

Abstract

Up till 2003, total share for all Chinese local mobile phone manufacturers hit 55.3% by sales volume, taking the larger share of Chinese market for the first time. This progress implies some changes in Chinese consumer's perception between local and imported mobile phone handset. The objectives of this study are to examine whether there are country image differences in mobile phone handsets made locally in China, when compared with those handsets manufactured from overseas, and to examine consumer preferences of mobile phone handset made among different countries: China (home country), United States, Finland, Germany, Japan, and South Korean. Four product dimensions, innovativeness, design, prestige and workmanship are used to measure country image with 7-point likert scale in this study.

The data of this research is collected from students who are currently studying at Yunnan University in China. A total 200 structured questionnaires were completed by respondents from February 2004 until March 2004. The data analysis methods in this study include descriptive analysis, One Way ANOVA.

The results from One Way ANOVA (The One Way Analysis of Variance) are summarized as follows: it was found that there were country image differences in mobile phone handsets among six countries in both individual dimension and overall image. The result also indicated that Chinese consumers demonstrated different preferences among six countries. In other words, Chinese consumers showed more preference and positive image perceptions for products originating in such countries as Finland, the US, Japan

and Germany. These findings indicated that a country image and its product's preference associated with degree of economic development of the country.

Three developed countries, US, Finland and Germany also dominate in three dimensions which are innovation, prestige and workmanship. However, Chinese product is evaluated with best image in terms of design. In addition, China is rated with higher score than Japan and Korea in terms of prestige. This result may reflect the progress of local firms in mobile phone market and answer the questions of this study.

Based upon the findings of this study, marketers are provided some suggestions and recommendations for utilizing country-of-origin as a strategic tool to position and market both locally made and imported mobile phone handsets. On other hand, as a country with positive image, it should emphasize the phrase "made in". Conversely for a country with poor country image, it should adopt strategies such as, providing inexpensive price, strengthening distributors and emphasizing the company or brand image to minimize the impact of country of origin.