



235/B

Consumer perceptions in a product harm crisis: A comparison between China and Sri Lanka

G C Samaraweera^{1,2}

¹*College of Economics and Management, Huazhong Agricultural University, Wuhan, 430070, China*

²*Faculty of Agriculture, University of Ruhuna, Mapalana, Kamburupitiya*

The objective of the study was to find the effect of causes of a product harm crisis on consumer based brand equity and purchase intention of the affected brand incorporating consumer perceptions between China and Sri Lanka. The study was carried out in 2012. Questionnaires containing hypothetical product harm crisis scenarios documented company and consumer culpable crises were distributed among 100 Chinese and 100 Sri Lankan respondents. The results showed that crisis caused detrimental effects on consumer based brand equity and purchase intention, irrespective of the cause of the crisis, whether company culpable or consumer culpable. Culture seemed insignificant when the consumer values consumer based brand equity and purchase intention under company culpable crisis. However, consumer valuations vary significantly between these two countries under consumer culpable crisis ground. The current study directs crisis managers to take necessary action in the midst of crisis events, in particular company culpable crisis. The major implication is that consumer based brand equity is an important bridging connection between culpability of the crisis and purchase intention of the affected brand in these two cultures.

Keywords: Product harm crisis, company culpable, consumer culpable, consumer based brand equity purchase intention