### Advanced and emerging economies Generation Y’s perception towards country-of-origin

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Introduction

The purpose of this qualitative study is to explore the perceptions of country-of-origin held by Generation Y in advanced and emerging economies. This paper explores whether Generation Y consumers from advanced and emerging economies have different perceptions towards the country-of-origin of fashion products. Generation Y is also known as Gen Y, Millenials, Echo Boomers, Why Generation, Net Generation, Gen Wired, We Generation, DotNet, Ne(x)T Generation, Nexters, First Globals, iPod Generation and iYGeneration (William and Page, 1994). Generation Y are individuals born during 1977-1994 (Nayyar, 2001; Paul, 2001). There are approximately 1.38 billion Generation Y in the world (US Census Bureau, 2012). They are in the 19-36 age range in 2013.

Country-of-origin is commonly used by customers to predict the quality and performance of products (Cai et al., 2004; Muchbalcher et al., 1999; Olins, 2004; Khmel'nys't'ka and Swift, 2010). The majority of country-of-origin studies to date only involve customers from one or a small number of nationalities. Thus, they may not be adequate to explore whether customers in advanced and emerging economies hold different perceptions towards country-of-origin. This investigation was undertaken because cheaper production costs and a greater ability to outsource have led to more and more international companies deciding to manufacture their products in emerging economies (Gereffi and Memedovic, 2003).

One of the key industries that has been outsourcing their products in emerging economies is the fashion industry (Gereffi and Memedovic, 2003; Khan, 2003). This is because, even though the labour costs in the emerging economies are lower, the labour skills in producing
fashion products are often comparable with the labour skills of advanced economies (Hines and Bruce, 2007). Furthermore, as fashion is one of the key interests of Generation Y (William and Page, 2011; Van den Bergh et al., 2011; Gronbach, 2008), fashion products are deemed to be an appropriate context for this study.

Most country-of-origin studies employ quantitative research because the purpose of these studies is to measure the effect of country-of-origin on customers’ perceptions and behaviour. Nevertheless, because of its focus in measuring causal relationships, quantitative studies usually are not able to capture the reasons for customers’ perceptions and behaviour towards country-of-origin. Therefore, this paper provides an alternative approach in country-of-origin studies by employing a qualitative research. By employing a qualitative approach, this paper will not only able to investigate what are Generation Y’s perceptions and behaviour towards country-of-origin, from both advanced and emerging economies, but also to understand the reasons behind their perceptions towards country-of-origin. This paper is structured as follows: a literature review, research methods, research results and discussion with reference to relevant literature. The study is concluded by summarising the findings, highlighting research limitations and suggesting the managerial implications.

The definition of country-of-origin

Consumers are usually made aware of a product’s country-of-origin by ‘Made in' or ‘Manufactured in' labels (Bilkey and Nes, 1982). Although, there is no precise definition about country-of-origin (Sauer et al., 1991), it can be understood as the image of a country in a consumer’s mind which influences their evaluation of the products or brands that are produced by that country (Chapa et al., 2006; Morello, 1993; Samiee, 1994; Shlomo and Jaffee, 1996). This understanding suggests that country-of-origin information can be used to
reflect the origin of a brand as well the origin of a product. Nevertheless, nowadays many products are manufactured in countries other than where the corporate headquarters of the company or brand is located. As noted by Al-Sulaiti and Baker (1998), in the modern marketplace defining country-of-origin can create a complication. The growth of multinational companies and the evaluation of hybrid products which consists of components from different countries can blur the accuracy and the validity of the “Made in” label (Baker and Michie, Baughn and Yaprak, 1993; Chao, 1993; Yaprak and Baughm, 1991). The global clothing industry is an example where this phenomenon takes place.

As an attempt to standardise the labelling system of product country-of-origin information, Revised Kyoto Convention (international convention on the simplification and harmonization of international customs procedures) stipulates that if a product has been produced or modified in two or more countries, the country-of-origin of the product will be the last country in which the product has been substantially processed (United Nations Statistic Division, 2007). For most goods, including clothing, country-of-origin information is usually portrayed by a “Made in label”. This rule has been adopted by countries that enforce country-of-origin regulations. In many geographical areas, such as the USA, New Zealand, Australia, Japan, European Union, and South Africa it is a requirement that country-of-origin information on clothing products must be displayed in a position that can be seen clearly by the consumers when examining the item. According to the European Parliament without disclosing country-of-origin information, customers may be deceived regarding the true origin of the products and therefore may not be able to make an informed buying decision (European Parliament, 2011). Thus, it is suggested that as long as these regulations are enforced, country-of-origin still becomes an important field to research because it may influence the customers’ perception towards products or brands. In addition, academic
scholars also note that the vast amount of country-of-origin studies in the past few decades are indications of the importance of the country images in international marketing strategy (Phau and Prendergast, 2000).

If the clothing materials are sourced from and/or are processed in several countries, it is impractical to list all of the locations that played a part in the construction of the product. Therefore, the “Made in” label which informs the customers about the last place where the clothes were substantially processed or manufactured is deemed adequate to allow customers to make informed buying decision. Based on this conceptualisation, in this study country-of-origin is defined as the last place where a product was manufactured or substantially modified which is usually informed by the “Made in” label. This premise is consistent with what has been suggested by Revised Kyoto Convention (United Nations Statistic Division, 2007), Bannister and Saunders (1978), Chasin and Jaffe (1979), and Nagashima (1970, 1977).

The influence of country-of-origin to product evaluation and purchasing decision

Studies exploring the country-of-origin issue indicate that the image of countries where products were manufactured is used by consumers as an external cue to evaluate products (Bilkey and Nes, 1982; Johansson et al., 1985). Country-of-origin can provide associations which may influence consumers' perceptions (Lee and Tai, 2009). It is used by consumers to predict the quality and performance of products (Abedniya & Zaeim, 2011Bilkey, 1993; Cai et al., 2004; Hamin and Eliot, 2006; Muchbalcher et al., 1999; Olins, 2003) and to justify the rationality of their purchasing decision (Cai et al., 2004; Khachaturian and Morganosky, 1990). When consumers are not familiar with the products of a country, country-of-origin
information functions as a ‘halo’ that directly affects consumers’ beliefs about the products and indirectly affects the overall evaluation of them through these beliefs (Johansson et al., 1985).

Despite consumers’ frequent and numerous remarks that a product’s country-of-origin is not important (e.g. Papadopoulos & Heslop, 1993; Hugstad & Durr, 1986) it is suggested that they will readily use country-of-origin as an important factor in quality especially for products such as cars, households appliances, computer technology, apparel and cosmetics (Vrontis et al., 2006). Nevertheless, it is also suggested that even though country-of-origin information is important in assessing fashion product quality, when it is used to evaluate purchasing likelihood, country-of-origin seems to be less important (Wall et al., 1991; Lin & Sternquist, 1994).

Studies suggest that consumers’ perception towards country-of-origin (either positive or negative) is based on a stereotype held by consumers towards the country itself (Hamin and Eliot, 2006; Urbonivicius et al., 2011). The image of the country can be generated from consumers’ experience of visiting the country, knowledge about the country, political beliefs, or ethnocentrism tendencies. Unfortunately, this stereotype is often not directly linked to the features of the product itself. For instance, issues such as human rights violence, child labour and low manufacturing costs, can blur the perception towards the features of the product (Muchbalcher et al., 1999; Paswan and Sharma, 2004). Other studies show that consumers’ perception towards country-of-origin is more likely to be a stereotype rather than an opinion about a specific feature of the product (Chattalas et al., 2007; Martin and Eroglu, 1993).
A stereotype which is commonly found among consumers, is that products made in advanced economies such as USA, Germany, Japan, France, Korea and UK have better quality and are more reliable than products made in emerging economies such as Indonesia, India, Bangladesh, Turkey, Morocco and Vietnam (Anholt, 2006; Bilkey and Nes, 1993; Papadopoulos, 1993). This is because advanced economies are usually well-known for quality, design, innovation, dependability, originality, and management (Muchbalcher, 1999; Usunier and Lee, 2005; van Gelder, 2003) whereas emerging economies are often associated with negative images (Ahmed et al., 1993; Muchbalcher, 1999). Furthermore, consumers tend to believe that workers in advanced economies are more technologically sophisticated than workers in emerging economies, so that they are seen as being more capable of making high quality products (Li and Monroe, 1992).

Findings of country-of-origin studies in the context of fashion products indicate that fashion products made in advanced economies have better quality than fashion products made in emerging economies (Schooler, 1971; Gaedeke, 1973; Kachaturian and Morganosky, 1990; Patterson and Tai, 1991; Kaynak et al., 2000). Ettenson et al.’s research (1998) concludes that when considering fashion products, price and quality have a stronger effect on customers than country-of-origin information.

The influence of consumers’ nationality on their perception of a product due to its country-of-origin

There has been an assumption that products made in advanced economies are more credible and appealing to consumers than products made in emerging economies (Anholt, 2006).
However, cheaper production costs and greater access to outsourcing to emerging economies has made more and more international companies decide to manufacture their products in these countries (Boulden, 2007; Gereffi and Memedovic, 2003).

Consumers from different nationalities have different perceptions towards country-of-origin (Cattin et al., 1982; Han, 1990). In consumers’ mind country-of-origin images are influenced by the similarity between their country’s background and the political background, cultural climate, and belief systems of the product’s country of origin (Han, 1990). Furthermore, most nations ‘are historically developed wholes that usually share one dominant language, mass media, a national education system and national markets for products and services’ (de Mooij, 2005, p.52), Thus, it can be suggested that people from the same nation tend to create similar behaviour. Based on the arguments above, this research will specifically explore the relationship between Generation Y’s country of domicile (advanced and emerging economies) with their country-of-origin evaluations.

The categorisation of advanced and emerging economies employed throughout this paper is based on the categorisation proposed by the International Monetary Fund (IMF, 2010). The IMF (2010) classifies emerging and developing economies into one category. According to Cavusgil et al. (2002), all of the emerging economies are developing, but the reverse is not true, not all developing economies can be characterised as emerging economies. Emerging economies are those that ‘(a) have started an economic reform process aimed at alleviating problems for example, of poverty, poor infrastructure, and overpopulation, and (b) achieved a steady growth in gross national product (GNP) per capita’ (Cavusgil et al. 2002, p.4). However, as the IMF does not make any differentiation between emerging and developing
economies, in this paper, every country which is not categorised as an advanced economy by
the IMF classification is categorised as an emerging economy.

The classification of advanced and emerging economies may vary depending on the
organisations which provide the research and the countries that are included in the
classifications (e.g. FTSE, 2010; IMF, 2010). All of the countries included in this study are
encompassed in the IMF’s (2010) classification and therefore this categorisation is deemed to
be the most appropriate to be employed in this research.

The main criteria the IMF employs for classifying countries into advanced and emerging
economies are ‘(1) per capita income level, (2) export diversification—so oil exporters that
have high per capita GDP would not make the advanced classification because around 70%
of their exports are oil, and (3) degree of integration into the global financial system’ (IMF
2010). Nevertheless, these are not the only factors considered in deciding the classification of
countries. Instead of being based on strict criteria, such as economic, the classification has
evolved over time with the purpose of facilitating analysis by providing a reasonably
meaningful organization of data. Reclassification may happen when something marks
changes or the case for change becomes overwhelming. For example, Malta joining the
European Union was deemed to be a significant change in its circumstances that led to it
being reclassified from an emerging economy to an advanced economy (IMF, 2010).

Most country-of-origin studies indicate that consumers from both advanced and emerging
economies tend to stereotype products made in advanced economies as more reliable and
favourable than products made in emerging economies (Cai et al., 2004; Chao, 1998;
Drozdenko and Jensen, 2009; Hahn et al., 2006; Kaynak et al., 2000; Knight, 1999;
Pappadopoulos et al., 1989). Furthermore, a number of studies conducted in advanced economies indicate that domestic products are preferred over imported products (Elliott and Cameron, 1994; Mulye et al., 1997; Knight, 1999; Baumgartner and Jolibert, 1977).

However, other studies indicate that in emerging economies foreign products are preferred over domestic products (Saffu and Scott, 2009; Ettenson, 1993). Studies in the context of fashion products also indicate similar findings (Darling and Kraft, 1977; Niffenegger et al., 2006; Olsen et al., 1993; Kaynak et al., 2000). Nevertheless, this study aims to investigate further whether these findings also apply specifically to Generation Y.

**Generation Y’s perception towards country-of-origin**

Each generation has unique expectations, experiences, generational history, lifestyles, values and demographics that influence their buying behaviour (Williams and Page, 2011). A generation is a product of current times and uniquely shaped by technologies, media, social marker and events (Van den Bergh et al., 2011). Thus, it can be argued that because each cohort travels through life together and experience similar events at a similar age, they can share a common social, political, historical and economic environment.

Generation Y grew up in a time of immense and fast paced changed including virtually full employment opportunities for women, dual-income households as standard, wide array of family types seen as normal, significant respect for ethnic and cultural diversity including a heightened social awareness, and computers at home and in schools (Williams and Page, 2011). Generation Y were born into a technological, electronic and wireless society with global boundaries becoming more transparent (Daniels, 2007; Lee and Tai, 2006).
Generation Y’s individuality and image centricity make brands and products customisation very important (Daniels, 2007). Generation Y does not pay attention to quality and require competitive pricing and may want to negotiate based on the competitors’ advertised prices or search results from the internet (Himmel, 2008). Generation Y demands the latest trends in record time and gets bored easily (Yarrow and O’Donnell, 2009). Because of this characteristic, affordable fast fashion retailers are popular among the Generation Y.

Empirical studies that focus on how country-of-origin influences Generation Y are scare. A study that touches upon this issue indicates that Generation Y’s awareness of country-of-origin is higher than the awareness of the brand-origin because country-of-origin information is usually attached to the products (Van den Bergh et al., 2011). Generation Y also associates the image of the country to the quality of the product categories. Country-of-origin appears to plays a more important role in their perception of quality in certain industries such as food, health and beauty, technology (durables), cars and clothing (Van den Bergh et al., 2011).

Generation Y believes that they can create a better future(William and Page, 2011). They want products and services that serve their functional needs as well as those that have a purpose and meaning. They support brands who they perceive to be good to their employees, good for the environment and are doing something positive for the future (Yarrow and O’Donnell, 2009). Ethical issues such as labour mistreatments and animal abuses influence this generation’s perception towards country-of-origin (Van den Bergh et al., 2011).

Nevertheless, as unethical production and lower quality are often associated with products made in emerging economies, there is a question as to whether generation Y in the emerging countries will have similar concerns about this issues to those held by generation Y in advanced economies.
It is important to note most of the marketing studies related to the Generation Y have been undertaken in the Western World such as USA and Europe. Therefore, empirical research which focuses on the perception of Generation Y from both advanced and emerging economies towards country-of-origin can contribute to the development of marketing knowledge.

Research methods

As the nature of this research is exploratory, a qualitative research method was considered appropriate (Denzin and Lincoln, 1998). The strength of qualitative research is that the researchers can emphasize subtleties in participants’ behaviours and responses. They can also gain depth information from the participants and highlight the reasons for their actions or perspectives that cannot be achieved by a quantitative research method (Burns, 2000).

MSN Messenger (chat room) and email interviews were employed in the primary research. There are two main reasons why chat rooms and email were considered as the most appropriate mediums to be employed in this study: firstly, the participants live in different countries; secondly, the participants are Generation Y who are familiar with the use of technology and chat rooms (Tapscott, 2009). It has been argued that computer-mediated communication such as chat rooms and emails allowed the researcher to collect rich data from isolated, geographically dispersed, and/or stigmatized groups who are often overlooked or ignored (McCoyd and Kerson, 2006). Processing and analysing online interview data is generally quicker than offline interviews because online interviews can automatically generate transcripts (Gruber et al., 2008).
Email interviews are seen to be more complete as they tend to include more self-reflection by participants and are likely to be more candid (McCoyd and Kerson, 2006). This was also reflected in the current research. However, this approach is not able to foster interaction and feedback and to permit people to communicate with many kinds of cues facilitated by using multiple senses which are offered by telephone or face-to-face interviews (Panteli, 2002; Robert & Dennis, 2005; Gillam, 2005). This is because in email interviews the researcher will not be able to read facial expressions and body language, make eye contact, or hear the voice tones of participants. Thus, it is possible that some important visual or nonverbal cues that would be observed during face-to-face data collection will be missed by using email interviews (Selwyn and Robson, 1998). However, email interviews can reduce, or even eliminate, some of the common problems associated with telephone or face-to-face interviews, such as the interviewer or participants’ effects that might result from visual or nonverbal cues or status difference between the two.

In addition, email may safeguard against possible loss of face among some people when they describe potentially sensitive events, experiences, or personal characteristics (Kim et al., 2003). Therefore, in many cases email interviews facilitate greater disclosure of personal information, offering further benefits to both the researcher and participants (Bowker & Tuffin, 2004). The pilot interviews undertaken in this research partially addressed the potential weaknesses of this approach by strengthening the thoroughness of the questionnaire format as the feedback from the pilot studies was used to improve the questions. Two pilot interview sessions were conducted for the purpose of this research:
1. **Semi structured pilot interviews (using chat room)**

The first session was conducted semi-structurally by using a chat room. During the semi-structured pilot interviews, similar core questions were given to the participants and different additional questions were given based on the participants’ answers (Gillham, 2005). The aim of the semi-structured pilot interviews was to explore the participants’ opinions, develop the questions based on the participants’ answers for use in the actual interviews and explore other possible theories that were missed in the literature review. These one-to-one interview sessions involved six participants which took approximately 30 to 120 minutes to complete.

2. **Structured pilot interviews (using emails)**

The second pilot session was conducted by using email. The feedback during the semi-structured pilot interviews was used to develop structured pilot interviews that were sent by email to six participants. In structured interviews ‘the exact wording and sequence of questions are determined in advance. All interviewees were asked the same basic questions in the same order. Questions are worded in a completely open-ended format’ (Patton 2002, p.349). The aim of the structured pilot interviews was to estimate the time needed to answer the questions, to check spelling, grammar and wording mistakes, and to consider possible questions to be added or removed for the actual interview sections. The pilot email interviews were sent to six participants. According to the participants, it took approximately 30 to 60 minutes to answer the questions. A similar time frame was also used by the participants in the actual email interviews. There were 10 main questions asked to the participants. Some questions had between two and four sub-questions. The feedback of the second pilot interviews was used to develop the actual email interview questions.
In order to create and test new interpretations that require information richness, qualitative research usually uses small samples but samples that are selected purposefully (Kuzel, 1999). Therefore, non-probability self-selection sampling was employed in this research. The participants in this research were generated from the author’s social circle all of whom were (to varying degrees) personally known by the author before the interview and registered in the author’s email address book. The main criteria used in generating the sample were the participants’ year of birth and that they had been educated at the university level. By choosing the participants who were known to the author, the author could draw upon the advantages of interpersonal relationships, such as participants’ trust, honesty and openness when answering questions (Blichfeldt and Heldbjerg, 2011), enhancing the quality of the interviews.

The participants were invited or asked personally to participate in the research. The samples were heterogeneous by nationality (Table 1). There were 21 nationalities involved in the research.

<table>
<thead>
<tr>
<th>Table 1 Participants from advanced and emerging economies</th>
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<tr>
<td><strong>Advanced economies</strong></td>
</tr>
<tr>
<td>Japan (1)</td>
</tr>
<tr>
<td>United Kingdom (8)</td>
</tr>
<tr>
<td>Germany (2)</td>
</tr>
<tr>
<td>Netherlands (2)</td>
</tr>
<tr>
<td>Belgium (1)</td>
</tr>
<tr>
<td>France (3)</td>
</tr>
<tr>
<td>Sweden (1)</td>
</tr>
<tr>
<td>Italy (2)</td>
</tr>
<tr>
<td>Finland (2)</td>
</tr>
<tr>
<td>Spain (2)</td>
</tr>
<tr>
<td>United States (1)</td>
</tr>
<tr>
<td>Canada (1)</td>
</tr>
<tr>
<td>26 participants</td>
</tr>
<tr>
<td>Female: 14 Male: 12</td>
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</table>

The participants were born between 1977 and 1994, had been in full time or part time employment and educated at the university. The occupations of the participants and their level of knowledge about the country-of-origin subject were heterogeneous. The assumption about the participants’ knowledge of country-of-origin information was derived from whether
the participants were working or studying within the business or marketing field. In comparison to the number of participants who worked in the business or marketing field (22), the number of participants who worked or studied in the non-business or marketing field were higher (31). During the interview the subject of country-of-origin was represented by the “Made in” label, a phenomenon that all of the participants’ were familiar with. Therefore, their level of knowledge about the subject should not have been an obstacle when answering the interview questions. The composition of the participants’ occupations is presented in Table 2.

<table>
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<th>Occupation</th>
<th>Number of participants</th>
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<tr>
<td>Business/marketing related undergraduate and postgraduate students</td>
<td>13</td>
</tr>
<tr>
<td>Non-business/marketing related undergraduate and postgraduate students</td>
<td>10</td>
</tr>
<tr>
<td>Business/marketing related occupations: Business managers (2); PR executives (2); marketing executives (4); and accountant (1)</td>
<td>9</td>
</tr>
<tr>
<td>Non-business/marketing related occupations: Engineers(5); linguists (2); chef (1); office clerks (3); graphic designers (2); hospitality workers (1); care workers (2); graphic designers (3); beauty therapist (1); real estate agent (1)</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>53</strong></td>
</tr>
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</table>

In order to identify a pattern and to create classifications for the answers, this research aimed at a minimum of 30 participants. To determine a sample size in a qualitative research study a theoretical saturation strategy is usually adopted. Theoretical saturation occurs when “no new or relevant data seems to emerge regarding a category, the category is well developed in terms of its properties and dimensions demonstrating variation, and the relationships among categories are well established and validated” (Strauss and Corbin, 1998, p. 212). Therefore, in qualitative research the researcher would continue expanding the sample size until the data
collection supplies no new information or pattern (Thomson, 2011). By employing this approach in this research, the process of undertaking interviews was stopped after patterns in the answers were identified.

In total there were 70 email interviews sent out which led to 53 interview responses that were valid including the pilot interviews. After the completed email interviews were received by the researcher, a follow up procedure was conducted. This was undertaken by asking the participants about their opinion of the interview questions, their difficulties when answering them, the length of time they took in completing the full interview and to find out if there were any other questions that they would have been liked to ask about. Therefore, it is concluded even though the participants were generated from the author’s social circle, the heterogeneity of the participants’ occupation and nationality and the relatively large sample size adopted in this study ensured the reliability of the data.

Thematic analysis was employed to analyse the data. Thematic analysis is a method for identifying, analysing, and reporting patterns (themes) within data (Braun and Clarke, 2006). This study specifically employed theoretical thematic analysis where the themes were developed from the researcher’s theoretical or analytic interest in the area (Braun and Clark, 2006). The thematic analysis involved the process of creating and applying codes to the data. The main themes generated from the literature review were whether country-of-origin information would influence customers’ product evaluation and purchasing decisions and the factors were used by the customers’ in evaluating country-of-origin information. New themes were found in the data that were not covered in the literature review, such as the impact of the consumers’ nationality on their perception of a product due to its country-of-origin. When this occurred the new theme was used to revisit or develop the literature review. This iterative
and reflexive process meant the analysis was not only theoretically sound but also reflected the researched phenomenon.

The findings suggested that participants used different terms in expressing advanced and emerging economies. In one of the questions, “highly industrialised” and “newly industrialised” countries were used to refer to advanced and emerging economies. The reason of this wording was because the IMF classification was adopted after the research was completed, after the initial data classification indicated that participants from advanced and emerging countries had different perceptions towards country-of-origin of internationally branded clothes. However, because of the research ethics, the direct quotes of the participants which contain any of these terms were not changed.

Results

**Generation Y’s perceptions towards country-of-origin of fashion products**

The participants from the advanced economies were asked to think about the "Made in" label information on international fashion brands for 30 seconds, and to write down any word that came to their mind. The majority of the words written by these participants were related to ethical issues, such as cheap labour, poor wages, sweat shops, discrimination, differentiation, cheap work, child labour, working conditions, poverty, ethical, and exploitation. On the other hand, when participants from the emerging economies were asked a similar question, the majority of words they wrote related to issues of product quality, prestige and price. They used words, such as original, true, premium, status, invention, quality, design, style, purchase decision, value for money.
All participants were then given a scenario where they had to choose between two similar T-shirts. Both had an identical brand name, style, colour and price but one was made in an country in the highly industrialised country (i.e. advanced economy) and one was made in a country in the newly industrialised country (i.e. emerging economy) category. Most of the participants from both categories said that they would prefer a T-shirt made in the highly industrialised countries (i.e. advanced economies). However, there were differences in the reasons for their preference. Most of the participants from the advanced economies said that they would choose the T-shirt made in the advanced economies because they are well known for better product quality as well as ethical trading:

“T-shirt made in highly industrialised country. I think the t-shirt is better quality and it’s more long lasting. I think that the materials are better and the producers are more professional. I think in highly industrialised countries producers have better education than in less industrialised countries” (Pinja – Finnish).

“Highly developed country I think because there is less chance that the clothes are made by children or by people who are paid too low” (Kim – Belgian).

In contrast, the majority of the participants from the emerging economies said that they would prefer the T-shirt made in advanced economies because they were well-known for better product quality:

I will go for the first option [advanced economy]. Because unfortunately, my perception is being manipulated whether I like or not, so I think if the price of a t-shirt that’s being produced in France is the same as a t-shirt that’s being produced in China, I would
think that the France one is a better value of money, because I know that for a fact, the labour costs more than it is in China” (Agnes – British).

Generation Y’s perceptions towards fashion products made in their own country

The participants were then asked to imagine that they went to another country and wanted to buy a T-shirt from an international brand abroad but they found that the T-shirt was made in their own country; almost all of the participants from advanced economies suggested that they would buy the T-shirt. The reasons given were a sense of pride, a perception that the T-shirt would be of superior quality and that it would have been manufactured more carefully and ethically:

“I would buy the clothing. If I like the blouse then I would buy it. With the tag ‘made in the Netherlands’ I know almost for certain it is made with good quality and people have not been exploited to make the blouse” (Stephanie – Dutch).

Some of the participants from the advanced economies said that they would be surprised to find clothes made in their countries abroad because they assumed that their countries do not manufacture clothes anymore:

“Nothing apart from be very surprised…..very little is manufactured in the UK today, especially clothing. Because I am used to the typical country of origin in terms of clothing manufacture” (Paul – British).

Participants from the emerging economies had mixed responses towards this question. More than half of the participants had a similar opinion to that of the participants from the
advanced economies by saying that they would feel proud that a product from their country had been accepted overseas:

“If I like the product I would buy it straight away. Being from my country is a plus as the apparel market is well developed. Because my country (Brazil) produces nice clothes, with nice fit and cut, there are good and renamed designers and they use Brazil’s diversity to create new products, with new materials” (Adriana – Brazilian).

However, some of the participants from the emerging economies suggested that they would hesitate to buy the T-shirt. They claimed that they would only buy the T-shirt if the price was much cheaper or if they really liked the design. Some of them argued that they would not buy the T-shirt because there was a possibility that they could buy a similar T-shirt in their own country at a cheaper price.

“I will not buy. Because it will be more expensive to buy it in other country (export and tax charges) rather than my own country. And since I am on a holiday, why would I purchase something that is made from my own country – make no sense” (Liz – Malaysian).

Discussion

Generation Y from advanced and emerging economies perception towards country-of-origin of fashion products

The literature review indicates that country-of-origin may affect the customers’ evaluation of products (e.g. Morello, 1984; Pappu, 2007) specifically fashion products. Country-of-origin is often used by consumers to predict the quality and performance of products (e.g. Hamin
and Eliot, 2006; Olins, 2003) and to justify the rationality of their purchasing decision (e.g. Cai et al., 2004; Khachaturian and Morganosky, 1990). Studies indicate that customers from the same nation may have a similar stereotyping tendency (Cattin et al., 1982; de Mooij, 2005; Terpstra and Sarathy, 2000). This study which was conducted in the context of Generation Y from advanced and emerging economies also confirmed all of these findings. However, the division of Generation Y into advanced and emerging economies categories employed in this research indicated that there were differences on how country-of-origin had been used by Generation Y in advanced and emerging economies in informing their purchasing decision.

Almost all of the Generation Y in this study stated that the preferred characteristic of the countries which made their T-shirt were countries that made clothing with high quality; did not exploit children and employees; gave legal protection to their workers and treated them fairly; and gave their workers the chance to be educated properly. However, again, the preferences related to ethical trading were more frequently mentioned by Generation Y from advanced economies whereas preferences related to quality were more frequently mentioned by the Generation Y from emerging economies.

The current findings of this research indicated that Generation Y from advanced economies and emerging economies had a different stereotyping tendency towards the country-of-origin of fashion products. When thinking about products made in emerging economies, the majority of Generation Y from the advanced economies would not only stereotype the countries with low production quality but also on humanitarian and ethical trading issues. They would wonder whether the workers in the emerging economies were treated well and had good working conditions. The reason for their perception could be because they
compared the working conditions of workers in emerging economies with the much better working conditions in their own country. They might also be affected by negative publicity in the media regarding international fashion retailers who outsourced their products to emerging economies but did not give enough support to the local workers.

In contrast, when consumers from emerging economies thought about the country-of-origin of fashion products with international brands, the majority would only mention that advanced economies produced better quality clothing compared to emerging economies. Ethical trading issues were seen to be less important. This could be because in their opinion the working conditions of employees who manufactured the fashion products from their own country, an emerging economy, was deemed to be acceptable. Van den Bergh et al. (2011) suggest that when thinking about country-of-origin Generation Y will pay attention to ethical trading issues. However, this study indicated that ethical trading issues had more influence on Generation Y from the advanced economies.

One suggestion that can explain this phenomenon is that their responses were based on a comparison between the background information of the country which manufactured the products with the background of their own country. As was mentioned by Han (1990), country-of-origin perceptions might be affected by the customers’ perceptions towards the political and cultural situation and belief systems of the products origin in comparison to their own country’s background.

**Generation Y from advanced and emerging economies perception towards country-of-origin of fashion products made in their own country**
Studies suggest that in advanced economies, domestic products are preferred whereas in emerging economies imported products are preferred (Elliott and Cameron, 1994; Ettenson, 1993; Knight, 1999; Mulye et al., 1997; Saffu and Scott, 2009). The current study which was conducted in the context of Generation Y confirmed these findings. The current study indicated that the majority of Generation Y from advanced economies felt proud if they found international products made in their own country overseas and would not hesitate to buy the products abroad.

In contrast, even though the majority of participants from the emerging economies were proud to see the products made in their countries overseas, they still hesitated or even declined to purchase these products overseas. Their behaviour could be related to their personal experience in their own countries. As was mentioned by Urbonavicius et al. (2011) personal experience with a particular country would influence a customers’ perception about the country as well as its products. Thus, participants from advanced economies would be happy to buy the clothes made in their own countries abroad because they might assume that the clothes would have better quality. In contrast, some participants from emerging economies would hesitate to buy the clothes because they might perceive that the clothes were made with lower production costs. Thus, they might assume that they should be able to buy similar or almost similar products in their own country.

**Conclusion**

This paper has identified that to some extent Generation Y, both in advanced and emerging economies, have similar perceptions towards the country-of-origin of fashion products and to fashion products made in their own countries. The findings showed that Generation Y from both advanced and emerging economies perceived that fashion products made in emerging
economies appeared to be less appealing than those made in advanced economies. However, the findings also indicated that Generation Y from advanced economies and emerging economies had different concerns regarding country-of-origin. When discussing country-of-origin of fashion products, Generation Y from advanced economies would pay more attention to ethical issues whereas Generation Y from emerging economies would pay attention to quality and price.

This research also found that Generation Y’s perception that products made in advanced economies had better quality than products made in emerging economies affected their perception towards fashion products made in their own countries. Generation Y from advanced economies felt proud and did not hesitate to buy fashion products made in their own countries abroad. In contrast, even though most of the Generation Y from emerging economies felt proud to see fashion products made in their country abroad, some of them hesitated to buy as they felt that they might find similar clothes cheaper in their own country. Therefore, it can be suggested that different perceptions between Generation Y from advanced and emerging economies towards country-of-origin is caused by their tendency of comparing the background information of the country which manufactured the fashion products with the background of their own country.

**Limitations and future research**

This study employed a qualitative approach and therefore the findings cannot be generalised to Generation Y’s behaviour in general. However, the study has identified many values and indications that can be tested in larger and more specified samples. Therefore, the findings can be used as the foundation for developing further quantitative research in the future. The current paper did not take into account the degree of ethnocentrism of the participants as it
would be difficult to measure participants’ ethnocentrism tendency by using qualitative research. This study has presented valuable insights about the similarities and differences between the perceptions of Generation Y from advanced and emerging countries towards country-of-origin information. However, this study did not specifically correlate Generation Ys’ perceptions with their perceptions towards international fashion brands. Therefore, future research that specifically investigates the correlation between Generation Y’s perceptions towards country-of-origin and international fashion brands is encouraged.

**Managerial Implications**

It can be suggested that maintaining a similar product standard across the globe and making sure that the products were sourced and manufactured ethically will help to make fashion products made in emerging economies more appealing to Generation Y across the world. At the same time, the fashion retailers must maintain the price competitiveness of the products. To attract Generation Y in advanced economies, retailers should emphasise ethical trading issues. On the other hand, to attract Generation Y in emerging economies, retailers should emphasise the high standard used in manufacturing the products even though they are manufactured in the emerging economies. However, as Generation Y is always attracted in helping those in need, fashion retailers can attract Generation Y in both advanced and emerging economies by showing their dedication and support to the local workers and community. Practicing more ethical trading standards in emerging markets may result in increased production costs. However, this practice is more likely to generate a long-term competitive advantage to a brand. For instance, it can enhance their image as being ethical and generate respect and recognition from the host countries. In addition, developing strong brand equity may also reduce the impact of country-of-origin information on Generation Y’s evaluation of fashion products. The research also indicates that Generation Y in both
advanced and emerging countries still prefer fashion products made in advanced economies. Therefore, a strategy of manufacturing fashion products in advanced economies may offer a competitive advantage and a unique selling point for the brand.
References


