Choosing Between American and Chinese Brands

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In this article, the authors examine how Chinese consumers’ choice between American and Chinese brands is influenced by product categories (utilitarian and hedonic) and levels of justification. Specifically, the authors find that in without-justification condition, Chinese consumers generally prefer American brands regardless of product categories; but in with-justification condition, their preference varies across categories: they prefer American brands in hedonic category but prefer Chinese brands in utilitarian category.

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where they are more likely to seek treatment when they exclude Uma Thurman. Follow up research manipulating (rather than measuring) underlying beliefs regarding treatment and disease is underway.

These results indicate that efforts to increase treatment seeking for stigmatized diseases must address both the stigma associated with individuals suffering from the disease and also people’s preexisting attitudes toward seeking such services. This suggests that public service campaigns featuring celebrities with stigmatized diseases can be detrimental to some while beneficial to others, depending on each individual’s preexisting attitudes toward mental health services and also how the celebrities are categorized. As we gain a better understanding of how stigma serves as a barrier to getting tested and seeking treatment for stigmatized diseases, we will be able to develop and implement effective strategies for combating this obstacle and encourage individuals with stigmatized diseases to request help to improve their health.

References


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As the world’s largest consumer market, China attracts many multinational corporations and foreign products and brands. The Chinese consumers’ choices of these products and brands have changed in the past few years. For example, compared to Chinese products, American products used to have many competitive advantages, such as high quality and prestige. Due to recent surge of economic development and progress in technology and manufactory capabilities, more and more consumers in China begin to prefer domestic products to American products and in some situations they perceive Chinese products to be better choices than American products. Given that consumer choice decision making can be driven to a large extent by situational variables (e.g., psychological reactions to marketing activities), it is important, in terms of both consumer research theory and managerial significance, to investigate when and how Chinese consumers prefer products from American versus from their own country is important, and the role of brand plays in the decision making. This research aims to provide insights into Chinese consumers’ psychology of decision making, relative to what we already know about Americans.

Theoretical background
Earlier research findings show that when choosing products such as clothes, cosmetics, and high-tech gadgets like cell phones and laptops, Chinese consumers usually prefer American brands, but when facing durable goods, TV sets, food etc. they prefer domestic brands. We note that those preferred American products are hedonic products, which seem to provide more utility on the dimension of experiential consumption, fun, pleasure, and excitement, whereas those preferred Chinese products are in general utilitarian products, primarily functional and instrumental.

Drawing from existing research, we suggest that the above observed behavior tendency in choice decision making can be moderated by decision contexts. For example, Bohm and Pfister (1996) show that asking participants to justify their choices can enhance their preferences for utilitarian products. Similarly, Bazerman, Tenbrunsel, and Wade-Benoni (1998) find that making a choice can force consumers to choose what they should buy (vs. want to buy), so that they are more likely to buy utilitarian products. Furthermore, Dhar and Wertenbroch (2000) find that requiring subjects to list reasons for their choices can de-emphasize the hedonic focus relative to the utilitarian focus in product evaluations. Based on findings from this earlier research, we suggest that Chinese consumers should prefer utilitarian products more in with-justification condition than in without-justification condition, as providing reasons to justify decisions make consumers more likely focus on the utilitarian aspects of products and less likely on the hedonic dimension. Further, since Chinese consumers view western products to be more image driven, while Chinese products are pragmatic, Chinese consumers should prefer Chinese brands more in the justification condition than in the no justification condition, and versa vice for American brands.
Experiment and Result

One hundred and forty students were recruited from Peking University in Beijing, China. They were paid for their participation. Participants reported to an amphitheater and were assigned randomly to four conditions by receiving four kinds of questionnaires. The two independent variables are product category (hedonic and utilitarian) and justification (without-justification and with-justification). This constitutes a 2 (product category) * 2 (justification) between subjects design. The dependent variable is participants’ choice between a Chinese brand product and an American brand product. In this experiment we find that in without-justification condition, Chinese consumers prefer American products regardless of hedonic or utilitarian; however, in with-justification condition, their preference varies across categories: in hedonic category, more participants prefer American products, but in utilitarian category, more participants prefer Chinese products.

Discussion

Much country of origin research points out that in developing countries consumers generally prefer products from developed countries to their own products. We find that this is not necessarily the case, depending on specific choice situations. In without-justification condition, Chinese consumers generally prefer American products regardless of product categories; but in with-justification condition, their preference varies across categories: they prefer American products in hedonic category but prefer Chinese products in utilitarian category. Although previous research finds that product types or levels of justification may influence consumers’ preference, no research combines these two factors together to explore their interaction.

Some research finds that levels of justification may influence consumers’ preference toward hedonic and utilitarian products. Specifically in without-justification condition consumers are likely to prefer hedonic products, but in with-justification their preference towards utilitarian products may increase. The focus of this previous research is on the influence of levels of justification on choice of products types (hedonic or utilitarian). In our research, we use the previous independent variable-levels of justification and dependent variable-product categories as two independent variables, and focus on their interaction effect on choice between American products and Chinese products. We find that not only does justification influence preference towards utilitarian versus hedonic products, it also changes the pattern of consumers’ preference toward American versus Chinese products in hedonic and utilitarian categories.

References


