



“Made In China” Products and the Implication of Ethnic Identification Strength

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ABSTRACT

This paper seeks to examine the effect of ethnic identification strength between the Malays and Chinese towards purchasing “Made in China” products. A quantitative approach by means of self-administered questionnaire was adopted. 252 Malay and 251 Chinese respondents’ data were collected from local institutions of higher learning. Independent sample t-tests and multiple regression analysis were used to look into difference and relationship pertaining to country of origin (COO) image, product knowledge, product involvement, information search and purchase intention. The findings show Malays and Chinese are different in terms of their perceptions towards COO image and product involvement. Moreover, COO image is found to be significantly different among Malays and Chinese with strong and weak ethnic identification. However, COO image is found to have no effect on information search and purchase intention although both ethnic groups are generally in favor of products “Made in China.” Instead product knowledge and involvement are found to be essential. This study suggests that marketers and managers need to understand what is shared and what is not among Malays and Chinese in a developing and diverse society like Malaysia. Despite the effect of COO image and ethnic identification strength, product knowledge and involvement play pivotal role in understanding consumers today.

Keywords: Country of Origin Image, Ethnicity, Ethnic Identification, Information Search, Purchase Intention

JEL Classifications: M310, M160

1. BACKGROUND OF THE RESEARCH

China’s economy began to boom when the Chinese started their economic transformation plan through their new “open door policy” (Fan, 2006). This policy, introduced by Reformist leaders in China, focused on China’s economic expansion (Howell, 1993). Today, the international business community recognises China as one of the key players in the manufacturing sectors of various types of products (Zhang and Su, 2009). Their firms are capable of reducing manufacturing cost, which results in substantial reduction of product price (Interbrand, 2007). The phrase “Made in” is used to refer to the country that produces a certain product (Bilkey and Nes, 1982; Peterson and Jolibert, 1995). Therefore, consumers relate products manufactured in China to the phrase “Made in China.” “Made in China” products are easily found in the international markets in all-product categories (Karami et al., 2011). However, products from developing countries are always

perceived negatively (Cordell, 1992; Karami et al., 2011; Zhang and Su, 2009) and China, as a developing country, is not excluded from this negative perception (Zhang and Su, 2009). Essentially, if consumers hold negative perceptions towards products from a certain country of origin (COO), they may also dislike those products.

Past studies indicate that COO image influences consumers’ evaluation of products from particular countries (Bilkey and Nes, 1982; Cordell, 1992; Hong and Wyer, 1989; Parameswaran and Pisharodi, 1994; Roth and Romeo, 1992). This is related to product knowledge, which plays a crucial role in determining consumer behavior. In other words, consumers with different knowledge of a product react differently towards that product (Hanzaee and Khosrozadeh, 2011). It is also documented that product knowledge is connected with product involvement (Zaichkowsky, 1985). Therefore, COO image, product knowledge and product

involvement are seen as predictors of purchase intention and information search (Lin and Chen, 2006). However, most COO's research has been conducted in developed countries (Zhang, 1996). There are only a limited number of studies that focus on consumers' attitudes towards foreign countries' products in developing countries (Guo, 2013; Sohail, 2005; Sohail and Sahin, 2010), such as Malaysia.

Malaysia is a multiracial country, in which Malay is the ethnic majority, while Chinese makes up the greater part of the non-dominant group (de Run, 2007). The migration from China to Malaysia happened largely in the nineteenth century as a result of the push factors in China (Yen, 2000). Politically, Malays who follow Islam teachings, tend to have negative perceptions towards the Malayan Communist Party (Asli, 1993), as it was first brought into Malaya through agents of the Communist Party in China (Miller, 1981). However, in 1974, diplomatic relation between Malaysia and China was established by the then prime minister, Tun Abdul Razak (Dahana, 2002). Malaysian Chinese, in turn, identify themselves as "Huaren," which is also the term used when one refers to Chinese in China and Taiwan (Tan, 2000). Moreover, they also very much relate themselves with their own dialect-speaking groups, such as Hokkien, Hakka, Cantonese and Foochow. As such, the difference between those with strong weak ethnic identifications is found to be apparent in their values and behaviors (Deshpande et al., 1986; Donthu and Cherian, 1994).

In light of the aforementioned, the purpose of this study is to firstly examine the difference of perceptions about COO image, product knowledge and product involvement, information search and purchase intention towards products "Made in China" between the Malays and Chinese and those with strong and weak ethnic identification in Malaysia. Secondly, it is aimed to assess the effect of COO image, product knowledge and involvement on information search and purchase intention towards these products in different models based on ethnicity and ethnic identification strengths. It is believed that the present study would provide insights into the subject matter to complement knowledge and practices in the context of a developing and diverse market like Malaysia.

2. LITERATURE REVIEW

2.1. COO Image

The influence of COO image on purchase behaviour is one of the most researched fields in international business and marketing (Peterson and Jolibert, 1995). The term "COO" is often used interchangeably with "country image" (Koubaa, 2008; Wang and Yang, 2008). Past study indicates that country image is the generalized idea about a country's products based on the country's manufacturing and marketing abilities (Roth and Romeo, 1992). Throughout the years, consumers have shifted their attention towards identifying country's products rather than just relying on the "made in" concept (Parameswaran and Pisharodi, 1994). Some researchers suggested that the COO cue is indeed similar to branding and price, which can be manipulated without affecting product performance (Pharr, 2005). However, in the case of unfamiliar brands, COO plays a crucial role in determining

a product's attributes (Carvalho et al., 2011; Hamzaoui and Merunka, 2006), which subsequently raises the importance of COO research.

COO image does not influence product performance (Pharr, 2005; Peterson and Jolibert, 1995), but it does affect consumers' perception of a product's quality (Bilkey and Nes, 1982; Chryssochoidis et al., 2007). There is a strong association between country image and product-country image (Sohail and Sahin, 2010). Particularly, consumers tend to evaluate developing countries negatively (Cordell, 1992; Karami et al., 2011) and extend this perception to products manufactured in China (Zhang and Su, 2009). Therefore, China's products have been rated lower in terms of quality when compared to products from the United States and developed countries (Rezvani et al., 2012).

Past study has also shown that positive country image can affect purchase behavior (Roth and Romeo, 1992), especially when consumers have doubt over the quality of a product (Hong and Wyer, 1989). This implies that COO image plays essential role in their internal assessment of a product (Giraldi and Lopes, 2012). COO image is frequently used by consumers to minimize information complexity and enhance information search (Chao and Gupta, 1995). Moreover, socio-cultural and geographical similarities across different countries also provide consumers with better assessment of the products (Ahmed and d' Astous, 2008). As a result, consumers' familiarity with the products is often found to be determinant of information search (Lin and Chen, 2006) and purchase intention (Ghalandari and Narouzi, 2012).

2.2. Product Knowledge

Product knowledge is an important element in consumer behavior research (Hanzaee and Khosrozadeh, 2011; Raju et al., 1995), influencing both information search (Bei and Widdows, 1999; Park and Lessig, 1981; Raju et al., 1995) and purchase intention (Lin and Chen, 2006). Product knowledge is defined as knowledge about certain products that is accumulated in the memory and is obtained intentionally or unintentionally through experiences (Marks and Olson, 1981). Markets today feed consumers with a lot of product information, which gives them opportunities to gather product knowledge prior to making any decision (Bettman and Park, 1980).

Past study indicates that knowledge has two main components, namely familiarity and expertise (Alba and Hutchinson, 1987; Page and Uncles, 2004). Product familiarity is used in relation to cognitive structure (Kanwar et al., 1981; Marks and Olson, 1981; Alba and Hutchinson, 1987), which is the code representing the structurally stored information in the memory (Kanwar et al., 1981). There are three aspects to product familiarity (Johnson and Russo, 1984). First of all, consumers familiar with a product will not search for new information (Johnson and Russo, 1984). Secondly, consumers familiar with a product can easily find new alternatives that lead them to information searching (Johnson and Russo, 1984). Thirdly, consumers familiar with a product will eliminate unrelated information and by incorporating existing information they will be able to search more efficiently (Johnson and Russo, 1984).

On the other hand, consolidation of product familiarity enhances consumers' expertise on product functions (Alba and Hutchinson, 1987), and this ushers in a more comprehensive information search (Ghalandari and Narouzi, 2012). However, their knowledge of a product is greatly influenced by COO (Hanzaee and Khosrozadeh, 2011). Past study has found that Malaysians tend to be more familiar with western chocolate brands, such as Smarties and Kit Kat from Switzerland, and Cadbury from the United Kingdom, which in turn leads to higher consumption (Teo and Mohamad, 2012). Thus, it is evident that product knowledge influences information search and purchase intention.

2.3. Product Involvement

Involvement is defined as the bond that integrates previous knowledge into future planning (Krugman, 1966). It is the internal human behavior that affects future benefits (Bloch, 1982). Involvement is the stimulus practiced by humans due to environment factors to express the specialties and differences that set them apart from others (Traylor and Joseph, 1984). Consumers who are involved are motivated to pay attention to and understand the processes (Celsi and Olson, 1988). Therefore, consumers with higher involvement are able to evaluate, think and manipulate particular products better than those with lower involvement (Petty et al., 1983).

Product involvement can be further explained through situational and enduring involvements (Arora, 1982; Bloch and Richins, 1983; Huang, 2006; Richins et al., 1992). Situational involvement emphasizes the influence of time and place rather than familiarity (intra-individual) and stimulus (choice alternative) on purchasing (Belk, 1974), whereas enduring involvement occurs when consumers have had prior experiences with the product (Arora, 1982) and are satisfied with its performance (Bloch and Richins, 1983). Although it is difficult to examine enduring involvement, its implications are explainable (Bloch et al., 2009). Moreover, different levels of product involvement can also affect the influence of COO image on information search and purchase intention (Lin and Chen, 2006). For example, consumers who are less involved are more receptive towards certain countries' computer brands and tend to have higher purchase intention (Prendergast et al., 2010). On the other hand, consumers with higher level of involvement will have higher motivation to analyze the advertised content in order to acquire more information for their needs (Cho, 1999). This indicates that less involved consumers are more reliant on COO image.

2.4. Information Search

Information search is one of the steps applied by consumers before deciding to purchase a product (Solomon, 2011). It is a process that is frequently used to gather various information through different channels before purchasing (Dellaert and Häubl, 2012; Köksal, 2011). Past studies indicate that information search is always based on internal and external search, which accesses prior knowledge and marketing activities respectively (Chao and Gupta, 1995; Köksal, 2011; Moore and Lehmann, 1980; Schmidt and Spreng, 1996). It is therefore postulated that highly involved consumers will take longer time to search for product information before deciding whether to purchase the product (Brucks, 1985; Tyebjee, 1979; Mittal, 1989).

Some researchers have nevertheless posited that there exists a negative relationship between product knowledge and information searching based on two arguments (Awasthy et al., 2012). Firstly, consumers who are familiar with or knowledgeable about a product, will not search for that product information (Brucks, 1985; Awasthy et al., 2012). Secondly, consumers, familiar or knowledgeable, are able to eliminate unnecessary information about the product (Awasthy et al., 2012). Note worthily, country image plays an important role in influencing consumers' information search when they have little knowledge about the product (Souiden et al., 2011). For example, consumers are found to spend more effort on information search about foreign cars compared to search about local cars (Chao and Gupta, 1995). Therefore, there is substantial evidence to suggest the effect of COO image, product knowledge and product involvement on information search.

2.5. Purchase Intention

Purchase intention is gaining some momentum due to their positive influence on actual purchase behavior (Ghalandari and Norouzi, 2012; Tsiotsou, 2006). Purchase intention is what consumers think they will purchase (Lin and Chen, 2006) and their willingness to purchase (Dodds et al., 1991; Jarvenpaa et al., 2000). It occurs when consumers are waiting to purchase a product, and it often leads to eventual purchase activities (Chang and Wildt, 1994). Literature has also shown that perceptions towards certain countries influence purchase intention (Wang and Yang, 2008; Lampert and Jaffe, 1998). It is suggested that positive perception towards products takes place when consumers believes in product quality (Chen 2009). This may be due to consumer involvement (Prendergast et al., 2010). Therefore, COO image, product knowledge and product involvement are found to have direct influence on purchase intention as well.

2.6. Ethnicity, Ethnic Identity and Ethnic Identification Strength

Ethnicity refers to genetics inherited from generation to generation which influence identification (Jamal, 2003). As documented in the fields of anthropology and sociology, ethnicity is used to put different people into different categories according to their nature or dispositions (Laroche et al., 1991). The ethnic groups are distinguished by their unique identities (Hirschman, 1981). Those who share the same culture are supposed to be in the same ethnic group, whereas those having different cultures are regarded as members of different ethnic groups (Mokhlis, 2009). However, ethnicity has been given little attention in COO despite its significant influence (Henderson and Hoque, 2010), and this explains why it is included in the present investigation.

There are different opinions and arguments towards ethnicity, which is divided into subjective and objective aspects (Laroche et al., 1991). In objective description, cultural characteristics and identification are based on ones' beliefs, similar verbal interactions and inherent cultural values (Burton, 1996; Laroche et al., 1991). In subjective description, greater attention is given to intra-cultural differences (Chung and Fischer, 1999). However, the combinations of objective and subjective descriptions often annul distinctions in ethnicity concepts (Deshpande et al., 1986). Therefore, the

concepts of objective and subjective descriptions in ethnicity are referred to as ethnic identity and ethnic identification strength (de Run, 2007).

Past studies indicate that an ethnic group is segmented into strong and weak ethnic identification (Deshpande et al., 1986; Donthu and Cherian, 1994). Consumers with strong ethnic identification have a higher tendency to react towards product packaging that displays their communicating language (de Run and Chin, 2006). This reflects that consumers see and interpret brands or advertisements based on their ethnic orientation (de Run, 2005). For the same reason, individuals who have weak ethnic identification will most likely show lower interest in brands or advertisements which are originated from and presented in different ethnic cultures (Green, 1999). Given the difference between strong and weak ethnic identification, it is thus necessary to take this into consideration in the assessment of products “Made in China” in Malaysia (Deshpande et al., 1986; Donthu and Cherian, 1994).

2.7. Conceptual Framework

The model of this study is adopted from previous studies (Hanzaee and Khosrozadeh, 2011) as shown in Figure 1. As such, this study aims to investigate the effect of COO image, product knowledge and product involvement on information search and purchase intention towards “Made in China” products in the context of a developing and multi-ethnic country in Malaysia based on Malay and Chinese ethnic identification strength.

Past researchers agree that there are differences between strongly and weakly identified ethnic expenditure (Deshpande et al., 1986; Donthu and Cherian, 1994). With reference to past literature, it is postulated that the views between strong Malay ethnic identification (SMEI) and the weak Malay ethnic identification (WMEI) is different. It also applies to strong Chinese ethnic identification (SCEI) and weak Chinese ethnic identification (WCEI). Thus, the first set of hypotheses are formulated as follows:

H1: There is a difference between Malays and Chinese views towards “Made in China” products as measured by COO image, product knowledge, product involvement, information searching and purchase intention.

H1_a: There is a difference between SMEI and WMEI views towards “Made in China” products as measured by COO image,

product knowledge, product involvement, information searching and purchase intention.

H1_b: There is a difference between SCEI and WCEI views towards “Made in China” products as measured by COO image, product knowledge, product involvement, information searching and purchase intention.

The fact that some people have negative perception towards developing countries (Cordell, 1992; Karami et al., 2011; Zhang and Su, 2009) shows that it affects the purchase decision of products “Made in China”. This perception could be held by the Malays, who constitute the majority ethnic group in Malaysia, due to historical and societal development. Therefore, COO image, product knowledge and product involvement are seen to have negative influence on information search and purchase intention. Thus, the hypotheses are formulated as follows:

H2: COO image, product knowledge and product involvement have an inverse effect on Malays’ information search and purchase intention.

H2_a: COO image, product knowledge and product involvement have an inverse effect on information search and purchase intention of Malays with SMEI.

H2_b: COO image, product knowledge and product involvement have an inverse effect on information search and purchase intention of Malays with WMEI.

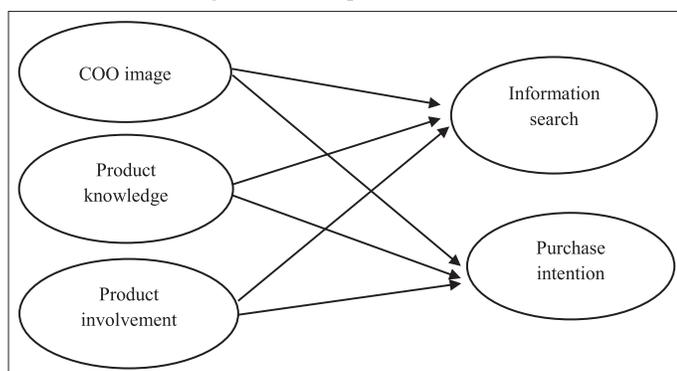
Due to the historical background and similarity in culture, Malaysian Chinese will most likely have a positive perception towards China’s products. Hence, COO, product knowledge and product involvement will most likely have a positive influence on information search and purchase intention. Thus, the hypotheses are formulated as follows:

H3: COO image, product knowledge and product involvement have a positive effect on Chinese’s information search and purchase intention.

H3_a: COO image, product knowledge and product involvement have a positive effect on information search and purchase intention of Chinese with SCEI.

H3_b: COO image, product knowledge and product involvement have a positive effect on information search and purchase intention of Chinese with WCEI.

Figure 1: Conceptual framework



3. METHODOLOGY

A quantitative approach by means of self-administered questionnaire was deemed to be more appropriate to investigate the subject under investigation. Items pertaining to COO (Martin and Eroglu, 1993; Nagashima, 1970), product knowledge (Hanzaee and Khosrozadeh, 2011), product involvement (Hanzaee and Khosrozadeh, 2011), information search (McQuarrie and Munson, 1992; Hanzaee and Khosrozadeh, 2011) and purchase intention

(Dodds et al., 1991; Kim and Boocca, 1997) were adapted from past studies and revised based on experts' opinions and after pre-testing to secure content validity. Items on ethnic identity were also adapted from past studies (de Run, 2005; Phinney, 1990; Rosenthal and Feldman, 1992), and revised. Respondents who scored above mean value were grouped as strong ethnic identification according to their respective ethnic group. Aside demographic statements, multiple items with seven-point Likert scale were used for all constructs.

A total of 600 questionnaires were distributed to Malay and Chinese respondents in local institutions of higher learning using purposive sampling technique. Completed and usable questionnaires from 252 Malay and 251 Chinese respondents were subsequently collected after 1 month time, which suggests that non response bias was not a major issue. Data was then keyed in into SPSS 20.0 to perform descriptive and inferential analyses.

4. FINDINGS AND DISCUSSIONS

Demographic profile of 503 respondents is presented in Table 1. The Table 1 also depicts the ethnic identification strength of the Malays and Chinese.

Means and t-tests of the variables for Malay and Chinese respondents are presented in Table 2. The findings show that Chinese respondents score higher in terms of COO image, product knowledge, product involvement, information search and

purchase intention when compared to Malay respondents. This confirms the notion of being "Huaren" and thus accepting products "Made in China" more than Malays and other ethnic groups (Mokhlis, 2009; Tan, 2000). This may well suggest why there is significant difference in term of COO image (t-test: P = 0.040) and product involvement (t-test: P = 0.043) between Malay and Chinese. Having no significant difference in product knowledge, information search and purchase intention infer these are part of customary purchase decision making process, regardless of ethnicity. Therefore, hypothesis H1 is partially supported.

Means and t-tests of the variables for Malay ethnic identification are presented in Table 3. The findings show that Malays with SMEI generally score higher in COO image, product knowledge, product involvement, information search and purchase intention than those with WMEI. This indicates that the strength of ethnic identification actually makes Malays to be cautious about products "Made in China", thus yielding lower agreement level than those with weaker ethnic identification. In other words, Malays with weak ethnic identification might be more tolerant in accepting products made by different ethnic groups (Green, 1999). This also explains the difference observed in COO image (t-test: P = 0.000) and product knowledge (t-test: P = 0.002). Both variables could be regarded as antecedents to product involvement, information search and purchase intention. In other words, the level of involvement and eventual purchasing activities of Malays with SMEI hinge upon COO image and product knowledge. Therefore, hypothesis H1_a is partially supported.

Means and t-tests of the variables for Chinese with SCEI and WCEI are presented in Table 4. The findings show that Chinese with SCEI score higher than those with WCEI in every aspect. This corresponds to the early postulation about the profound effect of strong Chinese identification on behaviors, such as communication using the same language (de Run and Chin, 2006). As such, they are found to be more favorable towards products "Made in China".

Table 1: Respondents' profile

Demographics	Frequency (%)
Gender	
Male	168 (33.4)
Female	335 (66.6)
Ethnic	
Malay	252 (50.1)
Chinese	251 (49.9)
Ethnic identification strength	
SMEI	134 (26.64)
WMEI	118 (23.46)
SCEI	123 (24.45)
WCEI	128 (25.45)
Religion	
Islam	252 (50.1)
Buddhist	174 (34.6)
Christian	74 (14.7)
Others	3 (0.6)

SMEI: Strong Malay ethnic identification, WMEI: Weak Malay ethnic identification, SCEI: Strong Chinese ethnic identification, WCEI: Weak Chinese ethnic identification

Table 2: Means and independent sample t-test of variables for Malays and Chinese

Items	Mean±SD		t-test	Sig. (two-tailed)
	Malays	Chinese		
COO image	4.55±0.79	4.70±0.80	-2.058	0.040
Product knowledge	4.46±0.91	4.53±0.76	-1.048	0.295
Product involvement	3.48±1.06	3.68±1.14	-2.207	0.043
Information search	3.72±1.10	3.87±1.10	-1.483	0.139
Purchase intention	3.69±1.27	3.88±1.29	-1.701	0.089

SD: Standard deviation, COO: Country of origin

Table 3: Means and independent sample t-test of variable for SMEI and WMEI

Items	Mean±SD		t-test	Sig. (two-tailed)
	SMEI	WMEI		
COO image	4.80±0.75	4.27±0.75	-5.644	0.000
Product knowledge	4.62±0.85	4.27±0.85	-3.094	0.002
Product involvement	3.54±1.10	3.41±1.10	-0.995	0.323
Information search	3.78±1.15	3.65±1.15	-0.956	0.344
Purchase intention	3.78±1.28	3.59±1.28	-1.141	0.255

SMEI: Strong Malay ethnic identification, WMEI: Weak Malay ethnic identification, SD: Standard deviation, COO: Country of origin

Table 4: Means and independent sample t-test of variable for SCEI and WCEI

Items	Mean±SD		t-test	Sig. (two-tailed)
	SCEI	WCEI		
COO image	4.83±0.77	4.58±0.82	-2.512	0.013
Product knowledge	4.62±0.72	4.45±0.78	-1.762	0.079
Product involvement	3.75±1.17	3.61±1.11	-1.010	0.313
Information search	3.97±1.13	3.77±1.07	-1.410	0.160
Purchase intention	4.02±1.29	3.75±1.28	-1.646	0.101

SCEI: Strong Chinese ethnic identification, WCEI: Weak Chinese ethnic identification, SD: Standard deviation, COO: Country of origin

This again explains the significant difference between those with SCEI and WCEI (t-test: $P = 0.013$). Therefore, hypothesis $H1_b$ is partially supported.

The findings of regression analysis for Malays with SMEI and WMEI are presented in Table 5. It is evident that only product knowledge ($\beta = 0.197$, $P = 0.002$) and product involvement ($\beta = 0.505$, $P = 0.000$) have positive effect on information search, and only product involvement has positive effect on purchase intention ($\beta = 0.625$, $P = 0.000$). From the perspective of SMEI, there is positive relationship between product knowledge ($\beta = 0.310$, $P = 0.000$) and product involvement ($\beta = 0.507$, $P = 0.000$), and information search. Moreover, only product involvement is found to have positive relationship with purchase intention ($\beta = 0.615$, $P = 0.000$). From WMEI standpoint, however, positive relationship is observed between product involvement and information search ($\beta = 0.465$, $P = 0.000$). Furthermore, there is also positive relationship between product involvement and purchase intention ($\beta = 0.616$, $P = 0.000$). Despite having significant results, hypotheses $H2$, $H2_a$ and $H2_b$ are all not supported due to their postulated inverse relationship.

Since the respondents are mostly young adults and are sampled at academic institutions, this could well justify why all postulated direction of relationship are found to be untrue. The level of education that they have, coupled with the development of China as an economic powerhouse might have substantially changed their view about products “Made in China.” The development of social networking and communication technology, which result in greater exposure and interaction in global communities, might have also influenced younger Malaysian consumers, including the Malays, to behave differently from the older generations (de Run et al., 2014; Ting et al., 2015). Although the findings suggest little about Malays perception on COO image, be it SMEI or WMEI, they provide consistent evidence that product involvement and to a certain degree, product knowledge, have positive effect on information search and purchase intention towards products “Made in China.”

Table 6 presents the regression analysis for Chinese with SCEI and WCEI. In general, there is positive effect of product knowledge ($\beta = 0.320$, $P = 0.000$) and product involvement ($\beta = 0.421$, $P = 0.000$) on information search. There is also positive effect of product knowledge on purchase intention ($\beta = 0.153$, $P = 0.012$) and positive effect of product involvement on purchase intention ($\beta = 0.554$, $P = 0.000$). Specifically, from SCEI perspective, both product knowledge ($\beta = 0.369$, $P = 0.000$) and product involvement ($\beta = 0.365$, $P = 0.000$) have positive effect on information search, and product involvement alone is found to have positive effect on purchase intention ($\beta = 0.493$, $P = 0.000$). As for Chinese with WCEI, similar results are found whereby both product knowledge ($\beta = 0.254$, $P = 0.005$) and product involvement ($\beta = 0.491$, $P = 0.000$) have significant relationship with information search. Lastly, there is also positive effect of both product knowledge ($\beta = 0.174$, $P = 0.032$) and product involvement ($\beta = 0.617$, $P = 0.000$) on purchase intention. As such, hypotheses $H3$, $H3_a$, and $H3_b$ are all partially supported.

Notwithstanding the magnitude of ethnic identification strength, the findings are consistent in the sense that product knowledge and product involvement have positive effect on information search and purchase intention among the Chinese, with the exception of the relationship between product knowledge and purchase intention for Chinese with SCEI. Surprisingly, COO image is found to have significant effect on neither information search nor purchase intention. This could be due to the fact that Malaysian Chinese responding favorably to products “Made in China” is something natural and spontaneous. Moreover, due to the availability of products “Made in China” in marketplaces in Malaysia nowadays, Chinese consumers are no longer concerned with COO image, rather they are more inclined to find out more about the product before taking further actions. Even though they are more in favour towards products “Made in China” than the Malays, it does not imply COO image has significant impact on their eventual behaviors.

Table 5: Regression analysis for Malays with SMEI and WMEI

Variable	Information search			Purchase intention		
	Standard beta	Adj R ²	F	Standard beta	Adj R ²	F
IV						
Malays						
Constant	1.011**	0.359	47.886***	0.187	0.477	77.388***
COO image	-0.024			0.081		
Product knowledge	0.197**			0.041		
Product involvement	0.505***			0.625***		
SMEI						
Constant	0.863	0.423	33.525***	0.216	0.487	43.152***
COO image	-1.20			0.017		
Product knowledge	0.310***			0.130		
Product involvement	0.507***			0.615***		
WMEI						
Constant	1.149*	0.282	16.309***	0.067	0.456	33.756***
COO image	0.092			0.143		
Product knowledge	0.077			-0.017		
Product involvement	0.465***			0.616***		

N=503, * $P < 0.05$, ** $P < 0.01$, *** $P < 0.001$. SMEI: Strong Malay ethnic identification, WMEI: Weak Malay ethnic identification, COO: Country of origin

Table 6: Regression analysis for chinese with SCEI and WCEI

Variable	Information search			Purchase intention		
	Standard beta	Adj R ²	F	Standard beta	Adj R ²	F
IV						
Chinese						
Constant	0.300	0.405	57.740***	-0.125	0.457	71.048***
COO image	-0.007			0.071		
Product knowledge	0.320***			0.153*		
Product involvement	0.421***			0.554***		
SCEI						
Constant	0.170	0.364	24.289***	0.227	0.361	23.928***
COO image	-0.030			0.101		
Product knowledge	0.369***			0.114		
Product involvement	0.365***			0.493***		
WCEI						
Constant	0.413	0.436	33.698***	-0.372	0.541	50.874***
COO image	0.020			0.044		
Product knowledge	0.254**			0.174**		
Product involvement	0.491***			0.617***		

N=503, *P<0.05, **P<0.01, ***P<0.001. SCEI: Strong Chinese ethnic identification, WCEI: Weak Chinese ethnic identification, COO: Country of origin

5. IMPLICATIONS AND CONCLUSION

Understanding what is shared and what is not between the Malays and Chinese in a multi-ethnic country like Malaysia is of utmost importance in marketing and management (Ting et al., 2015). The present study suggests that COO image and product involvement are what differentiate the Malays from the Chinese when purchasing products "Made in China". It also implies that individuals with strong ethnic identification will tend to find out more about the product than those with weak ethnic identification, and this is particularly evident among the Malays. Nevertheless, the findings also infer that product involvement, information search and purchase intention are but customary or habitual steps when it comes to purchase decision making. As a result, there is little to suggest significant difference between the Malays and Chinese and between strong and weak ethnic identification groups.

However, the later findings of this study show contradiction to previous studies whereby COO image does not only have no significant effect on information search and purchase intention among the Malays, it also has no positive effect on the outcome variables among the Chinese, be it SCEI or WCEI (Hanzaee and Khosrozadeh, 2011; Ghalandari and Narouzi, 2012; Lin and Chen, 2006). This demonstrates a very intricate situation for marketers or managers in segmentation and business activities. Firstly, although Malaysian Chinese in general identify themselves to China, they do not necessarily purchase products "Made in China". A product being made in China does not necessarily lead them to search for more information about it as they might prefer products made in other countries. Secondly, the Malays do not seem to hold negative perceptions about products "Made in China" as postulated earlier (Ahmed et al., 2004). Although COO image does not influence them in purchasing these products, product involvement and, to a certain degree, product knowledge might eventually cause them purchase these products. All in all, COO image does not make Malaysian Chinese, including those with SCEI, to be more responsive to products "Made in China," nor does it make the Malays, be it SMEI or WMEI, to be less responsive to these products. When targeting young adults in a diverse society,

comprehensive strategies and tactics are needed when promoting or selling products "Made in China." How to get them to know more about the products and to get them involved are more crucial, and they will more likely lead to information search and purchase intention (Lin and Chen, 2006; Teo and Mohamad, 2012). Despite being a developing country, young adults in Malaysia are prepared to purchase products with higher prices when they become familiar with and attached to the products.

There are several caveats to what the present study offers. Firstly, the study does not specify the type of product since there could be a strong association between COO image and product-country image (Sohail and Sahin, 2010). Secondly, the sample of the study is delimited to young adults in local institutions who generally do not have income yet. Thirdly, give the contradicting findings of the study about the Malays' perception towards products "Made in China" and the effect of COO image on information search and purchase intention, the quantitative results are limited to provide further insights into the phenomena. In light of all these, future studies are thus proposed to look at specific products, such as smart phones, and to sample respondents from wider age-groups so as to provide a more holistic understanding of the relationships between COO image and the relevant variables. As Malaysia practices open economy, comparison of COO images of different countries, such as Korea and India, and its relationship with purchase intention could also be potentially pivotal to gain better understanding of consumers.

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