

CHAPTER I

INTRODUCTION

This chapter presents a background to the area of interest, hence research question and purpose of the study is performed. Followed by research benefits and last, a structure of the thesis is outlined.

1.1. Background of the study

According to trade statistic of Uzbekistan with foreign countries (2013), apparel products are still one of the most imported items of Uzbekistan, especially from Turkey and South Korea, even though Uzbekistan has a high potential of manufacturing of apparel and textile products and also has many joint ventures inside the country. The rate of import goods in Uzbekistan especially apparel products indicates that Uzbek consumers are considerably favor of consuming products from foreign countries. The reason why Uzbek consumers admire foreign products can be assumed that they think foreign products have higher quality and create a tasteful image of Uzbek consumers than using Uzbek products in people's eyes.

In fact, when consumers make a decision to buy a particular product especially apparels such as seasonal clothes, jeans, trousers, coats or T-shirts, there are several factors both intrinsic cue and extrinsic cue which consumers concern. Quality, used raw material and design are concerned as intrinsic cues. Besides intrinsic cues, price, brand name and another important factors are concerned as external factors which differentiate each product from others.

Country of origin can represent the quality, trustworthy, popularity of the products, leading to reduction of the risk while making decision (Zhang 1997).

The earlier researches showed that Country of Origin has influence on consumer's attitudes and purchase intention. Ahmed & Astous (2008) mentioned that country of origin has influence as much as brands, prices and quality in consumer's minds. This argument could be supported by Amine & Shin, (2000) that Country of Origin can have greater effect on consumer attitude than brand name even though it is a well known brand. It cannot change negative attitude of customers on the products which made in a developing country. Therefore, having a strong brand is not enough but country of origin image should be strengthened. Better country of origin image and consumers trust should be important factors for the producer. And this can help to increase the product sales and enhance economic flow within the company.

About country of origin issues, it is found that "Ethnocentrism"- the belief and proud in the superiority of one's own nation and ethnic group becomes matter. Most citizens in each countries are ethnocentric especially consumers ethnocentrism in industrialized countries are more concentrated than in developing countries. Furthermore, country of origin effect creates different perceptions and images on countries which having different industrialization. Consumers in industrialized countries might have bias with products made in developing countries especially high technology products. (Hamin & Elliott, 2006).

As mentioned above, it can be seen that country of origin play crucial role in consumer's decision-making process. Looking the previous researches, most of them are conducted by American researchers who mostly studied American consumers and some studied European and Asian consumers about general products. Most result of the researches indicated that United States of America is the most favorable country of origin but it was not assure that whether ethnocentrism in American consumers was involved in their product evaluation.

Therefore, the authors is interested in studying on how Uzbek consumers pay attentions to the importance of country of origin image when making their decision to buy apparel products and how Uzbek consumer admire apparel products made in their own country. Since Uzbekistan is a country which has big reserves of good quality cotton and silk, which used for producing apparel and textile products, so the authors aims to study in the area of apparel products only.

Because of apparel products from South Korea and Turkey are one of the top ranked import items, the authors decided to study Uzbek consumers' attitude toward apparel products from those two countries of origin. Since Turkey and South Korea are well-known country of origin in producing apparel products. Furthermore, apparel products from Uzbekistan will be used as a baseline to compare with other country of origin to see whether Uzbekistan`s products are favorable among Uzbek consumers.

1.2. Research question

The research is addressed the following main research question:

How does country of origin image affect to Uzbek consumers` attitude and purchase intention on apparel products?

In order to response the main question, research questions are developed as following;

- 1.** How do Uzbek consumers percieve the image of apparel products from South Korea, Turkey and Uzbekistan?
- 2.** Does country of origin image influence the Uzbek consumer attitude on apparel products?
- 3.** Does attitude influence the Uzbek consumer purchase intention on apparel products?

1.3. Purpose of the research

In this globalization era consumers have many choices to choose different products from different countries, and they will perceive the value of the product brands of each country in different ways. Therefore, the purposes of the study are:

- 1.** To evaluate Uzbek consumers` perception on apparel products from South Korea, Turkey, and Uzbekistan.
- 2.** To evaluate Uzbek consumers` attitude on apparel products from South Korea, Turkey and Uzbekistan

3. To evaluate purchase intention of Uzbek consumers on apparel products from Turkey, South Korea, and Uzbekistan.

1.4. Benefits of the research

This research could help foreign textile and apparel companies, especially which come from Turkey, South Korea and China as well as textile companies in Uzbekistan to enhance their brands. By using this research information, it could help apparel companies to promote their brands and also develop marketing strategy.

Moreover, it could be useful for Uzbek textile companies to understand about Uzbek consumers' perception toward Uzbek apparel brands. It could be more clarify to Uzbek marketers to see whether Uzbek consumers perceive the image and also quality of Uzbek textile products differently or similarly from foreign textile products.

Furthermore, this research could help marketers to adapt or improve their products to be more favorable among Uzbek consumer.

1.5. Structure of the research

This research consisted of five chapter which is (1) Introduction, (2) Literature review, (3) Methodology of the research, (4) Results of the study and the last is (5) Conclusion and Managerial implications.

Chapter I : Introduction. This chapter presents background of the study, research question, purpose and benefits of the research.

Chapter II : Literature Review. This chapter describes literatures related to the research topic such as COO image, Attitude and Purchase intention. And conceptual frameworks is explained by developing the concept from the chosen literature review to be suitable for this research. And then Hypothesis was developed.

Chapter III : Methodology of the research. Methods of the research was explained such as sample of the study, research context, data collection methods, data analysis methods and etc.

Chapter IV : Results of the research. This chapter presents the overall data gathered through the data collection method which obtained by doing survey questionnaire and analyzed by SPSS program.

Chapter V : Conclusion and managerial implication. Summary and conclusion is described and also the future of the research is discussed in this chapter.

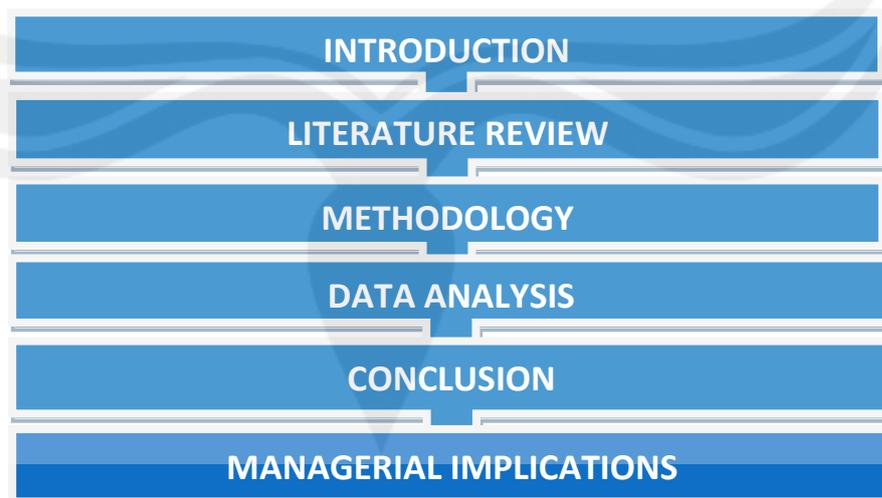


Figure 1.1. Research structure