Assessments of country of origin and brand cues in evaluating a Croatian, western and eastern European food product

Durdana Ozretic-Dosen⁎, Vatroslav Skare, Zoran Krupka

Graduate School of Economics and Business, J.F. Kennedy 6, 10000 Zagreb, Croatia, University of Zagreb, Croatia

Abstract

The economic and social changes occurring in the former socialist and communist countries of Central and Eastern Europe point to the need for more intensive consumer-based market research. This paper reports on a study of young Croatian consumers’ attitudes towards a foreign and domestic product of a single low-involvement food product category (chocolate). The roles that country of origin (COO) and brand play in the consumers’ purchase decision process are of particular interest. The research findings indicate some consistency in the way consumers structure their assessments of country of origin, brand and price cues in their evaluation of a Croatian, Western and Eastern European food product (chocolate).

Keywords: Country of origin; Brand; Low-involvement food product

1. Introduction

A large amount of different product information is available to consumers during their purchase decision processes for most product categories. This is particularly the case for product categories where the competition is fierce, such as a broad variety of fast moving consumer goods. Most consumers spend a limited period of time when choosing among different products belonging to a certain low-involvement food product category, and rely only on a few key cues which reflect the overall product quality dimension.

A number of empirical studies since the 1960s have assessed consumer evaluations of product quality according to national origin (Niss, 1995). Country of origin (COO) is often a cue for evaluating products, and some authors suggest that favorable perceptions about the country result in the according of favorable attributions to brands from that country (Paswan and Sharma, 2004). Ahmed et al. (2004) found that COO plays a role in consumers’ evaluation of low-involvement products, although its effect is weak. The authors attribute this weak effect to the characteristics of the products. Although several definitions of the COO concept appear in international marketing literature, general consensus (D’Astous and Ahmed, 1999; Al-Sulaiti and Baker, 1998) has arisen among international marketing academics and researchers that an inextricable link exists between the country image and the brand image, although the exact nature of this link, including the direction of the relationship, is equivocal.

So far, little research has explored Croatian consumers’ attitudes towards extrinsic product cues, such as COO and brand. Therefore, the authors of this paper decided to study whether Croatian consumers’ buying behavior supports the findings of studies carried out in the settings of developed market economies. The study sought to investigate the effects of COO and brand cues on young Croatian consumers’ perceptions of a domestic, Eastern European and Western European product categorized as a low-involvement product (chocolate).

The findings make explicit the importance of country of origin and brand associations which young Croatian consumers attach to different products in the process of the consumption of a single low-involvement food product (chocolate).

2. The role of COO and brand in evaluating product quality

Understanding the importance of COO and of brand in consumption patterns and consumer purchasing habits has
grown thanks to recent theoretical contributions. Schaefer (1997) states that while COO generally seems to have an impact on product evaluations, debate continues concerning the magnitude of the effect, particularly in the presence of other extrinsic and intrinsic product information cues, and about the environmental and individual factors that may facilitate or inhibit reliance on country of origin.

Since the 1990s, consumers and marketers have been using COO and brand names as a means of evaluating products. Webb and Po (2000) give four reasons for this. First, due to the rapid process of globalization, many consumers turn to product origin and brand name as a means of simplifying information processing, by treating them as indicators of quality and acceptability. Second, the growing complexity of products and the difficulties business people face in establishing unique selling propositions as a result of product standardization lead to the greater use of COO and brand names by marketers. Third, COO and brand name offer significant opportunities for the formulation of a multinational marketing strategy. Fourth, consumers readily become familiar with foreign products and the differences among them due to exposure to global media.

Certain COO and brand dimensions clearly lead to increased marketplace recognition and to business success for marketers. Paswan and Sharma (2004) argue that consumer knowledge of a brand’s country is crucial for the transfer of the COO image to the brand image; however, if consumers do not know about a brand’s COO, they are hardly likely to be able to transfer any perceived COO image to the brand. Also, many researchers (Chung Koo, 1995) agree that, through familiarity with products and services from different countries, consumers develop country images which can have a considerable impact on consumers’ evaluations of products and services.

In an extensive literature review of country of origin effects, Al-Sulaiti and Baker (1998) proposed that the country of origin concept should constitute the fifth element of the marketing mix, along with the product itself, its price, promotion and distribution.

How much influence the COO cue provides in product evaluation is still unknown, and opinions differ widely. According to Thakor and Katsanis (1997), COO as an extrinsic cue might have only a limited influence on product quality perceptions. In another, more recent, study, Thakor and Lavack (2003) found that the brand origin association may be more influential than the COO itself in terms of consumer evaluations of a product, and concluded that the brand origin association appears to have a greater influence on consumers, while information about the place of manufacture or assembly of the product and/or product components is less important.

3. Stereotypes and the COO concept

Consumers throughout the world perceive stereotypes differently. People sharing similar cultural values tend to be similar in their evaluations of COO. Many sources of literature on the effects of COO indicate a tendency to evaluate products from developed countries more highly than those from less developed countries. O’Cass and Lim (2002) state that this preference is highly complex, since a perceived disparity in economic, cultural and political systems exists in the minds of consumers in different markets. This means that generalizations drawn from such discussions should include only the countries where the studies take place, and the countries on which the studies focus. Furthermore, researchers have conducted studies on the effects of COO predominantly in developed countries. Their findings (Chao and Rajendran, 1993) suggest a tendency for consumers to evaluate their own country’s products and brands more favorably than imported products and brands. Taking both factors into consideration, O’Cass and Lim (2002) conclude that favorability in consumer evaluations of products and brands is a result of the cognitive tradeoff between the preference for products and brands from a developed economy, and the preference for products and brands of domestic origin.

For example, the study by Leclerc et al. (1994) found that for hedonic products in the USA consumers gave preference to the brand name which resonated with a French pronunciation.

According to Gibbs and Boguszak (1995), the general opinion among Eastern European consumers is that foreign products are of better quality than those produced domestically. However, Rojsek (2001) found that Slovene consumers differ from other Eastern European consumers. They (including a large proportion of younger Slovene consumers) tend to buy local brands (especially food products) primarily due to the perception that the quality of Slovene fast moving consumer goods is as good as that of Western ones.

4. Important product cues for evaluating fast moving consumer goods (FMCG)

A vast amount of literature worldwide deals with the key drivers in the choosing of fast moving consumer goods (FMCG), including food products. In their recent work, Silayoi and Speece (2004) suggest convenience as a driver of growing importance for food choice worldwide. This factor is important since young consumers take their habits with them into old age. This view derives from the fact that FMCG, including food products, are low-involvement products, about which consumers do not search extensively for information related to the brands, neither do they evaluate their characteristics nor weigh extensively their decision on which brand to buy. Furthermore, according to Hausman (2000), consumers seem to choose many food products without prior planning, so that, when they buy, their purchase represents a form of impulse buying. The lack of substantial and careful examination of brand and other product information has two important outcomes. One is the inability to clearly differentiate among leading brands. The other is the relatively weak “habit” of brand loyalty, which means that consumers, when they find a brand which meets their standards, tend to remain loyal, but easily make a substitution when the preferred brand is not available.

5. Research

The present study sought to investigate young Croatian consumers’ use of the country of origin and brand cues in their
evaluations of chocolate. Based on the literature reviewed, the authors of this study developed three hypotheses.

**H1.** Brand has greater influence on young Croatian consumers than COO in the purchasing and consumption of chocolate.

**H2.** Price has greater influence on young Croatian consumers than COO in the purchasing and consumption of chocolate.

**H3.** Young Croatian consumers have different perceptions of chocolate brands of different origin.

**H3a.** Young Croatian consumers perceive chocolate brands from Western European countries as the best.

**H3b.** Young Croatian consumers perceive chocolate brands from Central and Eastern European countries as the worst.

The nature of the research was exploratory. The data for analysis for this article came from a convenience sample of current undergraduate students at the Graduate School of Economics and Business, University of Zagreb. The members of the student sample were familiar with the type of product that the study used. The sample is consistent with samples in literature dealing with the categorization of “young consumers”, fitting into the age range of 18–27 years (Beaudoin et al., 1998). The respondents provided the data by means of a self-completed questionnaire in January 2005.

The questionnaire underwent a pre-test on a convenience sample of 28 current undergraduate students. Feedback showed that one question posed certain problems. The authors made necessary corrections which led to the final version of the questionnaire. The questionnaire consisted of fourteen questions, of which five questions were open and nine closed. Two of the fourteen questions related to demographics.

The responses include 278 useable completed questionnaires.

6. **Data analysis and discussion**

In terms of the demographic profiles of all 278 respondents, 38 (13.67%) ranged in age from 18 to 21 years, 220 respondents (79.14%) ranged from 21 to 23 years, 17 respondents (6.12%) ranged from 24 to 26 years, and 3 respondents (1.08%) were over 27 years of age. Of all the respondents, 202, or 72.66%, were female and 76 respondents, or 27.34%, were male.

To begin with, the subjects responded to the question about how often they consumed chocolate. One third of all the respondents (86 or 30.94% of the respondents) answered that they consumed chocolate every day. More than half of the respondents (145 or 55.76%) stated that they consumed chocolate often (three, two times, or at least once a week). The remaining (37 or 13.31%) respondents stated that they consumed chocolate rarely (once a month or even more rarely). Not a single respondent stated that he or she did not consume chocolate at all.

The second question presented 22 different brands of chocolate bars available on the Croatian market which were relatively familiar to the subjects. The task for the respondents was to mark all those brands that they had consumed at least once. Almost all the respondents (274 or 98.56%) stated that they had consumed Dorina, a Croatian chocolate brand. A total of 262 or 94.24% of respondents stated that they had consumed Milka. Next, 261 or 93.88% of respondents marked another Croatian brand, Mikado, which put this brand in third position in terms of consumption by the subjects. Zivotinjsko carstvo (also a Croatian brand) followed with 252 or 90.68% and the fifth brand was Toblerone with 238 or 85.61% of answers of the respondents.

Question 3 asked respondents to state the chocolate brand which they consumed most often. The respondents needed to finish a sentence by writing only one chocolate brand. A total of 119 or 42.81% of respondents gave Milka as the chocolate brand they consumed most often, followed by Dorina, consumed most often by 108 or 38.85% of all respondents. Mikado came next in the ranking, consumed most often by 25 or 8.99% of respondents. The responses of 20 or 7.19% of respondents went to the following brands: Ritter Sport, Toblerone, Kinder Chocolate, Zivotinjsko carstvo, Lindt, Samo ti, Crunch, Fantasy. The remaining 6 or 2.16% of respondents stated brand names which did not belong to chocolate bars, but to other chocolate-based products (cookies, snacks and the like).

When asked about the producer of the most frequently consumed chocolate brand, respondents showed very different levels of knowledge. For 113 or 40.65% of the respondents, the producer was the national, Croatian, company Kras. One quarter of respondents (72 or 25.90%) stated they did not know the producer of the brand they consumed most often. According to 22 or 7.91% of respondents, the producer was Kraft. Interestingly, a significant number of respondents, i.e. 48 or 17.27%, wrote the brand names of snack products and/or the company names of importers instead of the name of the producers. The remaining 23 or 8.27% of respondents stated that Nestlé, Zvecevo, Lindt, Kandit and Mauxion were the producers of the chocolate brand they most frequently consumed.

In the next, fifth, question, respondents had to determine the country of origin (COO) of the chocolate brand they consumed most often. Almost half of them, 125 or 44.96%, stated that Croatia was the COO of the chocolate brand that they most frequently consumed. A smaller number of respondents, 78 or 28.06%, named Switzerland as the COO of the brand they most frequently consumed, and 47 or 16.91% of the respondents named Austria as the COO. According to 10 or 3.60% of the respondents, Germany was the COO of their favorite chocolate brand, and only 2 or 0.72% of respondents stated that the COO was Italy. Sixteen or 5.75% respondents wrote that they did not know the COO of their favorite chocolate brand.

Question 6 asked respondents to choose one dominant factor that influenced their choice of a particular chocolate brand (i.e. the chocolate brand stated in question 3 as the chocolate most often consumed). The question offered eleven different factors. Functional quality (taste) was the dominant factor for 192 of the respondents, which is almost 70% (69.06%), product line size for 37 (13.3%), and COO for 13 (4.67%). Two more factors closely followed the second and third dominant factors: convenience (availability at stores) and influence of patriotism (12 or 4.32% each). The respondents recognized other factors as dominant only in a few cases: price (6 or 2.16%), brand (3 or...
1.08%), influence of promotional activities (2 or 0.72%) and attractive package design (1 or 0.36%). None of the respondents chose customer service or word-of-mouth as dominant factors.

Next, question 7 asked respondents to grade the importance of all eleven factors from the previous question, using a scale from 1 to 5, where 1 meant “Extremely important”, 2 “Important”, 3 “Neither important nor not important”, 4 “Not important” and 5 “Not important at all”. The respondents (192) who chose functional quality (taste) as the dominant factor that influenced their purchasing and consumption of the chosen chocolate brand (the one they consumed most) graded brand as: “Extremely important” and “Important” 63 (32.82%), “Neither important nor not important” 76 (39.58%), “Not important” and “Not important at all” 53 (27.6%). The same respondents graded price as: “Extremely important” and “Important” 98 (51.04%), “Neither important nor not important” 64 (33.33%), “Not important” and “Not important at all” 30 (15.63%). Finally, these respondents graded COO as: “Extremely important” and “Important” 44 (22.92%), “Neither important nor not important” 64 (33.33%), “Not important” and “Not important at all” 84 (43.75%). Table 1 presents these findings.

Next, the respondents (37) who chose product line size as the dominant factor that influenced their purchasing and consumption of the chosen chocolate brand graded brand as: “Extremely important” and “Important” 17 (45.95%), “Neither important nor not important” 12 (32.43%), “Not important” and “Not important at all” 8 (21.62%). These respondents graded price in the following way: “Extremely important” and “Important” 19 (51.35%), “Neither important nor not important” 15 (40.54%), “Not important” and “Not important at all” 3 (8.11%). They graded COO as follows: “Extremely important” and “Important” 15 (40.54%), “Neither important nor not important” 6 (16.22%), “Not important” and “Not important at all” 16 (43.24%). Table 2 shows these findings.

The respondents (13) who chose COO as the dominant factor that influenced their purchasing and consumption of the chosen chocolate brand (the one they consumed most) graded brand as: “Extremely important” and “Important” 5 (38.46%), “Neither important nor not important” 7 (53.85%), “Not important” and “Not important at all” 1 (7.69%). The same respondents graded price as: “Extremely important” and “Important” 6 (46.15%), “Neither important nor not important” 5 (38.46%), “Not important” and “Not important at all” 2 (15.39%). These respondents graded COO as follows: “Extremely important” and “Important” 11 (84.62%), “Neither important nor not important” 2 (15.38%), while none graded COO as “Not important” or “Not important at all”. Table 3 presents these findings.

In the survey, question eight asked the respondents to name their opinion the COO of the best chocolate in the world. The subjects needed to complete this open question by writing the chosen COO. More than half of the respondents, 151 or 54.32%, gave Switzerland as the answer. After Switzerland came Croatia with 60 or 21.58%, Austria with 36 or 12.95%, Belgium with 10 or 3.60%, Germany with 3 or 1.08%, France with 2 or 0.72% and Bulgaria with 1 or 0.36% of responses. Twelve (4.31%) respondents answered that they did not know the COO of the best chocolate in the world, and 3 (1.08%) respondents did not answer at all.

Question nine was also an open one where respondents had to determine which chocolate brand they perceived as being the world’s best. The question included a blank space for the writing of the name of just one chocolate brand. According to 116 or 41.73% of respondents, Milka was the world’s best chocolate brand. One fifth of the respondents (56 or 20.14%) answered that Lindt was the best chocolate brand in the world. Dorina followed with 41 or 14.75% of responses. Mikado (12 or 4.32%) followed Dorina, followed by Swiss Delice (9 or 3.24%), Kinder Chocolate (3 or 1.08%), Kandit (2 or 0.72%), Nestlé Classic (2 or 0.72%), Toblerone (1 or 0.36%), Ritter Sport (1 or 0.36%), Zivoticinsko carstvo (1 or 0.36%), Fantasy

Table 1
Importance of brand, price and COO for respondents who chose functional quality (taste) as dominant factor of influence

<table>
<thead>
<tr>
<th>Other factors</th>
<th>Factor importance grade</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“Extremely important”</td>
</tr>
<tr>
<td>Brand</td>
<td>63 (32.82%)</td>
</tr>
<tr>
<td>Price</td>
<td>98 (51.04%)</td>
</tr>
<tr>
<td>Country of origin (COO)</td>
<td>44 (22.92%)</td>
</tr>
</tbody>
</table>

Source: Research.

Table 2
Importance of brand, price and COO for respondents who chose product line size as dominant factor of influence

<table>
<thead>
<tr>
<th>Other factors</th>
<th>Factor importance grade</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“Extremely important”</td>
</tr>
<tr>
<td>Brand</td>
<td>17 (45.95%)</td>
</tr>
<tr>
<td>Price</td>
<td>19 (51.35%)</td>
</tr>
<tr>
<td>Country of origin (COO)</td>
<td>15 (40.54%)</td>
</tr>
</tbody>
</table>

Source: Research.

Table 3
Importance of brand, price and COO for respondents who chose COO as dominant factor of influence

<table>
<thead>
<tr>
<th>Other factors</th>
<th>Factor importance grade</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“Extremely important”</td>
</tr>
<tr>
<td>Brand</td>
<td>5 (38.46%)</td>
</tr>
<tr>
<td>Price</td>
<td>6 (46.15%)</td>
</tr>
<tr>
<td>Country of origin (COO)</td>
<td>11 (84.62%)</td>
</tr>
</tbody>
</table>

Source: Research.
(1 or 0.36%) and Kolumbo (1 or 0.36%). The remaining 32 or 11.50% of respondents wrote brands that were in fact the brands of producers, importers or chocolate-based products (but not chocolate bars).

These two questions (nos. 8 and 9) revealed an interesting finding: 116 or 41.73% of respondents chose Milka as the world’s best chocolate brand, but only 3 (2.59%) of them stated that Germany was the COO of the best chocolate in the world. The results are incongruous, because the country of production of Milka is Germany. This implies a low level of respondents’ knowledge about the COO of specific chocolate brands.

The next question asked respondents about their willingness to remain loyal to the chocolate brand they consumed most often, even if they discovered that their favorite chocolate did not come from the assumed COO, but from a less developed Central or Eastern European country. Half, 139 or 50%, of the respondents answered that such new knowledge would make no difference to them. According to 122 or 43.88% of respondents, this knowledge would make a difference, but they would continue purchasing the same brand. The remaining 17 or 6.12% of respondents would no longer buy that brand.

Question 11 invited the respondents to express how far they agreed with the statements shown in Table 4.

The responses to the second statement, i.e. “the quality of chocolate of Croatian producers matches the quality of chocolate of producers from Western European countries”, support Rojsek’s (2001) findings about the perceptions held by Slovene consumers who perceived that the quality of Slovene fast moving consumer goods was as good as that of Western ones. Croatian young consumers in this respect do not differ from the Slovene consumers, and an important reason for this might be cultural, social and geographical proximity, reinforced by the fact that for more than 40 years, up until 1991, these two countries were part of the same market of the state of former Yugoslavia.

Respondents did not show any ethnocentric tendency regarding the buying of national, Croatian chocolate brands (statement 3). Nevertheless, a rather large number of respondents (130 or 46.76%) would be willing to pay for a more expensive Croatian chocolate brand that matched foreign quality. Further research on this matter would be valuable, focusing in more detail on the effects of a “buy national” campaign, patriotism and other relevant dimensions.

The final, twelfth, question required respondents to rank countries of origin regarding six dimensions of chocolate brands: quality (taste), brand (recognizability and image), price/quality ratio, product line size (variations of taste), package design, and image of country of origin. The authors decided to

Table 4
Expressed level of (dis)agreement with the offered statements

<table>
<thead>
<tr>
<th>Statements</th>
<th>Level of agreement, N=293</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Most expensive chocolate on Croatian market is chocolate made in Croatia.”</td>
<td>18 (6.47%) 70 (25.18%) 190 or (68.35%)</td>
</tr>
<tr>
<td>“Quality of chocolate of Croatian producers matches quality of chocolate of producers from Western European countries.”</td>
<td>145 (52.16%) 74 (26.62%) 59 (21.22%)</td>
</tr>
<tr>
<td>“If the quality of Croatian and foreign chocolate brands was the same, I would buy a Croatian chocolate brand, even if it was more expensive than the foreign one.”</td>
<td>130 (46.76%) 77 (27.70%) 71 (25.54%)</td>
</tr>
</tbody>
</table>

Source: Research.

Table 5
Chocolate brands’ countries of origin ranking regarding six dimensions

<table>
<thead>
<tr>
<th>Dimensions of chocolate brands</th>
<th>Group of countries</th>
<th>Croatia</th>
<th>Other Central and Eastern European countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality (taste)</td>
<td>Rank 1: 214 (76.98%)</td>
<td>Rank 1: 61 (21.94%)</td>
<td>Rank 1: 3 (1.08%)</td>
</tr>
<tr>
<td></td>
<td>Rank 2: 58 (20.86%)</td>
<td>Rank 2: 213 (76.62%)</td>
<td>Rank 2: 7 (2.52%)</td>
</tr>
<tr>
<td></td>
<td>Rank 3: 6 (2.16%)</td>
<td>Rank 3: 4 (1.44%)</td>
<td>Rank 3: 268 (96.4%)</td>
</tr>
<tr>
<td>Brand (recognizability and image)</td>
<td>Rank 1: 241 (86.69%)</td>
<td>Rank 1: 35 (12.59%)</td>
<td>Rank 1: 2 (0.72%)</td>
</tr>
<tr>
<td></td>
<td>Rank 2: 36 (12.95%)</td>
<td>Rank 2: 222 (79.86%)</td>
<td>Rank 2: 20 (7.19%)</td>
</tr>
<tr>
<td></td>
<td>Rank 3: 1 (0.36%)</td>
<td>Rank 3: 21 (7.55%)</td>
<td>Rank 3: 256 (92.07%)</td>
</tr>
<tr>
<td>Price/quality ratio</td>
<td>Rank 1: 147 (52.88%)</td>
<td>Rank 1: 107 (38.49%)</td>
<td>Rank 1: 24 (8.63%)</td>
</tr>
<tr>
<td></td>
<td>Rank 2: 99 (35.61%)</td>
<td>Rank 2: 143 (51.44%)</td>
<td>Rank 2: 36 (12.95%)</td>
</tr>
<tr>
<td></td>
<td>Rank 3: 32 (11.51%)</td>
<td>Rank 3: 28 (10.07%)</td>
<td>Rank 3: 218 (78.42%)</td>
</tr>
<tr>
<td>Product line size (variations of taste)</td>
<td>Rank 1: 207 (74.46%)</td>
<td>Rank 1: 66 (23.74%)</td>
<td>Rank 1: 5 (1.8%)</td>
</tr>
<tr>
<td></td>
<td>Rank 2: 196 (70.5%)</td>
<td>Rank 2: 17 (6.12%)</td>
<td>Rank 2: 1 (0.36%)</td>
</tr>
<tr>
<td></td>
<td>Rank 3: 6 (2.16%)</td>
<td>Rank 3: 16 (5.76%)</td>
<td>Rank 3: 256 (92.09%)</td>
</tr>
<tr>
<td>Package design</td>
<td>Rank 1: 236 (84.89%)</td>
<td>Rank 1: 36 (12.95%)</td>
<td>Rank 1: 6 (2.16%)</td>
</tr>
<tr>
<td></td>
<td>Rank 2: 38 (13.67%)</td>
<td>Rank 2: 222 (79.86%)</td>
<td>Rank 2: 18 (6.47%)</td>
</tr>
<tr>
<td></td>
<td>Rank 3: 4 (1.44%)</td>
<td>Rank 3: 20 (7.19%)</td>
<td>Rank 3: 254 (91.37%)</td>
</tr>
<tr>
<td>Image of country of origin</td>
<td>Rank 1: 240 (86.33%)</td>
<td>Rank 1: 33 (11.87%)</td>
<td>Rank 1: 5 (1.8%)</td>
</tr>
<tr>
<td></td>
<td>Rank 2: 32 (11.51%)</td>
<td>Rank 2: 220 (79.14%)</td>
<td>Rank 2: 26 (9.35%)</td>
</tr>
<tr>
<td></td>
<td>Rank 3: 6 (2.16%)</td>
<td>Rank 3: 25 (8.99%)</td>
<td>Rank 3: 247 (88.85%)</td>
</tr>
</tbody>
</table>

Source: Research.
group the countries in three categories: “Western European countries”, “Croatia”, and “Other Central and Eastern European countries”.

The respondents ranked countries in the same way regarding all six dimensions. They dominantly ranked Western European countries as being the best in all dimensions, ranging from 147 (52.88%) responses for the dimension of price/quality ratio, to 241 (86.69%) for the dimension of brand (recognizability and image). Croatia ranked as second best, ranging from 143 (51.44%) responses for the dimension of price/quality ratio, to 222 (79.86%) for both brand (recognizability and image) and package design. The respondents gave third place, that is, the worst rank, to other Central and Eastern European countries, ranging from 218 (78.42%) responses for the price/quality ratio, to 268 (96.4%) responses for quality (taste). Table 5 presents these results in detail.

6.1. Testing the hypotheses

H1. Brand has greater influence on young Croatian consumers than COO in the purchasing and consumption of chocolate. The results show that only 3 or 1.08% of all 278 respondents chose brand as the dominant factor when they buy and consume chocolate. This result fell below the expectations of the authors. A total of 13 or 4.67% of all respondents chose COO as the dominant factor.

Further analysis revealed that brand did have different importance in the grading of factors following the dominant one. The respondents who chose functional quality (taste) as the dominant factor ranked brand as more important than COO, but less important than price. The respondents who chose product line size as the dominant factor also gave more importance to brand than to COO, but less importance than to price. These findings support the importance of brand familiarity: when consumers see a familiar brand name, they evaluate quickly and directly, without investing much effort searching for other characteristics. Therefore, the findings only partially confirm H1. Further research based on more advanced statistical methods is necessary.

H2. Price has greater influence on young Croatian consumers than COO in the purchasing and consumption of chocolate. Six or 2.16% of respondents gave price as the dominant factor in their purchase and consumption of chocolate. For 257 or 92.44% of respondents, price was more important than COO. For only 15 respondents, or 5.4%, COO was more important than price. Of these 15 respondents, 12 (4.32%) gave patriotic feelings as the dominant factor, and 3 (1.08%) gave brand as the dominant factor. Therefore, the findings confirm H2.

H3. Young Croatian consumers have different perceptions of chocolate brands of different origin. (H3a: young Croatian consumers perceive chocolate brands from Western European countries as the best; H3b: young Croatian consumers perceive chocolate brands from Central and Eastern European countries as the worst.) All the respondents were unanimous in expressing their perceptions of chocolate brands of different origin. Even those who stated that they did not know the producer and/or COO of the chocolate which they consumed most often, and those who showed incorrect knowledge of the producer and/or COO for a specific chocolate brand, ranked Western European countries as being the best source of chocolate brands for all relevant dimensions, followed by Croatia and then finally the other countries of Central and Eastern Europe. The findings therefore confirm H3.

7. Limitations

The conclusions of this study are product-specific, since the research dealt with only one low-involvement food product category (chocolate). In addition, the sample consisted of only young consumers, i.e. students. Consequently, since generalizations beyond this age group are inadmissible, future research should consider another subject population and a different low-involvement food and other product categories.

8. Conclusion

Objective and subjective knowledge of COO and brand is clearly a strong motivator in purchase-related behavior. Therefore, marketers interested in developing strategies based on consumers’ levels of familiarity with COO and brand should take into account the knowledge that consumers have about their own products, as well as the knowledge that they hold about their competitors’ products.

Young Croatian consumers use COO and brand as extrinsic cues to evaluate the quality of the product. Although the results show a considerable level of importance given to COO and brand in the purchasing and consumption of chocolate, young Croatian consumers hold functional quality (taste) as the dominant factor. One explanation for this finding is that intrinsic cues (functional quality (taste) and product line size (variations of taste)) are relatively easy to assess, so consumers do not tend to place greater reliance on extrinsic cues (COO, brand and price). Furthermore, in terms of extrinsic cues, price is more important than COO and brand in the purchasing and consumption of chocolate.

Many young Croatian consumers could not relate correctly the brand of the chocolate they most often consume with the respective COO. This shows, in respect of consumer evaluation of a product (chocolate), that the brand origin association may be more influential than COO. Therefore, further research on the relation between brand familiarity and COO would be useful, with particular focus on the importance to consumers of COO both when the brand name is familiar and when the brand is not familiar. The study should also investigate the differences between consumers who have tried and those who have not tried a particular brand, as far as the extent to which they would rely on COO when evaluating that particular brand.

The authors developed a hypothesis regarding the effect of brand origin associations on consumer perception of quality. They presumed that young Croatian consumers would evaluate a chocolate more highly if they perceived that the COO was favorable. Unsurprisingly, these consumers perceived that the chocolate brands from Western European countries were the
best compared with chocolate from the rest of Europe. However, the results show that national Croatian brands have a better image than brands from other Central and Eastern European countries. These findings suggest two interesting considerations for further examination: 1) brand origin associations play a potentially powerful role in the formation of attitudes toward a brand, and 2) domestic origin may be very important in some product categories.

A notable finding is that, if a national Croatian chocolate brand was of equal quality to brands from Western European countries, almost half the respondents would buy the more expensive Croatian chocolate. This preference could also be a useful topic for further study in relation to the concept of consumer ethnocentrism.

All the presented findings reveal important information for both academics and practitioners in understanding the key COO and brand associations that young Croatian consumers perceive to be significant in the process of the consumption of a low-involvement food product. Future studies should test the validity of the hypotheses on other types of FMCG. Also, replication with a non-student sample is desirable in order to ensure the generalization of the results to a larger population.

References


