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Arturo Z. Vasquez-Parraga  
The University of Texas Rio Grande Valley

Miguel Sahagun  
The University of Texas Rio Grande Valley

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How Do Consumers Adopt Imported Products in an Era of Product Overcrowding?

Miguel Sahagun¹, Arturo Z. Vasquez-Parraga²

¹High Point University (HPU), High Point, USA
²University of Texas Rio Grande Valley (UTRGV), Edinburg, USA
Email: msaagun@highpoint.edu, arturo.vasquez@utrgv.edu

Abstract

When individuals decide to adopt imported products, they associate these products with one or more places. Thus, consumers are likely to think about the new cultures, ideas, and behaviors associated with these places. When adopting imported products some consumers seek some type of novelty without altering existing decisional and/or behavioral structures whereas other consumers seek novelty to create new consumption situations. Nonetheless, current research has failed to explain how determinant the influence of the product’s place and the process of adopting this product are on consumer’s purchase intention. Therefore, this research analyzes: 1) the influence of the product’s place market development level on consumers’ purchase intention, 2) the process followed by consumers during the adoption of imported products, 3) the effect this process has on consumers’ purchase intention, and 4) the moderating effect of social influence and prior product knowledge on this process. A survey of 491 participants from Mexico and the United States revealed: 1) that significant differences in consumers’ purchase intention are due to the product’s place market development level; 2) that the process followed by consumers during the adoption of imported products represents an explanation chain sequentially described by the consumer attitudes toward that imported product, the behavioral intention to use that imported product, and the selection, evaluation and acceptance of that imported product; 3) that this adoption process has a determinant effect on consumers’ purchase intention for imported products; and 4) that social influence and prior product knowledge also influence consumers purchase intention for imported products. Overall, this research makes a theoretical contribution in three particular ways: 1) by providing an enriched and customized framework to fully understand the product adoption process of consumers when deciding to purchase imported products, 2) by identifying the differences on consumers’ purchase intention due to different levels of market development associated to both, the
imported product and the consumer, and 3) by proposing that the product adoption process represents an explanation chain.

**Keywords**

Adoption Process of Imported Products, Imported Product, Purchase Intention, Social Influence, Prior Product Knowledge

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### 1. Introduction

Global business depends upon consumer acceptance of imports given the market potential [1] yet there is highly diverse consumer demand for such products. Therefore, the globalization of markets presents companies with considerable challenges and opportunities [2] e.g. the impact of globalization in financial crises [3].

Previous research has shown that consumers often evaluate imported goods differently than they do identical domestic products [4], [5]. Imported products frequently confront consumers with innovation and new cultures as well as alternative business ideas and practices e.g. an American consumer interested on drinking Mexican Tequila or Japanese Sake will have to learn about the appropriate way to drink it in order to fully enjoy the product and the benefits associated with it. In some cases, adopting imported products may disrupt consumers’ buying patterns, thereby altering the process involved in trying and accepting these products and perhaps influencing the ways they use the products they are familiar with as well. Therefore, analyzing the adoption process of imported products (herein APIP) should provide additional information to help understand consumers’ choice of foreign vs. domestic products and in profiling different consumer segments (emerging vs. developed).

For decades scholars have tried to understand the determinants of purchase intention among consumers. This effort has focused on consumers’ attitudes and directed behaviors toward products and brands. However, this research activity has been somewhat limited in terms of scholars’ ability to explain variance in consumers’ purchase intention. Furthermore, trying to explain variance in consumers’ purchase intention for imported products could be even more complex.

Little is known about how determinant the adoption process is in the consumers’ purchase intention. Using the theory of reasoned action (TRA) and the diffusion of innovation theory (DOI) as starting point, this research aims to examine: 1) the influence of the product’s place market development level on consumers’ purchase intention, 2) the process that leads consumers to adopt imported products, 3) the effect this process has on consumers’ purchase intention, and 4) the moderating effect of social influence and prior product knowledge on this process. Although inquiry about product adoption appears to be thorough [6]-[11], much about the process is poorly understood [12]. Consequently, explanations of the adoption process of imported products (hereafter APIP) and its
effect on consumers’ purchase intention leave much to be desired. Therefore, this research aims to advance the field’s understanding of the APIP and its impact on consumers’ purchase intention, specifically considering the market development level (emerging vs. developed) of the product’s country of manufacture. Secondly, the present study adds to this body of work by testing the moderating effects of social influence and prior product knowledge on the attitude-intention relationship. Finally, this study has important implications for multinational companies by profiling the APIP as suggested.

Thus, the following research questions guide this study:

Q1: What is the influence of product’s place market development level on consumers’ purchase intention?
Q2: What is the process that leads consumers to adopt imported products?
Q3: What is the effect of the adoption process on consumers’ purchase intention? And
Q4: What is the moderating effect of social influence and prior product knowledge on the product adoption process? If any.

Using survey data from two countries, one developed (USA) and one emerging (Mexico), the results show that the proposed adoption process followed by consumers significantly contributes to consumers’ purchase intention for imported products and that modeling these variables enables an explanation for 82.2% of the variance in consumers’ purchase intention. These findings provide strong supporting evidence for the suggestion that the product adoption process consumers go through can contribute greatly to consumers’ purchase intention.

In the following sections, the conceptual model is discussed (see Figure 1) drawing on the theory of reasoned action (TRA) and the diffusion of innovation theory (DOI), the theoretical underpinnings are presented and the hypotheses are developed. Then the model is tested and the results discussed. Finally, theoretical and practical implications are outlined and suggestions for further research are offered.

Figure 1. Research model.
2. Review of Literature and Conceptual Framework

2.1. Market Development Level

Consumers commonly have generalized perceptions about products produced in foreign countries [4] [13] [14] [15] based on the national reputation of the country. These perceptions could be related to different factors such as the level of market development, economic development, and overall quality of life. For example, perceptions of the countries’ degree of industrial development often lead to preferences for foreign products [15] [16]. In emerging markets consumers have a general preference for imported products as opposed to domestic products, whereas in developed countries consumers have a general preference for domestic products [17] [18] [19] [20]. Furthermore, in certain emerging markets imported products are often associated with high quality or high social status [18] [21]. Any of these perceptions associated with an imported product can affect consumer’s thought processes differently [22] and the market development level has previously shown to be an important one [23]. Thus:

**H1**: Market development level of the product’s country has a significant effect on consumers’ purchase intention for imported products.

2.2. The Theory of Reasoned Action (TRA), the Diffusion of Innovation Theory (DOI), and the Adoption Process of Imported Products (APIP)

TRA support is based on the assumption that humans are rational beings and make systematic use of available information [7], [24]. According to TRA, an individual’s behavioral intention is determined by the individual’s attitude toward the behavior and the social pressure on that person to perform the behavior in question. Thus, the theory connects internal factors with external factors capturing the complex interplay between individual attitudes toward certain behaviors and the subjective norms to perform them. TRA offers theoretical bases for examining the elements that influence individual acceptance. Hence, it can be used to evaluate user acceptance [25].

On the other hand, DOI [11] is a sociological theory used to describe patterns of adoption. Rogers [11] defines diffusion as the process followed to communicate innovation among members of a social system over a specific period of time. DOI reflects the behavior of individuals in the adoption process [25]. Thus, under DOI product adoption generally refers to the stage in which the complete use of an innovation is achieved by a consumer [11], [26] or when customers express intention to purchase a product and start using it [27].

Hence, DOI has been widely used as theoretical basis for the study of new product adoption [25] presenting the product adoption as a dichotomy which consists on adopting vs. not adopting. However, several scholars had suggested product adoption should be considered a continuous process instead [28].

Using the TRA and DOI as the two theories that illuminate this research, the APIP is proposed as the different stages final consumers go through in order to
accept and use any imported product, from initial attitude toward imported products to their acceptance, passing through behavioral intention, selection and evaluation in between. An imported product is defined as any product coming from a foreign country for use, sale, processing, re-export, or service [29].

2.3. APIP Elements

2.3.1. The Attitude-Behavioral Intention Relation as Part of the APIP

Attitude represents people’s evaluation and feelings (positive or negative) toward something [24], [30], which suggests that an individual’s intention toward an object is a function of the individual’s attitude toward that object. Additionally, scholars have previously shown that attitudes directly and significantly influence behavioral intentions [6] [7] [24] [30]-[35]. Thus, customer’s behavioral intention toward an imported product would be highly influenced by the individual’s attitudes toward imported products in general.

Therefore, it is hypothesized that:

H2a: Consumer attitudes toward imported products explain consumer behavioral intention to use imported products.

2.3.2. The Behavioral Intention-Selection Relation as Part of the APIP

Behavioral intention has been defined as “an individual’s subjective probability that he/she will perform a specified behavior” [7] [24], or as the likelihood to use a particular product [33] [36]. Other authors [37] suggested that behavioral intention is a function of individuals’ expectations about the consequences of undertaking a specific behavior. In other words, consumers desiring to obtain valuable results from their actions are likely to be motivated to perform behaviors that will lead to such actions [38].

Selecting is “the process of choosing a product to satisfy a motive, most likely an immediate, situational need” [12], thus the selection process represents an individual effort to choose from different products [39] [40]. Furthermore, selection is usually initiated by a motivation arising from consumers’ behavioral intention. For example, consumers could be motivated by a desire to impress others with their ability to pay particularly high prices for imported products [41]. In other words, customer’s behavioral intention toward imported products use would influence imported product selection. Thus:

H2b: Consumer behavioral intention to use imported products explains imported product selection.

2.3.3. The Selection-Evaluation Relation as Part of the APIP

Selection occurs when consumers choose a product to satisfy an immediate need but hold the motives constant while varying the product selection options. This stage could be better understood if it is known how consumer preferences are influenced by the set of alternatives under consideration. Thus, each product is judged only on the attributes motivating consumers’ adoption. Furthermore, when customers have concerns about how well the product will satisfy their motive, they have an increased preference for variety [42]. On the other hand, eval-
valuation is “the process of judging how well a product satisfies a motive” [12]. Thus, selection and evaluation are distinct cognitive processes. Evaluation is triggered after selection takes place. Evaluation assesses both product capabilities and product requirements independently of rival products; product options are held constant while motives are changed [12]. In other words, customer’s imported product selection would have influenced imported product evaluation.

Therefore, it is hypothesized that:

**H2c:** Consumer imported product selection explains consumer imported product evaluation.

### 2.3.4. The Evaluation-Acceptance Relation as Part of the APIP

Evaluation is a function of salient beliefs about products [43] [44]. However, due to the vast number of variations among product attributes, it is impossible to formulate universally accepted criteria to evaluate products [45]. Generally, consumers evaluate the extent to which a product is consonant or dissonant with their expectations [46]. If a product is evaluated negatively, it is highly unlikely that adoption will occur [47].

It is after evaluating a product that the product moves toward the implementation and confirmation stage. Product acceptance results from the perception that a product is doing what it is intended to do [48]. Thus, using a positively evaluated product on a regular basis and integrating it into a user’s ongoing routine are characteristics of the acceptance stage. Thus, imported product acceptance is defined in this research as the extent to which a consumer frequently and fully uses the imported product for the activities it is suited to. In other words, customer’s imported product evaluation would influence imported product acceptance. Therefore:

**H2d:** Consumer imported product evaluation explains consumer acceptance of an imported product.

### 2.3.5. The APIP Constitutes an Explanation Chain

Scientific understanding requires explanatory power. Following the search for causal relationships and knowing that science may never know any causal relationship with certainty, an explanation chain is proposed as a representation of the APIP. An explanation chain is a sequence of reflective relations deep enough to represent a parsimonious explanation of a phenomenon without falling into infinite regress [49]. The suggested explanation chain describes the four reflective relations that comprise the APIP.

Proposing the APIP as an explanation chain provides valuable insights for a better explanation of what leads consumers to make decisions about their purchases on the basis of important advantages. It suggests the APIP is continuous process, it accentuates the importance of all five APIP’s stages, and it proposes the essential elements in the APIP.

Therefore, it is hypothesized that:

**H2e:** Consumer attitudes toward imported products explain consumer beha-
vioral intention to use imported products, which explains imported product selection, which in turn explains consumer imported product evaluation, which at the end explains the level of consumer acceptance of an imported product.

2.4. Effect of the Adoption Process on Consumer’s Purchase Intention of Imported Products

The adoption of products culminates with a purchase intention, which is the consumer’s intent to purchase a specific product [50]. Although consumer’s purchase intention is formed under the assumption of a pending transaction, it is commonly considered as an effective indicator of actual purchase [51].

Generally, if an imported product is low in acceptance, customer purchase intention is expected to be low and vice-versa. In other words, higher levels of acceptance will create higher levels of purchase intention [52]. Thus, consumers accept or reject the product and then finally make their purchase decision [46].

Therefore, the following hypothesis:

H3: Consumer acceptance of an imported product has a direct and significant effect on consumer purchase intention of imported products.

2.5. Social Influence and Prior Product Knowledge as Moderators in the APIP

2.5.1. The Moderation Role of Social Influence in the APIP

Drawing on the theory of reasoned action, an important factor determining peoples’ behavioral intention is the perception of the social pressures placed on them to perform specific behaviors [50]. Furthermore, interpersonal contact within and between different social groups and communities influence consumers’ adoption behavior [53] and social approval is an important element in the decision to adopt products [54]. Hence, consumers might decide to adopt an imported product even when their attitude toward the product is not fully favorable if they anticipate an image or status improvement within their group by adopting it [55].

Apparently, the attitude-behavioral intention to use an imported product is higher when consumers perceive themselves subject to social influence related to the use of that imported product, thus:

H4: Social influence has a positive and significant moderation effect in the attitude-behavioral intention relation toward the use of imported products

2.5.2. The Moderation Role of Prior Product Knowledge in the APIP

Generally, customers with different levels of product knowledge have different attitudes toward the same products, thereby creating different levels of intention to use those products. The terms familiarity, expertise, and experience have been used interchangeably when referring to product knowledge [56], [57]. Thus familiarity, expertise, and experience are integrated in this research via prior product knowledge. For research purposes, prior product knowledge is what consumers think they know about a product or product category.
Therefore:

**H5:** *Customer prior product knowledge has a positive and significant moderation effect in the attitude-behavioral intention relation toward the use of imported products.*

Although some of the relations previously proposed (see Figure 1) have been examined individually in prior research, others, such as the acceptance-purchase intention relation and the moderation effects of social influence and prior product knowledge in the attitude-behavioral intention relation have been subject to little investigation.

### 3. Methodology, Studies, and Hypotheses Results

#### 3.1. Research Design

A $2 \times 2$ quasi-experimental-cross sectional between subjects nonequivalent control group research design ([58] pp. 47-50) was used in this research. The market development level of the product’s country (developed vs. emerging) provided the basis for the different groups in the comparison. This variable was manipulated by indicating in the survey the name of the country in which the product was made.

The products and countries used in this research were selected using four criteria: 1) one technological and one non-technological product, 2) participants selected from one developed and one emerging market, 3) participants considered the products relevant to them, and 4) participants considered the countries manufacturing the products as renowned manufacturers of the products. Hence, the products selected for this research were shoes and smart phones, and the countries selected as manufacturers of these products were China and Italy for shoes, and China and Japan for smartphones. Participants answering the survey about shoes were from Mexico and participants answering the survey about smart phones were from the United States of America.

Hypotheses testing was performed using ANOVA to test effect that marketing development level of the product’s country has on consumers’ purchase intention for imported products (H1), Structural equation modeling (SEM) was used to test the relations among APIP elements (H2a, H2b, H2c, H2d, and H2e), and hierarchical multiple regression analysis was used to test the moderation effect of Social Influence and Prior Product Knowledge (H4 and H5 respectively).

#### 3.2. Research Instrument

A self-administered questionnaire with fifty-seven items was employed to capture data (see Appendix for more details). Items were adapted from existing measures and using a seven-point Likert scale anchored between “strongly disagree” (1) and “strongly agree” (7). However, the wording in the items was modified to fit research purposes. The questionnaire was administered in English for participants in the US and in Spanish for participants in Mexico. A double translation procedure was used to develop the Spanish questionnaire.
3.3. Sample Demographics

Two different pilot studies with a total sample of 262 students from Mexico and the United States were conducted using non-random sampling to achieve appropriate reliability and construct validity among scales.

For hypotheses testing, 491 participants using convenience non-random sampling were selected. However recognizing the risks associated with the use of convenience sampling and interested in capturing different geographic, political, and commercial backgrounds among participants that help mitigate its effects, researchers decided to select participants from multiple regions. Researchers selected six different regions in Mexico and five different regions in the United States using a combination of convenience and judgment sampling criteria. Fifty-nine percent of the participants were female and 41% male. Sixty-four percent of the participants were single, 28% married, and 8% divorced or in an alternative relationship. Approximately 60% of the participants have attended college.

3.4. Measurement Model Reliability

Cronbach’s alpha values for all constructs ranged from 0.834 to 0.930. However, in order to achieve proper fit in the measurement model and gain model parsimony, nine items corresponding to five constructs were removed from the initial model. Items’ removal was based on both statistical results and conceptual considerations.

All CFA goodness of fit (GOF) indices exhibit model appropriateness ($X^2/df = 3.573$, $IFI = 0.913$, $CFI = 0.913$, $NNFI/TLI = 0.900$, and $RMSEA = 0.072$) [59], (60 p. 639-652). All constructs exhibit satisfactory levels of VIF (1.865 to 4.818) [60] [61] [62] [63] [64]. Additionally, all correlations between purchase intention (DV) and each independent variable (IV) were significant ($p = 0.01$).

3.5. Hypotheses Results

3.5.1. Market Development Level

The market development level for the product’s country manipulation check revealed a statistically significant difference in mean scores for purchase intention ($F (1, 490) = 4.364$, $p = 0.037$), thus providing support for H1. Furthermore, results among the four Groups revealed a statistically significant difference in mean scores ($F (3, 488) = 18.929$, $p = 0.000$). Post-hoc comparisons using Tamhane’s T2, Dunnett’s T3, Games-Howell, and Dunnett’s C tests (equal variances not assumed) show significant differences between Group 1 (mean = 2.9369) and Group 2 (mean = 3.7736), Group 1 (mean = 2.9369) and Group 3 (mean = 3.9192), and Group 1 (mean = 2.9369) and Group 4 (mean = 3.5273) only.

3.5.2. APIP, Its Effects on Consumers’ Purchase Intention of Imported Products, and Social Influence and Prior Product Knowledge Moderating Effects

Table 1 shows the structural model GOF. All GOF indices exhibit satisfactory levels ($X^2/df = 3.003$, $IFI = 0.933$, $CFI = 0.933$, $NNFI/TLI = 0.903$, and $RMSEA = 0.064$) [59] [60].
Table 1. SEM results full model (N = 491).

<table>
<thead>
<tr>
<th>Factor Loadings</th>
<th>Error Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>λAtt_1 0.774</td>
<td>εAtt_1 0.087</td>
</tr>
<tr>
<td>λEval_18 0.662</td>
<td>εEval_18 0.116</td>
</tr>
<tr>
<td>λPuIn_49 0.733</td>
<td>εPuIn_49 0.085</td>
</tr>
<tr>
<td>λAtt_2 0.745</td>
<td>εAtt_2 0.093</td>
</tr>
<tr>
<td>λEval_19 0.686</td>
<td>εEval_19 0.104</td>
</tr>
<tr>
<td>λPuIn_50 0.756</td>
<td>εPuIn_50 0.098</td>
</tr>
<tr>
<td>λAtt_3 0.725</td>
<td>εAtt_3 0.083</td>
</tr>
<tr>
<td>λEval_20 0.684</td>
<td>εEval_20 0.125</td>
</tr>
<tr>
<td>λPuIn_51 0.738</td>
<td>εPuIn_51 0.104</td>
</tr>
<tr>
<td>λAtt_4 0.754</td>
<td>εAtt_4 0.081</td>
</tr>
<tr>
<td>λEval_21 0.706</td>
<td>εEval_21 0.086</td>
</tr>
<tr>
<td>λPuIn_52 0.798</td>
<td>εPuIn_52 0.086</td>
</tr>
<tr>
<td>λBeIn_6 0.755</td>
<td>εBeIn_6 0.082</td>
</tr>
<tr>
<td>λEval_22 0.711</td>
<td>εEval_22 0.092</td>
</tr>
<tr>
<td>λPuIn_53 0.768</td>
<td>εPuIn_53 0.088</td>
</tr>
<tr>
<td>λBeIn_7 0.694</td>
<td>εBeIn_7 0.101</td>
</tr>
<tr>
<td>λAcce_26 0.671</td>
<td>εAcce_26 0.134</td>
</tr>
<tr>
<td>λPuIn_54 0.844</td>
<td>εPuIn_54 0.069</td>
</tr>
<tr>
<td>λBeIn_8 0.731</td>
<td>εBeIn_8 0.097</td>
</tr>
<tr>
<td>λAcce_27 0.704</td>
<td>εAcce_27 0.114</td>
</tr>
<tr>
<td>λPuIn_55 0.727</td>
<td>εPuIn_55 0.113</td>
</tr>
<tr>
<td>λBeIn_9 0.733</td>
<td>εBeIn_9 0.086</td>
</tr>
<tr>
<td>λAcce_28 0.831</td>
<td>εAcce_28 0.082</td>
</tr>
<tr>
<td>λPuIn_56 0.755</td>
<td>εPuIn_56 0.085</td>
</tr>
<tr>
<td>λSele_16 0.802</td>
<td>εSele_16 0.080</td>
</tr>
<tr>
<td>λAcce_29 0.896</td>
<td>εAcce_29 0.100</td>
</tr>
<tr>
<td>λPuIn_57 0.791</td>
<td>εPuIn_57 0.086</td>
</tr>
<tr>
<td>λSele_17 0.809</td>
<td>εSele_17 0.077</td>
</tr>
<tr>
<td>λSele_103 0.694</td>
<td>εSele_103 0.087</td>
</tr>
<tr>
<td>λSele_104 0.697</td>
<td>εSele_104 0.083</td>
</tr>
</tbody>
</table>

Structural parameter estimates:

\[ \gamma \text{ Attitude toward Product-Behavioral Intention} = 0.890^{***} \]
\[ \gamma \text{ Behavioral Intention-Selection} = 1.014^{***} \]
\[ \gamma \text{ Selection-Evaluation} = 0.923^{***} \]
\[ \gamma \text{ Evaluation-Acceptance} = 0.924^{***} \]
\[ \gamma \text{ Acceptance-Purchase Intention} = 1.001^{***} \]

Goodness of fit:

\[ \chi^2/(df) = 3.003, p = 0.000 \]
RMSEA = 0.064
IFI = 0.933
CFI = 0.933
NNFI/TLI = 0.903

*p < 0.05, **p < 0.01, ***p < 0.001.

The results for the four key structural parameter estimates obtained are all significant (\( p = 0.001 \)). Attitude-Intention \( \gamma = 0.890 \), Intention-Selection \( \gamma = 1.014 \), Selection-Evaluation \( \gamma = 0.923 \), and Evaluation-Acceptance \( \gamma = 0.924 \). These results empirically support H2a, H2b, H2c, and H2d respectively. Furthermore, the support found for all four hypotheses taken together empirically support the proposed explanation chain (H2e). The result for the Acceptance-Purchase Intention \( \gamma = 1.001 \) structural parameter estimate is also significant (\( p = 0.001 \)), thereby providing empirical support for H3. See Table 1 for details.

Table 2 exhibits three hierarchical multiple regression models employed to
Table 2. Regression results: impact of consumer product adoption process on purchase intention full model (N = 491).

<table>
<thead>
<tr>
<th>Dependent Variable: Purchase Intention</th>
<th>Model 1*</th>
<th>Model 2b</th>
<th>Model 3c</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.152</td>
<td>1.480</td>
<td>−0.057</td>
</tr>
<tr>
<td>Acceptance</td>
<td>0.637***</td>
<td>20.367</td>
<td>0.481***</td>
</tr>
<tr>
<td>Evaluation</td>
<td>0.199***</td>
<td>6.238</td>
<td>0.139***</td>
</tr>
<tr>
<td>Selection</td>
<td>0.043</td>
<td>1.226</td>
<td>0.055*</td>
</tr>
<tr>
<td>Behavioral Intention</td>
<td>0.218***</td>
<td>6.098</td>
<td>0.232***</td>
</tr>
<tr>
<td>Attitude toward Product</td>
<td>−0.128***</td>
<td>−4.100</td>
<td>−0.122***</td>
</tr>
<tr>
<td>Social Influence</td>
<td>0.062**</td>
<td>2.340</td>
<td>0.225**</td>
</tr>
<tr>
<td>Prior Product Knowledge</td>
<td>0.169***</td>
<td>5.063</td>
<td>0.044</td>
</tr>
<tr>
<td>Attitude toward Product x Social Influence</td>
<td>0.062</td>
<td>5.063</td>
<td>0.044</td>
</tr>
<tr>
<td>Attitude toward Product x Prior Product Knowledge</td>
<td>0.237</td>
<td>1.157</td>
<td></td>
</tr>
<tr>
<td>Behavioral Intention x Social Influence</td>
<td>−0.259</td>
<td>−1.403</td>
<td></td>
</tr>
<tr>
<td>Behavioral Intention x Prior Product Knowledge</td>
<td>−0.026</td>
<td>−0.127</td>
<td></td>
</tr>
</tbody>
</table>

R² 0.822 0.835 0.837
F 447.685 349.792 224.247
F Change 19.531 1.582
ΔR² 0.013*** 0.002

*aCore variable effects; bModerating variable effects; cTwo-way interaction effects; *p < 0.10, **p < 0.05, ***p < 0.01 (one-tailed test for hypothesized relationships).

Test for moderation effects (H4 and H5). Acceptance, evaluation, behavioral intention and attitude toward product are significant (p = 0.01) in Models 1*, 2b and 3c. In addition, Model 2b shows selection being marginally significant (p = 0.10), and the two moderating variables, social influence and prior product knowledge, significant (p = 0.05 and p = 0.01 respectively). Finally, Model 3c shows selection being marginally significant (p = 0.10), and only one moderating variable, social influence, being significant (p = 0.05). No interaction effects between the moderator variables and either attitude or intention are significant. Thus, H4 and H5 are not supported.

4. General Discussion

Today’s global economy suggests that international trade, “the exchange of goods and services across national boundaries” ([65] p. 7), has become crucial for companies’ success through the adoption of new markets that promise returns on the investment of the companies’ employed resources. The average annual growth in world merchandise exports has been estimated at about 12% since 1970 [65]. Companies seeking to trade their products in foreign countries are concerned about the influences on how these consumers make decisions about their purchases. For this reason, learning more about the adoption process of imported products is paramount.
4.1. Market Development Level Influence on Consumers’ Purchase Intention

This research found significant differences in consumer’s purchase intention that are due to the country’s level of market development (emerging vs. developed) in which the imported product is made. Emerging market consumers (Mexico) show a higher purchase intention level when an imported product is made in a developed market than they do when an imported product is made in an emerging market. This result may be a reflection of the symbolic benefits that are associated with products made in developed markets [66], [67]. On the other hand, developed market consumers (U.S.A.) show similar purchase intention regardless of the market development level of the product’s country (emerging or developed). This finding seems to be counter-intuitive because products originating in emerging markets are perceived to be less desirable in quality [66].

4.2. Process that Leads Consumers to Adopt Imported Products and Its Effect on Consumers’ Purchase Intention

Results revealed that the suggested APIP explains consumers’ purchase intention for imported products. Furthermore, the APIP could be represented through an explanation chain sequentially described by 1) attitudes toward imported products, 2) behavioral intention to use imported products, 3) imported product selection, 4) imported product evaluation, and 5) acceptance of an imported product. This explanation chain reflects the process consumers use to make decisions about their purchases and explains their purchase intentions. The explanation goes in sequence: 1) attitude toward product explains behavioral intention; 2) behavioral intention explains selection; 3) selection explains evaluation; 4) evaluation explains acceptance, and 5) all five variables in this specific sequence explain consumers’ purchase intention.

4.3. Social Influence and Prior Product Knowledge Moderating Effects on the Product Adoption Process

Research findings do not corroborate the moderating role of social influence and prior product knowledge in the attitude-behavioral intention relation as proposed. However social influence and prior product knowledge do seem to influence consumers purchase intention directly. Social influence and prior product knowledge do prompt consumers to modify their purchase intention toward a product even when their attitude toward such products is not very favorable. This means that consumers care about opinions coming from their social groups of reference when they plan to buy imported products, and they rely on their previous knowledge about the product to shape their intentions toward purchasing it or not purchasing it.

5. Theoretical and Managerial Implications

Although the notion of product adoption is not new [6]-[11], its treatment requires further empirical research in order to better understand and explain how
consumers adopt imported products [68]. Furthermore, it is important to discover the effects of both the APIP and the level of country’s market development on consumers’ purchase intention.

This research attempts to make a theoretical contribution in confronting the above issues in three particular ways. First, beyond corroborating various relationships suggested in previous product adoption studies, it provides an enriched and customized framework to fully understand the product adoption process of consumers when deciding to purchase imported products. More important, this framework enables researchers to identify the differences between adopting a product made in a country with different market development levels (emerging vs. developed).

Furthermore, this research shows that the country’s level of market development does have an influence on consumers’ purchase intention among emerging market consumers only. The purchase intention level is higher among emerging market consumers when the imported product is from a developed market. However, this is not the case among developed market consumers. Developed market consumers seem to experience the same purchase intention toward imported products as long as the product’s country of origin is identified by the consumer as a renowned manufacturer of those types of products, regardless of the country’s level of market development (emerging vs. developed).

Finally, a notable contribution of this research lies in the finding that the product adoption process is an explanation chain. The explanation chain described here considerably improves our understanding of the product adoption process in today’s global economy.

Companies seeking to trade or sell their products in foreign countries not only need to know how their products are perceived by consumers in those countries [4], [10], [69], but also how their potential consumers perceive the product’s country of origin for that specific product category. In other words, if potential consumers identify the product’s country of origin as a renowned manufacturer for those products, they are likely to be more favorable toward purchasing products from that country regardless of its level of development. Furthermore, the increasingly intense competition in today’s global market demands that managers know the product adoption process consumers rely on when deciding to purchase imported products. Thus, the findings of this research might well be important to marketers interested in differentiating and positioning their products from those of their competitors in foreign markets.

In sum, marketers can employ the framework offered in this research to better understand and control the APIP and consumers’ purchase intention for imported products from countries with different market development levels (developed and emerging). The benefits of this research can be expanded to include trade or export-import organizations and public offices as well.

6. Limitations and Future Research

Some limitations should be taken into consideration when interpreting and
drawing inferences based on the findings presented here. Neither the selection of participants nor the selection of the locations from which the participants were immersed was randomly performed. Thus, the sample might not be representative of the populations. Such a limitation, however, does not reduce the advantages of the quasi-experimental design used. A second limitation is that the participants included were only people willing to participate. Such an approach limits the feasibility of estimating the non-response bias and testing for the differences between people who participated and people who did not participate in the study.

Furthermore, this research focused on goods not services, and included participants from only one developed market (USA) and one emerging market (Mexico). Therefore, further research is needed using different types of products (e.g., services) and different countries with different levels of market development. Additionally, data was collected at a single point in time, thus not allowing for the capture of changes in perceptions, feelings, and attitudes over time. Hence, a longitudinal study that investigates consumers’ adoption patterns and changes is needed and recommended to further test the relationships found in this research. Finally, although data collection was obtained from different locations, data for the criterion and predictor variables was obtained from the same person on each questionnaire, which represents a potential problem for common method bias.

References


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Appendix

Items used in the Questionnaire for American Consumers and Chinese Product.

1) Using a Chinese smartphone with touch screen is convenient.
2) Using a Chinese smartphone with touch screen is safe.
3) Chinese smartphones with touch screen appear to be more durable than the American ones.
4) Using a Chinese smartphone with touch screen is practical.
5) I would select or choose a Chinese smartphone with touch screen in the future.
6) Assuming I have access to Chinese smartphones with touch screen, I would intend to use one.
7) If I had access to Chinese smartphones with touch screen, I predict I would use one.
8) If I use a Chinese smartphone with touch screen once, the likelihood that I would recommend it to a friend is high.
9) I consider myself a frequent user of Chinese smartphones with touch screen.
10) Using a Chinese smartphone with touch screen is beneficial.
11) I am extremely familiar with Chinese smartphones with touch screen.
12) If I had to select a smartphone with touch screen again, I would choose a Chinese smartphone with touch screen.
13) I think using a Chinese smartphone with touch screen is an opportunity of being part of a community.
14) The quality of Chinese smartphones with touch screen appears to be higher than the American ones.
15) My experience with a Chinese smartphone with touch screen would be better than expected.
16) I intend to use a Chinese smartphone with touch screen.
17) I consider myself an expert on Chinese smartphones with touch screen.
18) I would actively seek out for a Chinese smartphone with touch screen to purchase it.
19) I have great deal of experience with Chinese smartphones with touch screen.
20) I definitely have heard of Chinese smartphones with touch screen.
21) If I could, I would like to continue the use of a Chinese smartphone with touch screen.
22) I will purchase a Chinese smartphone with touch screen the next time I need a smartphone with touch screen.
23) My friends consider me an expert on Chinese smartphones with touch screen.
24) I would like to buy a Chinese smartphone with touch screen.
25) People who influence me think that I should use a Chinese smartphone with touch screen.
26) People in my community who use Chinese smartphones with touch screen have more prestige than those who do not use them.
27) If I am going to buy a smartphone with touch screen, the probability of buying a Chinese one is high.
28) Overall, most of my expectations about using a Chinese smartphone with touch screen would be confirmed.
29) The workmanship of Chinese smartphones with touch screen appear to be better than American ones.
30) People who are important to me think that I should use a Chinese smartphone with touch screen.
31) I definitely recognize a Chinese smartphone with touch screen.
32) My willingness to buy a Chinese smartphone with touch screen is high.
33) If I use a Chinese smartphone with touch screen once, the probability that I would use it again is high.
34) People in my community who use Chinese smartphones with touch screen have a high profile.
35) Using a Chinese smartphone with touch screen improves my image within the community.
36) I would buy a Chinese smartphone with touch screen if I can.
37) I have the knowledge necessary to effectively use a Chinese smartphone with touch screen.
38) Using a Chinese smartphone with touch screen is an opportunity to be recognized by members of my community.
39) I would buy a Chinese smartphone with touch screen if I happened to see it in a store.
40) I consider myself knowledgeable about Chinese smartphones with touch screen.
41) I have completely integrated the use of Chinese smartphones with touch screen into my daily life.
42) Having a Chinese smartphone with touch screen is a status symbol in my community.
43) The likelihood of purchasing a Chinese smartphone with touch screen is high.
44) The probability that I would consider buying a Chinese smartphone with touch screen is high.
45) I have the skills necessary to efficiently use a Chinese smartphone with touch screen.
46) I consider myself extremely skilled at using Chinese smartphones with touch screen.
47) I will select a Chinese smartphone with touch screen next time I look for a smartphone with touch screen.
48) Next time I am selecting a smartphone with touch screen I will choose a Chinese smartphone.
49) What is your age? (years)
50) What is your sex? (circle only one) a) Male b) Female

51) Marital status (circle only one):
   a) Married b) Single c) Widow d) Divorced e) Other (specify): ...

52) What is the highest level of education you have attained? (circle only one):
   a) Elementary b) Middle School c) High School or GED d) College Graduate e) Graduate Degree

53) What is your occupation? (description).

54) Number of family members (including parents, siblings, children, and other relatives) living with you today?: ...

55) Country of birth: ...

56) What is your total family income (in the most recent year)? (circle only one):
   a) Less than $20,000 b) 20,000 to 40,000 c) 40,001 to 60,000 d) 60,001 to 80,000 e) More than 80,000

57) What is your ethnic background? (circle only one)
   a) European American b) African American c) Asian d) Latino or Hispanic e) Other