptions of the country’s productions and marketing strengths and weaknesses (Manrai, 1998:594).

Country image effects mainly refer to attitudes towards products made in a country. Attitudes are conceptualized as having three components: cognitive (beliefs); affective (emotions or feelings) and conative (response) (Heslop et al., 2008: 356). Majority of research on country image effects deals mainly with the impact of product beliefs (product quality, reliability, innovativeness, performance etc.) on product behavior (intention to buy, buying, rebuying, willingness to pay, refusal to buy, boycotting). However, country image effects are less studied from both a cognitive and affective base (Heslop et al., 2008).

In their research Roth and Romeo (1992; 482) found four dimensions of country image which are: (a) innovativeness (use of new technologies); (b) design (style, appearance); (c) prestige (status, brand name reputation); (d) workmanship (manufacturing quality, durability). This implies that country image is a multidimensional construct and the above mentioned dimensions are production and marketing oriented.

Moreover, the main idea of their study was to emphasize the importance of product-country match. A product-country match occurs when important dimensions of a product are associated with a country's image (Roth and Romeo, 1992: 482). The model of matching is exhibited in Figure 1.4.

To demonstrate the model the authors used two image dimensions; design and prestige. As countries they used France and Hungary, where France is associated with good design and prestige, and Hungary is perceived weak for these dimensions. As product categories shoes and beer were used; for shoes design and prestige are important dimensions while for beer they are not.

Figure 1.4. Country and Product Category Dimension: Matches and Mismatches

		Country Image Dimensions	
		Positive	Negative
Dimensions as Product Features	Important	I. Favorable Match Example: French shoes	II. Unfavorable Match Example: Hungarian shoes
	Not important	III. Favorable Mismatch Example: French beer	IV. Unfavorable Mismatch Example: Hungarian beer

Source: Roth and Romeo, 1992: 483.

A favorable product-country match takes place when the strengths of a country are important product's attributes (cell I. French shoes). An unfavorable product-country match occurs when product features do not match country's perceived strengths (cell II. Hungarian shoes). Cell III shows a favorable mismatch; although France's image is positive its strengths are not important for beer. Last cell is the case of the unfavorable mismatch, it occurs when the image dimensions of a country is not important for a product category feature and is not perceived as a country's strength.

It is important for managers to understand when a favorable or unfavorable match or mismatch exists. This information can be used for the marketing strategies, i.e. to omit or to accentuate the product or country information when making promotion or communicating about the product.

1.5.2. EFFECTS OF COUNTRY IMAGE ON CONSUMER'S PRODUCT EVALUATION

It has been demonstrated that country images can have significant impact on consumers' product evaluation (Agarwal and Sikri, 1996; Bilkey and Nes, 1982; Eroglu and Machleit, 1998; Han and Terpstra, 1988; Roth and Romeo, 1992).

Country image is viewed in two ways. The first interpretation indicates that country image is viewed as consumers' overall perceptions of products (Agarwal and Sikri, 1996:24). This implies that the products made in a country have similar quality. In this case country image is assumed to be a halo construct.

The second interpretation which is more frequently met suggests that country image comprises a set of beliefs about certain products from a given country. Consumers have some knowledge about specific products originating from a country, so consequently the attitudes they have for products from that country vary by product category (Agarwal and Sikri, 1996: 25).

Han (1989) examined the role of country image in consumer evaluations of products and suggested that it may have an affect either as a "*halo*" or as "*summary construct*". Country image as a *halo* occurs when consumers are not able to detect the quality of a product usually because they are not familiar with the product, they use country image in product evaluation. In this situation country image serves as a halo from which consumer infers the product attributes. Country image has greater effects on purchase intentions when consumers are not familiar with the country's products than when they are. This view is similar to using price information and seller reputation in product evaluation. Consumers use price when they are not familiar with the product and when information about product and purchase context is lacking (Han, 1989:223).

Han concluded two theoretical implications: (1) consumers judge about a product's quality based on the country image, and (2) country image affects consumer's evaluation of product's attributes. "Country image as a halo directly affects consumers' beliefs about product attributes and indirectly affects overall evaluation of products through those beliefs". Country image as a halo can be shown as the following structure:

Country image \implies Beliefs \implies Brand Attitude.

Country image as a *summary construct* – consumers keep in their memories the information related to the use of any products or brands, so they already have formed opinions about the brands that they had previously consumed. Brand image can contain product information as a summary construct. To exemplify this idea the beer example is used; if told to a beer drinker that a beer is Budweiser brand it would be much more meaningful than just say that this beer costs X dollars. Analogous to brand image, country image can be viewed as a summary construct. As consumers become familiar with a country's products, country image may become a construct that summarizes consumers' beliefs about product attributes and directly affects their attitudes toward the brand (Onkvisit and Shaw, 1993:333). Two theoretical implications result from this assumption: (1) consumers make abstractions of product information into country image and (2) country image directly affects consumer's attitude for a brand. Schematically the relationship can be shown as:

Beliefs \implies Country Image \implies Brand Attitude.

Another attempt to investigate the role of country image in consumers' product evaluations was undertaken by Laroche et al. (2005; 99) by designing a study and proposing a model for this scope. Exploring the works done on this topic by other scholars Laroche et al. concluded that country image influences consumer's evaluation of product quality, risk, likelihood of purchase, and other variables. According to Johansson and Erickson country image has an impact on consumers' evaluation of

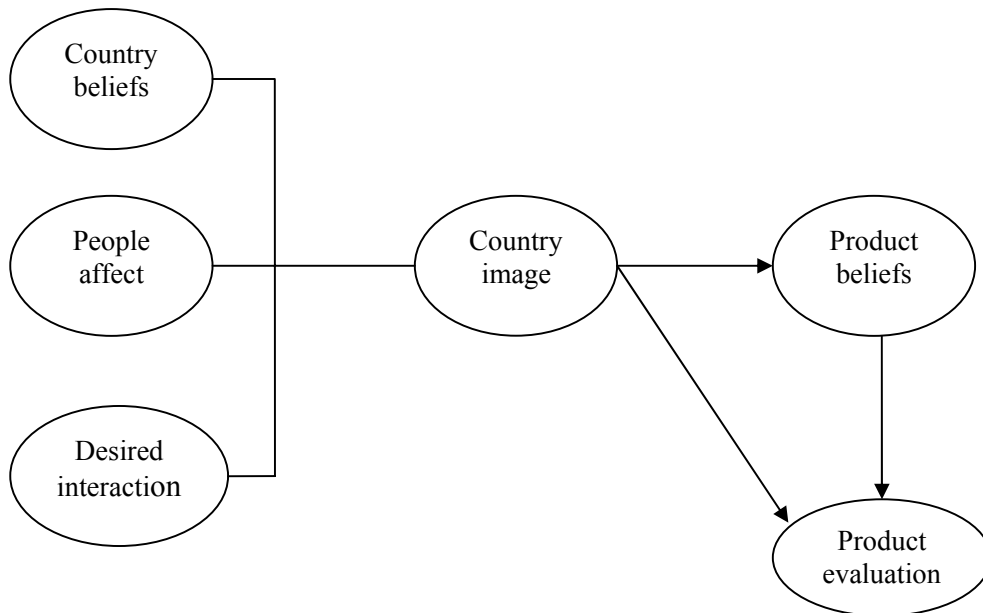
specific product attributes rather than the general evaluation of the product (Laroche et al., 2005: 99). Attempting to explain why consumers use country image as a variable in evaluating products scholars suggest that country image is used as a “summary” variable. This construct is used by consumers to summarize information about product attributes.

After analyzing the data of the study, Laroche et al. (2005) argued that country image is a concept composed of three components:

1. cognitive component – consumer’s opinion about a country’s economical development;
2. affective component – consumer’s affective response towards the people of that country;
3. conative component – the level of interaction that consumers want to have with the country.

Laroche et al. (2005) proposed a model that shows the interaction between country image and consumer evaluations of foreign products. The model is exposed in Fig.1.5.

Figure 1.5. Proposed Model of Country Image Influence on Consumers' Product Evaluation.



Source: Laroche et al., 2005, p. 96.

In this model product beliefs denote consumers' beliefs about the quality and reliability of a product. On the other hand, product evaluation shows the attitude that the consumers have for the product and it refers to the pride of ownership, liking and intention to purchase. According to this model country image and product beliefs are processed simultaneously regardless of consumer's level of familiarity. Country image influences product beliefs and at the same time has an indirect effect on product evaluation; this represents consumer's use of country image as a halo. While the direct effect of country image on product evaluation reflects the use of the summary construct.

The amount of available information is likely to affect country image (Manrai,1998:598). When evaluating products from a country the probability that a consumer will use country of origin cue is higher if the consumer is familiar with the

country. Otherwise, the consumer feels less confident in using country image as a cue (Li et al., 1998: 122).

In a review of past research Papadopoulos and Heslop (2002; 294) noted that “product country image (PCI), and its potential effects are the most researched issue in international buyer behavior”. It is stated that in a time period of half a century outstanding research was done on country image and product marketing and all the work resulted in more than seven hundred (one thousand articles according to Roth et al. 2008) publications. Basing their finding on research Papadopoulos and Heslop (2002) made several significant conclusions on the meaning and role of PCI:

1. Country images are powerful stereotypes that influence behavior of consumers, tourists, industrial and retail buyers and foreign investors.
2. The effects of country image vary depending on the numbers and strength of cues in the research study.
3. Country image influences consumers’ price expectations. There is a positive relationship between country image and price expectation; the lower the image of a country, less price consumers expect to pay for a product from that country.
4. PCI contains seven basic elements comprising three country constructs (country level of development, feelings about its people, and respondent’s openness for contact with the country) and four product constructs (assessment of the product, price, market presence and consumer satisfaction).
5. Buyers know what hybrid products are and can make the difference between COM, COD, COA and COO.
6. Some countries are associated with specific products, for instance French fashion and Japanese electronics.
7. Consumers can differentiate between country’s and product’s images and understand that these are not same things.

8. Although it is a lengthy process PCIs may change over time. Olympic Games and marketing strategies can be major events after which a country's image may change in a better way.
9. "Buy domestic" campaigns are not always effective in increasing the purchase intentions of domestic products if superior foreign products are available.

CHAPTER 2

IMAGE OF TURKEY AND TURKISH TEXTILES AND TEXTILE SECTOR IN MOLDOVA

2. INTRODUCTION

Textile industry in Turkey dates back to the Ottoman Empire era. It is one of the most important sectors for Turkish economy, bringing the largest share of hard currency. It is a sector that has hundreds of years of production traditions and whose products are appreciated and known both nationally and internationally. Nowadays Turkey is the largest exporter of textiles in Europe. Turkey succeeded to create an image that associates with a large producer of textiles, a producer of quality textiles and clothing products, and a country that has well established trade practices (Cukul, 2008; Ercan, 2002: 1).

This chapter aims to provide a description of Turkey image and Turkish textiles image in the world and in Moldova. An important place in this part is given for the presentation of image of Turkey, considering the fact that a country's image plays an important role in product evaluation. Additionally, in order to make an assessment of the level of development of the industry an overview of the evolution of textile industries in Turkey and in Moldova is offered.

2.1. PERCEPTION OF TURKEY'S IMAGE AND TURKISH TEXTILES

2.1.1 IMAGE OF TURKEY

A limited number of studies on the evaluation of Turkey's image have been conducted in Turkey, in Europe and in USA. One of the most recent studies on the image of Turkey was undertaken by Ger in 1997. Ger, a Turkish born, conducted the study using questionnaires on 660 American and European students (110 Americans and

550 Europeans). The purpose of the study was to find out the perception of 11 Mediterranean countries, and specifically the perception and feelings toward Turkey (Ozmen, 2004). From these 11 countries it was intended to find out which countries were viewed as resembling most to Turkey. Respondents had to express their impressions and symbolic associations answering the following types of questions “If Turkey was a man, what kind of person he would be? How does he live? What does he do? What products would he use? What does he believe in? What is his character like? What kind of relationship do you have with him?”

After the study was completed results showed that Turkey was mostly resembled to Greece and then to Egypt, Algeria, Iraq, Iran, Syria. Turkey was viewed as a North African or Middle East country.

The impressions and feelings for Turkey, according to Ger’s study, can be summarized as follows (Ozmen, 2004: 17):

1. Positive Associations:
 - a. Tourist attractions (beautiful beaches, sea, sun, mosques, Istanbul, beautiful islands, growing tourism;
 - b. Representative goods: oriental rugs, carpets, copper souvenirs, golden and silver jewelry, food;
 - c. History and culture: the crusades, strict traditions, weird traditions, mystical history, Ottoman, Arab culture.

2. Relatively negative but sometimes positive associations:
 - a. Visual items: fes, women wearing scarf, men with moustache, Turkish spa, villagers, muddy roads;
 - b. Economic, politic and social situation: weak and unbalanced democracy, unclear identity - Western or Eastern, Muslim or modern, geographically

familiar but culturally different, located at the border of Europe, underdeveloped but with potential;

- c. Lifestyle, people and beliefs: incomprehensible traditions, less weird than other Muslim countries.

3. Negative associations:

- a. Human rights problems, an insecure/unsafe and oppressive environment, limited freedom, hard and unmerciful laws, domineering police government, military government, inequality between man and woman;

When the respondents were asked to personify Turkey with a person, the portrait of this person can be described as a middle height man, with dark skin, hair and eyes, with moustache, and rarely shaves. He is a friendly, kind, honest, hard working, brave, ambitious and a mystic person. Less positive traits that were concluded are that this person is strict, rude, unhappy, fanatic, patriotic, pushy, harsh, angry and revengeful.

Anholt-Gfk Roper Nation Brands Index, is a marketing research company that is specialized in measuring nations' brands indexes (www.gfkamerica.com). This index measures the power and the quality of each country's "brand image" by combining the following six dimensions: exports, governance, culture and heritage, people, tourism, investment and immigration. Among 35 countries brand images Turkey was ranked as last. Only for governance, culture and tourism dimensions Turkey was not the last one.

Head of Anholt-Gfk Roper Nation Brands Index, Simon Anholt, explained to CNN TURK the reasons why Turkey has "the worst country image" (Güneş, 2006):

- It is possible to explain the situation of low image of Turkey with one word – ignorance. Other nations think about Turkey the worst things that may come into one's mind. They consider that Turkish people are ignorant, lazy, poor, radical Muslims, mad, barbarian, and dangerous.

- There is so little known about Turkey, especially in Europe and America, and this is creating a gap of knowledge which is filled in with all the negative things.
- Most of the news coming from Turkey to the world is mostly negative, like a bomb explosion or bird flu.
- There is no positive image to oppose all these negative events.

Anholt also stated that generally everyone has a good opinion about the legacy of culture and tourism of Turkey. However, there is no direct connection between the image of today's Turkey and its tourism, historical legacy and beauties (Güneş, 2006).

From the above mentioned researches on the country image of Turkey it is important to make a connection between country image and product evaluation. We may conclude that as better the image of Turkey is, more favorably Turkish products will be perceived.

2.1.2. TURKISH TEXTILE AND CLOTHING SECTOR

Today, Turkey is one of the most important textile and clothing producers and exporters in the world. Turkey is currently the third largest supplier of textiles and clothing to EU (SME, 2007: 11). It has the largest production capacity in EU and the fourth largest in the world (Cukul, 2008). Textile sector can be considered as the crucial driving sector of the Turkish economy in terms of GDP, employment and exports (Ozben et al. 2004; Akalin, 2001: 3; Tan, 2001: 6).

The share of this sector in the country's GDP is around 10.7 % and share in the total employment is 10.9 %. There are about 40 thousand manufacturing companies and 1.9 million employees in the sector. Turkish textile and clothing exports reached to US\$ 20 billion in 2006. With this amount, it had a share of 26% in total exports of Turkey. Besides the Turkish textile industry, Turkish home textile industry has also shown significant growth in terms of production and exports. That sector is also an important

earner for the country, too. Turkey ranks 6th in clothing exports and 3rd in home textile exports in the world (Cukul, 2008).

Textiles can be considered as one of the leading sectors of the Turkish economy since the beginning of 1980s. In the 1980's big changes and reforms were made in the textile sector. Turkish textiles entrepreneurs learned and started to use an updated manufacturing philosophy. With the help of the government the policies were more export oriented, as textiles and apparel industry were the industries that were earning the largest share of hard currency for the Turkish economy (Ercan, 2002: 1).

Turkey is a dynamic emerging market equipped with a network of developed infrastructure and a globally competitive work force. Its unique position at the crossroads of the world trade routes and its proximity to the developing energy producing regions in Central Asia are factors that further raise its potential for the coming years. This geographical location gives textile and garments industry natural advantage. Moreover, Turkey as cotton producing country has an integrated and diversified production in all sub-sectors of the textile industry, produces and exports all types of yarns, fabrics, clothing, household textiles, various ready-made products and technical textiles (Cukul, 2008).

The strong sides of the textile industry have been stated as the following (Ercan, 2002: 2):

1. Turkey is the seventh largest cotton producer in the world. Cotton is the most important raw material in textile production.
2. Workforce in the sector is skilled, flexible and relatively cheap.
3. Europe is the most active market for textiles; the geographical closeness to EU gives Turkey a big advantage.
4. Turkey belongs to the Customs Union within EU.

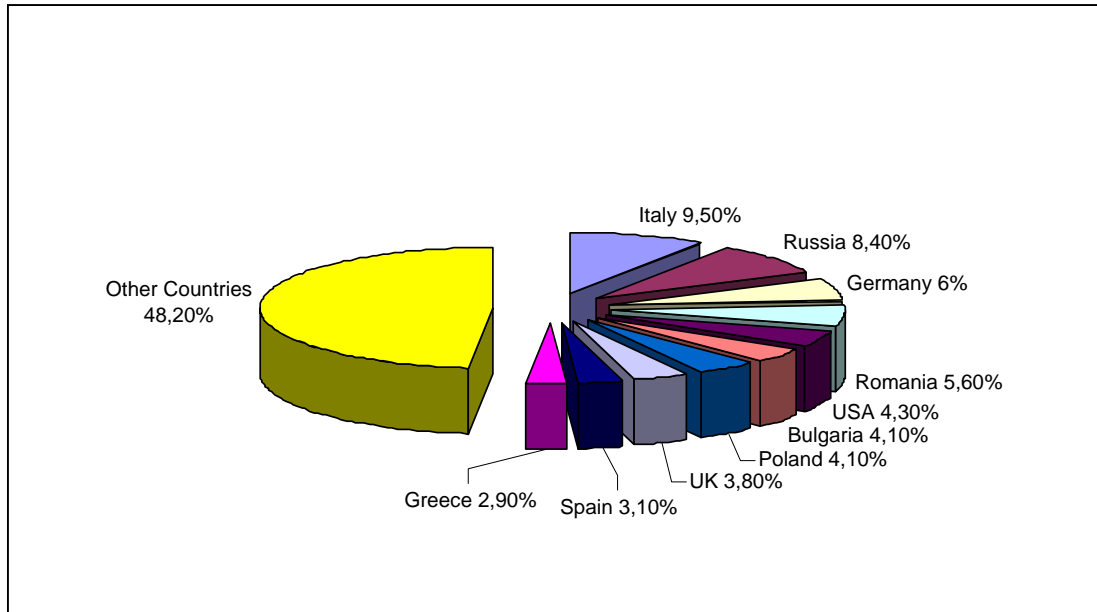
5. Businesses possess a superior information technology and technical infrastructure.
6. The long history, manufacturing traditions and know how in the textile sector inherited from the forefathers.
7. Liberal monetary policy undertaken by the government in the 1980's.

Turkish textile industry uses modern technology. Existence of a well-developed textile finishing industry in Turkey makes possible production and marketing of highly value added, quality products.

In 2006 Turkey exported 44.5% of its textile production to EU countries. The second export country group is the former Soviet Republics including, Russia, Azerbaijan, Uzbekistan, Moldova and others with the market share of 11.4% (www.itkib.org.tr). Advantages of Turkey in using advanced technology, richness in raw materials and geographical proximity to main markets also lead to market diversification for textile exports.

The most important export countries for Turkey are Russia, Germany and Romania. Textile exports to top ten countries account 54% from total textile exports. Graph 2.1 represents the main markets for Turkish textile exports. Table 2.1. presents annual Turkish textile exports covering year 2000-2006.

Graph 2.1. Main Markets for Turkish Textile Exports 2006



Source: General Secretariat of ITKIB, March, 2007

Table 2.1. Annual Turkish Textile Exports (year 2000- 2006)

Annual Turkish Textile Exports			
Year	Total Exports (1000\$)	Textile Exports (1000\$)	Share of Textile Export from Total (%)
2000	27.774.906	2.818.768	10,1
2001	31.339.991	3.060.947	9,8
2002	36.059.089	3.204.383	8,9
2003	47.252.836	3.943.499	8,3
2004	63.167.153	4.952.271	7,8
2005	73.476.408	5.477.132	7,5
2006	85.278.802	6.143.377	7,2

Source: General Secretariat of ITKIB, March, 2007

A study was made on 15 textile companies from the Aegean region in Turkey to investigate the strong and weak areas of the production system in the region. The main export markets of these companies are USA and EU (Ercan, 2002: 4). Competitive advantages of Turkish textile and apparel industry, according to company owners interviewed are the following:

- Large variety of designs and colors;
- Quick response;
- Just in time delivery allows retailers to work with minimum stock;
- Fine workmanship;
- Business is conducted in all currencies;
- Flexible payment terms;
- Good packing and efficient delivery.

Turkey is also gaining experience in fabric design and it presents the special designs with fashion shows in important markets. Turkish textile industrialists, most of whom possess their own trademark, provide the most important foreign home textile and clothing companies with their fabric.

2.1.3. MADE IN TURKEY

Before Turkey became the third largest exporter of textile to EU, Turkish textile producers were more interested in “quantity” than “quality” (Ercan, 2002:7). Nowadays the strategy has changed and producers are more focused on the quality. Producers and managers understood the value of quality for the success of business. There is already a well established world image for the Turkish textiles and clothing. With some improvements and attention this image is bound to be increased and strengthened as time passes. Turkish clothing industry has made the transition from producing basic products with low added value to producing high quality products with high added value (www.istanbulfashion.com).

2.1.3.1. TURQUALITY

Turkish Ministry of Trade and Industry launched “Turquality®” branding program in 2004 to upgrade the international perception of products made in Turkey. The Turkish government provides subsidies of up to US\$ 500.000 for marketing and distribution; or US\$ 300.000 for design and development. This program provides support for companies and Turkish fashion designers under a wide range of incentives (from the cost of brand registrations to marketing and promotion activities, from opening stores, warehouses, branches, offices and showrooms to the payment of rental expenses and commissions for stands at fairs, from the decoration costs of franchise stores and the cost of quality certificates to all expenditures pertinent to branding activities) (www.turquality.com).

Initiated for the textile and clothing industry, today the Turquality® project covers a range of different industries as textile, clothing, automotive, durable goods, jewelry, industrial goods and consumer goods (SME, 2007: 25).

Two major purposes of the Turquality® project are:

- to promote products manufactured in different industries, which have potential for brand establishment in international target markets together with the studies to create positive image for Turkish products.
- to create an accreditation system (covering all the processes from manufacturing to marketing) for the products which Turkey has competitive advantage.

With the Turquality® concept, the image of Turkish products on the market will relate directly to quality. The success of this branding program will most probably provide a competitive advantage for the Turkish textile companies and designers in the global market, too (Cukul, 2008).

In 2004 there were nominated the first Turkish textile producers who had the right of using Turquality brand. These brands are listed in Table 2.2.

Table 2.2. Companies and Designers that Have the Right to Use Turquality Label

	<i>Companies</i>	<i>Brand Names</i>
1.	Orka Tekstil San. ve Tur. Tic. A.S.	DAMAT-TWEEN
2.	Sarar Giyim Tekstil Sanayi ve Ticaret A.S.	SARAR
3.	Çak Tekstil Sanayi Ticaret A.S.	LTB
4.	Mercek Holding A.S.	ABBATE
5.	DSD Deri Sanayicileri Dış Ticaret A.S.	DERRI
6.	Ipekyol Giyim Sanayi Pazarlama ve Ticaret A.S.	IPEKYOL
7.	Pasha Deri Konfeksiyon San. ve Tic. Ltd. Sti.	VIAVENETO
8.	Polo Giyim Sanayi ve Ticaret A.S.	POLO GARAGE
9.	Eroglu Giyim Sanayi ve Ticaret Ltd. Sti.	COLIN'S
10.	Bilsar Tekstil San. ve Dış. Tic. A.S.	BIL'S
11.	Ramsey Giyim San. ve Tic. A.S.	RAMSEY
12.	Altınyıldız Mensucat ve Konfeksiyon Fab. A.S.	NETWORK
13.	Esas Tekstil Sanayi ve Dış Ticaret A.S.	ESAS
14.	Harmanlı Deri A.S.	HARMANLI
15.	Mavi Giyim San. ve Tic. A.S.	MAVI JEANS
16.	Mithat Giyim San. ve Tic. A.S.	MITHAT
	<i>Fashion Designers</i>	
1.	Ayşe-Ece Ege	DICE KAYEK
2.	Hüseyin Çaglayan	HUSSEIN CHALAYAN
3.	Atıl Kutoglu	ATIL KUTOGLU

Source: www.dtmos.ru, March, 2006

2.1.3.2. FOREIGN OUTLET OWNERS

Opening outlets outside the border of Turkey plays a big role in the formation of the overall country image among foreign customers. An emphasize of the products' origin can be achieved through foreign outlets that offer Turkish textiles. The name of the outlet reflects the quality of the brand and the image of the country. There is a positive linkage between store name and perceived quality of products (Teas and Agarwal, 2000:278). A more favorable store name helps to improve product evaluation.

Turkish firms opened nearly 1350 sales outlets in foreign countries. The first foreign market for outlets was Russia followed by other ex-Soviet countries such as Ukraine, Romania, Kazakhstan, Georgia etc. Nowadays, Turkish textile outlets are spread all over the world (SME, 2007:23). According to data from SME, the leading foreign outlet owners and their strategic plans are as following:

Kigili: has 2 outlets in Azerbaijan and plans to open 25 new ones until 2010 in Romania, Poland, Hungary, Ukraine, Kazakhstan, Turkmenistan, Egypt, Jordan and North African countries.

Sarar: 43 stores in Turkey, 46 stores abroad including US (New York) and Germany (Dusseldorf)

Sabra: It has 10 outlets in Poland, plans to open an extra 20 until 2010.

Sabri Özel: Plans to open 10 outlets until 2010 in Italy and Russia.

Zen: 6 outlets in Russia, wants to open 100 outlets by 2010.

Cross Jeans: 14 outlets in Germany, 5 in Poland, one in Czech Republic and Slovakia.

Derri: 6 in Poland, 2 in Ukraine, one in Honk Kong and Tokyo, plans to open 20 outlets by 2010.

BGN: 15 outlets in France 118 in total and plans to open 150 until 2010.

T-Box: present in many outlets in Russia, Australia, New Zealand, Indonesia, Switzerland, Germany, Ireland, Costa Rica and Greece

2.1.3.3. BRANDING

Brand is considered the asset of the company that must be protected and improved (Marelli, 2006: 19). Brand is also an extrinsic product cue like country of origin is, therefore, consumers evaluate a product's quality based on their previous experience with the brand.

The following Turkish companies are heavily investing in branding (SME, 2007: 24):

Vakko: has signed in American designer Zac Posen

Damat: wants to be active in the luxury items

Balizza: prepares a new collection with ex- Valentino designer Stefano Guerriero

Koton: significant re-organisation

Hey Grup: bought Buckler's trademark to be active in US.

Beymen: branding for internal markets

Hatemoglu: prepared a luxury collection entitled Hatem Sayki

Ipekyol: aiming upper income classes with its Machka trademark.

Important brand exporters of Turkey have exports averaging around 100 million dollars, which is still small compared with global industry leaders that have turnovers over 2 billion dollars (SME, 2007: 24).

On 15 December 2006, big Turkish brands' exports were as following (million US dollars): Cross (US\$ 107), Desa (US\$ 13,6), Colin's (US\$ 66), Koton (US\$ 13,8), Ramsey (US\$ 2), Damat (US\$ 4,6), Sarar (US\$ 31,5), Little Big (US\$ 73,9).

2.2. MOLDOVA AS A DESTINATION FOR TURKISH TEXTILE EXPORTS

2.2.1. REPUBLIC OF MOLDOVA

After the collapse of USSR, Moldova became an independent and sovereign State on the 27th of August 1991. It has a population of 3567.5 thousand inhabitants (National Bureau of Statistics). The capital of Moldova is Chisinau with a population of approximately 800.000 inhabitants.

Moldova is not rich in mineral resources; the main ones are represented by sedimentary rocks, such as limestone, chalk, gypsum, sand, sandstone, which can be used in construction, cement and glass production, food processing, chemical and metallurgical industries etc. It has few natural resources and is entirely dependent upon imports for its primary energy requirements as well as for inputs for its manufacturing industries (www.moldova.md).

Since the collapse of the USSR and the declaration of its independence, the Republic of Moldova passed through a complex stage of transition from state economy to the market economy and experienced a significant economic recession. The economic crisis in Moldova lasted for 10 years (from 1990 to 1999). During this period the GDP decreased almost by three times. Since 2000 the economy has been on the rise. This period is characterized by a steady recovery of the production output, which had a partly impact on poverty reduction. During the period 2000-2005 the GDP in real terms increased with 43 percent. Consequently the poverty rate decreased with 41.3 percent (MIEPO).

These records were achieved mainly due to the money transferred by Moldovans working in Europe and less due to the real improvement of the economy. The reality is that over 1 million of population has migrated to European countries to work, and they transfer to Moldova considerable amount of currency which is helping the economy to

move on. In the first ten months of 2008 Moldovans sent home from Europe US\$ 1,4 billion (<http://omg.md>, 2008).

The evolution of the Moldovan economy is represented in Table 2.3. comprising the years 2001-2007.

Table 2.3. Economic Growth of Republic of Moldova for the years 2001-2007

Economic growth (percent change, unless otherwise indicated)	2001	2002	2003	2004	2005	2006	2007
GDP, USD bn	1.481	1.662	1.981	2.598	2.988	3.408	4.396
GDP per capita, USD	408	459	548	721	831	951	1229
Economic growth, %	6.1	7.8	6.6	7.4	7.5	4.8	3
Industrial production growth, %	13.7	10.8	15.6	8.2	7.0	-4.8	-2.7
Agricultural output growth, %	6.4	3.4	-13.6	20.8	0.8	-1.1	-22.1
Average annual inflation, %	9.6	5.2	15.7	12.5	10.0	14.1	13.1
Unemployment rate, %	7.3	6.8	7.9	8.1	7.3	7.4	5.1
Exchange rate LEI: USD/EUR, (average rates)	12.86	13.57	13.94	12.32/ 15.32	12.60/ 15.69	13.13/ 16.49	12.13/ 16.59

Source: National Bank of Moldova & National Bureau for Statistics, November, 2008.

Since 2001 Moldova's economic performance has started to be laudable, the country has stabilized, it launched structural reforms to stimulate growth and started setting up an effective social protection system. The economy showed remarkable resilience in 2006 and 2007, following a doubling of energy prices, Russia's ban on imports of wine, crops and meat from Moldova, and a severe drought in 2007 (MIEPO).

After declaring its independence Moldova now is one of the poorest countries in Europe, with a GDP per capita significantly below the average for the Central European countries. According to the National Bureau for Statistic of RM the average monthly

income (for all activities both government and private) in Moldova reached a rate of 2063 Lei (US\$ 170) in 2007 and 2528,6 Lei (US\$ 194) in 2008 respectively (NBS).

2.2.1.1. MOLDOVA'S FOREIGN TRADE

After the independence in 1991 Moldova's foreign trade regime was entirely liberalized in 1994. As a result, businesses could freely trade a wide range of goods with the exception of some specific product categories, such as weapons, precious metals, explosives, poisons etc. (MIEPO; 2009). Moldova has been a member of World Trade Organization (WTO) since July 2001, so Moldova's tariff policy is based on the trade regimes and norms established by WTO. Moldova does not apply any prohibitions or quantitative restrictions on imports and exports that do not conform to WTO provisions. Moldova has also concluded bilateral Free Trade Agreements with all countries of the Stability Pact for South Eastern Europe (SPSEE) and the CIS countries, except Tajikistan. Since July 28, 2007 Moldova is a party to the Central European Free Trade Area (CEFTA) and also a member of Black Sea Economic Cooperation, GUAM and other regional economic initiatives.

In 2007 Moldova maintained commercial relations with more than 100 countries. The total value of foreign trade in 2007 was US\$ 5.03 billion, an increase of 34.4% (+1.2 billion) compared to the previous year. In 2007 Moldova exported goods in amount US\$ 1.3 billion an increase of 27.6% (US\$ 290.2 mil.) compared to year 2006. CIS countries accounted for US\$ 424.1 million, while the exports to the EU-25 went up to US\$ 338 million. Imports of Moldova amounted to US\$ 3689.9 mil. during 2007, an increase of 37% compared to 2006 (NBS).

Moldovan main partners for foreign trade are presented in Table 2.4. The main trade partners are Russia, Ukraine and Romania. Russia has the largest share for exports while Ukraine for imports. Turkey also has an important place in the foreign trade process, with 2.4% from all exports and 4.5% from imports in 2007, and imports registering a constant increase in 2005, 2006 and 2007.

Table 2.4. Main Moldova's Trade Partners

% share of total	Export, %			Import, %		
	2005	2006	2007	2005	2006	2007
CIS	50.5	40.3	41.0	39.5	37.9	36.1
Russia	31.8	17.3	17.3	11.7	15.5	13.5
Ukraine	9.2	12.2	12.5	20.9	19.2	18.6
Belarus	6.5	7.0	6.1	3.7	2.8	3.2
Other	3.0	3.8	5.1	3.2	0.4	0.8
Non CIS	49.5	59.7	59.0	60.5	62.1	63.9
Romania	10.2	14.8	15.7	11.2	12.9	12.2
Italy	12.2	11.1	10.4	6.6	7.3	7.3
Germany	4.4	4.9	6.4	8.3	8.0	8.7
Poland	2.3	3.7	3.6	2.8	2.7	2.4
Turkey	2.3	2.7	2.4	4.1	4.2	4.5
Bulgaria	0.7	1.3	2.0	1.3	1.3	1.4
France	1.5	2.3	1.8	2.8	2.3	2.6
United States	3.4	1.5	1.1	1.8	1.3	1.3
Others	12.5	17.4	15.6	21.6	22.1	23.5

Source: National Bureau for Statistics of Moldova, November, 2008.

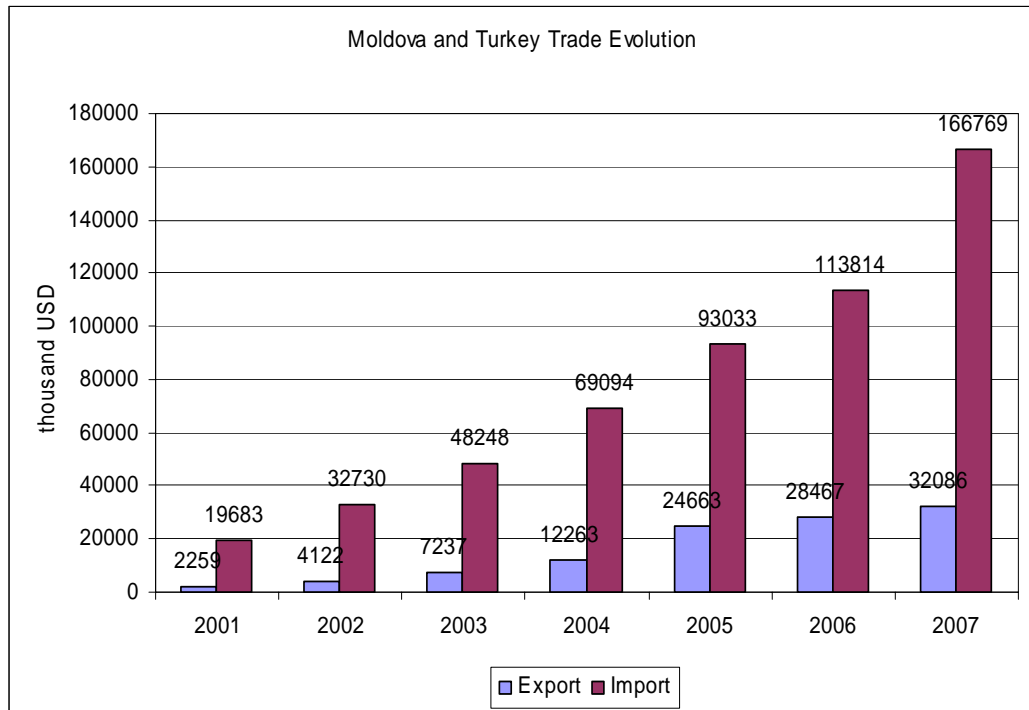
The first steps in the Moldo-Turkish collaboration are connected with the Organization of Black Sea Economic Cooperation, where on 25 June 1992 was signed the Istanbul Declaration. Moldova being a member of this organization signed up for peace, stability and economical cooperation with the countries in the Black Sea region (Baidaus, 2008). Economical and trade relationships between Moldova and Turkey are carried on the basis of more than 30 bilateral inter-governmental agreements, among them the most important are:

- Friendship and collaboration Treaty signed on 3 June 1994, in Chisinau.
- Moldova and Turkey agreement on promoting and protecting the investments signed in Ankara on 14 February 1997.
- Economical and collaboration agreement signed in Ankara on 14 February 1994.

The evolution of RM trade with Turkey is demonstrated in Graph 2.2. As we can see from the chart Moldovan imports from Turkey prevail over the export. Starting from

2001 till 2007 there was always a negative balance trade. In 2007 the balance is - 134.683 thousand US\$.

Graph 2.2. Moldova and Turkey Trade Evolution



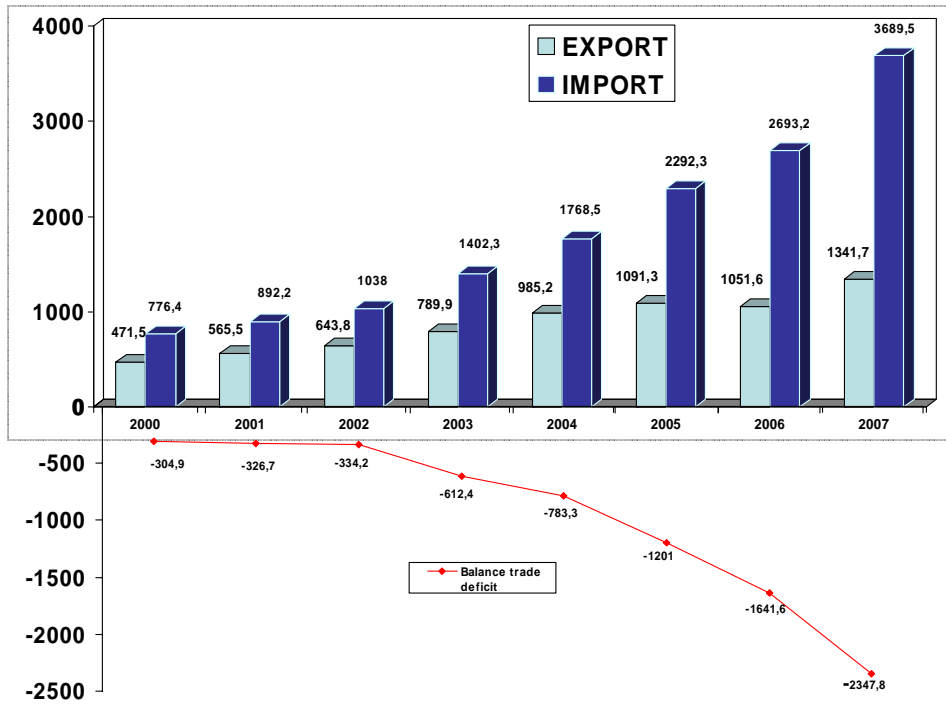
Source: National Bureau of Statistics of Moldova, February, 2009

The evolution and dynamics of the commercial exchanges between Moldova and Turkey registered in the recent years a positive tendency. In 2007 the volume of Moldo-Turkish trade constituted US\$ 200 mil., which represents a 40% increase compared to 2006. Moldo-Turkish Forum that took place in Chisinau, in June 2008 was the meeting place of the Prime-Vice Minister of Moldova, Igor Dodon and Minister of Economy and Trade of Turkey, Kursad Tuzmen. The plan objective reached at the Forum was to increase the volume of trade between Moldova and Turkey until year 2010 up to 500 mil. US\$. (www.moldova.md).

According to the chief of the Chamber of Commerce and Trade from Moldova, the volume of the Turkish investments in the Moldovan economy is EUR 7,7 mil, which is 0.8% from the total foreign investments in Moldova.

Since Moldova is a country poor in natural resources it affects the industries, there is no input for manufacturing and Moldova has to import most of the products. Another important reason of industrial failure is that during USSR period all the factories were state property and after the collapse majority of factories closed up. The ones that were more profitable were privatized and sold to private companies, but those that were too big to manage and unprofitable are still remaining closed. Still the factories and companies that activate participate actively at the import/export activity. Graph 2.3. shows the tendency of Moldovan external trade. The considerable difference in the evolution of exports and imports has determined the accumulation in 2007 of a balance trade deficit summing 2347.8 mil. US\$, or with 706.2 mil. US\$ (+43%) more than in 2006.

Graph 2.3. External Trade Tendencies of Moldova



Source: Report on External Trade Activity of RM for 2007, National Bureau for Statistics, February, 2009

Although Moldova is mainly exporting vegetable products (walnuts and walnuts shells, wines, canned and fresh fruits and vegetables, cereals), foodstuff products (alcoholic and non alcoholic products, tobacco), textiles and textile articles, still the imports prevail over the exports. Internal production does not cover the national needs of consumption. The main imported products are mineral products, chemical products, textiles, machinery and electrical equipment. A more detailed list of imported products is exposed in Table 2.5.

Table 2.5. Moldova Imports by Group of Products (thousand USD)

Group of product	2003	2004	2005	2006	2007
Live animals and animal products	24827,9	38771,4	57194,1	51930,6	61663,3
Vegetable products	82274,8	73532,9	65022,9	72756,9	150371,9
Foodstuff products; alcoholic and nonalcoholic drinks; tobacco	91986,0	105264,4	147472,1	179793,8	237866,2
Mineral products	297719,3	384870,6	504674,6	663725,3	788429,5
Chemical products	132660,3	161805,6	232280,3	223273,0	317676,1
Plastics, rubber and products thereof	69306,6	101108,4	139734,4	168532,2	224934,0
Pulp of wood, paper, paperboard and articles thereof	56376,6	63418,3	82258,3	75528,9	101428,8
Textiles and textile articles	118419,5	150571,7	179859,4	206524,2	249594,7
Articles of stone, plaster, cement, ceramic and glass	52724,3	64363,9	67289,5	79924,7	102158,9
Machinery and mechanical appliances; electrical equipment	213984,0	239715,0	312994,9	379810,2	544625,9

Source: National Bureau for Statistics, March, 2009.

As we can see from Table 2.5. Moldovan imports of textiles increased in the last five years (y. 2003 – y. 2007), reaching in 2007 a value of 249594,7 thousand US\$. This tendency is a proof of the fact that the consumption of imported textiles is increasing and that the market for imported textiles has a tendency of growth.

2.2.2. TEXTILE SECTOR IN MOLDOVA

In the era of liberalized international trade, textiles and clothing have become a global industry. As manufacturing moves to lower cost countries, Moldova has been an attractive point for international investors for its low cost of production and cheap labor force. Clothing production is one of the most dynamic sectors in Moldova, and nowadays it already accounts for 1.5% of the general GDP and 30% of the

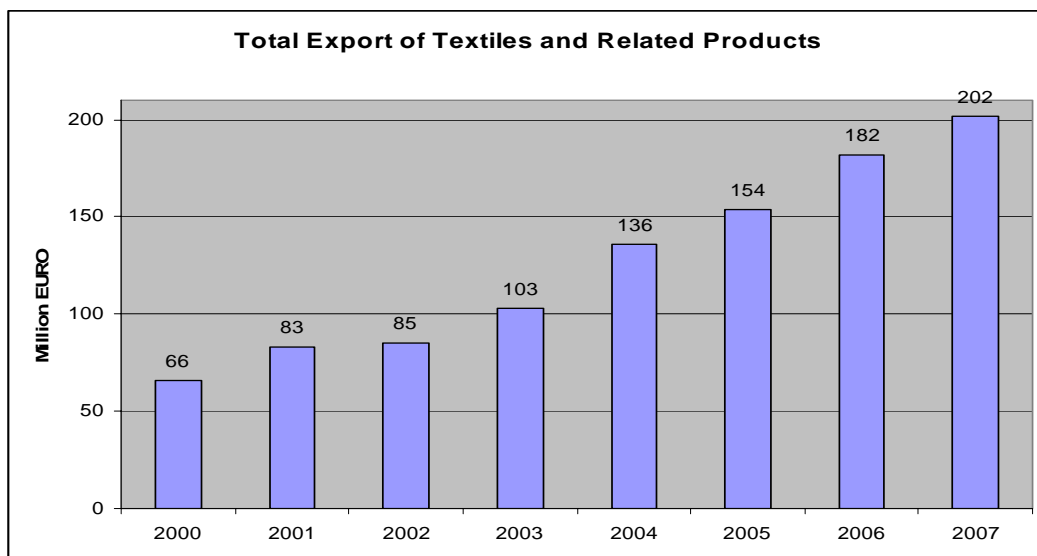
manufacturing GDP. The textile cluster employs over 22.000 workers and has become one of the leading export sectors in the economy (MIEPO, 2008).

A wide range of textiles products are produced in Moldova. The group includes all types of knitted and woven apparel, lingerie and nightwear, protective clothing and carpets. There are more than 250 operating companies in the sector, nearly half of them are medium or large, some of the largest companies in the light industry are: JSC “Ionel”, LTD “Infinity Inc”, LTD “Iuvas”, LTD “Steaua-Reds”, LTD “Rumfelsia”, LTD “Saltoianca”, LTD “Vistline”, LTD “Mobile”, JSC “Tricon”. Many of these enterprises figure among the leading exporters in the sector (www.miepo.md).

Graph 2.4. presents total exports of textiles made by Moldova. Although the increasing volume of exports by each year is pleasing this is not due to the fact that Moldovan textile sector has dramatically improved lately. The reason underneath large exports is CMT (cut, makeup and trim). Foreign contractors, mainly from Europe, come to Moldovan clothe manufacturers with propositions for investment. Raw materials, trademarks and design all belong to the contractor while the garment’s manufacturer sole value added is putting together the final product.

In Moldova, many companies are already working for famous European brands, a fact that is reflected in increasingly high export to such countries as Italy, Germany, Romania and UK. Moldovan domestic market is quite small, with an annual growth of less than 1%.

Graph 2.4. Moldovan Total Export of Textiles and Related Products



Source: Ministry of Economy and Trade of the Republic of Moldova, September, 2008.

2.2.3. TURKISH TEXTILES ON MOLDOVAN MARKET

Moldova's foreign trade gates opened only in the beginning of 1990s, after the Independence in 1991. Before that period, when Moldova was a Soviet Union republic, the trade was mainly within the Soviet territory and with Soviet Union partners. The connection with the rest of the world was limited and exclusive. Consequently, the products that were to be found on the market were mainly produced either in Moldova or in another soviet country. Consumers were not exposed to foreign brands, there was limited or no information of foreign products. The state was the only power that was deciding the needs of consumers. In fact, the consumers were not asked what they wanted to consume, or how they wanted to consume. While Moldova made the transition from state to market economy, limited studies were made related to the attitudes, behavior and preferences of Moldovan consumers (www.cnaa.md; www.ase.md, 2009).

Since the collapse of the Soviet Union there was a scarce of products on the market. This gap was started to be filled by Turkish textile products along with other textile products originating from Poland, Romania, Ukraine, Germany, Italy, Russia, Belarus (www.statistica.md, 2009). First steps of trade with Turkey can be called rather primitive. The main Moldovan importers of Turkish textiles in the middle-end of 1990s were retailers that used to go to Istanbul by bus, go to various Turkish producers, and purchase textiles products and clothing. Then these textiles were sold on the local market to consumers that for the first time used to consume Turkish products. After the collapse of USSR Moldova's economy was very weak, the rate of unemployment was high and consequently the purchasing power of consumers was very low. The retailers of textile products conformed to the market specifics and mainly imported average quality products but at affordable prices. Unfortunately the first encounter of Moldovan consumers with Turkish textiles products was not very satisfactory.

Quality of products that were imported by retailers many times leaved to be desired. That first experience of consuming Turkish textile products created a stereotyped belief that the quality of the products originating from Turkey is not high. To view the opinion of Azeri consumers, a similar study was undertaken in Azerbaijan. The study results revealed that Azeri consumers have a favorable evaluation of the quality of Turkish textile products (Guliyev, 2007: 54).

Under the conditions when the main roles in the Turkish textile trade were played by small domestic retailers, there was no brand awareness, there were no Turkish textiles outlets, and no brands were promoted. The main reason for this lack of promotion was the weak financial power of retailers. Just until the end of 1990s the situation started to take a different turn. As the purchasing power of consumers was increasing they became more aware of the brands, there were more products on the market, Turkish textiles (especially blue jeans, bed linens, curtains, and other clothing items) were sold in retailer shops or in supermarkets where customer service, guarantee, and warranties was provided.

First imported brands from Turkey were: MOTOR, VIGOSS, COLIN'S, WRANGLER (www.allmoldova.md). First chain of markets that imported these brands – ARIDON - was the first company that introduced Turkish textile clothing on Moldovan market and the first that created brand awareness among consumers (www.aridon.md). Nowadays there is a whole range of Turkish textile and clothing brands on the market, such as: COLIN'S; MAVI JEAN'S; VIGOSS; MOTOR; WRANGLER; LEE; LEVI'S; FUTURE; LITTLEBIG; KOTON, BALLIZA, TAÇ, ADILISIK, POLOGARAGE (www.aridon.md; www.allmoldova.md; http://www.mdi.gov.md/statistica_grp_md). Increase of the number of Turkish brand names on the Moldovan market helped improve quality perceptions of Turkish textiles

CHAPTER THREE

AN APPLICATION ON MOLDOVAN CONSUMERS' PERCEPTION OF TURKISH TEXTILE PRODUCTS

3. RESEARCH OVERVIEW

The primary purpose of this paper is to extend the research on country of origin subject. By designing and implementing a questionnaire it was intended to (1) examine whether consumers in Moldova use country of origin as a product's quality information cue and (2) to find out Moldovan consumers' perception of Turkish textile products. Literature related to this topic indicates that country of origin is an important element of the marketing mix (Manrai, 1998; Bilkey, 1982; Roth, 1992; Papadopoulos, 1993). It has been demonstrated that country of origin cue is used by consumers in product evaluation and a favorable country image is crucial for companies' successes that extend outside their national borders. Therefore, understanding the role that country of origin plays, as an extrinsic product information cue, in Moldovan consumers' product evaluation and ultimately purchasing decision is an important issue for marketers, managers and academic researches.

3.1. RESEARCH OBJECTIVE

Most of the studies covering country of origin topic had focused on consumers from developed and highly developed countries. Fewer studies are focused on consumers in developing countries. Up to our knowledge a larger gap of studies of country of origin effect on product evaluation is noticed in the former Soviet Union countries. However, starting with 1990s some research attempts had been made, especially on big markets like Russia, Poland, Ukraine (Strutton et al, 2001:76; Wood, 1992:78; Essoussi, 2007).

Although Moldova's economy and market has opened to the world and has developed, more or less, information related to the attitudes, preferences and behaviors of Moldovan consumers is not available with any precision, since little traditional consumer research has been conducted in Moldova. An extensive literature search was undertaken by using the most important search engines in Moldova. One of them is National Council for Accreditation and Attestation - an institution of central public administration on evaluation and accreditation of organizations in the field of science and innovations and attestation of scientific and scientific-pedagogical personnel of higher qualification (www.cnaa.md). All doctorate theses written and defended in Moldova can be found in the data base of this institution. Making the search on the web page of this institution no doctorate thesis was found on country of origin topic, or at least on consumer behavior. The search was also undertaken on the web site of the Academy of Economic Studies of Moldova, the largest university of economics in Moldova (www.ase.md). The Academy is publishing on a monthly basis several economical magazines, and among all published information no articles on related subject could be found. The reason underneath the absence of these kinds of studies is unknown, but we may believe that it is related to the small size of the market and lack of big corporations in Moldova that would be interested in such studies.

In the recent years Moldova's imports of textiles have increased, and the number of Turkish textile brand names on the market has also increased. Since more and more Turkish textile brands enter Moldovan market, it was considered necessary to conduct a research that would study Moldovan consumers' behavior towards these brand and Turkish textiles in general. Specifically, the main purposes of this study were to evaluate consumer's general perception of Turkish textile products and the importance of country of origin information cue in purchasing decision.

The main purpose of this study is to find out the answers of the following research questions:

- 1) If Moldovan consumers are familiar with Turkish textiles brand names.
- 2) Does Turkish country of origin affect Moldovan consumers' perception of Turkish textile products?
- 3) Does a textile product's "Made in Turkey" label affect purchasing decision of Moldovan consumers?
- 4) If the attitude for Turkey has any influence on the evaluation of textile products.
- 5) If the perception of Turkish textile products vary according to demographic variables.
- 6) To evaluate satisfaction of Moldovan consumers for Turkish textiles related to quality, price, design, and fashionability.
- 7) If country of origin is an important cue for Moldovan consumers in evaluating products' perceived quality.

3.2. RESEARCH METHODOLOGY

The research methodology to be used in this study in order to tackle the research questions is quantitative in nature. The questionnaire technique will be utilized and data will be collected via questionnaires.

3.2.1. RESEARCH DESIGN

The research design is a plan that will be employed during an investigation in order to answer the research questions. Moreover, it provides the general structure for gathering the data, pinpoints the research steps and the main principles for systematic data collection (Strauss and Corbin, 1998). The research design is connected to the type of methods and procedure that will be used when responding to the research questions. According to Ghauri et al. (2002), three types of research can be identified. These are: descriptive, exploratory and causal.

Since this study aims at exploring the perception of Turkish textiles in Moldova and the effect of country of origin and country image on products' perception, exploratory research will be employed. The unit of analysis of the study is individuals..

3.2.2. QUESTIONNAIRE DESIGN

This study attempts to detect information about how Moldovan consumers generally evaluate the quality of Turkish textile products. In that sense, it was necessary to get an insight of their consumption habits and their perception of Turkey. Questionnaire was preferred as the research instrument, as it is considered to be the most effective tool to gather this type of quantitative data. Data measuring Moldovan consumers' perception of Turkish textile products was collected between January 1 and April 1, 2008. The research was completed using a self-administered questionnaire, distributed to participant for this study.

The questionnaire used for this study had been designed after extensive literature research. Although there had been conducted multiple studies on the effects of country of origin on product evaluation (Laroche et al., 2005 Marelli, 2006; Nagashima, 1970; etc.) it was considered necessary to design a questionnaire that would fully respond to the requirements of answering the research questions of this dissertation. For this reason the questionnaire was designed after an extensive literature search and especially several articles were mainly used for the preparation of questions. Mainly, studies of Kaynak and Kara (2000), Johansson et al. (1985), Bilkey and Nes (1982), and Papadopoulos et al, (1988) were used as reference for the questionnaire. Four questions were adopted from Ece Ozmen's (2004) master thesis. The questions are numbered in the questionnaire with 7f, 7g, 7h, and 7i and they are related with the importance of country of origin cue in purchasing decisions. Some of the questions were added by the author after some discussion on the subject with potential participants to this survey.

The questionnaire is structured in several parts that measure five main dimensions: consumption habits, textiles product's quality perception, perception about the price of products, Turkey as country of origin perception, country preference of Moldovans, and the relation between Turkey image and textile products' evaluation. Last part of the questionnaire comprises demographical questions related to gender, age, education and monthly income of respondents.

In the survey there were four demographic questions, three questions related to the consumption behavior of Moldovan consumers, two questions related to brand familiarity, and sixteen questions related to Turkish textile products perception. Fifteen questions are measured using a 5-point Likert scale. In the scale 1-represented "strongly disagree" and 5-represented "strongly agree". Finally, there are two questions related to the attitude towards Turkey.

The questionnaires were distributed both in paper format and via Internet. When paper format of the survey was converted to the online format, minor changes of the format were made (see Appendix 1). The questionnaire was first designed in English then translated into Romanian. The translation of the questionnaire was checked by two teachers of English. Final form of the questionnaire in Romanian and English languages can be found in Appendix 2 and 3.

3.2.3. THE SAMPLE

The population is comprised of individuals living in Chisinau. This city was chosen from the consideration that this is the largest city in Moldova and the city with highest number of population (752.500 inhabitants according to MCT). Inhabitants of the capital are more exposed to information (more TV channels, newspapers, social events, travel more), there are more shopping centers in Chisinau, they are more brand aware, and have a higher purchasing power compared to those living in smaller cities

and villages (www.mec.md). This characteristic of Chisinau population makes it more representative for this study.

Convenience sampling technique was applied for this research as the selection of the sampling units was decided by the interviewer. Convenience sampling is mostly used for exploratory research for generating ideas, insights and hypothesis. Also, this technique is considered least expensive and time consuming technique (Malhotra, 2004: 321). In the literature most of the undertaken research used student samples which might be misleading for the study results or not representative. Thus, for this study non-student samples were used, to be exact people that are employed. The main reason for this decision was that students' answers may not be representative for this research as they do not earn their living, and respectively are less active in purchasing. While people who work, are more active, more thoughtful in buying behavior, and are more experienced, thus they are more representative for this study.

3.2.4. SAMPLE SIZE

In line with the previous studies, a sample size of approximately 300 respondents was determined in advance. The main reasons for determining this sample size was based on several qualitative factors: the nature of the research, number of variables, and the sample sizes used in similar studies. Since the nature of this study is exploratory with descriptive elements, the sample size is typically small to large. Average size of samples used in similar studies is 200 minimum, that is why 300 sample size was considered satisfactory (Malhotra, 2004: 318).

In total, 270 questionnaires were distributed to employees of different organizations and companies. Working places where questionnaires were mainly distributed was chosen randomly. Employees of the following organizations participated to the survey: Hotel Dacia, Moldcell, Radio KissFM, Institute of Economical Research,

Agrarian University of Moldova, Moldtelecom, Soluzione, National Bank of Moldova and others.

Many questionnaires were distributed personally, while a small part of them were completed online. For online questionnaires the services of a web site that creates questionnaires was used (www.surveypopro.ro). The link of the questionnaire, <http://www.SurveyPro.ro/Survey.aspx?id=48f15d55-ada2-4010-b535-c642540b93f>, was sent to personal contacts and to several members of the site www.odnoklassniki.ru.

From the total number of questionnaires, 34 were answered online, and 14 were answered by email. From the total number only 18 were not returned and 8 surveys were not totally completed which made them unusable for the research. A response rate of 93.3% was reached. In the end, 244 samples were obtained that were later used for the research.

3.3. DATA ANALYSIS PROCEDURE

In order to achieve the purposes of this research and test set research questions, SPSS 16.0 version was used to help analyze the collected data. Data analysis is presented below.

3.3.1. DESCRIPTIVE STATISTIC ANALYSIS

This study focuses on attitudes and evaluation of Turkish textiles products, in terms of quality perception, purchasing intention, price of textiles, and comparison of countries (here Moldova and Turkey). To better understand the characteristics of each variable, descriptive statistic analysis has been used to illustrate the means and standard deviation of each variable.

3.3.2. FACTOR ANALYSIS AND RELIABILITY TEST

To measure the scales and to identify their dimensionality, principal components factor analysis was applied to condense the collected data into certain factors. After factor analysis has been done, it was done internal consistency analysis (Cronbach's alpha) to confirm the reliability of each factor.

Factor Analysis. Factor analysis is a technique used to reduce a large number of variables to a smaller set of factors that summarizes the essential information contained in the variables (Coakes and Steed, 2001:155). The purpose of factor analysis is to explore the underlying variance structure of a set of correlation coefficients. It can also be used for exploratory or confirmatory purposes.

Factor analysis assumes that a small number of unobserved (i.e. latent) constructs are responsible for the correlation among a large number of observable variables. Specifically, factor analysis assumes that the variance of each observed variable comes from two parts: a common part shared with other variables that cause correlation among them, and a unique part that is different from other variables. The common parts are called factors, and these factors represent the latent construct.

Internal Consistency Analysis (Cronbach's alpha). Coefficient alpha (α) is a measure of squared correlation between observed scores and true scores. That is, reliability is measured in terms of the ratio of true score variance to observed score variance. It can test the internal consistency of each factor. For social sciences studies, a reliability higher than 0.7 ($\alpha > 0.7$) is considered acceptable (George and Mallery, 2003: 231).

One-way ANOVA and T-test. One-way ANOVA was applied to assess the difference across certain groups of respondents on product evaluation. A T-test was conducted to determine whether set score are from the same population.

Pearson correlation coefficients were calculated to test if there is correlation between product evaluation and purchase intention.

3.4. FINDINGS

3.4.1. DEMOGRAPHIC PROFILE OF THE RESPONDENTS

In this study, sample demographic profile includes four items: (1) gender, (2) age, (3) education, and (4) monthly income. Characteristics of Moldovan respondents are presented in Tables 3.1, 3.2, 3.3, 3.4.

Table 3.1. Gender Distribution of Participants

Gender	Frequency	Percentage (%)
Female	174	71.3
Male	70	28.7
Total	244	100.0

As we can see from the demographic data female respondent prevail over males with a ration of 71.3%/28.7%. The reason of this big difference could be that females are more active in shopping and were more willing in participating to the survey. In several cases men refused to participate to this survey implying that their wives are in charge with buying textiles and clothing items thus, they do not have any knowledge on the subject.

Researches reported that male and females have different attitude towards foreign products. Some research state that women have a higher preference for domestic products compared to men (Al-Sulaiti, 1998; Sohail, 2005). Nevertheless, some other studies have contrary conclusions, i.e. women give a more favorable evaluation to foreign products then men do (Usunier, 1993).

Graph 3.1. Gender Distribution of Participants

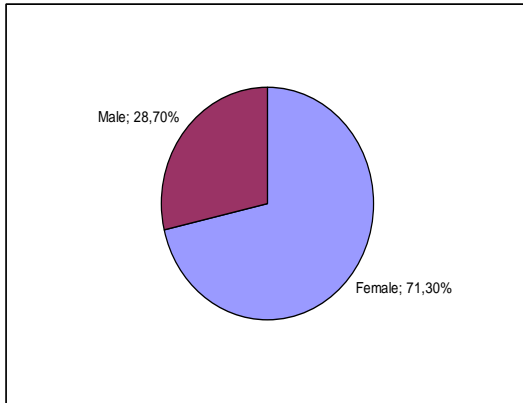


Table 3.2. Age Distribution of Participants

Age	Frequency	Percentage (%)
18-25	68	27.9
26-35	117	48.0
36-45	23	9.4
More than 46	36	14.8
Total	244	100.0

Respondents that took part in this survey were mostly young people. 48.0% of the total are aged between 26 and 35 years old. Such a high rate of this age group was expected, as the survey was applied on consumers that are employed and mainly from the personal environment of the author of this study. As we can see from Table 3.2, only 14.8% of respondents are older than 46 years old.

Some researches that studied the effect of demographic variables on country of origin concluded that positive attitude for foreign products decreases with age. Thus, purchasing of foreign products is less preferred by older people (61 years or older) (Usunier, 1993).

Graph 3.2. Age Distribution of Participants

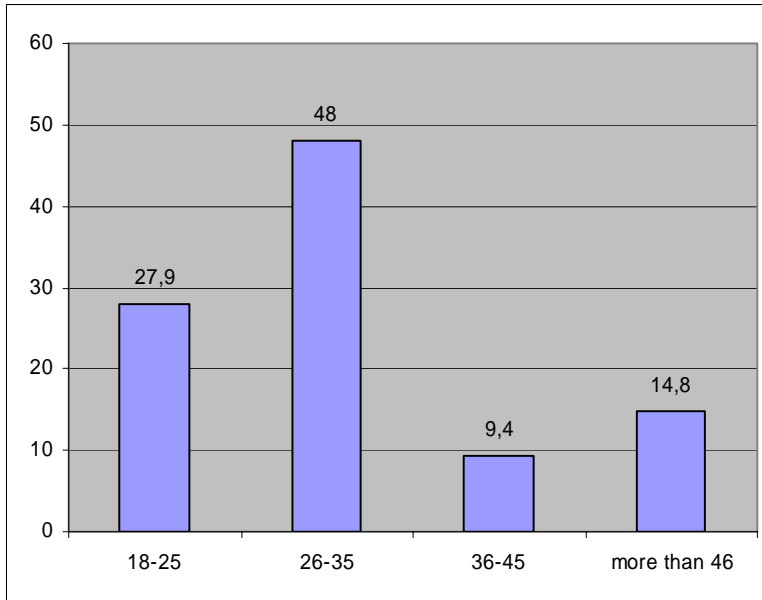


Table 3.3. Education Level Distribution of Participants

Education Level	Frequency	Percentage (%)
High school	17	7.0
College	161	66.3
Master	59	24.3
PhD	6	2.5
Total	243	100.0

Education is considered to be the most significant demographic variable in the country of origin studies. Consumers with higher education evaluate foreign products more favorably than people who have limited education (Al-Sulaiti's and Baker's, 1998).

In this study 66.3% of participants are university graduated, another 24.3% are master programs graduates. This represents a high rate of people with high education. For Moldova, this high percentage of people with high education is a norm. Most of high school graduates continue their education in universities and colleges (www.edu.md).

Table 3.4. Income Level Distribution of Participants

Income Monthly (USD)	Frequency	Percentage (%)
0 – 200	56	23.0
201 – 300	56	23.0
301 – 500	55	22.6
501 – 700	59	24.3
More than 701	17	7.0
Total	243	100.0

Income choices in the questionnaire were based on the average monthly income in Moldova, which represents approximately USD 200 (according to National Bureau of Statistics of Moldova). This low revenue per capita of the population places Moldova as the poorest country in Europe (www.miepo.md).

Minimum level in the answer choices starts with USD 0-200 per month then increased until USD 700 per month, the maximum level. Only 24.3% of respondents earn USD 501-700 per month. From all respondents of the survey only 7.0% earn more than 700 USD per month.

3.4.2. DESCRIPTIVE STATISTICS

The descriptive statistics of the constructs of the questionnaire for the respondents are presented below. These include 3 items of consumers' purchasing behavior, 2 items for brand familiarity, 1 item for overall quality, 4 items for product's quality/attributes perception, 3 items for country preference, 3 items for importance of

country of origin, 3 items for perception of Turkish textiles, 3 items for purchasing intention, and 2 items for country attitude.

3.4.2.1. PURCHASING BEHAVIOR OF MOLDOVAN CONSUMERS

Purchasing behavior. Participants to the survey were asked if they had ever purchased any “Made in Turkey” textile products. 98.8% of the respondents replied affirmatively. This quota of positive answers was expected as Turkish textile products have been present on Moldovan market for almost twenty years, and there is multitude of sales points with Turkish products. This is also an indicator of attention that consumers pay for the country of origin of the product.

Frequency of textile products purchase. Another question related to purchasing behavior is related to the frequency of textile purchase. Respondents had to evaluate their personal shopping frequency for textiles. The choices of answers respondents had to choose from and the outcomes are showed in Table 3.5. If the outcome shows that respondents are active buyers then their responses would be more representative for this study.

Table 3.5. Frequency of Textile Products Purchase

Purchase Frequency	Frequency	Percentage (%)
Once a month	45	18.4
Twice a month	33	13.5
Once in two months	74	30.3
Less than once in two months	92	37.7
Total	244	100.0

Responses show that 37.7% of participants shop for textiles less than once in two months. 30.3 % shop once in two months. An important cause that was expressed by respondents orally of this average shopping frequency is due low income levels and high prices of textiles. Some of the consumers did not choose any of the answer choices and explained in their questionnaires that they shop as often as necessary, several answers indicated a frequency of once in six months, or even once in a year.

Ratio of Turkish Textiles Consumption. Respondents were asked to give the ratio of Turkish textile products in their overall textiles consumption. According to the results, the average ratio of Turkish textile products that were consumed during one year constituted an average of 28% (Mean=28.12%, Std. deviation=23.71), which means that the sample is comprised of moderate users of Turkish textiles. We may conclude that from total consumption of textiles during last year almost a third constituted the consumption of Turkish textiles (question # 3).

3.4.2.2. CONSUMERS' FAMILAIRITY WITH TURKISH TEXTILE BRANDS

Although there is a ratio of 28% consumption of Turkish textiles in total consumption of textiles, the brand familiarity is very low; 86.6% of respondents do not know any brand names of textiles, and only 18.4% know one, two or three brands. The explanation of a high percentage of brand unfamiliarity may be due to low promotion of Turkish brands in the media, in retail shops etc. Another important reason is that only until 1 or 2 years ago there were no representative shops that would retail only one brand. Several brands of textiles are usually merchandised in one sales point, where it is more difficult for consumers to differentiate the country of origin of products.

Familiar Brand Names of Turkish Textiles on Moldovan Market. Respondents were asked to write down the brands of Turkish textiles they know. Those who were familiar with Turkish brand names enumerated a range of brand names. Eleven of the brands that were mostly mentioned are shown in Table 3.6.

Table 3.6. Known Turkish Textile Brand Names in Moldova

Brand Name	Frequency	Percentage (%)
TAÇ	8	18.6
MOTOR	7	16.3
MAVI	6	14.0
AZIZBEBE	5	11.6
BALIZZA	4	9.3
ADILIŞIK	3	7.0
ÖZDILEK	2	4.7
MINIMAX	2	4.7
PAPALINO	2	4.7
YAŞIM	2	4.7
VIGOSS	1	2.3
Total	43	100.0

Results show that first five most known Turkish textile brand names in Moldova are TAÇ, MOTOR, MAVI, AZIZBEBE, and BALIZZA. TAÇ is the most popular textile brand at the moment, which is an interesting outcome to see, as TAÇ is relatively new on Moldovan market (for 2-3 years) compared to MOTOR that has been on the market since 1990s and MAVI since the beginning of 2000s. The successful positioning on the market of TAÇ in such a short period of time could be explained by the fact that this brand had opened its own retail shop, in the center of Chisinau, where only TAÇ products are sold. Along with high quality of TAÇ products, its own retail shop also contributed to increased brand awareness of the brand among Moldovan consumers.

Even though MOTOR and MAVI have been for a longer time on the market than TAÇ, their products are sold in shops where other brands are also offered, and this fact could make them less memorable for consumers. Ballizza, another known brand also has its own retail shop in the center of the city.

Although some of these brands are popular in Moldova, they are less known in Turkey. For instance, MOTOR, is a company established in Istanbul in 1992. It first focused on German market and later expanded successfully its marketing activities to Eastern European countries, including Moldova, and Russia, without selling its products in Turkey (www.motorjeans.com).

3.4.2.3. PERCEIVED QUALITY OF TEXTILES MADE IN TURKEY

In this question respondents were asked to evaluate the overall quality of Turkish textile products. Their general opinion of Turkish textiles was asked using a 5-point Likert scale where 1 represented “very bad” and 5 “very good”. Results indicate that 55.3% of total respondents evaluated the quality of textiles as “average” quality (Mean=3.09, Std. deviation=0.75). Frequencies of perception of the overall quality of products are exhibited in Table 3.7.

Table 3.7. Quality Perception of Turkish Textile Products

Scale	Frequency	Percentage (%)
Very Bad	6	2.5
Bad	36	14.8
Average	135	55.3
Good	62	25.4
Very Good	5	2.0
Total	244	100.0

Compared to a study that evaluated Azerbaijan consumers’ perception of Turkish textiles the results are slightly different. Accordingly, 39.9% of respondents evaluated Turkish textiles products as “good quality” (1 – very bad quality and 5 – excellent quality), with Mean=4.27 and std. deviation=0.83 (Guliyev, 2007: 54). According to the author of the study, this favorable perception is based on the closeness of Azerbaijan and

Turkey, and on easy conditions for imports that allow affordable and qualitative Turkish products to be available in the market.

Same time this question was used to evaluate consumers' perception of Turkey image, as in literature country image is defined as "consumers' general perceptions of quality for products made in a given country" (Bilkey and Nes, 1982). Consequently, the result of this question is also valid for evaluation of Turkey image.

3.4.2.4. COUNTRY OF ORIGIN PREFERENCE FOR TEXTILE PRODUCTS

Respondents were given five country alternatives and an "other" option to answer the question "if the products from the given countries have same quality and attributes which countries' products you would choose?" The range of countries enumerated are those that are most important import partners for Moldova, thus, their products could be seen in the market widely.

As we can seen from Table 3.8. a Moldovan textile product would be preferred, if other foreign products would have same quality and attributes, by 47.1% of the participants, it means that almost half of the respondents prefer Moldovan products. The reason why more than half of the respondents prefer foreign products might be due to the fact that Moldova's textile production is low and mainly oriented for export. Thus, the availability of "Made in Moldova" textiles is low in Moldovan market. Respectively, this gap is covered by imported textiles from various countries. Also, another reason that might explain this finding could be, as explained in literature review, that the preference for domestic products is stronger in developed countries than in developing countries (Mooij, 2004: 120). Moldova is a developing country, thus we may attribute Mooij's conclusion to the arguments that support the result of this question. Moldovan consumers' preference of countries is presented in Table 3.8.

Table 3.8. Country of Origin Preference of Moldovan Consumers for Textile Products

Country	Frequency	Percentage (%)
Moldova	115	47.1
Germany	85	34.8
Russia	8	3.3
Romania	6	2.5
Turkey	4	1.6
Other	26	10.7
Total	244	100.0

Second preferred country is Germany, with a rate of preference of 34.8%. This is an interesting outcome, since there are limited German textiles sold in Moldova, and there are no official representatives of any German textile company/brand. That might be due to positive image of Germany and the belief that German products are high quality. Previous research on German products image indicate a favorable image through many product types (Roth and Romeo, 1992; Mooij, 2004; Schiffman and Kanuk, 2000, Usunier, 1993). Another cause of this favorable appreciation of German products in ex-Soviet Union territory is dating back to 1940s, when after World War II Germany and Japan continued to offer non-military convertible technology and products to the old Soviet Union. Their longstanding attempts to cultivate market relations have paid dividends in the form of more favorable Soviet consumer perceptions of goods emanating from either Germany or Japan as compared to the equivalent goods produced in U.S. (U.S. relations with Soviet Union revolved around cold war) (Strutton et al., 1997: 77). Moldova was a Soviet Republic, and this theory is also available for Moldovan consumers.

3.4.2.5. EFFECT OF CONSUMERS' FEELINGS OF A COUNTRY OF ORIGIN ON PRODUCT PERCEPTION

It can be seen in Table 3.9 that 56.1% of respondents' feelings for a country do not influence their perception of products originating from this country. However, 43.9% of subjects said that their feelings about a country influence their perception of products from this country.

Table 3.9. Country feelings effect on product evaluation

Answer choice	Frequency	Percentage (%)
YES	107	43.9
NO	137	56.1
Total	244	100.0

This shows that 56.1% of consumers do not rely on their feelings about a country in their product evaluation. Thus, this might imply that product related attributes are more important in evaluation.

3.4.2.6. MOLDOVAN CONSUMERS ATTITUDE TOWARDS TURKEY

Respondents had to express their attitude towards Turkey as: "positive", "negative", or "neutral". Majority of respondents (52%) have a neutral attitude for Turkey. According to the results, exhibited in Table 3.10, there is a neutral-positive attitude for Turkey, with only 7.8% saying that they have a negative attitude.

This favorable attitude may be a consequence of the fact that Turkey represents one of the most important holiday destinations for Moldovans (www.turism.md). Impressions that Moldovan tourists get while visiting Turkey help improve their overall attitude for the country. Turkish investments and companies that lately have come to

Moldovan market might also have an important share in creating a favorable image for Turkey.

Table 3.10. Moldovan Consumers' Attitude towards Turkey

Attitude	Frequency	Percentage (%)
Neutral	127	52.0
Positive	98	40.2
Negative	19	7.8
Total	244	100.0

Comparison of Turkey and Moldova with Regards to Standards of Living. Participants were asked to evaluate standards of living of Turkey compared to Moldova. Three answers choices were proposed: (1) more developed; (2) same level; (3) less developed. 78.3% of respondents classified Turkey as more developed than Moldova. Only 15.2% think that Turkey and Moldova are at the same level of development.

According to findings in literature the level of economic development of a country appears to be an important factor that affects consumers' perception of a product quality and purchasing behavior. Therefore, products from developed countries are generally evaluated higher than products from developing or underdeveloped countries (Chinen et al., 2000; Li and Monroe, 1992).

3.4.2.7. PERCEPTION OF TURKISH TEXTILE PRODUCTS

In order to get a better understanding of Moldovan consumers' satisfaction with the main attributes of a textile product, respondents were asked four questions about satisfaction. These include satisfaction with quality, price, design and fashionability of Turkish textile products. The results are summarized in Table 3.11.

Table 3.11. Perception of Turkish Textile Products

	1	2	3	4	5	Mean	Std. Deviation
I am satisfied with the quality of Turkish textile products.	2.0%	15.6%	45.1%	36.1%	1.2%	3.18	.78
I am satisfied with the price of Turkish textile products.	2.9%	21.3%	30.3%	43.0%	2.5%	3.20	.90
Turkish textile products have nice design.	0.4%	14.3%	38.1%	45.5%	1.6%	3.33	.75
I am satisfied with the fashionability of Turkish textile products.	2.0%	18.9%	41.0%	36.9%	1.2%	3.16	.81

* (1= Strongly Disagree; 5= Strongly Agree)

As we can see from Table 3.11., 45.1% of the respondents are neutral in their opinion about satisfaction with the quality of textiles. Even though, Moldovan consumers are neutral in their position with regards to quality they are satisfied with the price of Turkish textiles, with a response rate of 43.0%. From the observation we can say that Turkish textile products do not have higher prices than other foreign textiles. Thus, for 43.0% of the respondents Turkish textiles are affordable. Majority of the participants to this survey (45.5%) agree that Turkish textiles have nice design. Although design and fashionability are related to each other, consumers have different opinions about this, 41.0% of respondents have a neutral position towards textiles fashionability.

3.4.2.8. COUNTRY COMPARISON

In Table 3.12. comparison of countries, Moldova and Turkey, will be given. The countries are compared with regards to product perception and preference.

Table 3.12. Country Comparison

	1	2	3	4	5	Mean	Std. Deviation
Moldovan textile products are generally better than Turkish ones.	11.9%	25.4%	31.1%	28.7%	2.9%	2.8	1.05
If Turkish and Moldovan textiles are same quality then I prefer Moldovan over Turkish.	32.0%	41.4%	11.9%	13.1%	1.6%	2.11	1.05

* (1= Strongly Disagree; 5= Strongly Agree)

From the results we may conclude that Moldovans are neutral when comparing a Turkish and a Moldovan textile product (31.3%). When asked what would they prefer if they had to choose between two identical Turkish and Moldovan products, then 41.4% would not choose the Moldovan product (32.0% of total strongly disagree with the statement), thus they will choose the Turkish product. Literature supports this result by a study undertaken in 1995 in Russia to evaluate if Russian consumers are ethnocentric (Good and Huddleston, 1995: 35). According to results Russian consumers prefer domestic food products but imported clothing and manufactured items. Since Moldova was a socialist country too, like Russia, and was under the same system until 1990, we may attribute this study's conclusion to Moldova, too. Thus, Moldovans prefer imported clothing.

3.4.2.9. IMPORTANCE OF COUNTRY OF ORIGIN

Respondents were asked if country of origin information cue is important for them when making a purchasing decision. As we can see from Table 3.13., 41.8% agree with the fact that "made in..." label is important in decision making and 24.2% strongly agree with this statement. Also, participants to this survey consider that the country of

origin of a product gives clues about the product's quality (40.2%), this show that consumers have stereotypes with country-product images. Nevertheless, Moldovan consumers do not consider that a product made in a less developed country is also of lower quality (54.9%), which is an interesting outcome and it does not support literature.

Table 3.13. Importance of Country of Origin

	1	2	3	4	5	Mean	Std. Deviation
When I purchase a product I pay attention to where it is made.	1.6%	18.4%	13.9%	41.8%	24.2%	3.68	1.08
The country where a product is made gives clues about the product's quality.	1.6%	26.2%	21.7%	40.2%	10.2%	3.31	1.02
If a product is made in a less developed country, then probably it is of lower quality.	7.0%	54.9%	20.1%	16.0%	2.0%	2.51	.91

* (1= Strongly Disagree; 5= Strongly Agree)

3.4.2.10. QUALITY AND PRICE ASSOCIATION OF TURKISH TEXTILE PRODUCTS

Moldovan consumers do not associate Turkish textile products with high quality products (46.3%) or with high priced products (56.1%). Respondents agree that price and quality ratio is appropriate (38.1%). Results are exhibited in Tables 3.14.

Table 3.14. Quality and Price Association of Turkish Textile Products

	1	2	3	4	5	Mean	Std. deviation
When I see a “Made in Turkey” textile product it is associating with high quality.	7.8%	46.3%	39.8%	6.1%	0.0%	2.44	.72
When I see a “Made in Turkey” textile product it is associating with high price.	0.8%	56.1%	36.1%	5.7%	1.2%	2.50	.67
I believe that price/quality ratio of Turkish textiles are appropriate.	1.6%	24.6%	33.6%	38.1%	2.0%	3.14	.87

* (1= Strongly Disagree; 5= Strongly Agree)

3.4.2.11. PURCHASING INTENTION

Purchasing intention – 50.8% of the respondents stated that they would buy a “Made in Turkey” product. 56.6% showed a neutral position with regards to positive purchasing decision of Turkish textiles. On the other hand, 42.2% agree with the fact that if they know that the product is “made in Turkey” this fact will affect their purchasing decision in a negative way.

From the results in exhibited in Table 3.15. we can see that the replies of these two questions contradict each other. In the first case majority (50.8%) declared that they would buy a Turkish textile product, but in the last case we can see that the “made in Turkey” label will affect their purchasing decision negatively, i.e. they would not buy. This finding may be used for future research to understand the reason for this result.

Table 3.15 Purchasing Intention

	1	2	3	4	5	Mean	Std. Deviation
I would buy a product that is “Made in Turkey”.	1.6%	2.9%	38.5%	50.8%	6.1%	3.56	.72
If I know that a textile product is made in Turkey it will affect my purchasing decision positively.	5.7%	28.3%	56.6%	8.2%	1.2%	2.70	.74
If I know that a textile product is made in Turkey it will affect my purchasing decision negatively.	0.4%	7.4%	41.0%	42.2%	9.0%	3.52	.77

* (1= Strongly Disagree; 5= Strongly Agree)

3.4.3. RELIABILITY TESTS AND FACTOR ANALYSIS

To verify the dimensionality and reliability of the research construct, factor analysis, correlation analysis, and internal consistency analysis (Cronbach’s alpha) were conducted in this study. Factor analysis was first employed to identify the dimensionality of each research construct. Correlation and coefficient alpha are assessed to identify the internal consistency and reliability of the construct.

Primarily, reliability of fifteen items designed to measure general perception of Turkish textile products was tested. Due to the presence of some items, included in fifteen items, that measure price perception and purchasing intention and because this is not a scale, reliability test is low, Cronbach’s alpha is = . 563. To increase the reliability of the test a few items were eliminated. A reliability test was again undertaken for eleven remaining items (7a, 7b, 7c, 7d, 7e, 7f, 7j, 7l, 7m, 7n, 7o) and as a result

reliability of the test increased, Cronbach's alpha = .710, which is an acceptable level for social sciences.

A reliability test was again undertaken to measure purchasing intention and country of origin importance reliabilities. Results revealed unacceptable reliability levels for both factors; for purchasing intention, alpha = .409 and for country of origin importance, alpha = .491. Thus, they were eliminated from the analysis.

Graph 3.3. KMO and Bartlett's Test of Sphericity

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.662
Bartlett's Test of Sphericity	Aprox. Chi-Square	578.937
	df	55
	Sig.	.000

KMO and Bartlett's test of sphericity is for showing normality and sampling adequacy (Darren and Mallery, 2001). Kaiser-Meyer-Olkin Measure of Sampling Adequacy is a measure of whether the distribution of values is adequate for conducting factor analysis. Results showed in Graph 3.3. reveal level of KMO = .662, which is an average level, almost middling. Bartlett's Test of Sphericity is a measure of multivariate normality of the set of distribution. A significance level of 0.001 (<.05) was reached which shows that this it is appropriate for factor analysis.

Factor analysis was used to identify the dimensionality of each research construct, to select questionnaire items with high factor loadings. In Table 3.16. the factors and their values are exhibited. As we can see from the table four factors were selected and the items that explain them. There are five items for perception of Turkish textiles, two items for purchase behavior, two items for perception of price, and two items for comparison of countries.

Table 3.16. Results of Reliability Tests

Factors	Research Items	Factor Loading	(%) of Variance 63.50%	Cronbach Alpha 0.710
1			28.42%	.739
Perception of Turkish Textiles	Turkish textile products have nice design.	.787		
	I am satisfied with the fashionability of Turkish textile products.	.675		
	I am satisfied with the quality of Turkish textile products.	.673		
	I would purchase a product “Made in Turkey”.	.622		
	If I know that a textile product is produced in Turkey it will affect my purchasing decision negatively.	.620		
2			13.01	.613
Purchase Behavior	If I know that a textile product is produced in Turkey it will affect my purchasing decision positively.	.808		
	When I see a “Made in Turkey” textile product it is associating with high quality	.803		
3			12.22	.562
Perception of Price	I am satisfied with the price of Turkish textile products	.846		
	I consider that the price/quality ratio of Turkish textile products is appropriate	.768		
4			9.77	.598
Comparison of Countries	Moldovan textile products are generally better than Turkish ones.	.859		
	If the Turkish and Moldovan textile products are same quality then I prefer Moldovan over Turkish.	.815		

We used One-Way ANOVA to check if there is a statistical difference among certain groups on product evaluation. Demographic variables were tested for this purpose. SPSS data analysis revealed no difference across gender, age, education and income groups on product evaluation, with the following results: gender $F(2, 242)=$

1.441, $p=.15$; income $F(4,242)=.939$, $p=.44$; education $F(3,243) = 0.138$, $p=.937$; age $F(3,243)=2.018$, $p=.112$.

Attitude for Turkey

It has been tested if there are any statistically significant differences among groups that perceive Turkey positive, negatively, or neutrally and their perception of Turkish textile products. One-Way ANOVA indicates that there is a statistically significant difference among groups for Turkey attitude, $F(2,243)=25,976$, $p<0.001$. In order to check the source of the difference a *Post Hoc* analysis has been conducted with Scheffe. The results show that subjects that have a positive attitude towards Turkey ($\bar{x} = 35.31$) also have positive perception of Turkish textile products, then subjects who have a negative attitude towards Turkey ($\bar{x} = 28.42$), $p<0.001$.

Positive – negative, $p<0.001$

Negative – neutral, $p=0.001$

Neutral, $p<0.001$

In the literature review was mentioned that general impression and attitudes for a country plays an important role in product evaluation. Country images contain general impressions of countries and beliefs about a country's product which consumers have formed in direct or indirect experience with the product (Leclerc, Schmitt, and Dube, 1994:). Consumers possess emotional and affective connotations about countries. These associations may be formed in direct experiences during holidays abroad or interactions with foreigners and also in indirect experiences. These connotations have an affect of product's and brand attitude formation (Verlegh and Steenkamp, 1999). As previously mentioned, Turkey represents one of the most important holiday destination for Moldovans since late 1990s. Gaining a direct experience during their vacations many Moldovans have created favorable attitudes for Turkey, which on their turn affects positively Turkish textile products' evaluation. Due to word of mouth, this attitude have

been spread to other consumers who had only indirect experiences with Turkey, through mass media, culture, art, etc.

Turkey has been worldwide famous for its textile production for many decades, already and for its production of cotton. Cotton production represents an important advantage for textile sector. Due to high production of cotton combined with traditions in textile production Turkey gained a competitive advantage. Respectively, consumers evaluate positively a product from a country if there is a positive match between this country competitive advantage and the skills needed to manufacture this product (Roth, Romeo, 1992).

Brand Familiarity

The significance of the relation between brand familiarity and products' perception has been tested. The results show that consumers who are familiar with Turkish textiles brand names ($x=34.95$) have a more positive perception of Turkish textiles than consumers who are not familiar with Turkish textile brands ($x=32.86$), $t(242)=2.735$, $p=0.007$. Mean, standard deviation and sample size of brand familiarity are exhibited in Table 3.17.

Table 3.17. Mean, Standard Deviation and Sample Size of Brand Familiarity

Brand Familiarity	Mean	StD.	N
YES	34.95	4.10	45
NO	32.85	4.75	199

According to the results, those that are familiar with Turkish textiles brand names represent only 18.4% from total, which is a low rate. Respectively, those that know brand names have also consumed them, which is important for product quality perception formation. The research shows that consumer's familiarity with a product or

brand may influence the impact of country of origin on evaluations (Johansson, 1985: 388). The impact of such characteristics as country of origin and brand may affect consumer evaluation of product quality and has a significant effect on consumer's purchase preference (Khan and Bamber, 2008).

There are researches that concluded that improvement in evaluation of products is related to increased brand familiarity (Lee and Ganesh, 1999:20).

Monthly Income and Brand Familiarity

Relationship between income and brand familiarity is analyzed with 2x5 Chi square analysis technique. According to the results there is a significant difference between brand familiarity according to income, $\chi^2(4, N=243)=13.73$, $p=0.008$. To understand the source of the difference 2x2 Chi-square analysis is conducted for each pair of income level. All income groups were tested but only the result of first with fourth group (1 and 4) and first with fifth group (1 and 5) were significant;

There is a difference between group one and group four $\chi^2(1, N=115)=7.98$, $p=0.005$. Subjects that say "yes" 20% of them are from group one (0-200USD), and 80% are from group four (501-700 USD). Subjects that say "no" 54.7% are from group one (0-200USD), and 45.3% are from group four (501-700USD).

There is a difference between group one and group five $\chi^2(1, N=73)=8.74$, $p=0.003$. Subjects that say "yes" 40% are from group one (0-200USD) and 60% are from group five (more than 701 USD). Subjects that say "no" 82.5% are from group one and 17.5% are from group five.

We may draw the conclusion that respondents who earn per month 501-700USD (group four) and respectively more than 701USD (group five) are more familiar with Turkish textile brand names than respondents who earn 0-200USD per month, group

one. Based on the result, we may consider that people with higher incomes are more active in their consumption behavior, so can afford to purchase branded products.

3.4.4. CORRELATION TEST

The correlation between overall quality perception and purchasing intention is statistically significant. As it was expected, respondents that evaluate the overall quality of Turkish textile products more favorably have a higher purchasing intention of the products. Thus, there is significant positive relationship between product quality evaluation and purchasing intention (Pearson correlation = .474, $p < 0.001$) (Table 3.18).

Table 3.18. Correlation between Overall Quality and Purchasing Intention

Correlations		
	Purchasing Intention	Overall Quality Perception
Purchasing Intention	1	.474**
Pearson Correlation		
Sig. (1-tailed)		.000
N	244	244
Quality Perception	.474**	1
Pearson Correlation		
Sig. (1-tailed)	.000	
N	244	244

** . Correlation is significant at the 0.01 level (1-tailed).

The correlation between overall quality perception and positive purchasing decision is statistically significant. A higher evaluation of the quality of textile products' has a direct influence on the positive purchasing decision of Turkish textile products. There is a positive relationship between textiles' quality perception and positive purchasing decision (Pearson correlation = .275, $p < 0.001$). Therefore, consumers that

have a generally favorable evaluation of Turkish textile products are more willing to buy a Turkish textile (Table 3.19).

Table. 3.19. Correlation between Overall Quality and Positive Purchasing Decision

		Correlations	
		Positive Purchasing Decision	Overall Quality Perception
Positive Purchasing Decision	Pearson Correlation	1	.275**
	Sig. (1-tailed)		.000
	N	244	244
Overall Quality Perception	Pearson Correlation	.275**	1
	Sig. (1-tailed)	.000	
	N	244	244

** . Correlation is significant at the 0.01 level (1-tailed).

The correlation between overall quality perception and negative purchasing decision is statistically significant. A lower evaluation of textile's quality has an influence on the purchasing decision .There is a positive relation between product's quality evaluation and purchasing decision. That is consumers who give a lower evaluation for the Turkish textile products are unwilling to purchase a Turkish product (Pearson correlation = .304, $p < 0.001$) (Table 3.20).

Table 3.20. Correlation between Overall Quality and Negative Purchasing Decision

		Correlations	
		Negative Purchasing Decision	Overall Quality Perception
Negative Purchasing Decision	Pearson Correlation	1	.304**
	Sig. (1-tailed)		.000
	N	244	244
Overall Quality Perception	Pearson Correlation	.304**	1
	Sig. (1-tailed)	.000	
	N	244	244

** . Correlation is significant at the 0.01 level (1-tailed).

3.5. LIMITATIONS OF THE STUDY

During this study many factors may have affected the results of this work. First, this study was conducted in Chisinau which is the largest city in Moldova as to facilitate data collection. Therefore, the results of this study may not be representative for all consumers in Moldova. Data collected in Chisinau, may be biased in favor of foreign products, as inhabitants from this city are more exposed to foreign products than people from other places in Moldova.

Another limiting factor is the risk that respondents may not accurately answer to the questionnaire or they may avoid giving information about their incomes, or expressing their true positive or negative opinion, and instead giving neutral responses. Respondents may also misunderstand some questions and thus give answers that do not reflect their true opinion. To avoid these kinds of errors the questionnaire has a design that allows speedy replying and respondents remained anonymous.

Finally, effect of country image of Turkey was evaluated only by three questions which might not be representative for the study results. Although this study did not have the purpose to measure the image of Turkey.

CONCLUSIONS AND RECCOMENDATIONS

The topic of the country of origin or “Made in” label phenomenon has attracted extensive attention from academic researchers and marketers for over 40 years. The real effects of the country of origin and country image have not reached accredited conclusions due to complicated marketing strategies, changing countries’ marketing positions and changing consumers’ opinions. This study was undertaken to examine the specifics of Moldovan consumers’ behavior with regards to country of origin issue. The purposes of this exploratory-descriptive and quantitative study were (a) to examine whether consumers in Moldova use country of origin as a product’s quality information cue; (b) to explore Moldovan consumers’ perception of Turkish textile products; (c) to understand whether the attitude for Turkey affects the evaluation of textile products; (d) to explore the level of Turkish brand awareness among Moldovan consumers.

To investigate the proposed scopes a questionnaire was designed and applied on 244 consumers that live in Chisinau. The collected answers were processed by using statistical program SPSS 16.0. Studying the outputs of this program several conclusions were reached. One of the conclusions that we should start with is that Moldovan consumers consider country of origin an important information cue both in their evaluation of a product’s quality and in their purchasing decision. The “Made in” label gives clues to buyers about the perceived product’s quality. This implies that buyers have certain stereotypes and beliefs about countries and products from these countries. However, results showed that Moldovan consumers do not believe that products from less developed countries are always of inferior quality

Majority of participants in this study were young (age 26-35) and with high education. There wasn’t a significant difference in respondents’ perception of Turkish textile products based on their gender, age, education or income. This result does not confirm the findings covered in the literature review that argue that age, education and especially income have positive relationships with the attitudes towards imported goods.

An important finding of this study shows that there is a positive relationship between brand familiarity and perception of products. Consumers that are familiar with Turkish textiles brand names have a more positive perception of Turkish textiles than consumers who are not familiar with brands. This result seem to be consistent with the findings of Johansson (1985) and Khan and Bamber (2008) that stated that consumer's familiarity with a brand or a product may affect consumer's evaluation of product quality and has an influence on consumer's preference. Improvement in product evaluation is related to increased brand familiarity (Lee and Ganesh, 1999: 20).

Brand familiarity among Moldovan consumers was found very low. Majority of the respondents (86.6%) do not know any Turkish textile brand names. Respondents that are familiar with brands could name just one or two brands. Since the evaluation of products is related to brand familiarity this outcome might explain the average evaluation of the overall product quality.

To improve the perception of textile products on Moldovan market Turkish producers may consider investing in the advertising campaigns. Therefore, intensive brand promotion could be efficient to increase brand awareness, and consequently to improve product evaluations. Sponsoring various activities like shows and charitable events might also affect positively the awareness and perception of brands. Turkish producers may consider opening more outlets where Turkish brand would be sold. The name of a store has a positive influence on products' perceived quality (Teas and Agarwal, 2000: 278). Thorough opening Turkish outlets brand familiarity would increase and respectively the evaluation of products would be more favorable.

One of the findings of this study shows that there is a positive relationship between income and brand familiarity. Consumers with higher incomes are more familiar with Turkish textile brands than consumers with lower income levels. Higher incomes represent more that US\$ 500 per month, while low incomes – US\$ 200 per month. This outcome might be of interest for Turkish producers of textiles. In the

marketing activities they may target consumers with higher incomes, as they are more familiar with brands and have a higher purchasing power than low income consumers.

For the attitude for Turkey, results show that majority (52%) of the respondents have a neutral attitude, while 40.2% have a positive attitude. Country image of Turkey was also appreciated as average or neutral. A question that measures product's overall quality evaluation also indirectly indicates country image. This assumption was based on the research findings of Bilkey and Nes that defined country image as consumers' general perceptions of quality for products made in a given country (Bilkey and Nes, 1982). Thus, we may conclude that image of Turkey was also viewed as average or neutral among Moldovan consumers.

A finding of this study demonstrates that consumers that have a positive attitude towards Turkey also have a positive perception of Turkish textile products, than consumers who have a negative attitude towards Turkey. This result supports the literature findings that say that general impressions of countries play a big role in product evaluations (Verlegh and Steenkamp, 1999). Consumers who have a positive attitude towards a country will have positive perception of products from this country (Usunier, 1993: 259; Ahmed et al., 2004: 104).

In this application, Moldovan consumers have neutral attitude towards Turkey consequently, their perception for Turkish products is also neutral. Governments through their policies may influence the image or attitudes of countries. Thus, Turkish government may improve the attitude towards Turkey by trying to improve the relationships with Moldovan government. These strategies may include bilateral agreements or campaigns related to trade or industry, investments in the local economy. The input of the Turkish investors may be viewed as a positive contribution to the general attitude towards Turkey. Another strategy that may be applied by the Turkish government is to make special information campaigns that would focus on the

emphasize of the positive aspects of Turkey (tourism, culture, growing economy). This kind of exposure to positive information about Turkey may improve the general attitude.

These types of strategies may be beneficial both for Moldova and Turkey; image of Turkey could be enhanced, Turkish exports to Moldova may increase and Moldova may attract investments that are so needed for the growth of the economy.

Moldovan consumers evaluate the overall quality of Turkish textile products as average quality. This evaluation is based on their consumption of textiles, as 98.8% of respondents purchased textiles “Made in Turkey”. Even though, Turkish textiles are not associated with high quality products, Turkish producers may adapt their marketing strategies to this finding and succeed on Moldovan market. Producers may choose to accentuate less the country of origin in advertising. Instead they may emphasize other product attributes like quality, design, exclusivity etc. To improve the image of textiles Turkish producers may also choose to collaborate with Moldovan textile producers and establish joint production or marketing strategies. According to the finding that shows that Moldovan consumers prefer to purchase textiles made in Moldova (47.1% of respondents), the outcome of these kinds of collaboration could be products that have Turkish raw materials and design inputs but Moldovan labels.

Despite the general average evaluation of quality, Moldovan consumers have a favorable perception of design, fashionability and price of Turkish textile products. Even though design and fashionability are related attributes, consumers are more satisfied with textiles’ design than fasionability. This differentiation may be examined in the future research of this subject.

Even though Moldovan consumers evaluate Turkish textiles as average quality, this does not imply that they evaluate Moldovan products more favorably. On the contrary, Moldovan consumers have a neutral opinion when asked to rate Turkish or

Moldovan. Respondents would prefer to buy a Turkish textile even they would have an identical Moldovan option. This result of the study supports literature findings, which state that consumers in less developed countries and newly industrialized countries (here Moldova) rate their own country's products as inferior and prefer products from more developed countries (here Turkey) (Nakra, 2006: ; Supphellen and Rittenburg, 2001: 907).

In the case when a consumer has the option to choose among products from countries with different development levels, then most probably, they will prefer the product from the most developed country. Moldovan consumers preferred German products (34.8% of respondents) after Moldovan products (47.1% of respondents). Products from developed countries are viewed as more qualitative and have a more positive image than products from developing countries (McAuley, 2001). Also this outcome proves that Moldovans could be characterized as patriotic consumers.

Up to now, few researches have examined Moldovan consumers' behavior with regards to country of origin issues. Thus, several findings of this study could be the starting points for the future research. An outcome that needs further exploration is the purchasing behavior of Moldovan consumers. Specifically, two results of this study contradict each other; 50.8% of respondents say that they would buy a "Made in Turkey" textile product while the result of another question shows that for 42.2% of the subject "Made in Turkey" label would influence negatively the purchasing decision. This is to say, it is essential for Turkish producers of textiles that export or plan to enter the Moldovan market to be aware of the Moldovan consumers' perceptions of products.

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APPENDIX I.

ONLINE FORMAT OF THE QUESTIONNAIRE IN ROMANIAN LANGUAGE

Sondaj de opinie

Sunteti invitat sa participati la un studiu ce evalueaza efectele tarii de origine asupra atitudinii consumatorilor de produse din tara respectiva. Va rugam sa completati urmatorul chestionar privind *perceptia consumatorilor moldoveni asupra produselor textile turcesti*. Cititi fiecare intrebare si raspundeti onest. Nu exista raspunsuri corecte sau gresite.

Va multumim!

Varsta:

Sexul: Masculin Feminin

Selectati ultima forma de invatamant absolvita

- Liceu sau scoala medie Studii de masterat
 Studii universitare Studii de doctorat

Venitul mediu lunar

- 0 – 200 USD 301 – 500 USD mai mult de 701 USD
 201 – 300 USD 501 – 700 USD

Instructiuni: Va rugam sa alegeti varianta de raspuns care cel mai bine descrie parerea Dvs. la intrebarile formulate.

1. A-ti procurat vreodata produse textile “Made in Turkey”?

- Da Nu

2. Cat de des cumparati produse textile (in general)?

- O data pe luna O data in doua luni
 De doua ori pe luna Alta

3. Cat la suta din consumul total de textile din ultimul an a constituit consumul de textile turcesti?

%

4. Cunoasteti vreo marca de produse textile turcesti?

Da Nu

5. Daca la intrebarea numarul 4 a-ti raspuns cu "Da", va rog specificati aceasta marca.

6. Cum a-ti caracteriza calitatea textilelor produse in Turcia?

Foarte slaba <input type="checkbox"/>	Slaba <input type="checkbox"/>	Medie <input type="checkbox"/>	Buna <input type="checkbox"/>	Excelenta <input type="checkbox"/>
---------------------------------------	--------------------------------	--------------------------------	-------------------------------	------------------------------------

7. Gandindu-va la produsele textile turcesti in ce masura sunteti de acord cu urmatoarele afirmatii?

	Total în dezacord 1	Nu sunt de acord 2	Neutru 3	Sunt de acord 4	Sunt total de acord 5
Sunt satisfăcut de calitatea produselor textile turcești.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sunt satisfăcut de prețul produselor textile turcești.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Textilele turcești au un design frumos.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Produsele textile turcești sunt la moda.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Produsele textile moldovenești sunt în genere mai bune decât cele turcești.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Total în dezacord 1	Nu sunt de acord 2	Neutru 3	Sunt de acord 4	Sunt total de acord 5
Dacă două produse textile turcesc si moldovenesc au aceeași calitate atunci îl prefer pe cel moldovenesc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Când cumpăr un produs atrag atenția în ce țară este produs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Țara în care produsul este manufacturat este un indicator al calității.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dacă un produs este dintr-o țară mai puțin dezvoltată, atunci și calitatea este mai inferioară.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Un produs textil “Made in Turkey” mi se asociază cu o calitate superioară.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Un produs textil “Made in Turkey” mi se asociază cu un preț înalt.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Crede raportul preț / calitate a textilelor turcești este adecvat.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Aș cumpăra un produs “Made in Turkey”.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dacă un produs textil este produs în Turcia aceasta îmi va afecta decizia de cumpărare în mod pozitiv.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dacă un produs textil este produs în Turcia aceasta îmi va afecta decizia de cumpărare în mod negativ.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Dacă oricare produse textile ar avea aceeași calitate si funcții ce produs a-ți prefera?

Moldovenesc
 Turcesc

German
 Românesc

Rus
 Altul

9. Impresiile dumneavoastră despre o țară afectează percepția despre produsele din țara dată?

Da

Nu

10. Ce fel de emoții vă evocă Turcia?

Pozitive

Negative

Neutre

11. Cum vedeți Turcia în comparație cu Moldova referitor la standardele de viață?

Mai dezvoltată

Același nivel

Mai puțin dezvoltată

APPENDIX II

PAPER FORMAT OF THE QUESTIONNAIRE IN ROMANIAN LANGUAGE

Sunteți invitat să participați la un studiu ce evaluează efectele țării de origine asupra atitudinii consumatorilor produselor din țara respectivă. Vă rugăm să vă rezervați câteva momente pentru a completa următorul chestionar privind **percepția consumatorilor moldoveni asupra produselor textile turcești**. Citiți fiecare întrebare și răspundeți onest și după opinia personală.

Vă mulțumim!

1. A-ți procurat vreodată produse textile “Made in Turkey”?

Da ()

Nu ()

2. Cât de des cumpărați produse textile?

a. O dată pe lună

b. De două ori pe lună

c. O dată în două luni

d. Alta _____

3. Cât la sută din consumul total de textile din ultimul an a constituit consumul de textile turcești?

% _____

4. Cunoașteți vreo marcă de produse textile turcești?

Da ()

Nu ()

5. Dacă “Da”, vă rog specificați această marcă.

6. Cum a-ți caracteriza calitatea textilelor produse în Turcia?

Foarte slabă ()	Slabă ()	Medie ()	Bună ()	Excelentă ()
------------------	-----------	-----------	----------	---------------

7. Gândindu-vă la produsele textile turcești în ce măsură sunteți de acord cu următoarele afirmații?

	Total în dezacord	Nu sunt de acord	Neutru	Sunt de acord	Sunt total de acord
a. Sunt satisfăcut de calitatea produselor textile turcești.	1	2	3	4	5
b. Sunt satisfăcut de prețul produselor textile turcești.	1	2	3	4	5
c. Textilele turcești au un design frumos.	1	2	3	4	5
d. Produsele textile turcești sunt la moda.	1	2	3	4	5
e. Produsele textile moldovenești sunt în genere mai bune decât cele turcești.	1	2	3	4	5
f. Dacă două produse textile turcesc și moldovenesc au aceeași calitate atunci îl prefer pe cel moldovenesc.	1	2	3	4	5
g. Când cumpăr un produs atrag atenția în ce țară este produs.	1	2	3	4	5
h. Țara în care produsul este manufacturat este un indicator al calității.	1	2	3	4	5
i. Dacă un produs este dintr-o țară mai puțin dezvoltată, atunci și calitatea este mai inferioară.	1	2	3	4	5
j. Un produs textil "Made in Turkey" mi se asociază cu o calitate superioară.	1	2	3	4	5
k. Un produs textil "Made in Turkey" mi se asociază cu un preț înalt.	1	2	3	4	5

l. Cred că raportul preț / calitate a textilelor turcești este adecvat. 1 2 3 4 5

m. Aș cumpăra un produs "Made in Turkey". 1 2 3 4 5

n. Dacă un produs textil este produs în Turcia aceasta îmi va afecta decizia de cumpărare în mod pozitiv. 1 2 3 4 5

o. Dacă un produs textil este produs în Turcia aceasta îmi va afecta decizia de cumpărare în mod negativ. 1 2 3 4 5

8. Dacă oricare produse textile ar avea aceeași calitate și funcții ce produs a-ți prefera?

a. Moldovenesc

c. German

e. Rus

b. Turcesc

d. Românesc

f. Altul _____

9. Impresiile dumneavoastră despre o țară afectează percepția despre produsele din țara dată?

Da ()

Nu ()

10. Ce fel de emoții vă evocă Turcia?

a. Pozitive

b. Negative

c. Neutre

11. Cum vedeți Turcia în comparație cu Moldova referitor la standardele de viață?

a. Mai dezvoltată

b. Același nivel

c. Mai puțin dezvoltată

12. Sexul.

Masculin ()

Feminin ()

13. Vârsta

a. 18-25

c. 36-45

b. 26-35

d. mai mult de 46

14. Selectați ultima formă de învățământ absolvită

a. liceu sau școala medie
b. studii universitare

c. studii de masterat
d. studii de doctorat

15. Venitul mediu lunar

a. 0 - 200 USD
b. 201 - 300 USD

c. 301 - 500 USD
d. 501 - 700 USD

e. mai mult de 701 USD

APPENDIX III.

QUESTIONNAIRE IN ENGLISH

“The Effect of Country-of-Origin and Country Image: An Application on Moldovan Consumers’ Perception of Turkish Textile Products”

1. Have you ever purchased any “Made in Turkey” textile products?

Yes ()	No ()
---------	--------

2. How often do you buy textile products in general?

a. Once a month ()	c. once in two months ()
b. twice a month ()	d. other _____ ()

3. What is the ratio of Turkish textile products in your consumption of textiles in the last year?
% _____

4. Are you familiar with any Turkish textile brand names?

Yes ()	No ()
---------	--------

5. If “Yes”, please specify the brands.

6. How do you rate the overall quality of textile products made in Turkey?

Very Bad ()	Bad()	Average()	Good()	Very Good()
--------------	--------	------------	---------	--------------

7. Please answer the questions using the given scale 1: Strongly disagree, 5: Strongly Agree

	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
A.I am satisfied with the quality of Turkish textile products.	1	2	3	4	5

B.I am satisfied with the price of Turkish textile products.	1	2	3	4	5
C.Turkish textile products have a nice design.	1	2	3	4	5
D.I am satisfied with the fashionability of Turkish textile products.	1	2	3	4	5
E.Moldovan textile products are generally better than Turkish ones.	1	2	3	4	5
F.If the Turkish and Moldovan textile products are same quality then I prefer Moldovan over Turkish.	1	2	3	4	5
G.When I am purchasing a product I pay attention to where it is made.	1	2	3	4	5
H.The country where a product is produced gives clues about the product's quality.	1	2	3	4	5
I.If a product is made in a less developed country, then probably it is of lower quality.	1	2	3	4	5
J.When I see a "Made in Turkey" textile product it is associating with high quality.	1	2	3	4	5
K.When I see a "Made in Turkey" textile product it is associating with high price.	1	2	3	4	5
L. I consider that the price/quality ratio of Turkish textile products is appropriate.	1	2	3	4	5
M.I would purchase a product that is "Made in Turkey".	1	2	3	4	5
N.If I know that a textile product is produced in Turkey it will affect my purchasing decision positively.	1	2	3	4	5
O.If I know that a textile product is produced in Turkey it will affect my purchasing decision negatively.	1	2	3	4	5

8. If some textile products have same quality and attributes which product would you prefer?

- | | | |
|-------------|-------------|----------------|
| a. Moldovan | c. German | e. Russian |
| b. Turkish | d. Romanian | f. other _____ |

9. Do your feelings of a country affect your perception about goods from that country?

Yes () No ()

10. What kind of attitude do you have for Turkey?

- A. Positive
- b. negative
- c. neutral (no feelings)

11. How do you perceive Turkey compared to Moldova with regards to the standards of living?

- a. More developed
- b. same level
- c. less developed

12. Your gender

Male () Female ()

13. Your age

- | | |
|----------|-----------------|
| a. 18-25 | c. 36-45 |
| b. 26-35 | d. more than 46 |

14. Education Level

- A. High school graduate or lower
- b. college graduate or college student
- c. master degree
- d. PhD degree

15. Income level (monthly)

- | | | |
|------------------|------------------|----------------------|
| a. 0 – 200 USD | c. 301 – 500 USD | e. more than 701 USD |
| b. 201 - 300 USD | d. 501-700 USD | |