THE EFFECT OF COO AND CONSUMER PERCEPTION ON LOCAL AND IMPORT BEEF IN ACEH

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Abstract- COO is one factor that influences consumerwhen evaluating a product. This study explores the effect of COO information on consumer perception and evaluation of local and import beef. The purpose of this paper is to explore the impact of COO information on consumer perception and evaluation ofbeef properties. The data in this article based on primary quantitative research using questionaire. The sample size was found 102 Aceh beef consumer aged between 18 and 57 years inAceh, Indonesia. In the research the consumer evaluated beef properties originating from local and import. The Methodology used for this study was experiment design of pra test with blind test and post test with known COO.This research aims to develop a better understanding of the effect of COO on product evaluation. The result of this study shows that the effectof COOinfluence consumer perception.

Keywords- Contry Of Origin, Consumer Perception, Beef, Aceh.

I. INTRODUCTION

Generally, consumers like to rush in when selecting to buy products belonging to a certain low-involvement food product category,and depend on some information cues about the overall product quality dimension[1]. One of the information cuesis based on COO (COO) evaluation. COOreally affect product evaluations[2]. Consumers useCOO as information cue of quality[3].COO has a important role in creating the product image [4]. COO can also create perceptual, attitudinal and behavioural responses[5].

There are many studies on consumers' behaviour regardingCOO of a product or service [5]. Since the 1960s, a considerable number of studies have been conducted on COO[6, 7]. Ditcher (1962) [7]was the first to state that "the COO of a product is very important for the success and recognition in global markets". One of the factor that impact to international competitiveness is COO effects [8]. MostAcehnesse love

Aceh beef better than import beef. This is because local beef are cattled naturally in a wild farm

This research aims to develop a better understanding of the effect of COO on product evaluation of local and import beef

II. CONCEPTUAL FRAMEWORK

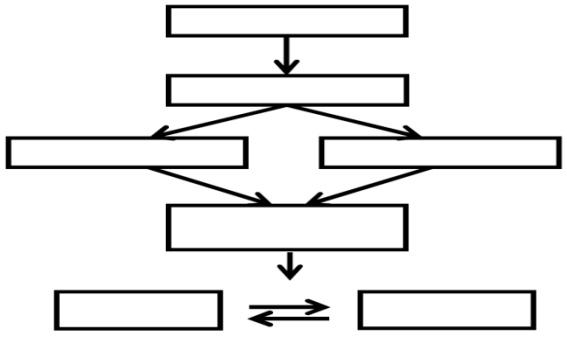


Figure 1. Conceptual Framework

H_i There are difference between test with blind and test with known/visible.

III. LITERATURE REVIEW

Country of Origin

Many literatures have mentioned COO effects in different ways [8].

Several studies on inter-country differences in COO beliefs have focussed on very broad contexts, and draw conclusions that do not significantly advance theoretical understanding of the COO concept [9].

"Consumers differentiate between products from different countries, a phenomenon known as the COO effect"[1].Affective COO effects are different in such a way that the COO cue is said to arouse a purely emotional reaction in the consumer[10].COOindicationhas effect on product evaluation over all [10, 9].

"COOknows as halo-effect"[5, 10, 11]. The halo-effect corresponds to a process where additional product information is disregarded or missing and where the impact of the COO cue on the overall product evaluation is indirect and rather weak[10]. COO usually this is communicated by the phrase, "Made in"[2, 10].

Local brands refer to the products made with specification and packaging which are tailored according to the local market, whereas the global brands or foreign brands are made with similar specification and packaging for consumers across the globe [11]. Basic importance is given to the country at product level and not at the brand level[11]. Objective product knowledge appears to lead to an increased reliance on COO in product evaluations if the brand name is unfamiliar, but not if the brand name is familiar [12]. Brand familiarity and objective product knowledge together have a significant effect on the use of the COO cue in product evaluations, although neither of the two factors has a general

effect on its own [12]. When only COO is the variation among products, consumers perceive quality to be different for different product categories [11].

In COO effects for four evaluative reactions (perceived quality, product evaluations other than quality, effect, and purchase intentions) indicated that COO effects were strongest for the single cue format and weakest for the implicit multiple cues condition [13]. Consumers consider COO to be a helpful quality cue [3, 10].

The processing of the COOcue is done together with the processing of additional product information [10]. The magnitude and significance of the COO effects may have been inflated owing to the presence of demand characteristics [14]. COO beliefs and behaviour arise from the linkages between specific market needs (often influenced by market segment characteristics) and product attributes [9]. COO beliefs can also vary across countries classed within the same cultural typology [9].

COO seem to performmore strongly than brand cues[15]. More knowledgeable consumers may be more sensitive to a product's COO than less knowledgeable consumers [12]. When evaluating unfamiliar brands, consumers with higher levels of objective product country knowledge rely more frequently on COO than do consumers with lower levels of such knowledge. [12, 16].In a real purchase situation, consumers do not make choices based on a single attribute such as COO or brand[7].

Emperical research concerning the effects of COO on consumers' evaluative reactions to produced mixed and sometimes inconsistent results[13]. Potential expanations for this situation include difference in the countries considered, populations sampled and products investigated [13]. In general, they agree that consumers have significantly different global or general perceptions about products made in different countries [6]. Each cues has generated much basic research in marketing-including the impact of various cues on perceived risk, on perceived quality, and on purchasing behavior, and also on how cues are processed by customers [2]. The differences in the conclusions of past studies are also the outcome of variations in methodology, including sampling frames, sample selection processes, sample sizes, data collection and analysis techniques, and timing[9].

Consumer Perception

The consumer research literature suggests that the quality perception process actually captures two phases, based on perceived intrinsic and extrinsic quality cues, expectations are formed at the purchase point, and after meal preparation and consumption of the product at home, when quality experience is formed when expectations are actually confirmed or rejected [1]. These general perceptions towards a country or country image have significant effects on consumers' attitudes towards products made in that country [6].

Products have two types of properties in terms of consumer preference, which are intrinsic, that related to product's performance and physical properties and the other one is extrinsic, related to product's brand name, price, COO, packaging etc [7, 10]. The distinction between intrinsic and extrinsic cues for quality as an important one[17]. Consumers use extrinsic cues if it is the first trial of the product or if they have little information about intrinsic cues of the product [7, 12]. The consumer may be uncertain about the intrinsic quality cues when buying and may use intrinsic and extrinsic cues which become available when buying for quality selection [17]. General product class knowledge will probably facilitate the use of other extrinsic product cues including COO[16]. COO and country's image are both extrinsic attributes of a product, the former is found to be more relevant when evaluating a product than the latter [4]. Some intrinsic search cues have a higher predictive value for experience quality attributes than others [17].

Extrinsic cues like origin and place of purchase are primary cues for quality selection by the consumer while shopping for fresh meat[17]. Income was found to decrease the probability of perceiving COO as a useful quality indicator for beef [3].

Both emperical observations and experiments indicate that COO has a considerable influence on the quality perception of a product [2]

IV. RESEARCH DESIGN

This research relies on quantitative and qualitative research method which utilizes an inferential statistical method analysis. Quantitave method of verificative analysis was used to determine characteristic of variable [18]. Primary data collected through survey and secondary data was completed from review of literature. Data type used for this research is primary data that were collected from personal interview and structured quessionnaire to stakeholders of Economics Facultyof Syiah Kuala University. Sampling techniqueused are random sampling of 102 respondent aged between 18-57years. The respondent involved in this study should have been consuming the beef in the last three months of the test date. The basic of the quessionnaire was taken from previous study about effect ofCOOand consumer perception of chicken meet in Slovenia [1], however, instrument used for this research were based on the most important factor according to cunsument. Therefore, only 8 out of 10 indicators used for this research. Those 8 indicators are: taste, softness, hardness, colour, quality, appearance, COO, and general impression. This is a comparative test study (t Test Method) that were used two types of test which are:blind test(consumen evaluate the beef without known the coo of the beef)

and visible test (consument evaluate the beef with known the coo of the beef).
Variablesrepresenting separate questions were scored by Likert's scale, where 1 is the leastdesirable property and 5 represents the most desirable property.
To gauge perception level of Acehnesse consument toward COO beef then it were used Aceh beef and import beef from Australia. These two kinds of beef were gotten from the same bucher in Aceh. The test used special part of beef which wee sirloin part. The beef were cooked in oven with the same temperature and time. Then consument were asked to tasted the beef and give score for theBlind Testfor each beef. On the second test the same procedure applied.Tabel 1 shows the questioner that used in this research.

TABLE 1
Questioner used in the research

Questions of Beef Properties	Assessment
What do you think of the TASTE of this meat? (Juiceless/ Juicy)	1 2 3 4 5
What do you think of the SOFTNESS of this meat? (Soft/Hard)	1 2 3 4 5
What do you think of the HARDNESS of this meat? (Soft/Hard)	1 2 3 4 5
What do you think of the COLOUR of this meat? (Pale/Dark)	1 2 3 4 5
What do you think of the QUALITY of this meat? (Low/High)	1 2 3 4 5
What do you think of the APPEARANCE of this meat? (Poor/Good)	1 2 3 4 5
What do you think of the COO of this meat? (Poor/Good)	1 2 3 4 5
What do you think of the OVERALL TASTE of this meat? (Poor/Good)	1 2 3 4 5

V. RESULT AND DISCUSSION

Data analysis teuchnique used for this study was descriptive and verificative statistic. Result from quessionnaire revealed respondent demogrphy as shown on below table:

TABLE 2
Demographis of the sample

Size		N=102
Gender	Female	69%
	Male	31%
Age (Year)	18-27	49%
	28-37	14%
	38-47	31%
	48-57	6%
Marital Status	Married	46%
	Widower	0%
	Single	54%
Occupation	Employee/Lecturer	56%
	Student	44%
Expenditure (IDR)	<1,5jt	39%
	1,5jt-3jt	30%
	>3jt-4,5jt	10%
	>4,5jt-6jt	5%
	>6jt-7,5jt	6%
	>7,5jt	10%

After descriptive analysis conducted, the result obtained show change of consumer evaluation for beef in blind test and visible COO. Tabel 3 show changes in aritmetics means of the scores for the both of beef properties.

TABLE 3
Aritmatics Means of All Beef Properties

Properties	Blind (Test 1)		Known/Visible COO (Test 2)	
	A	B	A	B
Taste	3.13	3.72	3.00	4.16
Softness	3.26	3.07	3.49	3.35
Hardness	3.31	4.04	2.59	4.15
Colour	3.05	3.62	2.88	3.80
Quality	3.13	3.69	3.12	4.04
Appearance	3.41	3.9	3.24	4.11
COO	3.11	3.66	2.97	4.09
General impression	3.24	3.9	3.04	4.20

A—Import/Australian Beef
B—Aceh Beef

Result of arithmatic calculation between test I and test II showed that coo infuence consument evaluation about beef.
t-Test also conducted between local and import beef using blind test and visible test. The result were show in tabel 4.

ABLE 4
Result of t-Testof import/Australian beef

Import Beef Properties	t	df	Sig. (2-tailed)
Taste	1.339	101	0.184
Softness	-2.04	101	0.044
Hardness	6.261	101	0
Colour	1.439	101	0.153
Quality	0.084	101	0.933
Appearance	1.412	101	0.161
COO	1.088	101	0.279
General impression	1.831	101	0.07

From the table 4 shows that the information provided about beef origin affect consumers evaluation of the beef itself. However, only two parts that shows difference which are, assesment about softness and hardness of beef properties. While evaluation result in six other properties, namely taste, softness, hardness, colour,quality, appearance, COO, and general

impression, shows no significant difference between blind test and visible test.

From this result obtained that :

$H_{I\text{-}I'}$Thereare significant difference between blind test result and visible test for softness and hardness of import beef properties.

Hereinafter the second t-tes is conducted between blind test and visible test result for Aceh beef. The result are shown in the following table -5.

TABLE 5
T-test result of Aceh beef

Aceh Beef Properties	t	df	Sig. (2-tailed)
Taste	-3.881	101	0
Softness	-2.563	101	0.012
Hardness	-0.939	101	0.35
Colour	-1.716	101	0.089
Quality	-3.491	101	0.001
Appearance	-2.522	101	0.013
Country of origin	-4.083	101	0
General impression	-3.273	101	0.001

*Significant in < 5%

From table 5 result shows that information given about beef origin affect consumers evaluation of the beef itself. There are significant difference between blind test and visible test of Aceh beef for taste, softness, quality, appearance, COO, general impression. If be compared with the previous result in table-4 namely assesment result for imported beef, the result in table-5 shows significant difference in assesment Aceh beef in blind test and visible test. While for evaluation result about hardnessand colour of beef propertiesshows no significant difference.

From the result obtained that :

$H_{A\text{-}A'}$ There are significant difference between blin test result and visible test for taste, softness, quality, appearance, COO, and general impression of import beef properties. Furthermore the third t-test is conducted namely visbile result test between Aceh beef and import beef. The result is shown in table-6 as follow.

TABLE 6
T-test result of Import and Aceh Beef

Beef Properties	t	df	Sig. (2-tailed)
Taste	-6.785	101	0
Softness	0.688	101	0.493
Hardness	-10.147	101	0
Colour	-5.537	101	0
Quality	-5.853	101	0
Appearance	-6.15	101	0
Country of origin	-7.195	101	0
General impression	-7.999	101	0

*Significant in < 5%

From the result in table 6 shown that information which given about beef origin affect consumers evaluation of the beef itself.There are significant difference between Aceh beef and Import beef for taste, hardness, colour, quality, appearance, COO, general impression. These shows that there are COO effectin comsumers perception about beef. While there are no significant difference for evaluation result about softness of beef properties

From that result obtained that :

$H_{I\text{-}A}$ There are significant difference in consumers evaluation about Aceh beef and Australian (imported) beef.

CONCLUSION

In this study, as one of the marketing element, COO becoming unseparated part with consumer behaviour, that in this case is comsumer perception toward food. Understanding consumer behaviour toward beef specially in Aceh became important, because Aceh beef are excellent compared other cattle because it has more delicious flavour despite having smaller posture than other cows. Based on the result studies conducted for taste measurement/assessement both in blind test and visible test, Aceh consumers assessement prefer Aceh beef than Australian (imported) beef . The t-test result also shown significant difference in term of taste. Even the overall assessement between Aceh beef and imported beef also shown the same things. This mean that thera are COOeffect in beef assessement. The COO effect in this study show difference in blind test and visible test, consumer evaluation toward beef properties rising especially in Aceh beef when consumer given the information about the origin of the beef. This result is similar with sudy that conducted by Strasek, 2010 toward chicken meat in Slovenia.

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