Antecedent factors impacting country of origin (COO): an investigation into food provenance in China

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Antecedent Factors Impacting Country of Origin (COO):
An Investigation into Food Provenance in China

Abstract

This paper reports a study that sought to investigate the antecedent factors influencing consumer COO perceptions. A review of the literature revealed that most previous studies consider these factors independently, however, it is now widely accepted that consumer decision making does not involve the consideration of variables one-at-a-time but rather as a small group of factors often referred to as the evoked set. This study, therefore, set out to fill a gap in the knowledge regarding the factors influencing consumer COO when considered collectively. A model of the antecedent factors impacting COO was developed from the literature and a three stage methodology involving both qualitative and quantitative techniques was then used to test the model. The findings not only confirm COO as an important factor in the decision making process of Chinese consumers when purchasing food products but go on to suggest that the role played by the antecedent factors of COO is much more complex than the existing literature might suggest. The main limitations of the study related to the work being conducted in just one country (China) and the inherent issues associated with research that is based on sampling. Despite the limitations, the paper makes an original contribution to knowledge regarding antecedent factors impacting COO and presents a number of implications for both practicing marketing managers and academic theorists.

Key words: Country of origin; COO; International marketing; Food provenance; China.

1.0 Introduction

According to Tse and Gorn (1993, p57), Country-of-Origin (COO) may be defined as “the country where a product is produced”; however, the concept is equally applicable to services (Guilhoto, 2018; Maurya and Gupta, 2015), brands (Arora et al, 2015; Johnson et al, 2016; Porto and Soyer, 2018), and online as well as offline purchases (Zhao et al, 2019). It is a key concept in marketing because it may have a significant impact on consumer behavior and decision making as, for instance, Priyadarsini and Goodwin (2009) note the pride with which some consumers speak about their Swiss watch, French wine or German car and conversely, their reluctance to acknowledge that their mobile phone was made in South Korea. Although most of the academic interest in COO relates to consumer decision making there is evidence (Dobrucali, 2019; Reichert and Altobelli, 2016; Schatzle and Jacob, 2019) to suggest that it also has an important role to play in industrial decision making.

COO has become increasingly important because of the advent of globalization and the concomitant growth in international trade (Han, 2010; Priyadarsini and Goodwin, 2009) that is causing products and services to be traded across national borders. Indeed, Lin and Chen (2006) posit that this phenomenon has been facilitated by the introduction of the General Agreement on Trade and Tariffs (GATT) in 1947 and then by the establishment of the World Trade Organisation (WTO) in 1995.

The increase in international trade means that there is a very real need for managers to understand consumers who live in different countries (Ahmed and d’Astous, 2008) and have different cultures than their own and so COO has become a key concept in international marketing (Andhn et al, 2016) and a very popular subject for research (Bloemer et al, 2009; Godey et al, 2012; Herz and Diamantopoulos, 2017; Phau and Suntrornnond, 2006; Usunier, 2006). Despite its popularity, however, there are some aspects of the COO concept that are less well understood and it is one of these areas, the antecedent factors impacting COO, that is the focus for this paper. Indeed, this paper will present the findings of a study that sought to fill a knowledge gap arising from much of the current knowledge having been generated by studying factors independently and the more realistic approach adopted in this paper which considers them collectively. To begin, however, it is useful to review the literature relating to COO generally and to antecedent factors specifically as this knowledge will be used to generate a model of the antecedent factors impacting COO which will then be validated through the collection of primary data.
2.0 Theoretical Background

The inception of the COO concept is often attributed to Dichter (1962) and his acknowledgement of the significance that ‘made-in’ labels may have on the acceptance and success of products while the earliest research on COO was undertaken by Schooler (1965) when he published what Pharr (2005) describes as a seminal paper on COO which showed that consumers purchase decisions may be impacted by national origin.

COO research was initially undertaken in developed countries (Hamin and Elliot, 2006) as companies that originated in developed countries looked to take advantage of the lower costs associated with manufacturing in less developed countries. However, researchers quickly realized that many less developed countries actually had emerging economies that also constituted viable markets for their products and services but that also required knowledge and understanding of COO amongst those consumers and so COO research subsequently took place in those countries too (eg Agbonifoh and Elimimian, 1999).

While COO is a popular focus for research the phenomenon is not completely pervasive and some researchers (eg Ettenson et al, 1988; Liefeld, 1993, 2004; Lim and Darley, 1997; Lim et al, 1994) have failed to find a statistically significant relationship between COO and consumer choice. Indeed, Balabanis and Diamantopoulos (2008 and 2011), Liefeld (2004), and Samiee et al (2005) have shown that consumers brand origin knowledge is remarkably poor and often they do not know the real COO of even well-known brands. This has led Magnusson et al (2011, p455) to propose that an alternative stream of research has emerged (eg Balabanis and Diamantopoulos, 2008; Liefeld 2004; Samiee et al, 2005) that “…suggests that most consumers care very little about the origin of products” which has then caused some (eg Samiee, 2010; Usunier, 2006; Usunier and Cestre, 2007) to question whether COO is still relevant.

The fact that some studies find a statistically significant relationship between COO and consumer choice while others don’t appears to be due to a number of factors. In the first instance, Ahmed and d’Astous (2001), Liefeld (1993) and Zhang (1996) argue that product type impacts the level of importance that consumers attach to COO. So for instance, when products are complex (eg houses, cars, home theatre systems) or have additional social dimensions (eg luxury items) and purchase requires a high level of involvement then consumers are more likely to incorporate COO in their deliberations (see Ahmed and d’Astous, 1993, 2001; Liefeld, 1993; Okechuku and Onyemah, 1966; and Piron, 2000). As such, COO effects are seen as context specific (Kim and Park, 2017) which has led authorities such as Verleghe and Steenkamp (1999) and Veale and Quester (2009) to note that it is quite possible that while some source countries do impact consumer behavior and consumer purchase decisions for some products for others they do not and so contradictory results are valid.

A second factor is that in some cases consumers relate products and services to countries not by virtue of COO but by some related concept such as Country of Manufacture (Arora et al, 2015; Johnson et al, 2016; Saeed, 1994), Country of Assembly (Al-Aali et al, 2015; Saeed, 1994), Country of Design (Genc and Wang, 2017; Wu and Dodool, 2016;), Country of Parts (Al-Aali et al, 2015), Country of Ingredients Authenticity (Cheah et al, 2016), country in which corporate headquarters of the company making the brand is located (Krupka et al, 2014) or country with which a manufacturer’s products or brand name is associated (Lin and Chen, 2006). In some instances this phenomenon may be exacerbated by the concept of multiple sourcing or what Pham (2006) calls hybrid products that have affiliations with several countries.

A third factor is that in some instances the COO effect may be subsumed within, or neutralized by, other variables and may not be readily visible to researchers. These other variables may include country image (Agarwal and Sikri, 1996; Godey et al, 2012; Han and Terpstra, 1988; Laroche et al, 2005; Lin and Chen, 2006; Nagashama, 1970 and 1977; Pharr, 2005; Usunier, 1993 and 2006) or a variation such as ecological country image (Dekhili and Achabou, 2015), brand name (Krupka et al, 2014), brand identity (Pharr, 2005) or brand image (Kim et al, 2015) and the phenomenon is particularly relevant for global brands that are able to command a price premium that outweighs COO (Winit et al, 2014).

Finally, some researchers (Agarwal and Kamakura, 1999; Peterson and Jolibert, 1995; Verlegh and Steenkamp, 1999) postulate that the strength of the relationship between COO and consumer choice is a product of the methodology used to undertake the research. While studies that focus on COO
separately tend to find a strong relationship between COO and consumer choice, studies that incorporate several variables in addition to COO have found a much weaker relationship. It would appear, therefore, that where other information is absent consumers will use COO to assist in evaluating products and services but that where other indicators of quality and reliability are present (eg brand image) then they often take precedence over COO.

Although the strength of the COO effect and indeed the validity of the concept itself has been questioned commentator’s such as Magnusson et al (2011) and Pharr (2005) conclude that as the majority of studies have confirmed a link between COO and consumer choice (eg Dobrenova et al, 2015; Holdershaw and Konopka, 2018; Hussein and Fraser, 2018; Insch and Cuthbert, 2018, Kim et al, 2015; Nagy, 2019; Otter et al, 2018; Tiwari, 2016; Visbal et al, 2017) then COO does affect many product evaluations and so it would seem logical to assume that in most instances it does remain a valid concept to research.

COO research is often implemented within what Bilkey and Nes (1982) and Bloemer et al (2009) refer to as the cognitive approach to consumer behaviour. In this approach the product is viewed as a series of attributes (Krupka et al, 2014) or cues (Joji and Ajin, 2015; Keller, 2003; Liefeld, 1993; Magnusson et al, 2011; Phau and Suntornmond, 2006; Piron, 2000; Tiwari, 2016) that can either encourage product acceptance or act as a barrier (Phau and Suntornmond, 2006). These cues may relate directly to the physical product itself, for instance, colour, weight, size, taste, or physical performance, and be known as intrinsic cues, or they may be related to the product but not directly, for instance brand name, image, reputation, and price, in which case they are known as extrinsic cues (Liefeld, 1993). Because COO is related to the product but not directly it is an extrinsic cue.

Where consumers are not familiar with a product it can be difficult for them to acquire information relating to intrinsic cues which means that they fall back on extrinsic cues when evaluating products (Bredahl, 2004; Magnusson et al, 2011) because they are seen as valid indicators of product quality and value (Dodds, 1991; Kardes et al, 2004; Magnusson et al, 2011). As such, extrinsic cues like COO may serve as cognitive short-cuts for situations where information regarding intrinsic cues is perceived as deficient (Bredahl, 2004; Chaiken, 1987; Keller, 2003; Magnusson et al, 2011). Further, where information regarding COO is either lacking or confused then consumers may fall-back further and use generic factors, such as country image (Agarwal and Sikri, 1996; d’Aastous and Ahmed, 1999; Erickson et al, 1984; Han, 1989; Laroche et al, 2005; Lee and Ganesh, 1999; Roth and Romeo, 1992; Samiee, 2010), for origin information to help them make product evaluations. Indeed, this process may be thoughtless and automatic (Magnusson et al, 2011) with the consumer unaware of the process (Greenwald and Banaji, 1995) which is based on internally stored and subconscious schemas (Shimp et al, 1993).

One schema relating to COO is based on stereotyping which is a “…psychological process that is commonly used to explain how consumers react to COO information (Ahmed and d’Astous, 2008, p78). Stereotypes of countries can take the form of either a multivariate summary construct or a simple halo (Han, 1989), be explicit or implicit (Diamantopoulos et al, 2017), and be positive or negative but whatever their nature they are used by consumers to assist in the evaluation of products (Fischer and Zeugner-Roth, 2017; Johansson and Thorelli, 1985; Lin and Chen, 2006; Magnusson et al, 2011; Roth and Romeo, 1992) and an understanding of such stereotypes is essential in developing international marketing strategies. Indeed, research has found that because of an association with technological development (Ahmed and d’Astous, 2001; Chinen et al, 2000; Hsieh, 2004; Huddlestone et al, 2001; and Wang and Lamb, 1983) which is then related to superior quality and performance (Priyadarsini and Goodwin, 2009), and / or cultural appropriation (Suh et al, 2016) consumers demonstrate a pervasive preference for products originating from developed countries. Enduring favourable stereotypes such as this may be viewed as a halo effect for products originating from developed countries (Erickson et al, 1984; Johansson et al, 1985; Lin and Chen, 2006).

Another schema relating to COO is based on ethnocentricty which is a term that was first used by Ludwig Gumplowicz (Bizumic, 2014) and refers to the act of judging another culture based on preconceptions that are found in the values and standards of one’s own culture (Omohundro, 2008). In the context of marketing the concept is often refined so as to focus on Consumer Ethnocentrism which may be defined as the way that consumers consider products originating from their own country as being superior to products made in other countries (Shimp and Sharma, 1987). At the individual consumer level ethnocentrism is based on factors such as culture, nationalism, patriotism,
internationalism, demography, economic conditions, and personal characteristics (Balabanis et al., 2001; Maier and Wilken, 2017; Sharma et al., 1995).

Pharr (2005) and Walley et al. (2014) postulate that much COO research is based on a simple conceptual model involving antecedents, moderators and outcomes. Pharr (2005) defines antecedents as being “…the precursors to or determinants of a construct” while moderators are factors that serve to reduce the impact of an effect and outcomes are a product of the antecedents and moderators. This model is presented as Table 1 along with the underpinning variables identified in the literature. Indeed, as it has become more apparent that COO is a multidimensional concept that plays a role in both product assessment and the decision making process (Bilkey and Nes, 1982; Jaffe and Martinez, 1995; LaTour and Henthorne, 1990; Priyadarsini and Goodwin, 2009; Reiersen, 1966; Solomon, 2015; Verlegh and Steenkamp, 1999; and Zain and Yasin, 1997) and that “…COO affects different aspects of consumer evaluation and choice behaviour” (Ahmed and d’Astous, 2008, p78) then the list of output variables in the COO model has grown.

While this model is a useful means of identifying factors impacting COO, the factors themselves have in the main been investigated using a quasi-experimental deductive approach that focuses on the variables individually. The findings of these types of study are generally reliable but validity is often difficult to establish which Andehn and L’espoir Decosta (2018) claim is an issue with many COO studies. As a consequence, the model itself is largely hypothetical and little, if anything, is known about the factors collectively (Ahmed and d’Astous, 2008). In order to address this knowledge gap the remainder of this paper will report the findings of a study that adopted an inductive approach to collectively research the factors impacting COO and the relationships between them in the context of a COO study of food provenance in China with a view to producing results that are both reliable and valid.

### Table 1 – Conceptual Model of COO

<table>
<thead>
<tr>
<th>Antecedents</th>
<th>Moderators</th>
<th>Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demographic variables</td>
<td>Context</td>
<td>Product quality</td>
</tr>
<tr>
<td>Social class, Travel abroad,</td>
<td>Consumers’ education</td>
<td>Brand quality</td>
</tr>
<tr>
<td>Education</td>
<td>Consumers product knowledge</td>
<td>Product attributes</td>
</tr>
<tr>
<td>Motivation</td>
<td>Product expertise</td>
<td>Consumer attitudes</td>
</tr>
<tr>
<td>Ability to process information</td>
<td>Product familiarity</td>
<td>Purchase intentions</td>
</tr>
<tr>
<td>Ethnocentrism</td>
<td>Brand familiarity</td>
<td>Consumer preference</td>
</tr>
<tr>
<td>Animosity to other ethnic groups</td>
<td>Product origin congruency</td>
<td>Purchase intentions</td>
</tr>
<tr>
<td>Cultural orientation</td>
<td>Product origin typicality</td>
<td>Purchase value</td>
</tr>
<tr>
<td>Materialism</td>
<td>Product type</td>
<td>Brand image</td>
</tr>
<tr>
<td>Value consciousness</td>
<td>Category level</td>
<td>Perceptions of product risk</td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td></td>
</tr>
</tbody>
</table>

Developed from: Ahmed et al., 2002a & b; Ahmed and d’Astous, 1996 and 2008; Balabanis and Diamantopoulos, 2004; Balabanis et al., 2002; Balestrini and Gamble, 2006; Beverland and Lindgreen, 2002; Biswas et al., 2011; Chattalas and Takada, 2013; Chiou, 2003; d’Astous and Ahmed, 1999; Ferguson et al., 2008; Gurhan-Canli and Maheswaran, 2000; Han, 2010; Hanzae, 2008; Hamin and Elliott, 2006; Hamzaoui-Essoussi et al., 2011; Hsieh, et al., 2004; Insch, 2003; Jian and Guoqun, 2007; Jiménez and Martin, 2012 & 2014; Johansson, 1989; Josiassen et al., 2008; Josiassen and Assaf, 2010; Kabady and Lerman, 2011; Kaynak et al., 2000; Kim and Pysarchik, 2000; Kim, 2006; Knight and Calantone, 2000; Koschatte-Fischer et al., 2012; Koubaa, 2008; Kucukemiroglu et al., 2005; Lee and Ganesh, 1999; Leonidou et al., 1999; Liefeld et al., 1996; Lim et al., 2014; Lin and Chen, 2006; Martin and Cervino, 2011; Michaelis et al., 2008; Paewan and Sharma, 2004; Peterson and Jolibert, 1995; Phau and Summormond, 2006; Prendergast et al., 2010; Richardson Jr, 2012; Sharma, 2011; Tigli et al., 2010; Tseng and Balabanis, 2011; Wall et al., 1991; Wong et al., 2008; Xu et al., 2013; Zolfagharian and Sun, 2010; Zolfagharian et al., 2014.

### 3.0 Methodology

This study was carried-out in three stages with Stages One and Two being conducted as part of a food provenance or “place of origin” (Oxford University Press, 2019) project in China and Stage 3 being conducted for the specific purpose of investigating the antecedent factors impacting COO.

Stage One was qualitative in nature and comprised two focus group discussions involving a total of 16
consumers who were resident in the Beijing municipal area and had been chosen using judgment sampling to ensure a representative sample of the broader Chinese population in terms of age and gender. These focus groups simply sought information about the purchase process and the factors, particularly COO, impacting purchase decisions relating to selected food and drink products.

Stage Two was quantitative in nature and took the form of a street survey. A total of 198 questionnaires were completed by an equal number of participants in street intercept interviews at shopping malls in four locations approximately 5km from Beijing city centre. The participants were selected using a systematic random sampling technique whereby the interviewers approached every tenth person. In the event 51% of the selected sample were male, and the modal age of the respondents was 18-25. In order to address the issue of experimental isolation of the COO factor inflating its importance (eg Balabanis and Diamantopoulos, 2008; Magnusson et al, 2011; Samiee et al, 2005; Usunier, 2006) the survey adopted a conservative approach and considered COO relative to other attributes impacting the purchase decision that had been identified in Stage One. This stage of the study generated the data relating to the preferred COO for selected food and drink products that are shown in Table 2.

Stage Three was, again, qualitative in nature and took the form of another focus group discussion involving 10 Chinese students studying in the UK. The aim of this group discussion was to investigate the antecedent factors impacting COO and this was achieved by using the data from the Stage 2 survey as a prompt, presenting it to the Stage 3 participants on a product-by-product basis, and asking why the COO data had been rated in the way that it had. The focus group discussions followed common practice (Silverman, 2015) and were recorded, transcribed and the data subject to thematic analysis.
Table 2: Preferred Country-Of-Origin

<table>
<thead>
<tr>
<th>Preferred country-of-origin of chocolate:</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Switzerland (n=155)</td>
<td>3.9613</td>
</tr>
<tr>
<td>2. Belgium (n=167)</td>
<td>3.8824</td>
</tr>
<tr>
<td>3. Italy (n=141)</td>
<td>3.6809</td>
</tr>
<tr>
<td>4. America (n=133)</td>
<td>3.5188</td>
</tr>
<tr>
<td>5. Japan (n=135)</td>
<td>3.4220</td>
</tr>
<tr>
<td>6. China (n=167)</td>
<td>3.3293</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preferred country-of-origin of salmon:</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Japan (n=136)</td>
<td>3.8824</td>
</tr>
<tr>
<td>2. Norway (n=115)</td>
<td>3.8696</td>
</tr>
<tr>
<td>3. Canada (n=99)</td>
<td>3.4646</td>
</tr>
<tr>
<td>1. Russia (n=78)</td>
<td>3.2436</td>
</tr>
<tr>
<td>5. China (n=123)</td>
<td>2.9837</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preferred country-of-origin of baby milk powder:</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. New Zealand (n=112)</td>
<td>3.9018</td>
</tr>
<tr>
<td>4. Netherlands (n=102)</td>
<td>3.8627</td>
</tr>
<tr>
<td>3. Germany (n=84)</td>
<td>3.6310</td>
</tr>
<tr>
<td>1. Switzerland (n=80)</td>
<td>3.5625</td>
</tr>
<tr>
<td>2. United Kingdom (n=76)</td>
<td>3.4079</td>
</tr>
<tr>
<td>6. China (n=121)</td>
<td>2.8182</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preferred country-of-origin of beer:</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Germany (n=146)</td>
<td>4.0342</td>
</tr>
<tr>
<td>5. China (n=173)</td>
<td>3.8266</td>
</tr>
<tr>
<td>1. United Kingdom (n=98)</td>
<td>3.4898</td>
</tr>
<tr>
<td>4. Mexico (n=91)</td>
<td>3.4176</td>
</tr>
<tr>
<td>3. France (n=85)</td>
<td>3.2588</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preferred country-of-origin of steak:</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Australia (n=140)</td>
<td>4.0571</td>
</tr>
<tr>
<td>2. America (n=132)</td>
<td>3.9470</td>
</tr>
<tr>
<td>1. United Kingdom (n=120)</td>
<td>3.7583</td>
</tr>
<tr>
<td>4. China (n=160)</td>
<td>3.3375</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Preferred country-of-origin of wine:</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. France (n=133)</td>
<td>4.0902</td>
</tr>
<tr>
<td>6. Australia (n=104)</td>
<td>3.7212</td>
</tr>
<tr>
<td>1. Chile (n=86)</td>
<td>3.6977</td>
</tr>
<tr>
<td>8. Italy (n=110)</td>
<td>3.6455</td>
</tr>
<tr>
<td>2. America (n=102)</td>
<td>3.3922</td>
</tr>
<tr>
<td>5. Spain (n=100)</td>
<td>3.3800</td>
</tr>
<tr>
<td>4. Argentina (n=83)</td>
<td>3.3253</td>
</tr>
<tr>
<td>9. China (n=158)</td>
<td>3.3165</td>
</tr>
<tr>
<td>3. South Africa (n=78)</td>
<td>3.2692</td>
</tr>
</tbody>
</table>

Key: 1 = Strongly Dislike, 2 = Slightly Dislike, 3 = Neither like nor dislike, 4 = Slightly like, 5 = Strongly like, 6 = Don’t know.
4.0 Results

The antecedent factors impacting COO in the decision making process regarding the food products researched in Stage 3 of this study are identified in Table 3. Despite the best efforts of the Moderator the discussions relating to the different food groups were not the same. Participants talked more freely about the factors impacting COO in respect of some products rather than others, possibly an indication of the level of involvement associated with the purchase decisions, but obviously this resulted in more factors being identified for some food products rather than others. However, this was not considered an issue because, being qualitative in nature, the research was simply seeking insight and it did not matter that there was an imbalance in the discussion between the food products. Further, it should be noted that in some instances there was a significant association between factors and the decision to identify them separately and list them with certain food products in Table 2 was somewhat judgmental but facilitates subsequent consideration later in this paper.

Table 3: Antecedent factors influencing COO

<table>
<thead>
<tr>
<th>Chocolate</th>
<th>Salmon</th>
<th>Baby Milk Powder</th>
<th>Beer</th>
<th>Steak</th>
<th>Wine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality (scandal)</td>
<td>Price</td>
<td>Availability</td>
<td>Quality (safety)</td>
<td>Price</td>
<td>Quality (history, heritage &amp; tradition)</td>
</tr>
<tr>
<td>Reputation</td>
<td>History &amp; heritage</td>
<td>Ethnocentricity</td>
<td>Reputation (branding)</td>
<td>Availability (alternative products &amp; protected status)</td>
<td>Reputation</td>
</tr>
<tr>
<td>History &amp; heritage</td>
<td>Ethnocentricity</td>
<td>Culture</td>
<td>History &amp; heritage</td>
<td>Culture (social cache)</td>
<td>Product range</td>
</tr>
<tr>
<td>Culture</td>
<td>Habit</td>
<td>Quality</td>
<td>National image</td>
<td>Ethnocentricity</td>
<td>Price</td>
</tr>
</tbody>
</table>

The participants referred to quality as a factor influencing COO evaluation in the context of most of the food products studied, however, quality is a multi-dimensional concept and this characteristic was clear to see here as different aspects of quality were the focus of discussion regarding the different food products. In the context of most food products the discussion started by reference to a desire for premium quality but the discussion relating to beer made an association with product safety; the discussion about wine related quality to the history, heritage and tradition associated with wine production in France but not South Africa; and the discussions about baby milk powder and chocolate led participants to talk about relatively recent food scandals that led to catastrophic failings in product quality.

A second factor mentioned by the participants as influencing COO evaluation in the context of most of the food products studied was price but, again, the discussions in the context of the selected foods served to highlight the multivariate nature of this factor. In the context of wine and chocolate it appeared that the participants expected to pay a premium price for a premium quality product while in the context of steak they talked about best value and in respect of beer the price was evaluated relatively against the price of wine. Of most interest, however, was the discussion regarding baby milk powder where the participants expressed a willingness to pay premium price for high quality products that originated overseas, presumably because they were considered safer than products produced in China, but then went on to note the low price of products originating from New Zealand. This may at first appear an anomaly with New Zealand firms failing to fully capitalise on an apparent marketing asset but, if the participants observations are accurate, with New Zealand firms being implicated in some of the scandals surrounding baby milk powder in China it could also be a deliberate marketing strategy on the part of the New Zealand firms to buy back lost market share.

The participants mentioned reputation as a factor influencing COO evaluation in the context of chocolate, baby milk powder, beer and wine purchases and, again, it impacted purchase decisions in different ways. Although reputation appeared but as a mention with regard to chocolate purchases and only in the context of well-known German beer festivals with regard to beer it had a much more complicated impact with regard to baby milk powder and wine. In the context of baby milk powder the participants felt that reputation was built upon advertising that in respect of products originating from New Zealand was based upon a country image that portrayed an image of fertile grasslands, superior
standards of animal husbandry, low carbon emissions, and environmentally friendly products. The discussion regarding baby milk powder also revealed that the participants did not associate the product with countries like the Netherlands because they felt that the product was incongruent with the national image. Similarly, while the participants appeared perfectly happy with wine originating from France (they believed that the climate was particularly well suited to producing wine) they felt that wine was incongruent with their perceived image of South Africa which, rightly or wrongly, they associated with chemical production.

*Product availability* was another factor influencing COO evaluation that was mentioned by the participants in the context of salmon, beer and wine purchases. The participants felt that wine from different countries was supplied into different Chinese cities, possibly relating to historical ties with those countries, while salmon was associated with Japan because it was frequently on the menu in Japanese sushi restaurants that Chinese consumers favoured. Similarly, German beer was favoured by the participants primarily because of it being available in the German restaurants that are popular in China but the consumers preference for German beer may also be due to the fact that the participants only recognized one Chinese beer of comparable quality. The discussion regarding beer did, however, suggest that in some regions Chinese beer is more popular because it has a protected status which means that beer from overseas is simply not available.

*History and heritage* have already been acknowledged as a factor influencing the COO evaluations of the participants regarding wine but it was also mentioned in the context of chocolate and beer. Indeed, the participants felt that Chinese consumers often associated chocolate with Switzerland and beer was often associated with Germany because both countries have a long history and heritage of producing these products.

*Ethnocentricty* is regarded as a common factor influencing COO evaluations but in this study, while the participants did make reference to it, it wasn’t in the normal manner. In this study the participants touched on ethnocentrism with regard to baby milk powder and chocolate but, because baby milk powder and chocolate originating from China have been the subject of food scandals, the participants favoured products originating from abroad which seems to be a case of reverse-ethnocentricity.

*Culture* is another factor that might be expected to impact COO evaluations but which in reality may do so in a variety of ways. In this study the participants mentioned culture in the context of purchasing chocolate, beer and wine, and in all three cases the discussions revealed various aspects to the subject. In the case of chocolate the discussion suggested that Chinese consumers find the idea of Chinese chocolate incongruent with national identity because they hold expectations that non-traditional foods (like chocolate) should originate outside of China. The participants did, however, feel that Chinese culture was changing and that a developing trend to gift and drink beer on social and business occasions was causing Chinese consumers to favour German beers which provided greatest social cache as drinkers tended to show-off their German beer on social media which suggests that purchase is imbued with an element of conspicuous consumption. Indeed, the conspicuous consumption theme extended into the discussion concerning wine where it was considered in the context of gifting. In China a particularly important aspect of Chinese culture is “guanxi” which, interpreted literally, refers to “social network” (Jap, 2010) and a key aspect of this is gift-giving. As with cultures across the world, the rules of guanxi are tacit and somewhat flexible but known and understood by the majority and it is important to ensure that gifts are of the right pecuniary value to match the recipients social standing and put the giver in the correct light to gain face, however, the participants felt that wines originating from China were often low priced and poorly packaged which meant that they were not suitable for gifting in the Chinese cultural context.

*Product range, fashion, and habit* were the final three factors identified by the participants. While the former two were mentioned in the context of beer and the discussion was brief and limited it is worth considering habit in a little more detail as while mention of this factor was also brief it may well have an impact, albeit not recognized, in the purchase of all the other products tested and beyond. The impact of habit is not always acknowledged but some 45% of human behavior is repetitive (Wood et al, 2002) and a significant amount of consumer behavior and decision making is similarly habitual (Seetharaman, 2004) and so, with respect to this study, once patterns of behavior with regard to COO have been established and they become habitual it is quite conceivable that the factors outlined above will continue to play an important role in the decision making process for food products into the future and it is important to recognize this phenomenon.
5.0 Discussion

It was clear that the participant's views and beliefs about factors were not necessarily based on facts but are perceptual in nature. Indeed, congruent with the views of Balabanis and Diamantopoulos (2008), in some instances the participant's beliefs were based on a tremendous amount of ignorance about both the countries products originated from and the countries themselves. In fact, as predicted by Bredahl (2004) and Magnusson et al (2011), where the participants did not have facts on which to base their views and beliefs then they fell back on extrinsic cues and associations often served to fill the knowledge gap. A common and hence potentially particularly important association was that between COO and country image.

While the use of country image associations in consumer decision making is well documented in the literature (Agarwal and Sikri, 1996; d’Astous and Ahmed, 1999; Erickson et al, 1984; Han, 1989; Laroche et al, 2005; Lee and Ganesh, 1999; Roth and Romeo, 1992; Samiee, 2010) what is not covered so well but which was clearly apparent in this study was the impact of both negative country image and incongruent national image. So for instance, the participants did not like the idea of baby milk powder originating from China because of the scandal surrounding melamine contamination of baby milk powder made in China and they did not like the idea of baby milk powder originating from the Netherlands because they simply did not associate baby milk powder production with this country.

Similarly, while ethnocentricty is also a well-documented concept in the literature (Balabanis et al, 2001; Bizumic, 2014; Omohundro, 2008; Sharma et al, 1996; Shimp and Sharma, 1987) what receives less attention but which was also apparent in this study was reverse-ethnocentricty. Normally, ethnocentricty is associated with a tendency to favour products originating from one’s own country of origin but this study highlighted the potential for reverse ethnocentricty as the Chinese participants were, to varying extents, biased against many of the food products originating from China. While there was something of a low level bias against Chinese food products based on perceptions of them having inferior quality levels when compared to products originating from overseas in the case of baby milk powder they were strongly biased against products originating from China for the very specific reason of the melamine contamination scandal.

Culture is yet another subject that has received a lot of attention in the academic literature (eg Hofstede, 2001; Steenkamp, 2019; Usunier, 1993) but this study also served to reinforce Gurhan-Canli and Maheswaran’s (2000) view that buying factors, including COO, may be perceived differently in different contexts. In this study conducted in the Chinese context it was clear that culture, and especially the role played by guanxi and face, influenced participant’s views about COO when evaluating products to give as gifts. Specifically, and as predicted by Jap (2010) and Zhang (1996), the participant’s would not wish to give products that were low priced and poorly packaged and so this may well lead them to purchase products originating from countries that they perceived to offer the desired standard of quality and price.

The aforementioned findings do provide insight into COO as a factor influencing consumers purchase decisions but it is possible to make some further conjectures by considering the findings at a higher level of abstraction. For instance, it is apparent that in most of the instances considered as part of this study COO influences consumer decision making by contributing to an aggregate compensatory evaluation of a product within the decision making process. However, in some instances, COO may serve to exclude a particular product from the consumer’s decision making process and so serves as a non-compensatory decision factor. In these cases, COO is not just a factor in the decision but the one and only factor in the decision and so is not just very important but is actually the essential determinant of that decision.

Considering the findings as a whole it is also apparent that it is difficult to fully understand the role of some factors as they may be both antecedents and moderators depending on circumstance. It is also apparent that many of the seemingly individual factors influencing COO are not actually unrelated because there is significant overlap and in some cases a factor is based on one or more other factors. The tendency to assume that the factors are independent may well be derived from the common practice of listing factors which may assist in identifying individual influencing factors but does not present an accurate indication of the relationships between the factors. This then suggests that the original antecedents-moderators-outcomes model shown in Table 1, while intuitively appealing, is rather
simplistic in terms of explaining the impact that COO has on actual consumer behaviour.

6.0 Practical and Theoretical Implications

The study on which this paper is based has a number of practical as well as theoretical implications. Indeed, at the practical level, as well as providing valuable up-to-date market research suggesting a significant opportunity for foreign companies wishing to enter or operate in the Chinese market, the data also provides valuable insight into the markets of the food products that were the focus for this study which might allow companies to develop more effective marketing and promotional strategies.

Variables such as product quality and reputation are multivariate and not particularly useful from the management perspective (Insch et al, 2016; Rashid et al, 2016). Also, it is readily apparent that the manner in which participants use factors is often situation-specific which renders their use in the decision making process complex. It would appear apposite, therefore, to suggest that there is a need to conduct market research on any and all products that a manager is contemplating introducing into a foreign market.

Another key point for a marketing manager concerns product availability and the importance of securing appropriate distribution outlets. If products are not on the shelves the consumers cannot buy them and, therefore, rather than being based on experience, their perceptions of the products and their COO are based on generic reputation and especially of the associated country image. Indeed, where management is considering entering a new market, especially where consumers have little prior knowledge of the product, they should assume that their product will be evaluated by the consumers on a range of factors including the image of the country from where they originate and manage the products accordingly.

In respect of some products, history and heritage are essential for establishing a congruent and compelling COO and yet they are very difficult to copy which means that they are, in effect, the basis of a sustainable competitive advantage. One example of such a product is champagne where consumers expect the product to have a rich history and heritage that is almost unique, not least because within the EU the product has Protected Designation of Origin status. In situations like this a marketing manager must imbue his or her product with history and heritage by either producing in the champagne region of France or at least producing a similar product (eg Proseco) in France so that the product may take advantage of an association with the country of France.

In most instances ethnocentricity means locating production in the domestic country but this may not be necessary in the Chinese context as the participants in this study demonstrated reverse-ethnocentricity with regard to certain food products, where they preferred products made abroad. While the effect appeared to be product-specific managers should be aware that for some food products this appears to represent a good opportunity to export into China. Conversely, however, with regard to other food products the participants also demonstrated an aversion to food products originating from certain foreign countries and in these instances managers would be advised to follow the advice to be found in the literature (eg Aichner et al, 2017; Hamin and Elliot, 2006; Jimenez and Martin, 2012; Kim, 2006; Rashid, 2017; Richardson Jr, 2012, and Smaoui et al, 2016) and either produce the product elsewhere or obfuscate regarding the products origins.

Economic development has proceeded at a very fast rate in China and the Chinese economy is now the second largest in the world (World Bank, 2017). This economic growth may well be leading to changes in society and this study certainly found evidence that Chinese culture is changing. These changes in culture are then leading to changes in consumer behavior which would seem to offer some products originating from outside China good opportunities. Indeed, the Chinese cultural phenomena of guanxi and face are particularly important in that they encourage the practice of gift-giving. However, these cultural concepts also require that gifts should be of an appropriate status which, again, creates a very good opportunity for products originating outside of China.

At the theoretical level, academic researchers should note that a comparison of the antecedent factors recognized in previous studies and summarized in Table 1 and the antecedent factors identified in this study and shown in Table 3 reveals that while there are some similarities (eg ethnocentrism, culture, and value) there are also numerous differences. Many of the recognized antecedent factors in Table 1
are, in fact, generic background characteristics of the respondents (e.g., demographic variables, social
class, education, and motivation) while the antecedent factors in Table 3 are largely attributes of the
product or service encounter itself. This is probably a facet of the research approach used in previous
studies (i.e., deductive) being different to that used in this study (i.e., inductive) but does suggest that
antecedents may be considered as background or foreground factors and it may be useful to make this
distinction as while both are useful in explaining COO the background factors are largely given while
the foreground factors are more likely to be manageable.

7.0 Conclusion

Previous research on antecedent factors influencing consumer behaviour has tended to be deductive
and focused on one or a small number of variables. The aim of this study was to investigate the factors
influencing consumer COO perceptions collectively as a self-determined decision set and it did so via
a methodology that employed both qualitative and quantitative techniques in a three-stage process.
Despite limitations relating to the work being conducted in China which is an emerging economy with a
unique culture, the fieldwork being conducted in Beijing which may not be representative of the Chinese
market as a whole, and the inherent issues associated with research that is based on sampling and
qualitative research that make use of very small sample sizes, the study makes an original contribution
to knowledge by providing valuable additional insight into the antecedent factors influencing consumer
COO perceptions.

In the first instance, the study confirms that Chinese consumers can and do differentiate between food
products on the basis of national origin which means that the findings contribute to the body of evidence
that supports the existence of a COO effect. The study then goes on to identify the factors that impact
consumers’ decision making regarding COO as well as investigating the relationships between these
factors. It is readily apparent that while in most situations the factors render COO as a factor in a
compensatory decision there are instances where COO is the sole or key determinant in a non-
compensatory decision. It is, therefore, also apparent that the simple antecedents-moderators-
outcomes model used to underpin much of the existing research on COO is rather simplistic when it
comes to explaining the role of COO in actual consumer decision making.

In conclusion, COO remains an important component of consumer decision making but the antecedent
factors underpinning it, and the relationships between these factors, are much more complex than the
prevailing theory suggests and this has important implications for both practitioners and academics.
Indeed, the antecedent (and mediating) factors underpinning COO appear to provide good potential for
further research, perhaps in different countries and in respect of different products to those used in this
study, and for both national governments and commercial organisations to fund such research activity.
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