

Perceptions of Thai, Lao and Cambodian Consumers toward Country of Origin of Food Products on ASEAN Consumers' Decisions

Kanokkan Vichasilp¹⁺, Chudchai Rattanaphunt¹ and Chaluntorn Vichasilp²

¹ Faculty of Industry and Technology, Rajamangala University of Technology Isan, Sakon Nakhon, Thailand

² Faculty of Natural Resources, Rajamangala University of Technology Isan, Sakon Nakhon, Thailand

Abstract. This study aimed to investigate the attitude and perceptions of Thai, Lao and Cambodian consumers toward country of origin (COO) of food products from Thailand, Malaysia, Vietnam and Indonesia which affect Thai, Lao and Cambodian consumers' decisions when purchasing these products by reviewing some related studies and conducting a survey questionnaire with 1,200 consumers in Thailand, Laos and Cambodia. There were 400 consumers from each country responded to the survey questionnaire. The results from this study revealed that 1) the consumers' perceptions toward the COO of food and beverages including vegetables, fruits, tea, coffee, and frozen seafood were different (the statistical significance was at $P < 0.05$), 2) the correlation between the COO and the willingness to buy among the consumers in the 3 countries was at the low level except for consumers from Laos that the relationship between the COO and the willingness to buy food and beverages from Thailand and Indonesia was at .538 and .516. The results from this study showed that Thai food traders can use the COO for considering about production bases. If the COO is positive, the name of the countries should be emphasized on the labels. But if the country image is negative, the brand logo should be considered.

Keywords: country of origin (COO), image, perception, attitude, willingness to buy

1. Introduction

The countries in Southeast Asia have been being trade partners for a long time. Recently, it trade between these countries tends to increase sharply. According to a report of Department of Trade Negotiation, total trade value between Thailand and the other countries in Southeast Asia amounted to 93,595.7 million US Dollars in 2015. It was 61% increase from the total trade value of 2010. The total trade value between Thai and the countries in Southeast Asia in 2015 was higher than that of the total trade value between Thai and Japan and America [1].

Because of the importance of ASEAN market as mentioned above, Thai traders need to have a great understanding about consumer behaviours in ASEAN where there are 580 million citizens in this region. In ASEAN market, consumer behaviours are different and various because of different social factors, economy systems, and cultures. Therefore, Thai traders should learn about consumer behaviours in ASEAN in order to develop better understanding of the ASEAN market and improved the quality of their products and services to serve the needs of the consumers. This action can help Thai traders to achieve in this competitive market.

However, there are some trading barriers in ASEAN. For example, there are similar geography, agricultural products and mineral resources. Therefore, traders in ASEAN have to compete with each other [2]. As a result, Thai traders should have a great understanding about consumer behaviours in ASEAN

⁺Corresponding author. Tel.: +6642772391; fax: +6642772392
E-mail address: kvichasilp@gmail.com

especially the consumers in Lao and Cambodia where there are some similarities with Thai market, and the rate of economic growth in Lao and Cambodia is highest in ASEAN respectively [3].

In Lao and Cambodia market, Thai traders have to compete with trade competitors from Malaysia, Vietnam and Indonesia because they have the similar products and industries. Therefore, building some competitive advantages is needed.

In this study, country of origin (COO) is focused. COO is one of the factors affecting the international consumers' decision. COO is related to the perception of a customer about the country exported the products, which have influences on consumers' decision.

Therefore, this study aimed to investigate the attitudes and perceptions of Thai, Lao and Cambodian consumers toward COO of food products from Thailand, Malaysia, Vietnam and Indonesia. This study focused on 3 food industries including 1) vegetable and fruits, 2) tea and coffee, and 3) frozen seafood.

2. Methodology

The participants of this study were 1,200 consumers in Thailand, Laos, and Cambodia. There were 400 participants from each country. The participants were chosen by accidental sampling method. A research instrument in this study was a survey questionnaire. The questionnaire was conducted during May – July 2015. The questionnaire was composed of three main parts including 1) personal information, 2) the perception toward the COO of the food products in 4 dimensions, and 3) the willingness to buy the food products from Thailand, Malaysia, Vietnam and Indonesia. The data was analyzed to find the frequency, percentage, mean, S.D. and correlation.

3. Results and Discussion

3.1. Personal information of the consumers

Thai consumers responded to the questionnaire were female (61%), age during 21-30 years old (34%) and singles (56.2%), bachelor degree (56.2%). The main career of the participants was government officials/employees of state/state enterprise employees (39.2%) with monthly salary of \$1,000-1,700 (41 %). Their daily expense was low about \$2 - \$10 (71.2 %) for mainly cost in food and transportation.

The participants of Lao consumers were male (50.2%), age between 21-30 years old (46.3%), singles status of 51.5.2%, with holding bachelor degree (62.8%). The main career of the participants was government officials/employees of state/state enterprise employees (49%). Their monthly salary was \$400 (38.8%). Their daily expense was about \$2 - \$10 (44%).

Cambodian consumers responded to the questionnaire were male (52.2%). Most of them were during 21-30 years old (66%) and singles (67.5%). Most of them got bachelor degree (68.5%). The main career of the participants was officers (27%). Their monthly salary was \$400 (54%). Their daily expense was \$2.60 - \$5.10 (43%)

3.2. The perception of the consumers toward the country of origin

The perceptions of the Thai, Lao, and Cambodian consumers toward the COO of the food products in 4 dimensions including innovativeness, design, prestige, and workmanship were presented as followed;

3.2.1. Innovativeness

The perceptions of the Thai, Lao, and Cambodian consumers toward the innovativeness of the food products from Thailand was relatively high. The perceptions of the Laos consumers toward the innovativeness of the food products from Thailand was very high (\bar{x} = 5.52), while the perceptions of the Thai and Cambodian consumers toward the innovativeness of the food products from Thailand was high (\bar{x} = 4.95 and 4.80). On the other hand, the perceptions of the Thai, Lao, and Cambodian consumers toward the innovativeness of the food products from Vietnam was low. The perceptions of the Thai and Lao consumers toward the innovativeness of the food products from Vietnam was high (\bar{x} = 4.54 and 5.01), while the

perceptions of the Cambodian consumers toward the innovativeness of the food products from Vietnam was fair ($\bar{x} = 3.18$). Innovativeness implies of uses of new technology and advanced engineering [4]. The obtained score (\bar{x}) reflects the attitude and their knowledge of customers to products from each countries.

3.2.2. Design

Design implies the appearance, style, colour, variety of product [4]. The perceptions of the Thai, Lao, and Cambodian consumers toward the design of the food products from Thailand was at highest level. The perceptions of the Lao consumers toward the design of the food products from Thailand was very high ($\bar{x} = 5.60$), while the perceptions of the Thai and Cambodian consumers toward the design of the food products from Thailand was high ($\bar{x} = 5.06$ and 4.91). On the other hand, the perceptions of the Thai, Lao, and Cambodian consumers toward the design of the food products from Vietnam was at fair level. The perceptions of the Laos consumers toward the design of the food products from Vietnam was high ($\bar{x} = 5.03$). The perceptions of the Thai consumers toward the design of the food products from Vietnam was relative high ($\bar{x} = 4.47$). While the perceptions of the Cambodian consumers toward the design of the food products from Vietnam was fair ($\bar{x} = 3.43$).

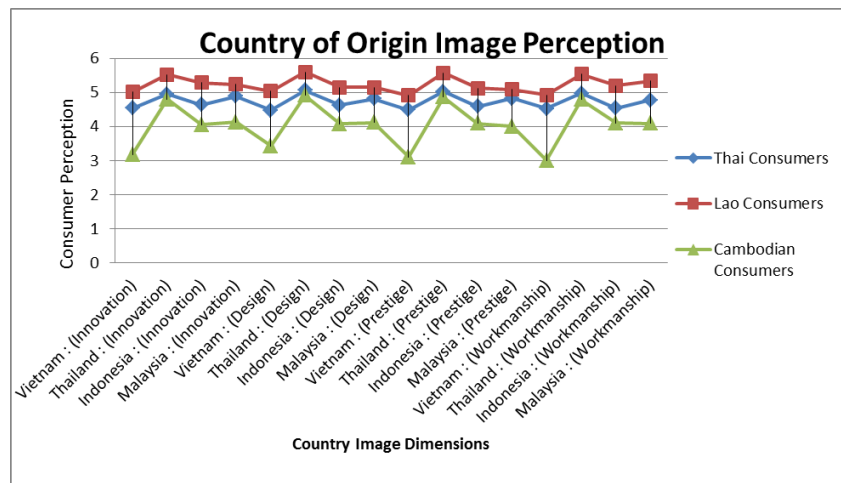


Fig. 1: The perceptions of the Thai, Lao, and Cambodian consumers toward the COO of the food products from Thailand, Malaysia, Vietnam and Indonesia.

3.2.3. Prestige

The perceptions of the Thai, Lao, and Cambodian consumers toward the prestige of the food products from Thailand was at highest level. The perceptions of the Lao consumers toward the prestige of the food products from Thailand was very high ($\bar{x} = 5.57$), while the perceptions of the Thai and Cambodian consumers toward the prestige of the food products from Thailand was high ($\bar{x} = 5.02$ and 4.89). On the other hand, the perceptions of the Thai, Lao, and Cambodian consumers toward the prestige of the food products from Vietnam was at low level. The perceptions of the Lao consumers toward the prestige of the food products from Vietnam was high ($\bar{x} = 4.91$). The perceptions of the Thai consumers toward the prestige of the food products from Vietnam was relative high ($\bar{x} = 4.49$). While the perceptions of the Cambodian consumers toward the prestige of the food products from Vietnam was fair ($\bar{x} = 3.10$).

3.2.4. Workmanship

The perceptions of the Thai, Lao, and Cambodian consumers toward the workmanship of the food products from Thailand was at highest level. The perceptions of the Lao consumers toward the prestige of the food products from Thailand was very high ($\bar{x} = 5.53$), while the perceptions of the Thai and Cambodian consumers toward the prestige of the food products from Thailand was high ($\bar{x} = 4.97$ and 4.79). On the other hand, the perceptions of the Thai, Lao, and Cambodian consumers toward the prestige of the food products from Vietnam was at low level. The perceptions of the Lao and Thailand consumers toward the

prestige of the food products from Vietnam was high (\bar{x} = 4.92 and 4.52). While the perceptions of the Cambodian consumers toward the prestige of the food products from Vietnam was fair (\bar{x} = 3.00).

3.3. The willingness to buy the food products

The willingness to buy the food products of the Thai, Lao, and Cambodian consumers was analyzed to find Pearson Correlation Coefficient [5]. The results were divided into 3 parts including the willingness to buy vegetable and fruits, tea and coffee, and frozen seafood respectively. The results were presented as follows;

Table 1: The correlation between COO of the vegetable and fruits and the willingness to buy vegetable and fruits

The correlation between COO of the vegetable and fruits and the willingness to buy vegetable and fruits											
Consumers		Product of Thailand					Product of Vietnam				
		(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Thai Consumers (N = 400)	(1)		.332**	.347**	.380**	.349**		.372**	.397**	.416**	.418**
	(2)	.332**		.790**	.747**	.748**	.372**		.808**	.801**	.813**
	(3)	.347**	.790**		.857**	.804**	.397**	.808**		.889**	.831**
	(4)	.380**	.747**	.857**		.801**	.416**	.801**	.889**		.865**
	(5)	.349**	.748**	.804**	.801**		.418**	.813**	.831**	.865**	
Lao Consumers (N = 400)	(1)		.394**	.538**	.490**	.431**		.434**	.437**	.427**	.471**
	(2)	.394**		.598**	.496**	.500**	.434**		.545**	.567**	.558**
	(3)	.538**	.598**		.633**	.542**	.437**	.545**		.688**	.651**
	(4)	.490**	.496**	.633**		.589**	.427**	.567**	.688**		.577**
	(5)	.431**	.500**	.542**	.589**		.471**	.558**	.651**	.577**	
Cambodian Consumers (N = 400)	(1)		.255**	.335**	.351**	.296**		.298**	.299**	.329**	.396**
	(2)	.255**		.566**	.425**	.416**	.298**		.598**	.447**	.375**
	(3)	.335**	.566**		.673**	.528**	.299**	.598**		.555**	.383**
	(4)	.351**	.425**	.673**		.611**	.329**	.447**	.555**		.605**
	(5)	.296**	.416**	.528**	.611**		.396**	.375**	.383**	.605**	

** Statistical Significance ≤ 0.01

(1) = Willingness to buy

(2) = High-technology producing products

(3) = Luxury products

(4) = Acceptable products

(5) = Quality products

According to Table 1, the Significance value of the correlation between the COO of vegetable and fruits and the willingness to buy vegetable and fruits was 0.000 ($\alpha = 0.01$). It indicated that the COO of the vegetable and fruits had a positive correlation with the willingness to buy vegetable and fruits. But it was at the low level, except the willingness to buy of the Lao consumers that was at a medium level on Thai luxury products.

Table 2: The correlation between COO of the tea and coffee and the willingness to buy tea and coffee

The correlation between COO of the tea and coffee and the willingness to buy tea and coffee											
Consumers		Product of Thailand					Product of Malaysia				
		(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Thai Consumers (N = 400)	(1)		.414**	.337**	.356**	.386**		.417**	.397**	.416**	.378**
	(2)	.414**		.752**	.780**	.735**	.417**		.842**	.854**	.844**
	(3)	.337**	.752**		.858**	.750**	.397**	.842**		.909**	.846**
	(4)	.356**	.780**	.858**		.801**	.416**	.854**	.909**		.829**
	(5)	.386**	.735**	.750**	.801**		.378**	.844**	.846**	.829**	
Lao Consumers (N = 400)	(1)		.391**	.400**	.110*	.429**		.458**	.467**	.470**	.416**
	(2)	.391**		.519**	.303**	.508**	.458**		.620**	.629**	.589**
	(3)	.400**	.519**		.303**	.577**	.467**	.620**		.710**	.624**
	(4)	.110*	.247**	.303**		.236**	.470**	.629**	.710**		.653**
	(5)	.429**	.508**	.577**	.236**		.416**	.589**	.624**	.653**	
Cambodian Consumers	(1)		.154**	.290**	.323**	.270**		.365**	.333**	.400**	.355**
	(2)	.154**		.506**	.479**	.393**	.365**		.570**	.580**	.469**

(N = 400)	(3)	.290**	.506**		.646**	.438**	.333**	.570**		.690**	.523**
	(4)	.323**	.479**	.646**		.473**	.400**	.580**	.690**		.516**
	(5)	.270**	.393**	.438**	.473**		.355**	.469**	.523**	.516**	

** Statistical Significance ≤ 0.01

- (1) = Willingness to buy (4) = Acceptable products
(2) = High-technology producing products (5) = Quality products
(3) = Luxury products

According to Table 2, the Significance value of the correlation between the COO of the tea and coffee and the willingness to buy tea and coffee was 0.000 ($\alpha = 0.01$). It indicated that the COO of the tea and coffee had a positive correlation with the willingness to buy tea and coffee. But it was at the low level. However, the willingness to buy tea and coffee from Vietnam was higher than that of Thailand

Table 3: The correlation between COO of the frozen seafood and the willingness to buy frozen seafood

The correlation between COO of the frozen seafood and the willingness to buy tea and coffee											
Consumers		Product of Thailand					Product of Indonesia				
		(1)	(2)	(3)	(4)	(5)	(1)	(2)	(3)	(4)	(5)
Thai Consumers (N = 400)	(1)		.337**	.403**	.373**	.426**		.274**	.303**	.333**	.334**
	(2)	.337**		.730**	.744**	.714**	.274**		.773**	.778**	.755**
	(3)	.403**	.730**		.820**	.716**	.303**	.773**		.906**	.782**
	(4)	.373**	.744**	.820**		.741**	.333**	.778**	.906**		.825**
	(5)	.426**	.714**	.716**	.741**		.334**	.755**	.782**	.825**	
Lao Consumers (N = 400)	(1)		.408**	.441**	.461**	.459**		.465**	.516**	.474**	.483**
	(2)	.408**		.518**	.548**	.501**	.465**		.605**	.583**	.627**
	(3)	.441**	.518**		.544**	.537**	.516**	.605**		.673**	.609**
	(4)	.461**	.548**	.544**		.585**	.474**	.583**	.673**		.594**
	(5)	.459**	.501**	.537**	.585**		.483**	.627**	.609**	.594**	
Cambodian Consumers (N = 400)	(1)		.263**	.292**	.249**	.337**		.352**	.311**	.373**	.364**
	(2)	.263**		.597**	.541**	.522**	.352**		.599**	.578**	.581**
	(3)	.292**	.597**		.709**	.653**	.311**	.599**		.708**	.584**
	(4)	.249**	.541**	.709**		.676**	.373**	.578**	.708**		.629**
	(5)	.337**	.522**	.653**	.676**		.364**	.581**	.584**	.629**	

** Statistical Significance ≤ 0.01

- (1) = Willingness to buy (4) = Acceptable products
(2) = High-technology producing products (5) = Quality products
(3) = Luxury products

According to Table 3, the Significance value of the correlation between the COO of the frozen seafood and the willingness to buy the frozen seafood was 0.000 ($\alpha = 0.01$). It indicated that the COO of the frozen seafood had a positive correlation with the willingness to buy frozen seafood. But it was at the low level, except the willingness to buy of the Lao consumers that was at a medium level on Indonesia luxury products.

4. Conclusion

The results from this study indicated that COO was one of the factors for buying food products of the consumers because of different perceptions of the COO. Recently, Lao and Cambodian consumers are familiar with the food products from Thailand and Vietnam because the food product in Laos and Cambodia are mainly imported from Thailand and Vietnam.

In addition, the results from this study revealed that Lao consumers were familiar with the food products from Thailand more than the food products from Malaysia, Vietnam and Indonesia. In case of Cambodian consumers, the food products from Vietnam were ranked in the 4th place when compared with other countries. However, it depended on the types of the products. It was relevant to Dagger and Raciti [6] that the consumers had positive perception on the COO which it was suitable for the products.

Therefore, if the food products from Thailand are exported to Laos and Cambodia, there should be the sign 'Made in Thailand' for showing COO of the products. On the other hand, if the food products from Vietnam are exported to Cambodia, the brand logo should be emphasized.

In the light of the relationship between COO and the willingness to buy of the consumers, the results from this study showed the positive results. It was related Posakabutra [7] that COO was a factor in marketing administration. The perceptions and the willingness to buy of the consumers were different depend on the COO of the products.

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