THE IMPACT OF BRANDING AND COU TRY OF ORIGIN EFFECT ON CONSUMER BUYING BEHAVIOUR

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The impact that globalization has had on the world and business environment has been huge in the sense that it totally changed the way consumer purchasing habits worked. Despite the fact that some global brands have emerged, such as Coca-Cola, BMW, Apple, and others that are common to see in numerous markets all around the world, some brands still appeal to customers not because of their global fame but due to their patriotic appeal. In an era when markets are full of international brands and products, local products that possess certain domestic characteristics and patriotism feelings can have a slight competitive advantage over global brands due to their place of production or brand name that has patriotic messages. Some brands have very high awareness, affordable prices, and high quality, but it is no secret that some products sell well due to their patriotic appeal. In this regard, the impact of patriotism, the country of origin effect, and patriotic branding have been thoroughly studied by many researchers, but the debate still remains as to whether country of origin and patriotic marketing influence customer purchasing decisions positively. Considering this and other developments in the Uzbek home appliances market, where instead of traditionally dominant foreign brands, local brands such as Artel have emerged, it is interesting to see how patriotic marketing and the country of origin effect influence customer buying behavior in Uzbekistan. Artel, one of the dominant companies in Uzbekistan in the home appliances and electronics industry, has used patriotic marketing as a way to compete with internationally popular brands. For this particular reason, the research evaluates the role of patriotic marketing, the country of origin effect, and branding on local companies and how they use the aforementioned factors as a way to influence customer buying behavior to their advantage. To be more precise, the research has been conducted in order to analyze the impact of patriotic marketing and the country of origin effect on consumer purchasing decisions while purchasing Artel products.

Key Words: Marketing, Industry, Uzbekistan, advertisement, consumer buying behavior

Introduction

The impact of globalization on consumer purchasing habits was huge in the sense that it brought new products to consumers from all over the world, widening their scope of choice and thus encouraging them to make better purchasing decisions. However, despite the fact that there are some international brands that everybody knows and loves, such as Coca-Cola, Mercedes, or others, some small and unknown brands still sell themselves well due to their patriotic appeal to customers. In fact, over time, while international companies were flooding the market with their popular products, certain domestic companies all around the world were able to earn a slight competitive advantage over them due to their place of production or labels that stated that those products were made in their motherland. In several countries, products that contained patriotic appeals were known to have a good sales record, despite the existence of better-known and higher-quality products that had higher brand awareness. Such trends prompted smaller companies to rely on the impact of patriotism while selling their products. According to Vesel and Zich (2015), there

are criteria on the basis of which customers usually make their purchasing decisions. They are: brand, price (in relation to quality), usefulness, need for that product, and country of origin. Some firms started using patriotic marketing and the country of origin effect to their advantage, especially encouraging local customers to purchase locally made products and thus gain a competitive advantage over competitors. Those firms started emphasizing that locally made brands are of the same quality as imported brands and are cheaper, but buying locally made products benefits the nation`s economy. According to Renko et al. (2012), conceptual frameworks and theories of the country of origin effect and patriotic marketing evolved from "consumer ethnocentrism" theory. In consumer ethnocentrism, customers may show preference for locally made products and underestimate or ignore foreign products. In some cases, where extensive consumer ethnocentrism exists, consumers believe that buying foreign products will cause unemployment and harm the national economy (Renko et al., 2012). Consumer ethnocentrism and consumer patriotism are therefore exploited by companies producing local products in order to gain a competitive advantage and promote their brand as "Made in Motherland," thus positively influencing consumer buying behavior to their advantage (Vesela and Zich, 2015).

As the manufacturing sector in Uzbekistan started growing, local brands such as Artel and others started relying on patriotic marketing by means of competing with popular international brands and positioning themselves as local brands with high-quality products (Uzbekistan Today, 2015).

In this regard, it is essential to conduct analysis about the role of patriotic marketing, branding, and the country of origin effect and how these factors influence the marketing strategies of local companies in Uzbekistan. The company started massive marketing campaigns under the slogans "Made in Motherland," "The Choice of the Nation," and others in order to construct an image as a "local brand" and use patriotism and the country of origin effect to its advantage. The research analyzes the reasons behind the purchasing decisions of local consumers while buying home appliances and identifies whether patriotic marketing strategies implemented by Artel are changing their purchasing behavior and encouraging them to purchase Artel home appliances.

Research Methodology

The research process is designed on the basis of the research framework proposed by Sekaran and Bougie (2010). The purpose of the study was selected as descriptive and hypothesis testing, while the type of investigation is correlational as the research is focused on finding the correlation between country of origin, branding, and patriotic marketing strategies used by Artel and consumer buying behavior in the local home appliances market. The purpose of the study is description and hypothesis testing, while the type of investigation can be concluded through correlations. The extent of research interference was minimal, while the sampling design is non-probability sampling, where certain groups or individuals within society have a higher chance of being selected for the questionnaire. All other relevant steps of the proper research methodology were observed throughout in order to conduct reliable, accurate, and ethical research.

Research Hypotheses

The following **Hypotheses** were developed from the research questions.

Hypothesis 1: Brand perception has great influence on consumer buying behavior in Uzbek home appliances market

Hypothesis 2: Country of origin is not the most important factor for Uzbek customers while purchasing home appliances

Hypothesis 3: Uzbek customers prefer imported brands while purchasing home appliances

Hypothesis 4: Uzbek customers consider price to be more important than branding and country of origin factors

Conclusion

Below, the research explains how the aforementioned research questions were answered. It should be noted that the literature review part of this research focused on analyzing and discussing theoretical background on subjects such as consumer buying behavior, brand and branding, the country of origin effect, patriotic marketing, and how these factors affect the intention of customers to purchase locally produced and imported home appliance brands. Research questions were responded to accordingly on the basis of collected data and a literature review.

The first research question stated, "To what extent does "brand perception" influence consumer buying behavior for home appliances?" On the basis of a literature review and collected data, it became evident that branding and brand perception have a great impact on consumer buying behavior. Brands play a key role in developing emotional attachments between consumers and companies, and once this emotional attachment is developed, consumers, without hesitation, want to buy products from the brand with which they have developed a special bond. For instance, authors such as Smith (2015) and Adedapo (2013) claimed that brand perception is a mental process, and companies should try to leave a great first impression on their customers if they want them to become loyal and purchase their products and services again and again. A survey has also revealed that many local consumers have a positive brand perception of imported home appliance brands, which influences their positive purchasing decisions towards imported home appliance brands. For this particular reason, the researcher can confidently state that brand perception has a great impact on consumer buying behavior in the local home appliance market.

The second research question was as follows: How important is the "country of origin" effect in influencing customer buying decisions for home appliances? Similarly, to research question No. 1, the second research question was also answered by findings of a literature review, a survey, and data analysis such as Pearson's correlation coefficient and multiple regression analysis, which revealed that local consumers place great emphasis on country of origin. Many consumers have purchased imported home appliance brands coming from Germany, Korea, Japan, and others, and they have had positive purchasing experiences and loyalty towards the products of certain countries. On the other hand, the negative experiences that they have had with products produced in China and Uzbekistan discourage them from purchasing products produced in these countries. This phenomenon was reflected in the results obtained in the survey, as many consumers claimed that they view country of origin as an important factor for them. For this particular reason, the researcher can confidently state that the country of origin effect is very important to local consumers in the local home appliance market.

The third research question was as follows: Do Uzbek customers prefer local brands over foreign brands when purchasing home appliances? Survey results, correlation coefficients, and multiple regression analysis have revealed that Uzbek consumers prefer imported brands over

locally produced home appliance brands due to their positive brand image, positive product experience, and other reasons such as better quality, durability, range of choice, and other similar factors. For this particular reason, it can be stated that Uzbek customers do not prefer local brands over foreign brands when purchasing home appliances.

The final research question was: What are the other factors (other than branding and the country of origin effect) that influence customer buying decisions in the home appliances market?. Price was one of the main factors affecting the purchasing decisions and buying behavior of local consumers in the local home appliances market. In addition, many people cited quality as a very important factor while also indicating that their previous purchasing experience also counts and affects their future consumer buying behavior.

Ethical Considerations

The researcher is fully aware of ethical issues that may arise during the primary data collection process. In order to ensure that the research complies with all research ethics requirements, an appropriate research ethics framework will be followed throughout the research process, such as the data analysis and data collection stages. No personal information will be asked from respondents, and the collected data will be treated in a respective and confidential manner to avoid offending respondents, Artel, or other involved parties. The collected data will be used for academic purposes only. And permission was obtained from respondents before collecting data from them.

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