

THE EFFECT OF COUNTRY OF ORIGIN OF A
PRODUCT ON CONSUMERS' BUYING
BEHAVIOR

By

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July 2001

Submitted to the Faculty of the
Graduate College of the
Oklahoma State University
in partial fulfillment of
the requirements for
the Degree of
MASTER OF SCIENCE
May, 2009

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ACKNOWLEDGEMENTS

The enthusiasm of human beings to achieve greater heights will never end. It continues and I will too.

The beginning of this paper was very challenging, but the unreserved and unfailing support of my advisor, Dr. Todd J. Arnold, has been enormously important and made the completion of this paper a reality. Dr. Arnold has been my teacher, my mentor, my advisor and he has encouraged me in challenging situations as a close friend. His positive attitude towards his students has been an inspiration to me. He let me take the lead on my course but at the same time he watched me to make sure I stayed in the major course. He has given me strong support throughout the time of my research. His commitment to solve any problems I presented to him at any time and place, has been very wonderful and worth recognition. I would like to extend my deep appreciation to him.

I would like to express my gratitude to member of my thesis advisory committee, Dr. Steve W. Edwards; he has been very supportive and helpful to me throughout the study, giving advice where to go and how to build the idea of my research.

I would like to express my gratitude to Dr. Stephen J. Miller, committee member, who has been willing to work as my advisory committee by sacrificing his time from other commitments; He has always been a great support in any area of my need in the academics and research.

I want to say thank you to my family, who always keep their spirit of expectation to a higher standard to see my great achievements. This is for them. To all my families, who have helped me in the application and implementation of the survey, I would like to say thank you! God bless you.

My deep appreciation goes to all the staffs of the School of International Studies who has been very helpful and also a source of comfort and strength throughout the years of my study, I want to and like to thank them all.

At last, I want to dedicate this work to the good memory of my late grand mom; her passion and deep love to me will always inspire me to live the future with high expectations.

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CHAPTER I

INTRODUCTION

The initial interest of this paper is to observe the effect country of origin could have on the buying decision of consumers on certain types of products. The study tries to investigate the effects of the country of origin (COO) on consumers by taking coffee products as non durable daily consumption goods. A sample of three different countries has been taken in survey within the study.

The different sections in this paper have investigated exhaustively how the specific product's international advertisement or consumers' previous attitude towards a product or its source country can shape the final choice of consumers in the buying behavior process, explains which type of products are influenced by what type of factors.

The research questions, "What is the prior reason that consumers consider when making purchase decision when the country of origin information is available and unavailable scenarios? Which dimensions of effects of country of origin are prevailing or dominating relatively?" are among main issues which are discussed with in this paper with strong emphasis.

The survey is conducted in Stillwater and the consumer product markets have been taken into consideration in order to select the sample product for the study. During the survey, the focus of the study was to examine the country of origin effect on the sales of globally traded agricultural products, originating from different developing and less developed nations and having processed and sold in the US local markets.

Identification of the Problem

The research problem to be examined in this study is how the consumers' perception is influenced by the information they get about a product. Why consumers

prefer a specific product to buy based on its specific origin? Given that the basic nature of product groups being similar, how do consumers evaluate a product in a scenario when they have no information about the origin of a product and in a scenario when they get the full access to the country of origin information?

In the consumer's buying process there is the task of information search about a given product. A comprehensive information search by the consumer prior to buying a product involves a search for the quality of the product; search for the design of the product; search for the durability of the product; all of which are grouped as intrinsic cues of a product.

In another aspect, the search for the information cue about the product will involve the search for information which is not embodied in the physical or tangible nature of the product. Rather, consumers gather information cues from different sources including, people, advertisements, and from agencies. This group of information includes the search for the information of where the product comes from and or 'place of origin' of the given product. It could be the search for the product warranties or product testimonies by previous customers, and or brand name of the product. These are contained in the extrinsic cues of the product.

After having all these groups of information about the product, the consumer will make an evaluation to buy or not to buy the given product. *Ceteris paribus*, if the consumers are not given one of the basic information cues of the second group, the country of origin of a product, how do they make their purchase differently in comparison with the purchase preference they will make having been given the information about the country of origin of the same product? How can we examine the effect of this informational cue? The above two questions are the central conceptual challenges which are addressed through the instrumentality of this study.

Based on the above premises, the following two research questions are developed. The first one is, how a relatively less developed country's high quality product, which is attributed as one of the nation's unique export product can have a competitive advantage in the global market for a its specific category due to its uniqueness? A product that cannot be repeated or replicated, how is it seen with respect to the country's image in the mind of the consumers?

The study assesses the consumers' reactions during product evaluation on the possible interacting factors. The factors include a product's nature as intrinsic cues and as extrinsic cues. This is observed by providing three bags of brewed coffee from three different countries. The samples were given to the subjects to taste the real products and after that the country of origin information of the same sample products was given to them. Then the subjects' coffee taste evaluation before the COO was compared with after the COO coffee evaluation.

Purpose of the Study

The country of origin effect study is the basis in promoting the need for the consideration of an international marketing strategy that fits all types of countries. It could be a well developed one or it could be a less developed one.

Now, we are in the time of the globalization of the international product market. The reaction of consumers to different globally traded products is a determining element irrespective of their geographic locations. So, this study will look at the role of country of origin of a product by examining its effect on consumers' perception, and makes a theoretically guided recommendation on the findings of the topic issues.

In spite of the above perception, it is expected that results of this study will give useful insights to multinationals companies, including very infant ones found at any level and within any type of industry, and by helping them to understand what effect of the country of origin is in relation to consumers' purchasing behavior, by involving some specific categories of consumers and consumer products, and by taking samples of consumers who are different in demographic, socio-economic and cultural setup. International companies need to plan ahead and design the best and rightly situated international marketing strategy that could fit into the dynamic global market as they look for a niche or profiting segment and implementing the right type of marketing mix.

Last, but not least, the survey will also investigate how a country with a low level of consumer awareness and confidence towards its product can achieve a positive change in its product positioning.

Outline of Research Methodologies

A descriptive research design has been used in this study. A self administered

questionnaire was employed to collect data. Data has been collected from a study group of students at Oklahoma State University. The research was done in a class room level and the survey was conducted within a three series sessions of assessment to collect data from the subjects. Three brands of coffee from three different countries were used as sample products and origins of countries that were considered in the three sessions of the study. Session one of the survey was the subjects evaluation of real coffee products from the three countries- given as Country A, Country B and Country C. The second session of the survey was assessment of the subjects' individual general perceptions about the source countries for the three coded products before they match the coded products with the related countries explicitly. The third session was simply the matching of the real Coffee products with the source countries and put their evaluation according to their perception and real time experience with the tasting of the coffee brands. The three levels of the survey were designed to ensure honesty and to avoid bias among subjects when they get exposed to the sample products twice for evaluation.

The questions in the middle section of the survey were designed with the objective of minimizing the effect of real time interaction of subjects with the sample products on their perception between the first and the last coffee tasting and evaluating processes.

The three coffee brands were selected from Brazil, Colombia and Ethiopia respectively. The selection of the sample products was based on two criteria. First, the availability of the coffee brand for frequent consumption in the Stillwater local market as widely used item. Second, it was random selection of a country with long history as coffee producer in the global market.

The country of origin information was used as an independent variable and it was introduced into the study in the last phase. That is, after all the subjects have already tasted the coffee brands and made their evaluation for product attributes like quality, worth and also preference based on coffee taste only in the first part of the study.

In this study, consumer behavior was observed as a dependent variable during the product evaluation process. It signifies how consumers see products critically before buying them. The subjects' evaluation was observed three times in order to measure the difference that exists in the trend of their evaluation due to the independent variable on

their behavior in terms of perception and attitude.

At the final stage, the subjects were given the information on the country of origin of the products. Then, they were asked to reevaluate the coffee brands if they wanted to make any change on their evaluations. The subjects' unbiased perceptions on the source countries were identified during the second session. So, at the last session they were only expected to sum up their evaluation based the real product experience they already have had at the first session and keeping their perceptions of the three origin countries on the second session. The two sessions were done without any link of one to another because the sample products were coded until the beginning of the third session. They had done their final evaluation on the three coffee samples by decoding and attaching the country of origin with the corresponding coffee type or brand.

In this study the final evaluation of the subjects was measured through the elements that are theoretically accepted as the components of the behavior of an individual. So, the measuring variables like subjects' attitude, expectation, country image and product image were used. The measurement used was a Likert Scale and for the variables, product preference rankings were used to show the relative position of a brand in comparison to the other. To measure the quality of the products in the two round coffee taste evaluations, measurements developed in this study were also used. On the last session, that is the second coffee taste evaluation, the quality factor was measured as "quality expectation" and the Likert Scale with five points has been used.

In the data analysis part, in order to compare average product performances across the three country brands and for each measuring factor, the rating of each subject was summed under each comparison factor for each country's brand. And then, the group mean for each comparison factor under each country's brand was taken as the final data to show how each brand was perceived by the subjects within the study group on average. Then finally, to check for the hypothesis, the mean evaluation of each measurement for each country product brand was compared across the two scenarios of the "before the coo" and "after the coo".

The Contributions of the Study

This study uses samples of tangible products that have been delivered individually to the subjects in person. Most of the studies, which are done on the effect of country of

origin, have not involved giving the subjects the actual product experience.

In this study the research design has given the chance for the subjects to make their own individual assessment. First, it was done, by providing the subjects with the actual products and all pertinent attributes of the test products except the country of origin and asking them to evaluate the products thoroughly. This has enabled the subjects to effectively give out their general impression or perception about those products. So, after this first round evaluation, the subjects were made to get the country of origin information in addition to all the rest.

In addition to the above, the study is among the few studies that have used a sample product of agricultural output. It is widely agreed that the country of origin effect is not limited only to consumer goods, it has also been shown to hold true for product categories including industrial products and agricultural goods, as well as consumption goods which have been already processed and ready for use (White 1979, White and Cundiff 1978; Chasin and Taffe 1979). But the country of origin effect study for agricultural products, in addition to foods and beverages, has not been researched in an intensive level (Felzensztein and Dinnie 2005). The research in this area is comparatively very few in number. So, to be able to contribute further insights into this specific area of knowledge, in this research, agricultural product has been used as a sample in order to investigate the effect of country of origin (COO) in relation to consumers' buying behavior.

Lastly, the order of the sections in the survey has been designed in way that offered convenience for the subjects to make an integrated and comprehensive evaluation on the samples. That helps the research to make a strong assessment in order to effectively identify the marginal effect of the country of origin on the consumers' behavior.

Organization of the Thesis

This thesis consists of five chapters. Chapter I introduces the research problem to the readers and also explains the purpose of the study. The chapter also overviews the research methodology and talks about the contributions the study would make in the research area that focus on the effect of country of origin of a product on the buying behavior of consumers. Chapter II is the literature review on the title area of the study.

Chapter III explains in detail the methodology used in the study. The chapter describes the research objectives, research hypothesis, research design, and measurement of the variables, data collection procedure, and methods of data analysis. Chapter IV presents the findings of data analysis. It shows the results of tests of the research hypotheses developed in chapter III. Finally, Chapter V discusses the conclusion, implications, and limitations of the research and provides suggestions for future research.

CHAPTER II

REVIEW OF LITERATURE

Overview

The development of the concept of the country of origin of a product dates back to World War I. At those times, the winners of the war forced the loser countries like Germany to put a sign that describes the origin country on their products. As sources state the reason for this action at that time was to punish some countries including Germany. Since, the Germans had a bad reputation that time the influential countries punished them by making them put 'made in' label on their products (Cai, Cude and Swagler 2004).

In general, in today's world market any product which crosses the border of the origin nation will bear the sign of that source country. As different countries continue to produce different products for the world market, through time and experience some of the countries have succeeded in producing very well recognized high quality products around the world.

In the today's world market countries are well attributed for their specific area of excellence. For example, the Swiss are known for their watches, the French for their perfumes, the Germans for car's like Mercedes and the US for its airplanes like Boeing Airliner, state of the art and high quality end products (Federation of the Swiss Watch Industry FH, 2005).

So, these strong attributes have enabled those countries to effectively dominate the world market with their respective product specialization areas and serve them as international marketing tools by creating product differentiation giving them competitive advantages.

The Country of Origin as a Marketing Strategy

The country of origin effect can be used as an effective marketing strategy when

The competition in the market place is focused on the skill of specialization. Many countries could be able to gain marginal advantage if they could develop their own area of strength in the production of specific quality product. Country of origin gives a way to differentiate the product from the competitors.” (Shimp and Sharma 1987; Anderson and Cunningham 1972; Andrew and Durvasula1992).

On the other hand, the findings, (Felzensztein and Dinnie 2005), has indicated that some countries like Australia have been able to score higher perceptions of their wine products than France in terms of quality or premium. France could have a better position of the rating if it was based on their long standing history of wine production. So, this incident has raised the question of interest, whether countries and regions can rely on place of origin as a source of competitive advantage or do they need to be more proactive in their effort to market their produce.

The country of origin of a product could be complex to identify because of the introduction increasing number of bi-national products. Products are becoming the outcome of different pieces of parts made in different countries, passing through a multistage production process, countries and also trade organizations are introducing different rules of origin to positively promote the international trade flows (Han and Terpestra 1998).

The Country of Origin Effect for Specific Products and Brands

The country of origin effect has been thoroughly examined in order to study its effect, particularly in association with consumer goods (Choi, Myung, and Kyoo 1991). Despite of this, the country of origin effect is still a core feature that easily facilitates the isolation of the concept of the image of the product from the image of the source. In their research, Josiassen and Harzing (2008) have stated that the country of origin has an impact on consumers’ inclination to buy a product.

Some studies have indicated that consumer’s attitude could be diverse for a country and differ specifically among product categories (Etzel and Walker, 1974; Nagashima 1970, 1971). This indicates that consumers could have a general attitude towards a specific country, particularly in comparison with the other competitive countries. Consumers’ could also have a specific impression for specific product performance that belongs to a single country.

Felzenstein and Dinnie (2005) have stated that when we consider agricultural produces the concept of the country of origin effect can extend up to the level that agricultural product growing countries can be benefited in the international market due to the unique nature of their agricultural produce and also can be a basis for their uniqueness and additionally offer them an advantage on competitive difference by enabling them use product differentiation strategy in association with the country of origin.

They have also indicated that the agricultural produce of a country with a long time experience curve of producing high quality product can use the concept of the “place of origin” as a uniquely situated extension the country of origin that in return can be used as a “positioning” instrument to create a long lasting market competitive advantage. This assumption builds on the expectation that the country which has a special agricultural produce with competitive product attributes can face a downward influence of the country of origin (COO). This type of effect occurs when the COO or “place of origin” is used as a marketing tool by other countries, where it have been in the market relatively for a longer period of time than a new market entering country as a producer of the same item.

Nagashima (1970), in his findings, has stressed the point that the country of origin COO effect creation could be enhanced by variables like the existence of representative products, an intervening factor as consumers look for the “made in” labeling of a product.

Nagashima (1970) also stated that if the representative product image is positive then the country will have a favorable view of the consumers, if not the reverse is true. The first victims of this perception of consumers’ are countries which are known for their low economic development level in the world.

Consumer Bias against Products from Less Developed Countries

One of the widely agreed research findings is consumers’ tendencies to give a less favorable rating to products from less developed nations compared to the developed ones (Hong and Wyer 1989; Gaedeke 1973; White and Cundiff 1978; Han and Terpstra 1988; Han 1989).

Products made in the U.S. were ranked as the top one in the table of the list of countries compared for their “made in concept”, the U.S. was favorably evaluated as the best producer by the consumers from the U.S. and businessmen from U.S. and Japanese

(Nagashima 1970). Products from the U.S. were evaluated favorably in different categories including food, electronics, and textiles (Choi 1991).

The Country of Origin Effect for Products from Developed Countries

“It has been found that in many studies that products originating in more developed countries are also subject to the effect country of origin” (Reiersen 1966, 1967; Schooler and Wildt 1968; Nagashima 1970). The products from different levels of development are subjected to discriminative evaluations including the price of the products and the designs of the products are among the factors to invite such differentiation between those nations (Schooler and Wildt 1968). For instance, the products made in the U.S. still are viewed as prestigious by the Japanese consumers and businessmen, according to the survey conducted by Nagashima’s, (1970) using the twenty semantic differential items measuring consumer perceptions of different items and products that could be made in different developed nations including the very industrialized ones, like UK, Germany, France, Japan, Italy and Canada.

Country of Origin is Specific to Consuming Countries

Consumers in a consuming country could have different attitudes of the products than those of the other country’s consumers or different from the consumers’ attitude which are found in the producer country (Nagashima, 1970; Lillis and Narayana 1974; Narayana 1981).

According to the research findings of Nagashima, (1970), the evaluation of the Japanese business men on the American products was different from the perceived evaluation of the U.S. business men about their own products. The Japanese did not evaluate the “Made in U.S.” as designated contrary to the evaluation of the U.S. business men who perceived that the Japanese electronics as highly technically advanced (Nagashima 1970; Choi 1991). Different studies, whether it is qualitative or quantitative, all are of one accord that the country of origin of information has an effect on the way consumers perceive products from different origins and products with different categories.

The Country of Origin Information Cue and Consumers' Buying Behavior

In the product purchase evaluation process the country of origin information cue serves for evaluating the product attributes, including the quality of the product. Hong and Wyer (1989) found that the country of origin has a symbolic or an emotional content in the consumer's cognitive process. The consumer's emotion can imply the beliefs, attitudes and intentions of the consumer. It has a big role when the quality of the product is taken into consideration.

Consumers' perception of a country of origin can include also the general country perceptions, which has been used as one of the evaluative dimension in this research. The country of origin which also embodies the image of the country has a strong influence on the perception of consumers about products, particularly when tangible products are used as a sample (Erickson, Johansson and Chao 1984). Ulgado and Lee (1998) have conducted an experiment with a contrary result, they tested that the effect of country of origin of a product on electronic products, and compared to the other attributes of the product the country of origin (COO) was insignificant. But the limitation on their finding was their use of intangible product that could weaken the validity of their finding.

Products could be envisaged as consisting of arrays of information cues, both intrinsic like taste, design and fit; and extrinsic ones like price, brand name and warranties. So, the country of origin of a product in this perspective can be considered as one of the extrinsic informational cues. Consumers use these informational cues as a starting point to evaluate products during the buying process (Bilkey and Nes 1982).

Intrinsic Versus Extrinsic Cues

In the process of product buying consumers come to the stage of information search about the product and if their search is completed in an effective way then they consider and weigh their options or alternatives in the market. This process involves both the use of the intrinsic and the extrinsic cues of the product (Li, Hu and Jun, 2005; Jacoby et al., 1994; Gabbott, 1991).

In some cases consumers could use the intrinsic cue or attribute of a product in order to measure its quality, like taste or smell of the product and evaluate the product based on its attribute in addition to its origin. But when consumers are not able to get or

to evaluate a product based on its intrinsic cues or product attributes, then they will base their evaluation on the extrinsic cues or attributes, including where it is made (Han and Vern1988). In general, agricultural products will be highly convenient to the consumer to evaluate using intrinsic cues.

Also, in most studies it is found that the country of origin (COO) information, as an extrinsic cue, is more important to evaluate quality of products than the other extrinsic cues, like price and brand name (Wall, Lieffeld, and A.Heslop, 1991, Miyazaki, Grewal, Goodstein, 2005).

In relation with the above finding, Lin and Chen (2006), in examining the effect of the country of origin image on the consumers' purchasing behavior have found that there is an interactive relationship between the two variables and show that the more the consumers are involved in the product evaluation then the more the country of origin image will have a positive impact on the purchase intention of consumers.

Based on all the above premises, it is relevant to hypothesize in this study that whenever subjects are being given an agricultural product in ways that facilitate their high involvement in the product buying evaluation, then consumers' evaluation of a product from different countries will be affected by the availability of the COO information cue in the following two ways.

First, when subjects evaluate the given sample products before having the COO information, they will depend on the intrinsic cues like taste, smell and or color attributes to compare the options of the coded products from the given sample countries, so their preference and quality rating of the same products will vary significantly after they learn the COO .

Second, when given the country of origin information they will evaluate and rate the product brand of their favored country in a more positive way than the rest, compared to their first order rating.

If the above two hypothesis hold true then it imperative to say that there is first, the existence of the influence of the COO cue in the subjects buying decision, and secondly, the COO information cue is more dominant than the rest of the cues from both type of groups, intrinsic and extrinsic cues respectively.

CHAPTER III

RESEARCH METHODOLOGY

This chapter describes the detail of the methodology which has been applied to examine the effect of the country of origin on the consumers' buying behavior. This chapter contains research objective, research hypothesis, research design, research procedures, sample and population selection, instrument design and administration, measurement of variables and data analysis sections.

Research Objective

In this research the examination of the country of origin effect has been done by focusing on the behavioral aspects of consumers. Specifically, this study will focus on examining the country of origin effect in terms of factors or dimensions that could affect consumers' buying decisions at the cognitive level.

The study will analyze the possible ways that could explain the country of origin (COO) effect mainly using the psychological aspects of the consumer. The study will see in detail how consumers could spell out the COO effect as it is evaluated in the survey using a single specific product category across three different countries.

The study examines the effect of the country of origin on the consumer buying behavior by integrating the emotional or psychological aspects of consumers with the physical attributes of products. The research also wants to test the validity of the concept that the country of origin effect has a positive significance for agricultural products' by taking coffee as a sample test product.

Research Hypothesis

Subjects without having the country of origin information, it is anticipated that they will not involve their general perception about the country of origin of those products, and will make an assessment and rating of the individual products based on

the intrinsic cues. In this scenario, product from any of the individual countries will be evaluated irrespective of the country's favorable or unfavorable perceptions by the subjects in the study group.

Given all the available information about the sample products from different countries except the country of origin information cues, the subjects will use or base their product evaluation and rating mainly on the intrinsic cues of the product, it could be taste or smell of the product. When the subjects get the country of origin information in addition to the above information, which is an extrinsic cue, then their product evaluation and rating of the same sample products will be different and be dominated by the additional information cue they get as an origin place of the sample product.

From the above basic assumptions of the hypothesis the research has developed three possible scenarios in which individual subjects will evaluate sample products and rate them. The first scenario for product evaluation will be quantitative evaluation for the tangible products, which are coffee brands presented for the subjects to make a coffee taste evaluation. Under this scenario the subjects will make the first level rating of the sample product for three origins. The first level rating will be the quantitative evaluation of each coffee brand under its country category for the factors to be assessed, they are, the product preference of the subjects, the quality perception of subjects for each sample coffee brand and the worth or its value perceived by the subjects. So, the subjects will evaluate the branded coffee from three countries based on the above attributes of the products and will rate them on the scale of 1 to 5 Likert scale. The same approach of rating has been used in the second scenario and the third scenario. In all the three case the same coffee products are used for evaluation purpose.

In the second scenario subjects will evaluate an ideal country of origin for a coffee product. The second level rating of the coffee product will be the quantitative measure of the subjects about their perception coffee products from three given countries. In this case the countries are the real samples of the survey before they are presented to the subjects, so the subjects will rate the three hypothetical countries of origin as coffee products based on the three basic factors. They are the image of the countries as quality coffee producer, the satisfaction level of the subjects from consuming each brands from each origin and quality coffee expectation of the subjects.

The third scenario uses the same measurement factors from the first and the second, but the basic difference will be the presentation of the country of origin information for the same subjects for the same sample products for a second round product evaluation. Therefore the following hypothesis is proposed to make a test.

H1- Given sample products, before learning the COO information, subjects' product evaluations will depend on intrinsic cues to compare and make preferences on product options from different countries. When they learn the COO, then their assessment of quality and product preference on the products will vary significantly.

H2-Second, subjects will evaluate and rate product of their favored nation brand in a positive way or trend than the rest of the sample group, when compared to their first level rating. I.e. the higher or the lower the general country perception or country image before the country of origin (COO), then the Higher or Lower the product-country overall rating after the COO. In other words, if the subjects' do have a previously positive image or perception to a country then they will tend to evaluate the product from their favored nation in a positive way .This will be investigated in the study when the second session of the questionnaire is compared with the third session. The third session is the subjects' second direct coffee taste evaluation where they pair up each coffee brand with its origin country.

Research Design

Descriptive Design

The study uses a descriptive research design with one independent variable that is the country of origin of a product. The study's dependent variable is the perception of quality by the subjects. In the study design, the sample products will be evaluated with two observational events by the subjects for the three country origins within a single study group and for a similar type of sample product.

The study investigates the validity of the first part of the hypothesis partially by administering the first part of the questionnaire. The first part of the questionnaire contains the questions which ask subjects to make a literal product evaluation. The first

part asks the subjects to make a rating of coffee brands by tasting and make a preference. Its purpose was in order to observe the consumers' (subjects') product rating, without the involvement of the independent variable, which is the country of origin (COO) of the coffee products.

In the second level of the survey, in order to minimize the weakness of the descriptive method in examining the honest evaluation of the subjects, this particular study involves the assessment of the subjects about their general perception about the three given countries versus the sample product as a single item across the countries. At this stage, the observation of the written responses from the subjects will be cross checked with their first direct coffee evaluation and will also be compared with their final direct coffee taste evaluation of each sample to prove the validity of the second hypothesis.

At the final level, the study introduces the independent variable, the county of origin of the products (COO) information cue of the three coffee brands for the subjects and observes the response of the subjects for the possible variation or change in the overall evaluation, product rating and preferences of the subjects due to their perception or change in attitude after they learn the COO, investigates the validity of the overall hypothesis of this study.

A study group was formed at the initial stage. The study group was passed through three levels (orders) of the survey one after the other. At the first order survey, the subjects were given questionnaires and the samples of products to evaluate and rate them. In the first order survey the subjects were given the real natural products of the coffee brands from three different countries with three different coded labeling. The tasting of the coffee products was conducted within a regular class room setup.

In the second order (level) of the survey the same groups of subjects were required to answer questions which assessed their general perception of the origin countries of the three sample products. But, at this level, the survey was conducted under two conditions. First, the subjects were expected to answer the questions at this level without any direct involvement with the real products. Second, the subjects were not informed about the relationship between the given products and the given origin countries.

In third order (level) of the survey the subjects are given the country of origin information (COO) of each coded products (coffee brands) and have been told to re-assess those products and rate them in terms of quality, price, country image and preference. The change in the subjects' evaluation will be observed in comparison to the first order.

Population and Sample Selection

The population and sample selection subsection consists of the discussion of the scope of the study, selection of the research subjects and the selection of research sample products.

Scope of the Study

The focus group for study was mainly college students, more specifically marketing and business majors. In this study, subjects for the research are invited from Oklahoma State University, Spears School of Business. The survey is done at regular class room setting.

Selection of Research Subjects

The basis for the selection of research subjects as a sample is based on the qualitative attribute they could give for the study. Preferably, subjects with sample size of 60 students were planned to be used in the study but due to different constraints the expected number could not been achieved, so only 30 respondents were willing to fill out the questionnaire properly. The reason behind the selection of college students is the expectation that these students could easily be able to understand the purpose of the study and can give detailed and more specific and useful responses during the survey process in the class room.

The preferential subjects were from the Spears School of Business at Oklahoma State University; from a randomly selected marketing class that pursues masters degree at graduate level.

Selection of Research Sample Products

The samples of the three types of coffee brands from three different origins were based on the following two simple selection criteria. First, the selection was based on the

ranking of the web site which lists them as huge and well known coffee producer countries. Second, the availability of the coffee brands of these countries in the local market in Stillwater.

Research Procedures

The subjects were given preliminary orientation about the why and how of the study before each session of the level of the research survey.

Each participant was given the consent form and was asked his or her willful consent to participate in the process.

General briefing was made for the whole potential participants and non participants as to the reason and the purpose of the study. They have been presented the Inter Review Board (IRB) approval by the Oklahoma State University.

The respondents were given the first part of the survey which asked them to rate the coffee brands they tasted during the class room survey. The coffee brands were coded (labeled) with the English alphabetic letters. Then, the respondents tasted the three coffee brands one by one and took time to fill out the first questionnaire. The first part of the questionnaire was collected from each subject before they proceeded to the second session.

The respondents, in the middle of the research, after completing the first part, were given the second part of the questionnaire that assessed literally their first perceptions about the three sample countries as producers of the given product. At this stage there was no information link between the subjects and the coded sample products and their respective origins.

Lastly, the respondents were given the last part of the survey and were asked to rate the three coffee types and after being told the origins of the three coffee brands which already had been presented for them to taste at the initial phase of the survey.

In first part of the survey and also in the third part of the survey the subjects were allowed to taste the brewed coffee as many times as they wanted too.

Instrument Design and Administration

In the research a questionnaire has been used to collect the responses of the subjects after it has been approved by the chair adviser and by the University's

Institutional Review Board (IRB). The survey instrument is seen in Appendixes A.

General orientation and individual briefing were used to make any necessary clarifications for the subjects during the survey.

Data Collection During the Study

The basis for the design of product selection process was the observation of stereotyped products within the target population in the Stillwater local market and then identifying sample countries which are well known as the source of the focus product.

A general observation was conducted as to which product was highly stereotyped by consumers. Salesmen at different coffee stores were contacted to have a simple and informal conversation with them and get their opinion on the products and their origin.

The main method of data collection from the target population was through the use of questionnaires that have a list of questions for the subjects that participate in the research. During the administration of the questionnaires the subjects were given any necessary additional clarification as much as they raised the request.

An improved and partial format of the questionnaire used by Choi (1991) was used during the data collection from the participants at the Oklahoma State University. In the same manner subjects were given any necessary explanation about the process whenever they raised questions.

Validity and Reliability of the Instrument

In order to increase the consistency and the validity of instruments designed for the study; the format used and followed by Choi (1991) was adopted. This measurement instrument followed mainly as guidance for the questionnaire development contributes to strengthen reliability of the study. In order to ascertain the validity of the survey data each part of the questionnaire was designed in a way that could help to keep the subjects honest and to minimize the bias effect, based on the fact that the same data were used for further analysis.

Measurement of the Variables

The questionnaires will basically use an affective test for an assessment designed to measure affective characteristics- like attitude of subjects towards some sample

sample products, their interest, and value or product image they would have at that time.

Under this instrument attitude scales are used to measure the individual beliefs and perceptions about the sample products from different country of origins. Likert Scale has been used to identify and to measure how much the subjects perceive or believe that the “made in” labeling of products or the country of origin information could affect their decisions to buy a product.

Simple rating scale were used to measure how the country of origin information affects the product preference of the subjects, would be necessary for them in order to rank the sample countries’ based on their perception .

Data Analysis

The data analysis was done into two basic ways. The first way was the subjects’ evaluation for the three sample products which was made as a ranking of the individual brands based on the preference of the subjects. The samples were rated between the first preferences to the last preference. The first preference was labeled as number 1 and the last preference was identified with the number 3. The ranking of each individual product was summarized based on the number of repeated rankings it receives from each subject. The sum of the rankings is done three times. The first time was the count of rankings for a brand as a first preference by subjects before and after the COO. Then, in the same way the count of rankings for a single brand as a second preference and as a third preference have been tallied and are converted as the percentages of the total ranking made respectively. This answers the question of how many times has a brand has been preferred as a first, second or third choice by the subjects in comparison with the others in each scenario.

In the second approach the subjects have made evaluation of the three products based on each evaluative dimension of product quality, worth, the country image, quality expectation, and price.

The first part of the evaluation of the subjects was rated proportionally and given a weight. The rating method used in this study was developed for the purpose of this study only. Here, the assumption used was the highest of the three products in terms of quality or worth, in the first part of the survey, was rated as number 1. Then, comparatively the second weighed product in terms of quality or worth was assigned

number 2 and the last weighed product brand was assigned as number 3. But this rating was converted and weighted as 4 point for the first weighed or for number 1 quality product, in the same way 3 point weight was assigned for the product brand which was rated as the number 2 in terms of quality or worth. So, the ratings were weighed proportionally as follows: (Higher quality (1) = 4 point, Medium (2) =3 point and Low quality (3) =2point). This kind of weight assignment was intended to show only the magnitude of the relative position of a product brand relative to its group members which are being evaluated with the same kind of measurement for the same kind of reason.

In the last part of the survey factors were measured based on a five point Likert scale. Then the average value of the evaluation of the group for each dimension under each product was calculated in order to compare the performance of the single product with the rest of the samples. The change or the difference in the ‘before the COO’ and ‘after the COO’ mean evaluation of the group subjects for a single product under a single comparative variable will show us how much the hypothesis is to be true in such a condition.

CHAPTER IV

ANALYSIS AND FINDINGS OF THE STUDY

This chapter presents the results and findings, which have been determined as a result of the study, which is collected from the sample subjects, have been analyzed. The chapter presents the resulting analysis of this study into five major subsections. The first section discusses the results obtained from the first level of the survey, which is the evaluation of the subjects on the three coffee brand samples based on their taste and smell and other individual experience. The second section of this chapter discusses in detail the general impression of the subjects on an individualistic basis. This section of the chapter presents the results of the assessment of the second level of the survey. It demonstrates response of the subjects about their general perception about the origin countries which are coded in their individual products respectively. The third section reports the evaluation of the subjects on the sample products involving the independent variable the country of origin information. This section illustrates what differences and changes have been observed. Then contrasts are done after the country of origin effect is observed in the survey. In this section the subjects' evaluation as a group from the written observation of the second level of the survey is compared with the third level. Then the final average difference for the group's evaluation is used to reflect the country of origin effect in terms of change in evaluation of subjects between each session of the survey. The fourth section summarizes results of the study.

Statistical Analysis and Results

Fundamentally, the data processing software, Excel, has been used to compute all the statistical data and make the respective analysis.

The confidence interval will be 95% and the research will have a 5% margin of error. The responses of the participants have been summed up and the average of their response is used to make an analysis and make a comparative explanation.

The study group was given three brands of brewed coffee which are originally from three different countries; Brazil; Colombia and Ethiopia. In the survey questions, the sample of coffee brand was considered in two forms. One form of coffee was in its raw bean form and the other was coffee branded or coffee brewed. At the first phase only the brewed coffee was taken into the survey. The two forms of coffee have been taken into account after the first phase.

The Study Group Evaluation before the Country of Origin (COO)

As we have already noted above, the section discusses the results obtained from the first level of the survey, which is the evaluation of the subjects on the three coffee brand samples based on their taste and smell and other individual experiences. The coffee brands were labeled with code letters of the English alphabets “A”, “B” and “C” for countries Brazil, Columbia and Ethiopia respectively.

The subjects rated the three coffee brands mainly based on the product encounter they got during the first session of the survey when they taste the brewed coffee. And the following results were found:

The study group was given the three brands of coffee which were bought from Starbucks. The coffee brands were coded and the subjects didn't have any COO information. The group was given some time to taste all the three coffee brands one by one, and then they filled out their assessment of the products on the questionnaire in terms of their preferences. They ranked the three coffee brands mainly based on their quality and worth perception of the samples.

As we can observe in Table-1, the Brazilian coffee was ranked by the subjects as the very best choice of the three in terms of preference with the percentage of 44 %: i.e., 11 votes out of the whole 25 students who tasted coffee. The Ethiopian and the Colombian coffee were ranked equally as the second choice to buy and drink preference with the percentage of 28% i.e. 7 votes for each case. (See Table-4 on page 32)

The subjects were given questions that asked them to rate the sample coffee products as they were provided for making a real tasting and give an evaluation individually in terms of quality and worth or value. The result found is given below in table-1.

Table-1

COFFEE BRAND EVALUATION OF THE STUDY GROUP SUBJECTS
BEFORE COO

Factors	Brazil		Columbia		Ethiopia	
	Mean	SD	Mean	SD	Mean	SD
Quality	3.36	0.86	2.84	0.75	2.84	0.80
Worth/value	3.00	0.91	2.92	0.70	3.04	0.79

N.B.SD- Standard Deviation

The Brazilian coffee was ranked at the top of the three brands for the quality factor. Based on the evaluations on the product, the real taste of the coffee brand was perceived /ranked as the best one with a mean value 3.36 and standard deviation 0.86. The Colombian coffee was equally perceived as favorable and quality-wise with the Ethiopian coffee on average, with both brands' means value of 2.84 and with the SD of 0.75 and 0.80 respectively.

The real taste of the Ethiopian coffee performed very well for the comparative factor of worth or value of the coffee drink. It was rated above both the Colombian and the Brazilian coffee with the Ethiopian coffee mean value 3.04 and standard deviation of 0.79 as shown in Table-1.

The General Impression of the Study Group

As it was described in the methodology, under the subsection of data collection section, the questionnaire that addresses the general perception of the products was

given in the following procedure.

First, based on the experience drawn through study, when the subjects are asked about their perception of COO for a given products in advance, before they respond to the first survey. Then they will have inconveniency to weigh the products without any country and or quality bias. So, this special situation can lead them to the tendency of weighing the given sample products based on their previous memory of extrinsic cues and make a guess of where that product comes from. To avoid such bias, the part of the questionnaire that asks their general country impression was administered immediately after the first phase survey but before the last phase of the survey, i.e. before they get the COO information.

The subjects' general perception or impression is examined through the basic psychological factors theoretically accepted as affecting the consumers' buying behavior.

The study group has the following general perception about the given three countries as coffee producer. The product's country image association was examined through the use of questions which addressed the satisfaction and quality expectation of the subjects. The above core issues were contained in the questionnaire. This part of the questionnaire in the survey shows the immediate expression of the subjects' perception about the sample countries. The questions in this section were introduced to subjects in the middle of the survey in order to determine the unbiased previous perceptions of the subjects on the three brand products as the origin countries was also considered. So, the measurement of such perception was reflected between experiencing a real product and ideal products with the same origin of the given samples.

As one can see in the Table 2, the subjects when they were asked the question that how much a processed coffee (brewed coffee) they drink in different coffee houses, does represents the image of the given countries, Colombia has been rated as the top country with a strong perception of coffee as a representative image with an average of mean 3.96 and standard deviation of 0.93. Brazil was rated by the subjects as the second top country with an average value of mean 3.28 and standard deviation 0.98. Finally, Ethiopia was rated at the bottom of the three countries, when coffee brands were compared as a representative for the country's image, with an average value of mean 2.84 and standard deviation 1.07.

Table-2

**THE GENERAL PERCEPTION OF THE SUBJECTS IN THE STUDY GROUP
BEFORE COO**

Factors	Brazil		Columbia		Ethiopia	
	Mean	SD	Mean	SD	Mean	SD
Image	3.28	0.98	3.93	0.93	2.84	1.07
Satisfaction	3.52	0.71	3.76	1.16	3.20	1.00
Expectation- quality	3.68	0.69	3.84	0.85	0.98	0.92

N.B.SD- Standard Deviation

As one can see in the Table2, the subjects have given their subjective evaluation for their general impression on the three countries. The average rating for the whole group is calculated in each factor case.

When the subjects were asked how much they would be satisfied with the coffee brands from the above given countries based on their general perception and their previous experience of drinking those coffee brands, their response showed that Columbia has been rated as the top country to produce satisfaction with the mean value of 3.76 and standard deviation 1.16 . Brazil was rated as the next country with average

mean value 3.52 and standard deviation 0.71. Both countries were perceived to give better satisfaction comparatively than Ethiopia.

The last question that was asked by the survey in this phase was how much the subjects would expect production of high quality coffee to be from the three countries. The response had the same pattern as the above two dimension of the subjects' evaluation. Columbia was rated as the first perceived country with the possibility of producing quality coffee with mean value 3.84 and standard deviation 0.85, second rated was Brazil with mean 3.68 and standard deviation 0.69, and Ethiopia was rated at third place with mean 2.96 and standard deviation 0.98. At this point Brazil has a less standard deviation than the Columbia's standard deviation, which could indicate that perception of the subjects on the quality of the Brazilian coffee seems concentrated at some common level for most of the study group.

As one see from the Table 2, the Colombian coffee is perceived as well established brand with a strong average favorable view from the study group. The Colombian coffee has a relatively high image as representing the country with a mean value of 3.96 and standard deviation of 0.93. Then Brazil has the second good rating next to Colombia in each of the three dimensions of perception.

The Study Group's Evaluation after the Country of Origin Information (COO)

This section talks about the coffee evaluation of the study group subjects after learning the country of origin information (COO). The third phase of the survey contains the questions which ask the price expectation of the subjects, their product familiarity, the country image expectation of the subjects, their product familiarity, the country image they have and their expectation of the production of quality coffee in those countries.

At this stage the subjects were informed about the country of origin (COO) of the three brands of the coffee products. They also were able to taste the three distinct coffee brands as much as they needed in order to compare between the brands. Their evaluation at this scenario is given in the Table 3.

After the subjects have been asked their general impression of the sample countries, then they were given the country of origin information of the three coded coffee brands. The second round evaluation of the subjects for the coffee brands shows that on average, coffee produced by Brazil is perceived as the one with highest price or

Table-3

COFFEE EVALUATION OF THE STUDY GROUP SUBJECTS AFTER COO

Factors	Brazil		Columbia		Ethiopia	
	Mean	SD	Mean	SD	Mean	SD
Price expectation	2.48	0.77	2.20	0.65	1.40	0.65
Product familiarity	1.80	0.96	2.44	0.92	0.48	0.71
Country Image	3.88	0.73	3.48	0.82	3.28	0.98
Quality perception	3.88	0.83	3.76	0.93	3.16	0.99

N.B.SD- Standard Deviation

the most expensive one relative to the rest of the group of the sample products with mean value of 2.48 and standard deviation of 0.7. The Colombian coffee was rated on average as the first one with which the subjects have high familiarity. It was rated with mean value of 2.44 and standard deviation 0.92. The subjects rating showed that they had

the least product familiarity with Ethiopian coffee with values of mean 0.48 and standard deviation 0.71 respectively.

The second round observation of the subjects has shown the different results in dimension of country image of the coffee products. Brazilian coffee has been rated as the best of the three brand products which represents the image of its origin country with the values mean 3.88 and standard deviation 0.73. Ethiopia coffee was rated as least of the three brands with an average values mean 3.28 and standard deviation 0.98. The same pattern of rating is observed for the dimension of perceived quality. Brazilian coffee was rated as the best of the three and the Ethiopian coffee was rated as the least of the three, as the values are shown in table 3.

The Evaluations of the Subjects' before the COO versus after the COO

The data analysis in the previous sections has shown that the subjects' evaluation patterns have changed after they learn about the country of origin information of the three coffee brands. The effect of the COO that is observed in terms of the change in the evaluation of the subjects is measured and summarized within three dimensions across the two scenarios in Table 4.

The Brazilian coffee was the first choice to buy for the majority of the subjects before the COO and also after the COO as it is given in the Table 4 with 44% and 45.45% respectively.

In addition, before the subjects learned of the COO, the product preference ranking for the Colombian and the Ethiopian coffee were competitive with equal value of 28% as seen in table 4 above. But after the subjects learned of the COO the evaluation for the Ethiopian coffee was the least in all the three dimensions.

The average image of the Ethiopian coffee decreased when the subjects were given the information of the COO. But, when the subjects' evaluation was based only on the product performance, the Ethiopian coffee was evaluated very favorable and its worth or perceived value was the highest with a mean of 3.04 compared to the rest of the two countries. It is seen in the Table 4.

The pattern of the 'after the COO' evaluations by the subjects followed the general impression they have about those countries, particularly, this was magnificent when the Ethiopian coffee is taken into consideration; except the slight shift for the

Brazilian coffee and the Colombian coffee. The effect of the COO was positively directed for the Brazilian coffee as compared to the Ethiopian coffee.

Table-4

THE SUMMARIZED EFFECT OF THE COO IN TERMS OF THE CHANGE IN PERCEPTION

Country Origin	Preference In percent (as first choice)		Quality Perceived (group average)		Worth(Price) perceived (group average)	
	Before COO	After COO	Before COO	After COO	Before COO	After COO
Brazilian Coffee	44%	45.45%	3.36	3.88	3.00	2.48
Columbian Coffee	28%	36.36%	2.84	3.76	2.92	2.20
Ethiopian Coffee	28%	18.18%	2.84	3.16	3.04	1.40

N.B. Preference in this case was taken for the first choice consideration only.
SD- Standard Deviation

Summary of Findings

In general, when consumers evaluate products during their purchase time, they use different extrinsic and intrinsic product cues as possible as to evaluate the product they want to buy. They examine every aspects of the product into consideration.

In this study, subjects' perceptions about the coffee brands have been purely based on the

products' features, intrinsic cues during their first order evaluation, and then after they learned of the COO it changed, indicating the possible involvement of other factors including the extrinsic cues. In evaluating the coffee products the subjects used mainly the taste of the product in order to rate the three given samples as best as 1st choice, better as 2nd choice and good as 3rd choice based on the evaluative dimensions of product preference, quality perceived, and worth. But after the country origin information was made available to the subjects, and then their product evaluation pattern followed the pattern of the value of subjects' country of origin perception.

Brazilian coffee was perceived next to Colombian when the subjects' general perception mean values for the entire three dimensions are considered, but after the subjects have learned the COO of the three coffee brands, it is observed that the Brazilian coffee has been perceived favorably above both the Colombian and the Ethiopian Coffees with highest average rating value.

In addition, the Ethiopian coffee was evaluated very favorably before the subjects were given the country of origin information. In addition, low familiarity with the Ethiopian coffee could have been an additional factor as a component of the COO effect for the unfavorable perception of the Ethiopian coffee even though the product by itself showed strong performance. In this regard further research can be done to study in depth the relationship existing between the familiarity of the product with its country of origin perception or country image (Zhang 1997).

The introduction of the independent variable 'COO information' in the survey has showed a strong degree of stereotyping on the Ethiopian coffee product as a low quality, and less expensive one. On the side, the introduction of the 'COO information' seemed to increase the better quality and high price perception of the coffee products' attributes from Brazil and Columbia respectively.

The study result showed that strong quality attributes for the products from Brazil and Colombia were higher than the Ethiopian after the COO. Even though the Brazilian coffee was rated as a less familiar product in comparison with the Columbian coffee product (see Table3), the rest of the performance of the Brazilian coffee was higher than Columbian. In contrast, the consumers' weak familiarity with the Ethiopian coffee couples with the weak evaluation given to the product.

The data analysis shows that the subjects' average perception for the price of the Ethiopian coffee was the least one among the three coffee brands. As an effect of COO information, the subjects showed more loyalty to a positively stereotyped country's brand of coffee. This leads to the view that consumers involve the use of perception process, i.e. selective retention; after repeated encounters it develops in to a stereotyped attitude.

CHAPTER V

CONCLUSION, LIMITATIONS AND IMPLICATIONS

Research Findings and Conclusion

The findings in this research reinforce the notion made by some similar findings that when consumers don't want to be engaged in a complex and lengthy evaluation of product attributes they use the support of further magnification of the already existing perception by using heuristic decision and stereotyping. Consumers exhibit this type of decision making behavior whenever the nature of the product is too complicated to make an easy evaluation like coffee products or they do when ever any other information is unavailable (Bodenhausen and Wyer, 1985, Zhang, 1997).

Information about COO cue can be appealing to consumers' cognitive evaluation changing their previous opinion about a product. In human cognitive in the central route process individuals are presented with the data persuasion and are stimulated to evaluate and reach at an attitude changing conclusion. In the peripheral route to attitude change, individuals are stimulated not look at the contents of products but at the source i.e. the origin of a product (Bodenhausen and Wyer, 1985, Zhang, 1997).

The evaluation of the subjects follows the general impression they had before about those countries in particular when the Ethiopian coffee is taken into consideration; except the shift for the Brazilian coffee and the Colombian coffee.

The result of this study can lead us to the conclusion that the country of origin plays a role by effecting the attitudinal change of the consumers by creating perceptual competitive differences between products in the mind of a consumer during the buying process by dominating the effect of the intrinsic cues of products.

Implications of the Study

The strong performance of the Ethiopian coffee, being perceived as a high quality

and value coffee, particularly before the COO information implies that agricultural products like this one can still be strong competitor brands in the international market if more promotional work is done on them by positioning the image of the country in parallel to the strong performance of the products.

Matching the image of the product in parallel with the image of the source country will be one of the strategic tasks of international marketing managers. Companies which export products from the less developed nations to the developed nations must take into account that, as it is found in this study, changing and shifting the general perception of the consumers should be the strategic priority for export-based companies. Regrettably, changing the image of a negatively stereotyped product could take long period of time and huge cost.

The strategic focuses of companies are determinant factors in how they treat markets based on the country's level of development. But the market niches could be possible promising markets for big players in the globalized world that could produce a considerable amount of profit for companies.

Limitations

First, the nature of the samples taken from the specified selection of students limits the generalizability of the research. The nature of the sample products has been another limitation. Since, subjects in some cases were able to recall and then relate the specific attributes of the products to their individual previous product encounter; their decision is most likely to be guided by their intrinsic memory rather than the actual product exposure.

Second, the expectation of the higher rate of response is limited only to the consent of the college students. There is a limited experience of the stakeholders in the market to this type of survey that made the participation rate somehow limited. The existences of the respondents' biases can be their gender or language or religious orientation distorting their perceptions.

Third, the difficulty of measuring the COO effect described as the explicit factors at the time of the product evaluation process by the customers. Since the phenomenon happens at a conceptual level with the consumers, the response of the consumers might

be highly influenced by consumers' biases.

Lastly, some subjects' dropped out of the survey in the middle of the processes. This was among the major limitations that were experienced during the study in general.

Directions for Future Research

Further research can be done to study in-depth the relationship existing between the familiarity of a product with its country of origin perception or country image.

As a variable, individuals' previous product encounters and its influence in consumers' decision making is also another key issue that could be studied further because it is likely that consumers will be biased to use their intrinsic memory rather than the actual product exposure to evaluate products. The existence of such an individual variables has been also suggested by the findings of Zhang in his study of individual difference in information processing (Zhang, 1997).

The other notable variable is that there could be a time factor that could influence the perception of the subjects based on how frequently they want to have that product or how long it will take them to really differentiate the quality and some attribute differences between very similar product types. Is there any standard time that could be taken as basic measure to get more exact answers from the subjects? This will be an initial concept for further research.

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APPENDICES

APPENDICE A

STUDY QUESTIONNAIRE USED IN THE SURVEY

The purpose of this survey is to obtain information about your views of various types of products. Please read the directions to each question carefully and answer all the questions. There is no RIGHT or WRONG answer. The survey contains three parts. All of your responses will be highly appreciated. Thank you for your cooperation!

Different products have their own images in terms of their technological sophistication, aesthetic appeals, practical usefulness, economic value and importance to the consumers' taste of the product, etc. Different countries also have good or bad images as producers of various kinds of products. For example, France usually has good images as a producer of cosmetics, fashion merchandise, and artistic works. In this case, it is said that there is a good matchup between the image of France and the images of these products. Brazil, for example, has good image as an origin and producer of quality beans of coffee, and as a best source for very high quality coffee beans, the global demand for Brazil's coffee is very high.

Survey Part One

At this scenario the products are assigned with alphabets of A, B and C as follow as identification for each type or brand of coffee.

1. Which product brand do you choose to buy? Specify the number of your choice as follows in the table below;

Type or Letter of the Coffee Product	Rank your choice or preference accordingly
Product No- A	
Product No- B	
Product No- C	

2. Based on your choice or preference above, which product does have the highest quality?

Type or Letter of the Coffee Product	Quality Level		
	High	Medium	Low
Product No- A			
Product No- B			
Product No- C			

3. Which types of coffee do you usually drink? Can you put some of the attributes? (You can give an answer based on your past experience too.)
4. How do you compare your past experience of the coffee brand with this present one?

5. Which one do you think worth the highest, the average and the least payment in relative to the rest of the brands' group?

Type or Letter of the Coffee Product	Worth(Value) Level		
	High	Medium	Low
Product No- A			
Product No- B			
Product No- C			

6. Given all the above conditions, which one of the coded products, that is the coffee brands, are you likely deciding to buy?
7. At this scenario, what are your priorities in your buying decision for your first choice?

Survey Part Two

1. Please rate the extent to which the image of each of the following products matches the overall image of Brazil:
 - 1.1 Unprocessed or row bean coffee
(1) Extremely Low (2) Low (3) Moderate (4) High (5) Extremely high
 - 1.2 Processed or branded coffee
(1) Extremely Low (2) Low (3) Moderate (4) High (5) Extremely high
2. Please rate the extent to which the image of each of the following products matches the overall image of Colombia.
 - 2.1 Unprocessed or row bean coffee
(1) Extremely Low (2) Low (3) Moderate (4) High (5) Extremely high
 - 2.2 Processed or branded coffee
(1) Extremely Low (2) Low (3) Moderate (4) High (5) Extremely high
3. Please rate the extent to which the image of each of the following products matches the overall image of Ethiopia:
 - 3.1 Unprocessed or row bean coffee
(1) Extremely Low (2) Low (3) Moderate (4) High (5) Extremely high
 - 3.2 Processed or branded coffee
(1) Extremely Low (2) Low (3) Moderate (4) High (5) Extremely high
4. What is the likelihood that you as a consumer would be satisfied with each of the following products made in Brazil?
 - 4.1 Unprocessed or row bean coffee
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

- 4.2 Processed or branded coffee
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
5. What is the likelihood that you as a consumer would be satisfied with each of the following products made in Colombia?
- 5.1 Unprocessed or row bean coffee
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
- 5.2 Processed or branded coffee
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
6. What is the likelihood that you as a consumer would be satisfied with each of the following products made in Ethiopia?
- 6.1 Unprocessed or row bean coffee
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
- 6.2 Processed/branded coffee
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
7. How likely it is that high quality coffee, which is row bean, would be produced in each of the following countries?
- 7.1 Brazil
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
- 7.2 Colombia
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
- 7.3 Ethiopia
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
8. How likely it is that high quality processed coffee would be produced in each of the following countries?
- 8.1 Brazil
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
- 8.2 Colombia
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
- 8.3 Ethiopia
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High
9. Please indicate the level of your agreement with each of the following statements by checking the appropriate places.

Example

If you agree slightly with the following statement, you would place your check mark (✓) on the appropriate place as shown below:

“I prefer to own a car with a strong personality of my own.”

Strongly Disagree	Disagree	Don't know	Agree	Strongly Agree
1_____	2_____	3_____	4_____	5_____

9.1 It is worth the extra cost to purchase the best coffee processed or row I can afford
1___ 2___ 3___ 4___ 5___

9.2 I pay much attention to advertisements for processed or row coffee in magazines
or TV 1___ 2___ 3___ 4___ 5___

Survey Part Three

At this session you will be provided with additional information about the products, so being based on the information & experience you have got from this phase:

1. Which country's product do you think or expect is the most expensive? , please rate them from 1st to 3rd, i.e., from "more expensive" to "least expensive"
(More = 1, Expensive = 2, Least = 3)

1.1 Ethiopia _____ 1.2 Brazil _____ 1.3 Columbia _____

2. What kind of image do you have about these countries?
(Based on favorability from 1= Very Unfavorable to 5 =Very Favorable)

2.1 Brazil _____ 2.2 Columbia _____ 2.3 Ethiopia _____

3. Which country's product do you have the experience of long service life or high familiarity with their coffee?
Please rank them down as in the list [1st to 3rd i.e., "highest familiarity" to "Least familiarity", or "not familiar" is also possible answer.
(Highest = 1, Moderate = 2, Least = 3, Not familiar = 0)

3.1 Brazil _____ 3.2 Columbia _____ 3.3 Ethiopia _____

4. Which product are you likely to buy? List them down based on your choice or preference order. (Please state the country's name) _____

5. How likely it is that high quality coffee, i.e. row bean coffee, and would be produced in each of the following countries?

5.1 Brazil
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

5.2 Colombia
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

5.4 Ethiopia
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

6. How likely that high quality processed coffee would be produced in each of the following countries?

6.1 Brazil
(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

6.2 Colombia

(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

6.3 Ethiopia

(1) Very Low (2) Low (3) Moderate (4) High (5) Very High

7. At this scenario, what are your priorities in your buying decision of your first choice?

APPENDIX B

Oklahoma State University Institutional Review Board

Date: Friday, November 07, 2008
IRB Application No BU0827
Proposal Title: The Effect of Country of Origin of a Product on the Consumers Buying Behavior

Reviewed and Processed as: Exempt

Status Recommended by Reviewer(s): Approved Protocol Expires: 11/6/2009

Principal Investigator(s):
Firew Kfile Gudero Todd J. Arnold
20 N. Univ. Pl. #11 302 Business
Stillwater, OK 74075 Stillwater, OK 74078

The IRB application referenced above has been approved. It is the judgment of the reviewers that the rights and welfare of individuals who may be asked to participate in this study will be respected, and that the research will be conducted in a manner consistent with the IRB requirements as outlined in section 45 CFR 46.

The final versions of any printed recruitment, consent and assent documents bearing the IRB approval stamp are attached to this letter. These are the versions that must be used during the study.

As Principal Investigator, it is your responsibility to do the following:

1. Conduct this study exactly as it has been approved. Any modifications to the research protocol must be submitted with the appropriate signatures for IRB approval.
2. Submit a request for continuation if the study extends beyond the approval period of one calendar year. This continuation must receive IRB review and approval before the research can continue.
3. Report any adverse events to the IRB Chair promptly. Adverse events are those which are unanticipated and impact the subjects during the course of this research; and
4. Notify the IRB office in writing when your research project is complete.

Please note that approved protocols are subject to monitoring by the IRB and that the IRB office has the authority to inspect research records associated with this protocol at any time. If you have questions about the IRB procedures or need any assistance from the Board, please contact Beth McTernan in 219 Cordell North (phone: 405-744-5700, beth.mcternan@okstate.edu).

Sincerely,


Beth McTernan, Chair
Institutional Review Board

APPENDIX C

PARTICIPANT INFORMATION SHEET

“The effect of country of Origin of a product on the buying behavior of consumers”

Investigator: Firew Kifle Gudero, MSC.

The purpose of this survey is to obtain information about your views of various types of products by making an emphasis on a single product category coffee as sample. There is no RIGHT or WRONG answer. All of your responses will be highly appreciated. As a marketing student, your academic knowledge in the topic area will be helpful for the accuracy of the survey and the feed backs.

You will be given three cups of branded coffee and evaluate them, using quality, aroma, taste, likeability etc. Then you will fill the first scenario questionnaire, and next you will be given information about the origins/ sources of the coffee and will fill in the second scenario questionnaire to put your impressions and opinions about the three brands. You are expected to give only your general impression about those three brands. The survey will take an estimated time of about 40 up to 60 minutes.

There are no known risks associated with this project which are greater than those ordinarily encountered in daily life. No payment is offered in return for participation in this research.

The information that will be collected will be used only for academic purposes. You are not expected to give any of your personal identifying information on any of the forms. It includes your name. In keeping with standards of research ethics, this study has been designed to protect those who agree to participate. The data will be kept in a password protected file and locked file cabinet in Dr. Todd Arnold’s office, advisory committee chair, Business Building office number 302; the data will be destroyed upon completion of this study. It will be accessed by the researcher only.

You can withdraw at any time from the project without reprisal or penalty.

If you have any question about the research and or the rights you have while participate on this survey You can contact me:

Firew K.Gudero- Tel-405-744-1242, or

Dr. Todd Arnold- Tel-918-594-8596, Marketing Department, OFF.No.312

If you have questions about your rights as a research volunteer, you may contact

Dr. Shelia Kennison, IRB Chair, 219 Cordell North, Stillwater, OK 74078, 405-744-1676 or irb@okstate.edu



VITA

FIREW KIFLE GUDERO

Candidate for the Degree of

Master of Science

Thesis: "THE EFFECT OF COUNTRY OF ORIGIN OF A PRODUCT ON CONSUMERS' BUYING BEHAVIOUR"

Major Field: International Relations and Affairs

Biographical:

Personal Data: Born in Addis Ababa, Ethiopia, October 26, 1977, the son of Tadesch Wangore and Kifle Gudero.

Education: Completed Successfully National Given Exam Called Ethiopian High School Living Certificate, July 2001; received Bachelor of Business Administration Degree from Jimma University in July 2001; Completed the requirements for the Master of Science in International Studies Affairs at Oklahoma State University, Stillwater, Oklahoma in May, 2009.

Experience: Data Organizer, and Household Recruitment Baseline Surveyor, Organization for Women Self Employment in Ethiopia, August, 2000 to September, 2000; Organization and Manpower Expert I, Addis Ababa Region Government Employees Civil Service Commission, April 2002 to June 2002; Junior Administrative Assistant I and II, Manpower Planning Analyst II, Ethiopian Electric Power Corporation, May, 2002 to March, 2004, and April 2004 to June 2006 respectively;

Professional Memberships: Graduate Professional Student Government Association (GPSGA).

Name: Firew Kile Gudero

Date of Degree: May, 2009

Institution: Oklahoma State University

Location: OKC or Stillwater, Oklahoma

Title of Study: "THE EFFECT OF COUNTRY OF ORIGIN OF A PRODUCT ON CONSUMERS' BUYING BEHAVIOUR"

Pages in Study: 48

Candidate for the Degree of Master of Science

Major Field: International Relations and Affairs

Scope and Method of Study: In this study the country of origin effect on a consumer's quality perception has been examined in a three step survey. First, subjects in the study group were given a sample of coffee products, from three countries, one from Brazil, another from Colombia and the third one from Ethiopia. The subjects took a sample of brewed coffee to taste and rate based on their quality assessment. The second step of the research survey assessed the existing general perception of the subjects toward the country of origin for the given coffee before subjects learn about origins of the coffee brands. In the third step of the survey, subjects made their final evaluation of each coffee sample after learning the information of the country origin of the coffee. Subjects in the study were graduate students from the marketing section of Oklahoma State University.

Findings and Conclusions: The research findings showed that consumers do perceive quality of products differently and rate products in a different order of preference before they were provided with the country of origin information cue than they did after they had been provided with the country of origin information. The results of this study have strongly indicated that the country of origin of a product plays a decisive role by creating perceptual competitive differences between products in the buying process by consumers through dominating the effects of the intrinsic cues of products.

ADVISER'S APPROVAL: DR. TODD J. ARNOLD
