



Consumer sentiment towards marketing in Bangladesh

The relationship between attitudes to marketing, satisfaction and regulation

Marketing
in Bangladesh

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Abstract

Purpose – The purpose of this paper is to investigate the overall attitudes of consumers in Bangladesh toward marketing. The paper also empirically tests for associations between consumer attitudes toward marketing, satisfaction with marketing mix and perception of government regulation in least developing countries (LDCs) using the structural equations modelling.

Design/methodology/approach – A multi-stage cluster sample of 600 consumers was surveyed to measure consumer sentiment toward marketing in Bangladesh and to test the theoretical model. Data were analyzed using analysis of variances and structural equations modelling.

Findings – The study found Bangladeshi consumers are aggregately more unfavourable towards marketing practices in comparison to transitional countries and less unfavourable in comparison to developed ones. The marketing sentiment scale showed evidence of divergent, convergent and predictive validity. The results from the structural equation paths provided evidence that associations do exist between attitudes toward marketing, satisfaction and government regulation variables. The study also revealed that there were no significant differences in attitude towards government regulation with respect to various demographics variables.

Research limitations/implications – This is the first such research carried out in an LDC, similar studies need to be carried out in other LDCs to validate the findings further.

Practical implications – It gives an insight into the mind of the Bangladeshi consumers. It can be useful for marketers in designing effective marketing programs and positioning of existing and future products in LDCs.

Originality/value – This is the first measurement of consumer sentiment towards marketing in a LDC. In addition, the study empirically provides evidence for researchers and practitioners that significant associations do exist between consumer attitudes toward marketing, satisfaction and government regulation variables.

Keywords Consumer attitudes, Developing countries, Marketing strategy, Bangladesh

Paper type Research paper

Introduction

Several studies measuring consumer attitude towards marketing have been carried out in industrialised and emerging nations (Barksdale and Darden, 1972; Gaski and Etzel, 1986; Wee and Chan, 1989; Chan *et al.*, 1990; Lysonski *et al.*, 2003; Chan and Cui, 2004). A significant study in measuring consumer sentiments towards marketing practices was carried out by Barksdale and Darden (1972) in the USA. Their scale was further modified by Gaski and Etzel (1986) and a longitudinal study was carried out once again in the USA to measure consumer sentiments towards marketing over time (Gaski and Etzel, 2005).



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Recent studies on consumer attitudes towards marketing practices have shown a distinguishable change in attitudes (Lysonski *et al.*, 2003; Gaski and Etzel, 2005). With economic development and government reforms, consumer societies have emerged and the power of the consumer has grown (Chan and Cui, 2004). Consequently, during the last two decades, the concern towards consumer rights and interests has increased, due to both consumer advocates as well as government interventions (Barksdale and Darden, 1972). Whether the change in consumer attitudes towards marketing mix was significant or nominal has depended on the stage of industrialisation of the country in question. However, even with some improvements in consumer attitudes towards marketing activities, consumers in developing countries especially are still largely unprotected, as the existing laws for consumer protection are still considered to be based on the “let the buyer beware” principle (Chan *et al.*, 1990).

The market in Bangladesh also follows the “let the buyer beware” philosophy. In a least developing country (LDC) such as Bangladesh, false claims by manufacturers and salesmen are quite common, with the consumers left unprotected and usually with no recourse to the manufacturer for faulty or misrepresented products. Several reasons, such as lack of consumer knowledge, lack of government regulations and low importance of consumer satisfaction by manufacturers, can be identified for this. Bangladesh being a very small economy, few multinational or transnational companies are seen in operation on a large-scale in the country. Apart from the multinationals, most companies which do operate are not much concerned about their reputation being tarnished by consumer complaints. Seconded by lack of government restriction or punishment, these companies are thus able to take consumers for a ride. Hence an attempt, and reflecting, the necessity, to carry out a consumer sentiment index study in Bangladesh to reflect consumer attitudes. The overall objective and significance of carrying out such a study in the context of the Bangladeshi market is to provide multinationals as well as local companies operating in LDCs with strategic marketing intelligence in terms of better understanding of the overall attitudes of consumers towards the various marketing practices undertaken. Further, based on the discussion so far, the study also attempts to explore if any association exists between consumer attitudes, satisfaction with marketing mix and perceptions of the government role in LDCs.

Literature review

Consumer attitudes toward marketing

In the study carried out by Barksdale and Darden (1972) in the USA, a majority of the sample believed advertising to be misleading. Yet, that a significant portion also expressed products advertised are more reliable than those not advertised. In a similar study in Hong Kong, using the Gaski and Etzel scale, the negative attitude towards advertising seemed to be a “universal” phenomenon (Wee and Chan, 1989). In China, consumers were found to be largely neutral about advertising (Chan and Cui, 2004). Only one-fourth of the respondents in India agreed with the statements that implied product advertising was believable and reliable (Varadarajan *et al.*, 1990). Overall, advertising all over the world, regardless of the stage of industrialisation of the country, is viewed with scepticism by consumers.

Consumer sentiments towards product quality in the countries under study are shown to be mostly positive. In the USA, the majority of the respondents agreed that

“in general manufacturers make an effort to design products to fit the needs of consumers” (Barksdale and Darden, 1972). In India, the majority of the respondents agreed with the same statement (Varadarajan *et al.*, 1990). However, unlike the more developed countries, the Indian respondents expressed dissatisfaction about the efforts made to improve the product. This is not surprising, given that India is a transitional economy with a significant portion of the population still rising up the income and status ladder. In Hong Kong, consumer attitude towards product quality favourable (Wee and Chan, 1989). On the other hand, Australian consumers seem to be unhappy about the quality of the products and services available (Chan *et al.*, 1990).

In a developing country like India, an overwhelming 97 per cent of the respondents agree that the prices of consumer goods in India are high, especially compared to the existing wage rates and income levels (Varadarajan *et al.*, 1990). In Hong Kong, price is what the respondents seem to be dissatisfied about (Wee and Chan, 1989). Australians also seem to be unhappy with the prices of the products and services available (Chan *et al.*, 1990). As far as retail or selling activities are concerned, consumers in Hong Kong, Australia and China evaluated them favourably (Chan and Cui, 2004).

Government regulation in LDCs

Kotler (1972) defined consumerism “as a social movement designed to augment the rights and powers of buyers in relation to sellers”. The consumer movement has evolved into a prominent force phenomenon in many developed countries but is yet to emerge as a major force in India (Varadarajan *et al.*, 1990). The same applies to most developing countries. LDCs have two possible alternatives to strengthen their consumerism movement: private organisations and/or government organisations (Kotler, 1972; Kaynak, 1985). However, in most LDCs, the government role is faced with a conflict of interest. The government plays a prominent role in industry protection in most developing countries in the “crusading” stage (Darley and Johnson, 1993). This makes it a conflict for the government to also play the role of regulators for the consumers. Manufacturers want to maximise profits while consumers want to maximise utility, and more consumer utility means less revenue for the producers (Kaynak, 1985). Nevertheless, the governments in LDCs are under pressure from international organisations to pay more heed to consumer rights (Morello, 1983). Some countries have upcoming consumer organisations creating at the moment light ripples in the market, but are yet to grow into a substantial force. It is also expected that in a developed nation, with conscious consumers and manufacturers, the government role is merely legislative and not regulatory, and consumers would expect limited government intervention in protecting consumer rights. This has been tested by Darley and Johnson (1993) in their study of government regulation and consumerism in four countries. According to them, Singapore, a transitional economy, was more sceptical of government intervention than India, the LDC in the sample.

The study

Bangladesh is a LDC with a seller-dominated market. Manufacturers and retailers do not hesitate to make false claims about their products as the buyers or consumers are largely unprotected, with no organisational or individual recourse on these claims. Government regulation and facilities for consumer protection are almost non-existent in the country, and the lack of consumer knowledge and choice in terms of variety of

products and services enhance consumer vulnerability. Consequently, the primary focus of this study is to measure the consumer attitudes towards marketing practices of business organisations operating in Bangladesh and determine if there are any associations between consumer attitudes towards marketing, satisfaction with marketing activities and consumer perception about the government role in LDCs.

Hypotheses development

Attitude towards marketing and satisfaction

Owing to increased market-place competition and buyer sophistication within the past 30 years, one of the key emerging themes within the realms of marketing has been that of customer satisfaction. Furthermore, marketing practitioners have realised the importance of satisfying customers over time and have also invested heavily in understanding and measuring customer satisfaction with the long-term goal of securing future profits and sustaining business viability (Danaher and Vanessa, 1996). Gaski and Etzel (1986) used consumer satisfaction with marketing variables as a means to find the convergent and discriminant validity. However, Chan and Cui (2004) in their study used satisfaction with marketing as a dependent variable to test the predictive validity of a consumer attitude towards marketing scale in a transitional economy. Previous studies also show that consumer attitudes are based on experience in the marketplace, therefore consumer attitude towards marketing should have a significant effect on satisfaction (Gaski and Etzel, 1986; Webster, 1991; Chan and Cui, 2004). The Chan and Cui (2004) study revealed that consumer attitude towards marketing mix variables had a significant effect on satisfaction in a transitional economy. Whether consumer attitudes towards marketing affect satisfaction in a LDC is yet to be determined, therefore we propose the following hypothesis:

- H1. In a LDC, consumer attitudes towards marketing have a significant effect on consumer satisfaction.

Attitudes towards marketing, government regulation and satisfaction

According to Kaynak (1985), LDC governments can be mediators in distributing surpluses evenly between the profit-seeking manufacturers and the unprotected consumers. Given that LDCs have no strong consumer movements, one of their two options for consumer protection, according to Kaynak (1985), is also stated to be government intervention. Previous studies have reflected that consumers in developed countries tend to be more satisfied with the status quo and are less likely to want additional government regulation, whereas in developing countries the scenario is the opposite (Kaynak, 1985; Varadarajan *et al.*, 1990; Darley and Johnson, 1993). Consumers are dissatisfied with the current status, thus favouring more government regulation. In addition, according to Barksdale *et al.* (1982), besides the political orientation of a country, the strength/support for a consumer movement and consumers' attitude towards business in that country may influence opinions about government regulation of business. Therefore, against these backdrops, there is a necessity to associate relations between consumer attitude towards marketing, satisfaction and government regulation. Thus, we propose that:

- H2. Satisfaction with current marketing activities influences consumer attitudes towards government regulation in LDCs.
- H3. Consumer attitudes towards marketing activities are associated with attitudes towards government regulation.

Based on the conceptual framework presented in this section, Figure 1 shows the conceptual model and the hypotheses that are to be tested.

Method

Sample

A survey was conducted on a sample of 640 consumers, out of which 600 completed and usable responses were obtained. Consumers were selected by probability sampling using a multi-stage cluster sampling method. Dhaka city, the capital of Bangladesh, served as the geographical area which would provide as a cluster identical with other growing major cities in Bangladesh. The city was further divided into several areas based on major residential areas such as Banani, Gulshan, Uttara, Mohammadpur, Mirpur and Farmgate. The entire area covered by each of these major residential areas was considered a cluster. Systematic sampling was then used to select households. Respondents interviewed were adult members of the selected households aged above 18 years. The sample represented the urban consumer base more subjected to marketing activities of both local and foreign companies, and was to this extent considered to be a representative subset of the population under study. The sample was comprised of 53.8 per cent males and 46.2 per cent females. In terms of age, 28.3 per cent were between 18 and 22, 32.2 per cent between 23 and 28, 13.5 per cent between 29 and 34, 10.2 per cent between 35 and 40, 6.0 per cent between 41 and 46, 3.3 per cent between 47 and 52, and 6.3 per cent were 53 or above. In terms of occupation, 45.3 per cent were students, 29.4 per cent were service holders, and 9.8 per cent were self-employed, while 15.5 per cent were housewives. The overall sample was generally well-educated: 18.8 per cent had received secondary level education or below. In total, 63.2 per cent had completed a graduation degree, and 18 per cent were post-graduates. As far as income range was concerned, 43.3 per cent were below the monthly income range of TK. 5,000 (Bangladeshi Taka), 40 per cent were between the range of TK. 5,001 and TK. 30,000, while 15.6 per cent were above TK. 30,000. Overall, the sample provided a good representation of urban consumers in Dhaka city.

Since both the researchers were bilingual and familiar with business terminologies, the questionnaire was translated by the researchers from English into Bengali, the official language of Bangladesh. The Bengali version was back-translated by another bilingual person to identify and correct differences in the two versions of the questionnaire. Personal interviews were conducted at consumers' homes by university students recruited from a renowned private university in Bangladesh, with proficiency in both Bengali and English. All interviewers were well-trained in interviewing skills before they began work. Each interviewer carried both versions of the questionnaire. Altogether, 600 usable questionnaires were collected from respondents in face-to-face interviews. In the event,

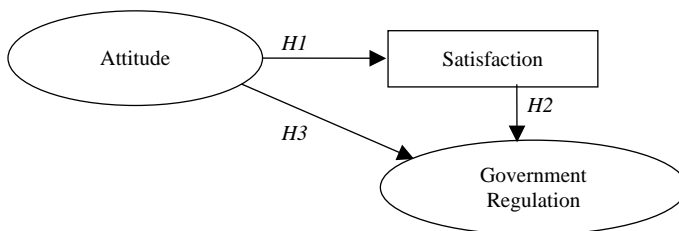


Figure 1.
The conceptual model

as the respondents were educated and had English proficiency, they were asked to self-administer the English version of the questionnaire, otherwise the interviewer filled in the Bengali version of the questionnaire based on the respondents' verbal responses.

Measurement

A quantitative survey consisting of 60 items was conducted in order to measure and test empirically the relationship between variables. In order to measure consumer attitudes towards the four facets of marketing, i.e. product, price, advertisement and retail, 28 statements from Gaski and Etzel (1986) were used on a five-point Likert scale ranging from "strongly agree" (+2) to "strongly disagree" (-2), with a point of neutrality in the middle. Measurement of consumer satisfaction with each of the four marketing variables, the perceived importance of the marketing mix variables and four statements regarding consumer beliefs about marketing were also based on the Gaski and Etzel (1986) scale. The quantitative survey included various demographic questions.

To determine opinion about government regulation, we used the Barksdale and Darden (1972) instrument to extract four items measuring attitudes of consumers towards such regulation. Using the same five-point scale as for measuring attitudes towards marketing mix variables, respondents were asked to indicate their level of agreement with the four statements. The overall reliability of the government regulation dimension scale was 0.26. The item-to-total correlations showed a poor reliability value of -0.21 for one of the statements "A Government Department of Consumer Protection is not needed to protect and promote the interests of consumers". Henryson (1971) argued that, item-to-total test correlation value should be over 0.3 for inclusion in a survey test and further analysis. As a result, the specific item was deleted and this led to an increase in the reliability of the government regulation construct to 0.71.

Data analysis and results

Reliability of consumer sentiment scale

In this study, we performed the same item purification procedure used in other studies measuring consumer sentiment towards marketing (Gaski and Etzel, 1986; Wee and Chan, 1989; Chan *et al.*, 1990; Chan and Cui, 2004). Table I further illustrates the detailed results of the items retained for further analysis after purification using Cronbach's α value (items retained after purification are shown in the Appendix). After purification of the items, acceptable reliability (Chan and Cui, 2004) was demonstrated for each of the marketing mix variables: 0.613 for product, 0.610 for price, 0.654 for retail/selling, and 0.570 for advertisement. These measures are lower than previous studies carried out in developed and transitional economies (Gaski and Etzel, 1986; Wee and Chan, 1989; Chan *et al.*, 1990; Chan and Cui, 2004). However, considering that no study on finding an index of consumer sentiment towards marketing has been

Table I.
Measure of reliability
for components after
purification

| Scale | Items after purification | Overall α value |
|----------------|--------------------------|------------------------|
| Product | 1, 2, 3, 5, 6 | 0.613 |
| Price | 1, 2, 3, 6, 7 | 0.610 |
| Advertisement | 1, 2, 3, 4, 7 | 0.570 |
| Retail/selling | 1, 2, 3, 6, 7 | 0.654 |

carried out in the context of Bangladesh, *per se*, or any other LDCs, these results can still be considered to be acceptable.

Discriminant and convergent validity

According to Gaski and Etzel (1986), if the α coefficient is considerably higher than its correlations with other scales, discriminant validity is upheld. Table II shows the correlation between the scale categories. The values, which range from 0.179 to 0.329, clearly indicate that each scale has an α coefficient adequately higher than its correlations with other scales. This shows that discriminant validity of the scale is upheld in our study. Furthermore, to test convergent validity of the instrument, we measured the correlation between the operative measure and other alternative measures (Wee and Chan, 1989; Chan and Cui, 2004). The correlation coefficient between the composite measure (the consumer sentiment index) and marketing in general is 0.220, and the correlation between the consumer sentiment index measure and overall satisfaction is 0.514, with all coefficients significant at the 0.01 level. This proves adequate convergent validity for the instrument.

Computation of consumer sentiment index

In order to compute the consumer sentiment index towards marketing, we applied the same method as used by Gaski and Etzel (1986) and Chan and Cui (2004). The total score was obtained by summing scores for items (ranging from +2 to -2, with a point of neutrality) in each sub-scale (product, price, advertisement and retail/selling) and then weighting the results by the importance score along a five-point scale for each sub-scale so that the total index score could range between +200 and -200. In order to offset any affirmation/negation influence, items included both favourable and unfavourable statements and thus negative statements were reverse coded (Gaski and Etzel, 1986).

The overall consumer sentiment score towards marketing in Bangladesh is -8.623. Table III shows a comparison of consumer sentiment towards marketing across

| | Price | Advertising | Retailing |
|-------------|--------|-------------|-----------|
| Product | 0.307* | 0.214* | 0.307* |
| Price | | 0.179* | 0.329* |
| Advertising | | | 0.229* |

Table II.
Correlations between
scale categories

Note: *All correlations significant at: 0.01 level

| | USA (1986) | Australia (1988) | Hong Kong (1987) | China (2002) | Bangladesh (2007) |
|---------------|------------|------------------|------------------|--------------|-------------------|
| Overall index | -14.84 | -26.12 | 2.97 | 0.84 | -8.62 |
| Product | NA | -10.61 | 6.80 | 1.37 | 2.26 |
| Price | NA | -15.25 | -2.36 | 0.58 | -8.44 |
| Advertisement | NA | -4.27 | -2.07 | 0.04 | -2.73 |
| Retailing | NA | 4.01 | 0.65 | 1.34 | 0.29 |

Table III.
Comparison of sentiment
index scores across
countries

different countries and economies. The results suggest that consumers in Bangladesh are aggregately more unfavourable towards marketing practices in comparison to countries belonging to transitional economies (China and Hong Kong), but less unfavourable towards marketing in comparison to developed countries (USA and Australia). As for attitudes towards the different marketing mix variables, consumers in Bangladesh have negative sentiment towards price (-8.44) and advertisement (-2.73) and positive sentiment towards product (2.26) and retailing (0.29).

Additional analyses were conducted to compare mean consumer sentiment towards marketing mix variables across various demographic variables (as shown in Table IV). The results indicate significant difference in attitude towards marketing between male and female respondents. Women are found to be more negative towards marketing practices in comparison to men. There are also some significant gender differences in terms of advertising and retailing. The sentiments of female respondents are more unfavourable towards advertising and retailing in comparison to their male counterparts. No significant differences between different levels of educational attainment and marketing sentiments are found. However, results indicate significant difference between the different occupational categories and overall attitude towards marketing. The results further indicate no significant differences among the seven age groups for the overall sentiment towards marketing and specific attitudes, similar to findings of previous studies (Wee and Chan, 1989; Chan and Cui, 2004).

| Variables | Index | Product | Price | Advertisement | Retail |
|--------------------|--------|---------|--------|---------------|--------|
| <i>Gender</i> | * | | | ** | * |
| Male | -5.14 | 2.70 | -8.10 | -1.41 | 1.66 |
| Female | -12.68 | 1.75 | -8.85 | -4.27 | -1.30 |
| <i>Occupation</i> | ** | * | | ** | * |
| Student | -6.75 | 2.25 | -7.00 | 0.85 | 14.726 |
| Private service | -8.88 | 4.59 | -9.46 | -1.49 | 14.833 |
| Government service | -24.93 | 1.80 | -15.68 | -5.25 | 19.560 |
| Business | 5.46 | 4.47 | -4.53 | 4.54 | 14.947 |
| Housewife | -15.66 | -2.30 | -10.58 | 0.96 | 17.045 |
| <i>Education</i> | | | | | |
| Primary | 6.73 | 6.36 | -7.27 | 0.09 | 7.55 |
| Secondary | -23.05 | -4.55 | -14.90 | -6.05 | 2.45 |
| Higher secondary | -6.63 | 0.04 | -6.39 | -1.33 | 1.05 |
| Graduate | -7.92 | 2.73 | -7.92 | -2.79 | 0.06 |
| Postgraduate | -11.48 | 3.16 | -10.79 | -3.26 | -0.59 |
| <i>Age group</i> | | | | | |
| 18-22 | -3.36 | 3.18 | -5.36 | -3.50 | 2.32 |
| 23-28 | -9.21 | 2.79 | -8.81 | -2.45 | -0.73 |
| 29-34 | -10.02 | 1.07 | -10.53 | -1.79 | 1.22 |
| 35-40 | -6.21 | 4.79 | -9.21 | -3.49 | 1.70 |
| 41-46 | -19.22 | -2.25 | -10.83 | -1.83 | -4.31 |
| 47-52 | -8.80 | 3.15 | -11.10 | -2.40 | 1.55 |
| 52+ | -19.95 | -2.24 | -11.08 | -2.53 | -4.11 |

Table IV.
Overall index and
comparison across
demographic variables

Notes: * $p < 0.05$; ** $p < 0.01$

Measurement model

A confirmatory factor analysis (CFA) using AMOS 7 software was carried out on the individual sub-scales before structural equation modelling was used to test the theoretical model and hypotheses (Nguyen, 2007). To assess model fit, the overall model χ^2 , the goodness-of-fit index (GFI), the adjusted goodness-of-fit index (AGFI), confirmatory fit index (CFI), the Tucker-Lewis index (TLI), root mean square (RMR) and root mean square of approximation (RMSEA) values were used (Hair *et al.*, 1998; Wang and Chen, 2004). Chan and Cui (2004) adopted CFA instead of exploratory factor analysis as a more rigorous method to assess construct validity of the marketing sentiment scale. This study also applies a similar method, treating consumer attitudes towards marketing as the second-order latent factor in a reflective model (Gaski and Etzel, 1986; Chan and Cui, 2004) and the marketing mix variables as the first-order latent factors.

In order to retain complexity and enhance the robustness of the overall model fit, a partial disaggregation technique was adopted to explain the first-order latent marketing mix variables (i.e. product, price, advertising and retail) in both measurement and overall structural equations modelling (Wong and Merrilees, 2007). The technique was applied as it combines items into composites to reduce higher levels of random error, yet it retains the advantages of structural equations and is capable of dealing with data problems (Bagozzi and Heatherton, 1994; Dabholkar *et al.*, 1996). Further, Wong and Merrilees (2007) argued that partial a disaggregation approach in which constructs are represented by subsets of test items has been found to lead to more interpretable and meaningful results. Consequently, in order to accomplish the partial disaggregation, items related to a particular category of the marketing mix variables were randomly aggregated so that two combined indicators instead of several items/indicators explained each of the first-order latent variables in the marketing attitude measurement model analysis. The results indicated evidence of construct validity and a good fit to the data: $\chi^2(600) = 57.08$ ($p = 0.000$), GFI = 0.977, AGFI = 0.950, CFI = 0.948, TLI = 0.910 and RMR = 0.028, RMSEA = 0.065.

The measurement model for attitudes towards government regulation showed that all three items were significantly related to this first-order construct. As three items were treated as indicators of the latent variable, the measurement model was not identified completely and fit statistics could not be computed. Item scores of different marketing variables related to satisfaction, were aggregated by averaging of scores into a composite overall satisfaction score. This was used as an observed variable in the structural model in order to test the predictive validity of consumer attitudes towards marketing instruments (Chan and Cui, 2004).

Structural model

Next, the structural model was treated as shown in Figure 2. The structural equation modelling results indicate that the theoretical model has good fit to the data, with GFI = 0.967, AGFI = 0.946, TLI = 0.924, CFI = 0.945, RMR = 0.037 and RMSEA = 0.051. The χ^2 value was 123.12, with 48 degrees of freedom and p less than 0.01. However, as the sample size becomes more than 200, the χ^2 test becomes sensitive and its significance test less reliable (Hair *et al.*, 1998; Wong and Merrilees, 2007). Considering the sample size of 600 ($N > 200$) in our study and all other fit indices showing acceptability values, the structural model shows good fit of the data (Hair *et al.*, 1998; Chan and Cui, 2004; Nguyen, 2007; Wong and Merrilees, 2007).

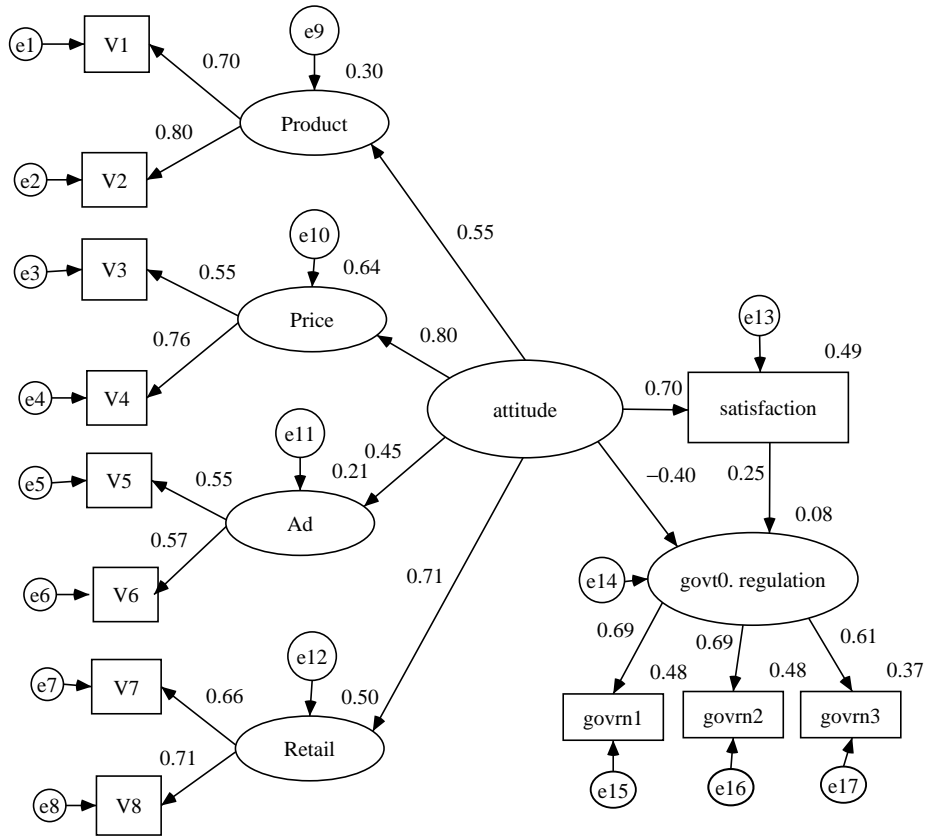


Figure 2.
The structural equation model

Table V presents the unstandardised estimates, critical ratios and path significance. Overall, attitude towards marketing activities in the structural model accounted for 49.4 per cent of the variance in satisfaction with marketing which in turn accounted for 8.1 per cent variance in consumer attitude towards government regulation.

As predicted by *H1*, the second-order latent construct attitude towards marketing is a significant positive predictor of satisfaction with marketing practices. This is consistent with the findings of the Chan and Cui (2004) study and provides evidence of predictive validity of the marketing sentiment instrument. As predicted in *H3*, attitudes toward marketing practices are a significant predictor of consumer evaluation regarding government regulation. However, the result indicates a significant negative prediction, therefore providing some evidence that as consumer sentiment towards marketing turns

Table V.

Unstandardised structural paths for proposed model

| Hypotheses | | Estimate | CR | p-value |
|------------|--|----------|-------|---------|
| <i>H1</i> | Marketing attitude → satisfaction | 1.394 | 8.357 | 0.000 |
| <i>H2</i> | Satisfaction → government regulation | 0.219 | 2.764 | 0.006 |
| <i>H3</i> | Marketing attitude → government regulation | -0.685 | 3.455 | 0.000 |

more favourable, consumers become more sceptical about government regulation. H_2 is also supported in the structural model, suggesting that consumer satisfaction with current marketing activities is significantly and positively associated with the perception of government roles in LDCs.

Discussion

The study found Bangladeshi consumers are more aggregately unfavourable towards marketing practices. In terms of demographic comparison, female consumers in Bangladesh were more hostile towards marketing than their male counterparts. Interestingly, respondents with their own business evaluated marketing activities positively, whereas students, service holders and housewives showed negative attitude.

As far as the psychometric property of the marketing sentiment instrument was concerned, the scale showed that it had poor reliability in LDCs in comparison to developed and transitional countries. However, the instrument showed evidence of convergent and divergent validity. The results from the acceptable fit indices of the CFA using attitudes toward marketing as the second-order latent factor provided evidence of construct validity. Predictive validity of the instrument was evident from the significant path estimates between attitude towards marketing and satisfaction.

The structural equation modelling showed evidence that associations do exist between consumer attitudes towards marketing, satisfaction with marketing activities and government regulation. From the results of the structural equation paths, it was evident that attitudes of consumers towards marketing in LDCs influence their satisfaction level, which consequently affects consumer evaluation towards government regulation. Further, the significant negative path between attitudes toward marketing and government regulation provided some evidence that as consumer attitude turns more favourable, the likelihood of consumers favourably evaluating government intervention decreases.

In addition, analysis was carried out to test if degree of consumer perception of government regulation varied significantly, based on gender, age, income, educational attainment and occupational category. To examine these differences, independent sample *t*-test and one-way analysis of variance (ANOVA) were conducted (Veloutsou *et al.*, 2004; Ndubisi, 2006). Details of the independent sample *t*-test and ANOVA revealed, there were no significant differences in attitude towards government regulation with respect to all demographics under investigation at the 5 per cent significance level.

Managerial implication

Business in Bangladesh has very recently begun to shed the traditional marketing concepts and accept the existing and upcoming marketing trends in the world. Bangladesh itself has now gradually begun to draw worldwide attention as a potential and profitable market. Thus, it is now important to understand how the consumers in Bangladesh view marketing as it exists.

Overall, the Bangladeshi consumers' attitude towards marketing practices was found to be unfavourable. The most plausible explanation for this attitude would be their distrust in the present marketing practices in the country, stemming from the number of occasions on which consumers have been cheated or dissatisfied with their purchases. In the long-run, consumer distrust in businesses and their products can only lead to harm to the business in the form of lower sales. So businesses need to give up their short-term sales orientation through misleading claims and focus on retaining customer loyalty for long-term and

sustainable growth. For companies like mobile operators and FMCG producers, who rely heavily on marketing communication forms such as TV advertisements, billboards, etc. consumer sentiments towards marketing practices should be an important insight into the consumer mind for future marketing communication.

Bangladesh is a major exporter of RMG and 70 per cent of its export earnings come from this sector. There have been instances of complaints by the foreign buyers on the poor quality of the products supplied and the shortfalls in meeting given specifications. This has greatly tarnished the image of the Bangladeshi manufacturers, and buyers have already begun to shift their purchases to other countries with more reliable and credible manufacturers. Consumers worldwide want quality products and honest representations about the product. Understanding consumer sentiments towards local marketing practices should be able to give our exporters an insight into how foreign customers also view their marketing practices.

Bangladesh being in the crusading stage of the consumer life cycle, consumerism and consumer awareness is yet to gain momentum in the country (Quazi, 2002). Here, businesses, consumer advocates, as well as the government, need to take the initiative to make consumers more aware and educated regarding business marketing practices. Useful tools would be television and print media, seminars and development of organisations where consumer complaints could be made effectively and businesses would fear reprisal in the form of fines and punishments for misleading marketing practices. The overall findings of this study can be vital for both multinationals and local organisations operating in developing countries to formulate better marketing mixes which will be acceptable and favourably evaluated by consumers.

Limitations and direction for future research

First, due to time and resource constraints, the study was conducted only in the capital city of Bangladesh. Even though respondents from this city do represent other major cities in Bangladesh, future research can be done which could include respondents from all other major cities to cross-validate the results found in this study. In addition, similar research testing associations between attitude towards marketing, satisfaction and government regulation variables can be carried out across countries belonging to different economies, especially other LDCs.

Second, the findings suggest that the some of the item statements need to be revised and retested to improve the reliability of Gazki and Etzel's (1986) marketing sentiment scale.

Third, the sentiment scale was used to measure consumer sentiment towards marketing in general. Future research can be conducted to measure industry-specific attitude such as consumer sentiment towards marketing of services and goods.

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Appendix. Items used (after purification) to assess constructs

Product (PD)

- The quality of most products I buy today is as good as can be expected (PD1).
- I am satisfied with most of the products I buy (PD2).
- Most products I buy wear out too quickly (PD3).
- Too many of the products I buy are defective in some way (PD5).
- Companies making products I buy do not care enough about how well they perform (PD6).

Price (PR)

- Most products I buy are overpriced (PR1).
- Businesses could charge lower prices and still be profitable (PR2).
- Most prices are reasonable considering the high cost of doing business (PR3).
- Most prices are fair (PR6).
- In general, I am satisfied with the prices I pay (PR7).

Advertisement (AD)

- Most advertising provides consumers with essential information (AD1).
- Most advertising is very annoying (AD2).
- Most advertising makes false claims (AD3).
- If most advertising was eliminated, consumers would be better off (AD4).
- Most advertising is intended to deceive rather than to inform consumers (AD7).

Retail (RT)

- Most retail stores serve their customers well (RT1).
- Because of the way retailers treat me, most of my shopping is unpleasant (RT2).
- I find most retail salespeople to be very helpful (RT3).
- When I need assistance in a store, I am usually not able to get it (RT6).
- Most retailers provide adequate service (RT7).

Government regulation (GOVT)

- The government should test competing brands of products and make the results of these tests available to consumers (GOVT1).
- The government should set minimum standards of quality for all products sold to consumers (GOVT2).
- The government should exercise more responsibility for regulating the advertising, sales and marketing activities of manufacturers (GOVT3).

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