

A STUDY ON CONSUMER'S ATTITUDE TOWARDS RAMPANT VALUE OF TAXES AND PURCHASE COMPLETIONS ON IMPORTED PRODUCTS

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ABSTRACT

Consumers' attitudes toward purchasing either excessive taxes or purchase complication on foreign merchandise has been a be counted of debate. These learn about employed cross sectional design. The results showed that three countries consumers' attitudes on imported products were heavily influenced by family, friend, politician and others. They are more likely to buy electronic items, clothes, shoes,, and food items. These variables have affected developing countries consumers to purchase foreign products differently. Most of the customers in these three countries do not know how much tax has been imposed on their products. They have also faced many problems in buying foreign products such as Lack of Delivery, Customer Care service, Time Duration, Travelling, Duplicate Product and Quality issues. A notable complaint among these "products are the high price of foreign products and there is a good reason for these high imported taxes. The study recommends that imported companies should emphasize on the use of Facilitating Customer Care Service, Delivering the product on time, communicating with the customer, maintaining the quality of the product and continuing to work that consumers will suffer less for this and attracted to imported products. Also consumers can classify her/his products. And calculate duty rates, assuming taxation consistency between countries and using outdated tax information. In addition, the government should strengthen protecting local populations, efficient customs clearance and improving tax collection. Lastly the government should implement regulations and policies that restrict importation of products that are imported produced.

KEYWORDS: *Taxes, Consumers, Imported, High Price*

INTRODUCTION

Major boundaries to shipping of samples in some creating nations consist of excessive tax and lengthen in finishing procedural formalities of importing samples of items. Such costs of both respectable and unofficial natures are unbearable for enterprise houses.



Figure 1: Conceptual diagram of the Study.

All the countries have their personal American state Minimized value of little consignment determined beneath terribly own laws and rules. The modification alliance of Asia Pacific Economic Co-operation (APEC) at summit of 2011, introduced a typical American state Minims worth of \$100. It accustomed be calculable that this might generate a web monetary advantage of regarding \$19.8 billion amongst the twenty one APEC economies inclusive of Australia, Canada, China, Japan, Republic of Korea, Malaysia, Russia, Singapore, the U. S., and Vietnam. Asian country is reportedly inclined to be a locality of the APEC alliance.

International Chamber of Commerce (ICC) has recommended setting up a global baseline De- minimize fee of at least \$200. It has cited that ideally governments ought to strive to put in force a commercially widespread De Minims fee of \$1,000. Thus the learn about intends to apprehend what factors entice INDIA, BANLADESH & NEPAL customers to be faced multiplex problem.

LITERATURE REVIEW

Bawa, A. (2004). Today, the Indian consumer has greater and easier access to imported goods than ever before. Consequently, the Indian manufacturer has to face increasing competition from foreign goods that too on home turf. In such a scenario, it would be worthwhile to examine the attitude of Indian consumers towards the purchase of foreign-made goods.

Knight, A. (1999). Country of manufacture and product quality strongly influences consumer decision making in globally available product categories. Specifically, compared to imported goods, consumers appear to prefer domestically manufactured goods and are often willing to pay a higher price for them. It is usually only when imported goods are of significantly superior quality that consumers will pay more to obtain them. Finally, in their purchase decisions, consumers appear not to put much weight on a product's perceived importance to the home country's manufacturing base.

Kaynak and Cavusgil (1983) studied consumers' perceptions of different classes of products from 25 countries. They found that respondents held positive attitudes towards products made in their own Name, group reference and unavailable local substitutes. Country but the same respondents could be swayed to choose foreign products if quality and price considerations were sufficiently favorable. Specifically, they observed that consumers may not accept inferior-quality domestic products when superior foreign products are available. They concluded that consumer attitudes toward products of foreign origin vary significantly across product classes.

Information susceptibility is when a purchase decision is based on the expert opinion of others (Ang et al., 2001; Wang et al., 2005).

Florent, N, kalimang`asi, N & Majula, R. (2014). Attitudes on imported products were heavily influenced by the sense of proud, advertising and marketing, local market destructions, consumers` awareness about the imported products, import brand

Florent, N, kalimang`asi, N & Majula, R. (2014). Family life style and habits played a great role to influence their members on the use of imported products. This is very common where there is a habit of using imported products in family. This tends to influence family members to adapt that habit. So, family habits to consume some products has tendency to influence purchasing decision of households. Lastly the findings showed that the chance to buy imported products increased with unavailability of local substitutes.

Bilkey and Nes (1982) in their review of literature suggested that there is a tendency for consumers to evaluate their own country's products more favorably than do foreigners. But the authors found that, for many consumers, the effect of product evaluation bias can be offset by price concessions. Bilkey and Nes (1982) found that attitudes toward products from a particular country vary by product. Hence, electronic goods from Italy might be perceived poorly but Italian shoes would receive high marks from consumers.

OBJECTIVES OF THE STUDY

- To Analyze the influence of consumer's awareness about imported products on their decision to buy these products.
- To recognize the attitude towards local or non-local products in many parts of the world as a key economic issue in the consumer behavior markets.
- To increase awareness among the imported product users about the taxes imposed on their products.
- To explore the mitigate effects of social influence and previous product data on this method.

METHODOLOGY

Study Area

This find out about was once carried out in *INDIA *BANGLADESH *NEPAL. The study focused the consumers around this region. The choice of this learn about place used to be due to the reality that the place has high range of interplay of people from special sections, particularly the politicians, students, and commercial enterprise men and women. Demographically, the three countries have a standard population round of 1569.42 million (Census, 2018). The economic things to do of this area are agriculture, business, workplace works, animal husbandry and hunting.

Research Design and Data Collection

The lookup diagram of this find out about was move sectional strategy on the grounds that the data had been collected at once. This find out about employed primary and secondary statistics series techniques, in which self-administered questionnaires have been furnished to respondents so as to fill the data asked. The questionnaires were structured with

closed ended questions with two sections. The first part of the questions covered respondents profile and the second section was once about respondent's attitudes in the direction of imported products.

Sample Size and Sampling Techniques

The chance sampling methods was used because each and every individuals of the populace had a recognized non zero likelihood of a selection. Thereafter, simple random sampling used to be used to get respondents. In addition, the pattern size of the study used to be primarily based on the idea of central limit. The find out about randomly sampled a hundred and fifty respondents who covered 9 commercial enterprise men/women, 118 students and 10 Government job holders, 13 Homemaker.

ANALYSIS AND FINDINGS

Preferences of Consumers

Figure 1 shows the results of buyers' willingness for purchasing imported products and figure 2 depicts how the preferences of consumers are being affected. These figures are the graphical representation of the questions answered by the consumers of different ages and stages of 2 countries – India and Bangladesh.

It can be clearly understood from figure 1 that people, who are asked, most of them (76%) are interested in consuming products imported from other countries specially Europe and China. However, factors that are affecting their interest on imported accessories i.e. problems associated with such kind of purchase are providing vivid evidence that high price, not having proper services for damaged products as well as duplicate products are the main concerns. Along with those, lack of secure purchase, delivery, proper knowledge on products and the scarce of expected quality are also playing vital role on opting foreign goods.

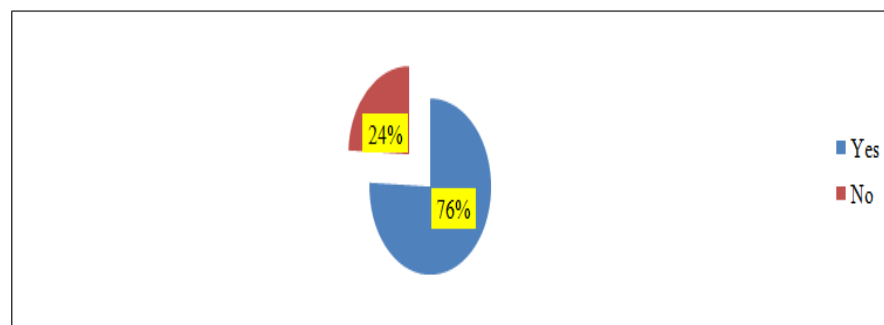


Figure 2: Willingness to Buy Imported Products.

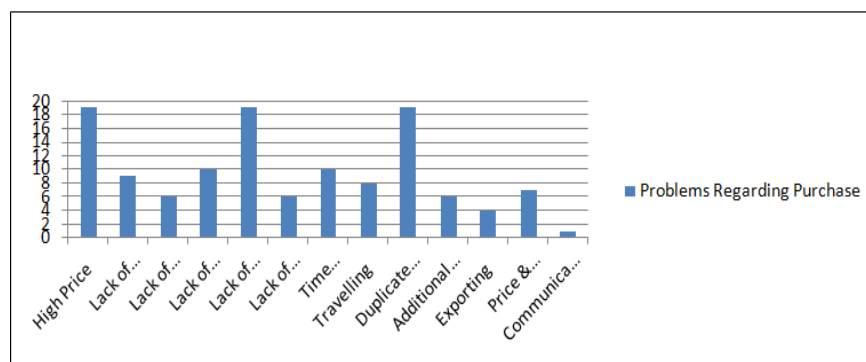


Figure 3: Problems Regarding Purchase.

Consumers Knowledge on Taxes

Figure 3 is clearly depicting that 62% consumers knows about taxes that are imposed on foreign products although they do not know the percentage of taxes on each product. It is a shocking fact that only a few people (about 13%) are aware of the rampant value of taxes and the rest 25% have no idea about the same.

However, a large number of people are convinced that prices of imported products are really high and out of reach of even middle income people. Apart from taxes, conveyance costs are also liable for such high price. Though some of the consumers are denying the fact of paramount prices of imported goods, those numbers are too little to count in south Asian countries specially developing countries like Bangladesh.

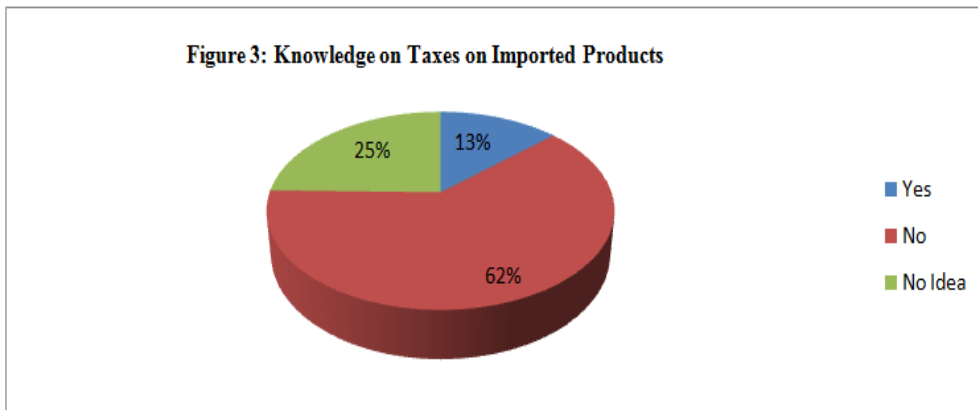


Figure 4: Knowledge on Taxes on Imported Products.

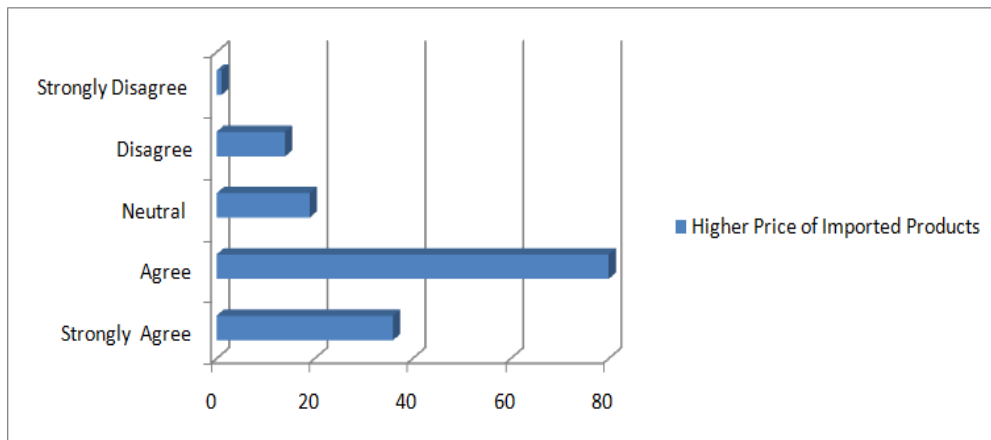


Figure 5: Higher Price of Imported Products.

Consumers Attitude

The assessment on the consumers have shown (figure 5) that about half of them have come to know about overseas products from their friends as most of the participators of the count are students. On the other hand, a handful of people point out politicians as a source. Some other factors rather than their family like tv commercials, newspaper ads as well as sellers play effective roles for finding out the options of imported products.

Figure 5 has made it clear that mobile phones are the most popular among all other imported accessories because most of the cell phones are produced originally in European countries, USA and China. Besides, 12% participants prefer imported cosmetic products and motor bikes due to the ensured quality products. Beside food items, electronic goods,

wearing like shoes, clothes etc also exist in the preference list of the consumers of this region. On the other hand, 7% customers cherish this opinion of spending money on country made items.

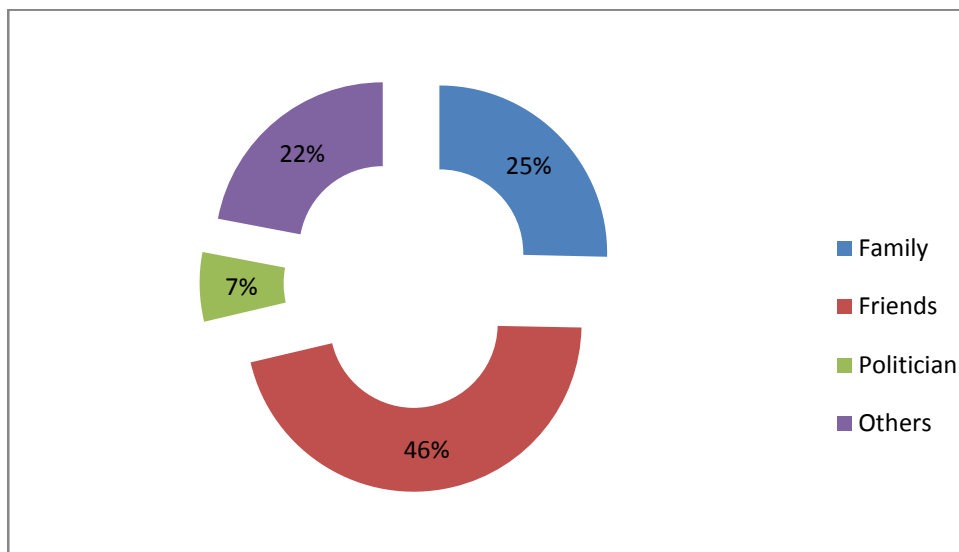


Figure 6: Source of Information.

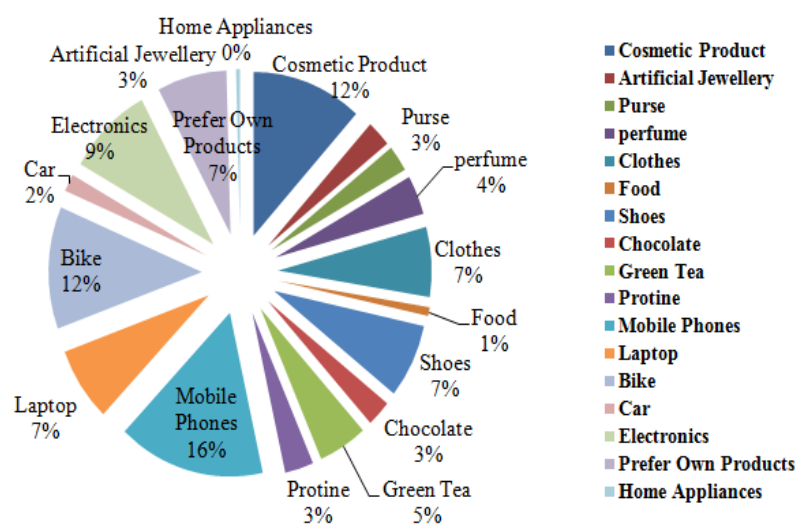


Figure 7: Preferred Imported Products.

Figure 6 clearly depicts the percentage of foreign products that are being preferred by the consumers. Of them, mobile phone, one of the most preferable communicative machines, holds the title of highest amount of used imported product. Cosmetic products and motorbikes both are just a little bit behind of mobile phone in the list of favourite imported belongings. Electronics, some food items are also on the list because people always have a myth to have more authenticity on foreign product especially on laptops, TV sets and some other valuable appliances. However, most probably people are more likely to use domestic appliances that are being produced in their home country due to high price of imported ones. Overall, in developing countries, customers whose salary more than 40K usually prefer to use imported products more especially mobile phones, cosmetic products. On the other hand, dwellers of these low income countries are not that much interested in buying imported artificial jewellery, cars etc.

CONCLUSIONS

In summary, the outcomes confirmed that three countries consumers' attitudes on imported products had been heavily influenced by using family, friend, baby-kisser and others. They are extra likely to buy digital items, clothes, shoes and food items. These variables have affected developing nation's consumers to buy overseas products differently. Most of the clients in these three countries do not understand how plenty tax has been imposed on their products. They have also confronted many issues in shopping for overseas merchandise such as Lack of Delivery, Customer Care service, Time Duration, Travelling, Duplicate Product and Quality issues. A awesome grievance among these products is the high rate of overseas products and there is a true purpose for this high imported taxes.

The learn about recommends that imported organizations need to emphasize on the use of Facilitating Customer Care Service, Delivering the product on time, communicating with the customer, retaining the satisfactory of the product and persevering with to work that customers will suffer much less for this and attracted to imported products. Also shoppers can classify her/his merchandise and calculate duty rates, assuming taxation consistency between countries and using outdated tax information. In addition, the authorities reinforce defending nearby populations, efficient customs clearance and enhancing tax collection. Lastly the authorities should put in force rules and policies that preclude importation of products that are imported produced.

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