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Western consumers still sceptical about quality of 'Made in China' and 'Made in Korea' labels

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Only one in eight respondents from the US and key markets in Europe think highly of the quality of products made in China and Korea, a recent Synovate survey showed.

A little over half (52%) of European respondents, however, think Japanese-made products are of high quality, an opinion shared by 41% of their American counterparts. Findings also revealed that one-third of the respondents polled consciously seek out goods made in their countries when they go shopping.

Synovate conducted the survey in December 2005 among 6,011 respondents in the US, France, Germany, the Netherlands, Spain and the United Kingdom. The study focused on perceptions of value and quality of products made in these markets, as well as those made in China, Japan and Korea.

On a scale of 1 to 5, where '5' means 'high' and '1' means 'low', what does **'Made in Korea'** mean to you in terms of quality?

	Total	France	Germany	Netherlands	Spain	UK	USA
Respondents	6,011	1,000	1,000	1,008	1,003	1,000	1,000
High quality (5, 4)	12%	8%	10%	17%	13%	13%	12%
Neutral (3)	36%	30%	32%	46%	31%	38%	38%
Low quality (2, 1)	52%	62%	58%	37%	56%	49%	50%

Source: Synovate

On a scale of 1 to 5, where '5' means 'high' and '1' means 'low', what does **'Made in China'** mean to you in terms of quality?

	Total	France	Germany	Netherlands	Spain	UK	USA
Respondents	6,011	1,000	1,000	1,008	1,003	1,000	1,000
High quality (5, 4)	12%	7%	11%	20%	9%	15%	12%
Neutral (3)	33%	28%	30%	40%	19%	40%	39%
Low quality (2, 1)	55%	66%	60%	40%	72%	45%	49%

Source: Synovate

"Both China and Korea want to get into the mid- to luxury/high quality markets because there are richer margins, especially Korea who are undercut on cost by the Chinese," says Mike Sherman, Synovate's executive director of consumer insights in Asia Pacific. "Their products may be seen as low quality, but they are also low cost, so the perceived value is significantly higher than quality."

Sherman also observes that "the Koreans are more squeezed than the Chinese. They know they need to improve the perceptions of their products in order to differentiate from China. It's hard to compete on low cost with China nipping at your heels."

Japan fared better but they have successfully made the evolution from perceived low quality to perceived high quality, he continues. "In the 60s, perceptions of Japan were the same as they are for China now. They were making cheap transistor radios and flooding the market. They made the evolution through hard work and innovation - step one was to design and build better products. For example, Sony was making these cheap transistors but then produced the Walkman and now Playstation - products they are known for around the world, products that have been copied by others."

The quality of made-in-USA products is rated highly by 78% of American respondents, while only roughly two out of five Europeans subscribe to the same viewpoint (43%). Three-quarters (74%) of European respondents considered products made in their countries to be of high quality.

"Patriotism often drives American consumer sentiment," says Tom Mularz, a Chicago-based senior vice president at Synovate. "Regardless of actual quality and value of goods made in other countries, Americans are fiercely loyal to their own domestic goods, especially older and less affluent consumers. From a cultural perspective, it is considered one's patriotic duty to 'Buy American' in America."

"China is also perceived as having taken many jobs from US manufacturing, especially in industries such as apparel and electronics," he adds. "This leads to an overall relatively negative perception on both value and quality, as a reaction to the loss of these jobs."

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