

DHAKA, TUESDAY, NOVEMBER 23, 1993

## Quality products can help establish country's image in global markets

Consumers in international markets have many products from which to choose. As more countries gain industrial competence, the number of products vying for consumers' attention and patronage is expected to grow.

In this context, the image of a country can be crucial in determining how its products will fare in overseas markets. Some countries — notably Japan, USA, and Germany — command a large share of the global market. They also command a large share of the consumers' hearts and minds since their products evoke positive images. Other countries do not have such advantages. While a few of them are beginning to be recognized as important if not major players, the remaining countries and their products may find success in overseas markets difficult and elusive.

Gaining an understanding of the effects of country image is important because it has been shown to affect consumers' product choice behaviours. In particular, countries with a poor image have found exchange difficult to achieve in international markets. The image hurdle may be especially difficult for Bangladesh to surmount. The country's continued dependence on concessions from other countries

perpetuates a poor image; increases dependence and stifles its ability to create favourable impressions in overseas markets. Without a positive image, products from Bangladesh stand a slim chance in the competitive dynamics of global markets.

The images that products from Bangladesh evoke relative to products from other countries was studied in the United States. The results of our study indicated that products from USA, Germany, and Japan were categorised by the respondents into one cluster while products from Bangladesh, India, Indonesia, and Thailand were categorized into another cluster. A third category of countries included Hong Kong, Taiwan, and South Korea. These results suggest that the impressions consumers have about products from Bangladesh are similar to their impressions of products from other developing countries. Specifically, products from Bangladesh are likely to be associated with the nature and quality of products as well as with the technological, economic, and other relevant characteristics of developing countries. This act of categorizing products from different countries is termed the country-category effect.

The study also indicated

that country-category effects are fairly stable across different product classes: a similar clustering of countries was found for different products. In this regard, several decades of psychological research suggests that people have strong preconceptions regarding a typical category. These preconceptions are very stable and may be difficult to change. When using country-of-origin information to assess a product, what may be most threatening is that even if Bangladeshi products improve significantly, the perceptions of overseas customers may not change much. These prior impressions could be so strong that they could easily override new information about any quality gains that may have been made by Bangladeshi products. Such impressions can serve as significant obstacles to Bangladesh's desire to persuade potential customers in overseas markets to buy its products.

The study also examined how products from Bangladesh were evaluated relative to products from other countries. Products from USA, Japan, and Germany were seen as highest in overall reliability, quality, and level of skills. German products were consistently rated as expensive. The evaluations regarding Bangladeshi

products were rather dismal. On six bi-polar rating scales, they were rated as unreliable, cheap, unattractive, non-durable, poor quality, an unskillfully made. This is not to say that all products from Bangladesh are actually poor on these dimensions. The real problem for the country seems to lie in the minds of its overseas customers. Thus, exporters from Bangladesh have to meet the challenge of creating in the minds of their target customers the perception that they are producers of quality products. While the challenge is daunting, it is not insurmountable. In this regard, the case of Japan is exemplary. For example, its products were associated with very poor quality in the past. According to several researchers, it took Japan over three decades to overcome the negative impressions its products once evoked. For Bangladesh to market products in ways that evoke favourable and lasting impressions, several strategy considerations are proposed here.

First, it is important for Bangladesh to select those products for export where there exists substantial experience or where the experience can be acquired quickly. The country should, thus, choose

specialised niches in which it can position itself as an effective and efficient producer. Jute, Leather, Garments, Ceramics, and Tea are potential sectors where significant experience exists. Through vertical and horizontal integration attempts must be made to gain scale efficiencies. An alternative scenario calls for concentrating on producing a specific set of simple basic products that have worldwide demand in these product categories. It is possible to acquire the needed skills rapidly and to offer them at competitive prices. Certain service sectors such as computer software development, ship repair, banking, etc. also deserve a hard look since the requisite skills may already be in place in the country. It is important to choose that technology in which Bangladesh has the best chance of moving rapidly down the learning curve to be able to compete internationally.

Second, it is important to focus on a long term perspective and work toward establishing a reputation for manufacturing quality products. Since negative images are not dispelled in a short time, the long-term perspective is essential. Product quality must

play a pivotal role in this strategic perspective. Its importance is reflected in the enormous and burgeoning literature that addresses such issues as TQM (Total Quality Management), CQI (Continuous Quality Improvement) or Kaizen (in Japan) instilling quality in all products targeted by exporters for international markets. Exporters must receive the highest priority and the facilitating agencies in the country must ensure that only quality products leave the country. Only then will it be possible to bury the negative images of the past and establish a desirable reputation in the long run in overseas markets.

Third, it is imperative for exporters to build partnerships with facilitators of exchange both within and outside the country. For example, the adversarial relationships that currently exist between exporters and the government facilitating agencies (E.G. customs, power sector, commerce ministry, tax officials, etc.) must be addressed. Such relationships can create an environment of conflict and frustration that saps the will of both parties to work toward mutual goals. For exporters, it destroys their creative and entrepreneurial spirit. For export facilitators, conflict leads to the exercise of power in

misdirected ways. Such relationships also lead to lost opportunities in the fast-moving dynamics of the international markets. Exporters and export facilitators within the country must see themselves as a team working jointly toward establishing a credible reputation and creating marketing opportunities overseas. The role of MITI in enhancing the ability of Japanese exporters to exploit opportunities rapidly in the global market is exemplary.

Exporters also need to develop strong partnership relationships with the international facilitating agencies (e.g. distributors, agents, buyers of retail establishments, etc.) Such partnership arrangements can lead to reduce costs and access to specific markets that can otherwise be difficult to reach. For example, South Korea allows some or all of the functions of organizing exports activities to be carried out by overseas firms.

A fourth solution lies in a more global perspective. Countries characterized as developing countries must begin to recognise that they need to work together to address the negative impressions that are held about their products collectively, since it may be difficult for one country alone to break away from the impres-

sions that are held about the country-category to which it belongs. They must engage in joint efforts to enhance each other's image in international markets. Efforts such as that of ASEAN are commendable in this regard. By developing co-operation and market exchange among themselves, these countries can establish initial credibility as reflected in their enhanced international trade gains. They must not rely on favours and concessions in terms of market access, technology, or aid from the developed countries. Efforts must also be devoted by the exporters to create need-satisfying products that represent value and quality for the ultimate buyer in this regard. Success can begin by understanding customer needs and genuinely desiring to satisfy these needs. Bangladeshi exporters must also invest in knowledge, innovation, and continuous improvement to deliver satisfaction to customers in the international markets who are becoming ever more sophisticated and demanding each day.

(The author teaches Marketing and conducts research at The School of Business, Pennsylvania State University, The Behrend College. This article is based on a study that he concluded in USA.)

### Singaporeans defy bid to discourage car ownership

SINGAPORE, Nov 22: Singaporeans this month defied the government's bid to discourage car ownership, spending tens of thousands of dollars just to earn the right to buy a car, reports Reuters.

Anybody willing to buy a new car will have to pay about Singapore 40,000 (US 25,000) or more for a Certificate of Entitlement (COE) to own a car, according to tender results published on Wednesday by the registry of vehicles.

That doesn't include the price of the car itself or the 195 per cent taxes, which make

Singapore one of the most expensive places in the world to buy a car.

The government sets a quota and holds tender for COEs every month, with bidders submitting sealed bids. The lowest successful bid becomes the COE premium.

Planners fear a flood of cars and trucks will quickly clog the tiny island's streets, causing the sort of traffic jams that paralyse many other Asian cities.

But many Singaporeans have found the complex rules lead to big profits as second-hand car prices spiral along with expensive new cars.

### 'Aussie economic recovery starts like jumbo jet'

SYDNEY, Nov 22: Two of Australia's leading bankers cautiously backed Sunday comments by federal treasurer John Dawkins last week that economic recovery is starting to take off here "like a jumbo jet", reports AFP.

Robert Joss, chief executive of the Westpac Banking Corporation said he saw real growth up to three per cent this year as businesses rebuild.

And national Australia bank Managing Director Don Argus said "there are patches where you can visibly see the recovery."

### Politicking without link to economic priorities hits investment: MCCI

By Staff Correspondent

Despite an expected booming Asian economy in the future, coupled with increased flow of investments, Bangladesh seems to be left out of the vibrancy because of politicking without links to economic priorities.

This was felt by the Metropolitan Chamber of Commerce and Industry (MCCI) in its editorial write-up of the chamber news.

It said the Asian success lies in vigorous export, rapid emergence of a regional market and

its attraction to foreign investors.

In the home front, macro-economic scenario is excellent; and "signs of growth of the domestic private sector is also not bad considering inadequate rate of savings and poor capital market facilities."

"But where Bangladesh is being quoted adversely is its contentious socio-political situation", the MCCI write-up said.

It said analysts predict an accelerated flow of foreign investment in the region. A recent survey of investment plans at several hundred manufacturing and service companies in Japan shows that more than half of their investments would be directed to Asia.

These investments will be maximum to the Asian countries which can have best of socio-political milieu, micro-economic stability and growth of domestic private sector.

Among the Asian countries, Bangladesh was the most interesting recipient of Foreign Direct Investment (FDI). During 1986-91, Bangladesh received only 11 million US dollar which means an amount of 1.8 million US dollar per annum as against India's share of 223 million dollar and Pakistan's 189 million dollar per annum.

"Bangladesh will miss the investment train if the socio-political situation is not found to be congenial by the foreign investors", the MCCI observed.

"The MCCI quote" a economist's comment that "because of preference to bad politics, Bangladesh's economy has been reduced to shambles."



Marshall M Bouton, Executive Vice President, The Asia Society speaking at a meeting of the American Bangladesh Economic Forum (ABEF) at Dhaka Sheraton on Sunday on "South Asia and the United States after the cold war". (Sitting from right) RC Offenheiser, Representative-Bangladesh, the Ford Foundation, Marshall Bouton, Aftabul Islam, Executive Director-ABEF and A Gafur, Executive Secretary-ABEF.



Smartly dressed Thai Air Hostesses conducting a raffle draw, with the kind assistance of Daily Star Editor, Mahfuz Anam, during an inaugural reception hosted by Thai Airways International on Nov. 19 to mark the opening of its new twice weekly service from Bangkok to Dubai via Dhaka.

### Thai Air reception

Thai Airways International held an inaugural reception in Dhaka last Friday, says a press release.

The function was arranged at a local hotel to celebrate the launching of Thai's new twice weekly service Bangkok-Dhaka-Dubai and return effective from November 3.

Thai Airways currently operates to Dhaka daily except on Saturday while the return flights to Bangkok are also daily except on Wednesday.

Diplomats, High Govt Officials, Airline Patrons and executives from travel agencies were present at the reception. Also present was Thai Air's Regional, Director for Middle-East and South Asian Sub-continent.

The reception was addressed by Thai Ambassador in Bangladesh Vichai Vannasin.

It was followed by a cultural function and an audio-visual show.

### WB suggests transparency in privatisation procedures

The World Bank is pressing for completion of the off-loading process in the country's jute and textile sectors without further delay and creating confidence in the government's privatisation programme for its success, reports UNB.

Highly placed sources said the World Bank had suggested the government to streamline the administration and institute transparency in the privatisation procedures for creating an atmosphere where the divested industrial units can find a new lease of life and run and grow freely.

An official quoted a recent

WB report to have said swift action must be taken in the fiscal year (FY) '93 and FY '94 to assure private entrepreneurs that the government is determined to implement its stated policies.

Clear objectives and a firm commitment, creating a market-friendly environment, financial restructuring and labour shedding before privatisation, are also needed, the report said.

Giving a resume on the denationalisation scenario, the WB report said privatisation efforts started as early as 1973 and the privatisation

policies were articulated in the New Industrial Policy (NIP) 1982.

Up to 1981, some 389 units, mainly smaller ones run by management boards, were divested. During 1982-86, 94 industrial units were off loaded. Besides, 35 of the 66 jute mills (representing about 35 per cent of the total capacity), 27 of the 68 textile mills (representing about 40 per cent of the total capacity) and two commercial banks — Pubali and Uttara — were denationalised. During 1986-90, an additional 22 units were privatised. The privatisation of smaller units seems to have

achieved the objectives of reducing the drain on the budget and improving the allocation of resources, but the denationalisation of large jute and textile mills and two commercial banks was less successful. Some 49.2 per cent of the divested units have closed down.

Out of a total 497 divested industrial units, excluding the jute and cotton mills, 245 have closed down. These 245 units which were very small, employing less than 60 workers each, and another 196 were divested before 1981.

The private jute and textile mills continued recording colossal annual losses since privatisation, although they performed better than public sector mills, and the two denationalised banks are in a very weak financial position.

All this is mainly because privatisation was not accompanied by improvement in the policy environment, according to the World Bank.

After denationalisation, the government maintains its control on input/output prices, employment and wages, continued financing the jute mills with directed credit from NCB's regardless of their financial performance, and imposed restrictions on mill closure and retrenchment to protect employment.

As a result, the donor agency observed, the denationalised mills, particularly in the jute industry, continued operating like public enterprises.

### Rafsanjani urges OPEC members to stabilise oil market

TEHRAN, Nov 22: Iranian President Ali Akbar Hashemi Rafsanjani in a meeting Sunday urged OPEC member states to coordinate action to stabilise the oil market, Tehran Radio said, reports AFP.

Rafsanjani, in the meeting with Hamad Ibn Jaseem Ibn Jaber Al-Thani, called for complete "cooperation among members of the Organisation of Petroleum Exporting Countries."

"These countries should adopt a coordinated mechanism to stabilise the market and ensure reasonable oil prices," he was quoted as saying.

The president also called for strengthening of relations with the Gulf Arab states and for a better use of resources in the region.

Thani, who arrived here Saturday for a two-day visit, called for expansion of political, economic and technical links with Iran, the radio said.

The minister, who is heading a high-level delegation, also called for strengthening of ties among the countries in the region on the basis of mutual interest and respect.

Iran and Qatar have maintained good political and economic relations and the two countries share a sizeable off-

shore gas field in the southern Gulf with reserves of some five trillion cubic metres on the Qatar side and three trillion cubic metres on the Iranian.

During a visit here in 1991 by the prince of Qatar, Sheikh Hamad Ben Khalifa Al-Thani, the two countries agreed to build a pipeline for the supply of drinking water to Qatar. The costs for the project have been estimated at 13 billion dollar.

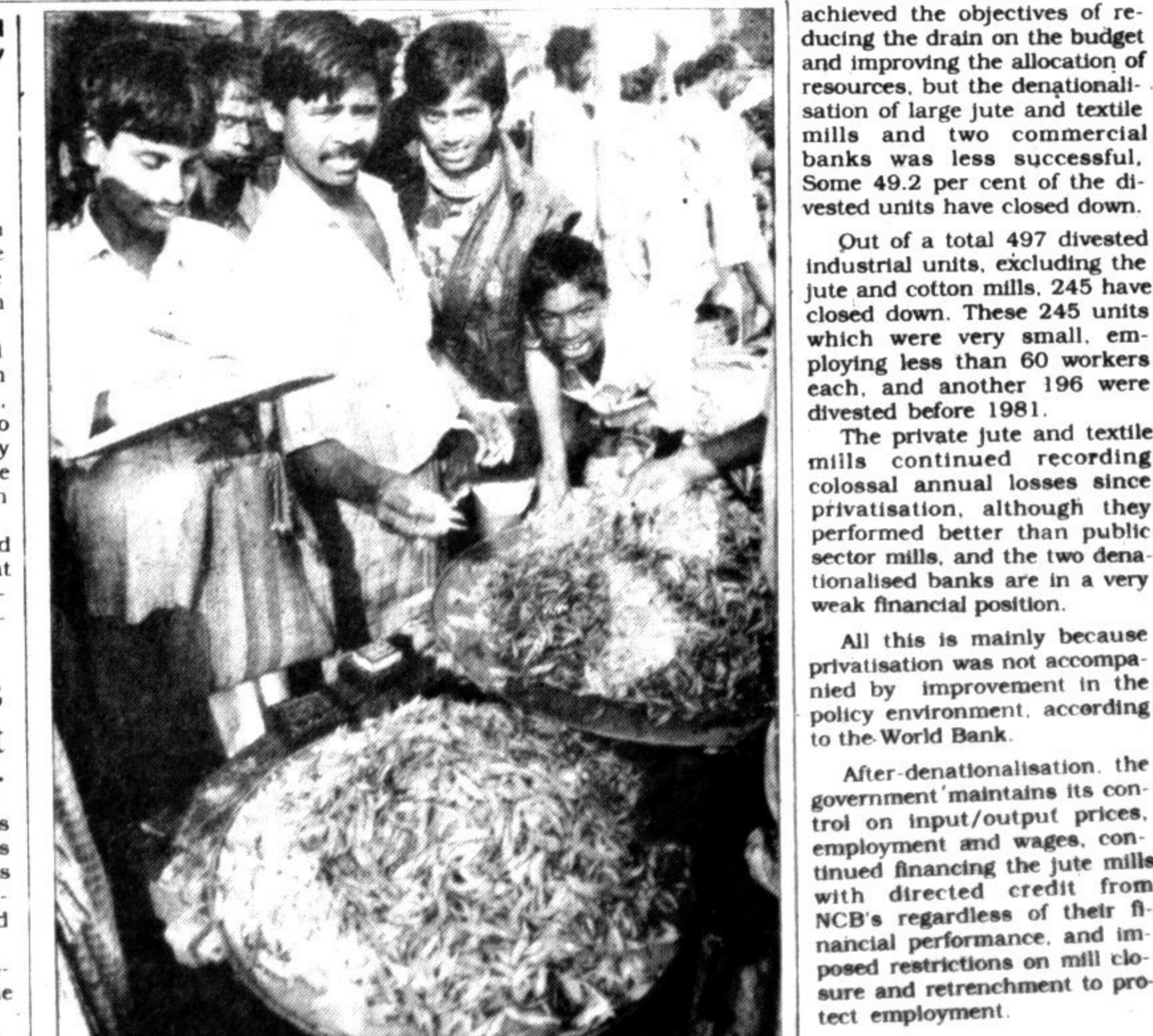
Last October, Tehran and Doha decided to create a joint commission to boost cooperation in natural gas and production of oil-related products.

### Obscure US firms emerge as biggest companies this yr

NEW YORK, Nov 22: This year's list of top US companies that shun the stock markets includes Levi Strauss, Hallmark Cards, Mars and United Parcel Service, reports AP.

It also includes some obscure firms that sell some popular products, like pizza.

The largest 400 private companies have 598 billion dollar in sales, according to the annual ranking published in the December 6 issue of Forbes magazine.



Abundant supply of small fishes at Kwaran Bazar whole sale market put the sellers to utmost difficulties yesterday. Lack of storage facilities, they were compelled to sell fishes at throw away prices. —Star photo

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
বিভাগীয় বন কর্মকর্তার কার্যালয়  
অশ্রীশুভ বনাঞ্চল বনিকরণ বিভাগ  
বন্দরপা, রাঙ্গামাটি।

**পুনঃ টেন্ডার বিজ্ঞপ্তি নং-১৯** তারিখঃ ১৪-১১-৯৩ইং

বিভাগীয় বন কর্মকর্তা, অশ্রীশুভ বনাঞ্চল বনিকরণ বিভাগ, রাঙ্গামাটি-এর আওতাধীন ১৯৯৩-৯৪ অর্থ বৎসরে নিম্ন তফসিলে বর্ণিত স্পীডবোট (ইঞ্জিনসহ), মোটর সাইকেল, বাইসাইকেল ইত্যাদি সরবরাহ কাজ সম্পাদনে ইচ্ছুক প্রকৃত সরবরাহকারী সস্বত্ব/স্বত্বাধীন/আমদানিকরক/স্বিকারাদারগণের নিকট হইতে নিম্ন পাত্রে সীলমোহরকৃত নামে পুনঃ টেন্ডার (৩য় বাহ) আহবান করা যাইতেছে। টেন্ডার অবশ্যই আগামী ৩০-১১-৯৩ইং তারিখ বেলা ১২-৩০ মিনিট অবধি জম্মারকরকারী কার্যালয়ে আর কার্যালয়ে বর্ণিত টেন্ডার বাজে জমা দিতে হইবে। টেন্ডার ৩ দিন বেলা ১-০০ ঘটিকার সময় খোলা হইবে। টেন্ডার খোলার সময় টেন্ডারদাতা অথবা তাহার প্রতিনিধি ইচ্ছা করিলে উপস্থিত থাকিতে পারিবেন। টেন্ডার নোটিশের শর্তাবলী ও অন্যান্য জ্ঞাতব্য বিবরণ অফিস চলাকালীন সময়ে (বৃষ্টির দিন ব্যতীত) অনু অফিস হইতে জানিতে পারা যাইবে।

**তফসিল**

ক্রমিক নং	যানবাহন ইত্যাদির বিবরণ	সংখ্যা	সরবরাহ কাজ সমাপ্তির মেয়াদ	যেই প্রকল্প হইতে বায় নির্বাহ করা হইবে
১।	স্পীড বোট (ইঞ্জিনসহ) ৪ (ক) স্পীডবোট-এর বিবরণঃ সম্পূর্ণ নতুন ফাইবার গ্লাস বোট, দৈর্ঘ্য ১৬-১৬, ৬-৬, গভীরতা ২-১, ওজন ৮০০ হইতে ১০০ পাণ্ড উইট শিট, অ্যালুমিনিয়াম ফ্রেমসহ ২টি বাকট সীল, কুশন সীট/রিয়ার কুশন সীট, স্ট্রিয়ারসিহ অথবা ছাড়া, কোকিং ক্যানোপি এবং রিমোট কন্ট্রোল সিস্টেম ও ইন্টারিয়র কার্পেট, ৭ হইতে ৮ আসন বিশিষ্ট। (খ) সম্পূর্ণ নতুন ৫৫-অবশুর্ভিত সম্পন্ন ২(দুই) সিঙ্গেলবোট ইঞ্জিন, ৪৫০০-৫৫০০ আরপিএম স্ট্রিয়ারিং হেডলসহ ২ (দুই) সিঙ্গেলবোট ইঞ্জিন, প্রপেলার ফুয়েল ট্যাঙ্ক এবং ফুয়েল লাইন, উন্নতমানের একসেসারিজ ও টুলসসহ।	১ (এক)	কার্যক্রম পঞ্জির ২০ (বিশ) দিনের মধ্যে	পার্বত্য চট্টগ্রামের অশ্রীশুভ বনাঞ্চলে বনিকরণ ও খুমিয়া পুনর্বাসন (২য় পর্যায়) প্রকল্প/পুনর্বাসিত খুমিয়া পরিবারের উন্নয়ন ও নিরাপত্তা কার্যপত্র চারিপার্শ্বে বনায়ন প্রকল্প।
২।	সম্পূর্ণ নতুন মোটর সাইকেল ১০০/১১০ সিসি নির্যাপদ হেলমেট ও টুলস বকসসহ।	১ (এক)	১ (এক) টি	পার্বত্য চট্টগ্রামের অশ্রীশুভ বনাঞ্চলে বনিকরণ ও খুমিয়া পুনর্বাসন (২য় পর্যায়) প্রকল্প।
৩।	বাই-সাইকেল ক্রয়-এর বিবরণঃ ২৬" ফ্রিমার বাইসাইকেল (অরিজিনাল) ডবল স্ট্রাং, সামনে পিছনে কেব্রিয়ার, তালা, ১ সেট টায়ার (টিউবসহ) বেল ও পাম্পার ইত্যাদিসহ।	২ (দুই) টি	১ (এক) টি	—

আলাউদ্দিন বিশ্বাস  
বিভাগীয় বন কর্মকর্তা  
অশ্রীশুভ বনাঞ্চল বনিকরণ বিভাগ  
বন্দরপা, রাঙ্গামাটি, দুর্গাপালা ২১২০

ডিএফপি/জি ১৯০২৩-১৭/১১  
জি-১৬০৮