# COUNTRY OF ORIGIN OF THE FOOD AND CONSUMER PREFERENCES IN SEGMENT OF UNIVERSITY STUDENTS

Anton Kretter\*
Zdenka Kádeková\*\*
Jana Sedláková\*\*\*

NOWING of consumer preferences and country of origin of the food offers the important information to the food producers and trades, and creates the base for their marketing decision making. In the era of market globalization, the consumers regard the country of origin of products as one of the quality indicator. The paper examines the consumer preferences and attributes of decision making in the segement of university students in Slovakia. The results suggest, that this group of consumers prefer the attributes like freshness, flavour and also the price when food shopping, while preferring domestic products is dominant. It also suggests the preference for domestic products is dominant.

Key Words: Consumer Preferences, Country of Origin of the Food, Segment of Students, Consumer Communication.

## Introduction

The stronger influence of the globalization also affects the food market. The food producers are still finding new groups of consumers all over the world. Distribution of consumer goods from different countries in the world has an impact on consumer behaviour and consumer preferences in a particular country. Therefore it is a necessity and highly appropriate to research consumer behaviour and consumers' attitude towards domestic and foreign products, mainly through a formulation of the new marketing strategies and using the tools of marketing mix.

The literature concerns about the consumer behaviour research.

In many studies the country-of-origin is also the cue for evaluation of the products. The country-of-origin [COO] analysis and research focus on the buyers' opinion regarding the relative qualities of goods and services produced in various countries.

The results of research of Bilkey (1998), Papadopoul (1998), Hausruckinger (1993), Webb (2000), Janssen (2002) and many others indicate that the domestic products enjoy generally more favorable evaluation than foreign-made products. In recent years, the research of consumer behaviour in Slovakia has been also realized by Kretter (2006, 2007), Sedlaková (2007), Kubicová (2008), Nagyová (2008), Horská (2007) and many others. The results of the mentioned research points at important needs of knowing the consumer behaviour and consumer decision making when shopping the products in a strong bond with marketing activities of producers and merchants.

<sup>\*</sup> University Teacher, Slovak University of Agriculture, Faculty of Economics and Management, Department of Marketing, Nitra, Slovakia.

<sup>\*\*</sup> Ph.D. Student, Slovak University of Agriculture, Faculty of Economics and Management, Department of Marketing, Nitra, Slovakia.

<sup>\*\*\*</sup> Graduate, Slovak University of Agriculture, Faculty of Economics and Management, Nitra, Slovakia.

### Material and Methods

The aim of the work was to research the food shopping preferences and country-of-origin of the products in the market segment of university students.

To research the attitudes towards domestic products, the self-administrated written questionnaire was used to collect the data from students in 2008. Before research, the study of allowable sources of literature took a place and the Pre-Test was used to specify the questions used in the questionnaire. Thereafter the questionnare was adapted and used in the asking of chosen research sample. The sampling frame consisted of the university students.

The chosen university students could be characterized as a homogenous group of the young educated people, open to the news and knowledges, who have an access to huge amount of information. The present students in Slovakia represent the new generation of Slovak consumers and could be marked as potential multiplicators who will markedly influence the consumer behaviour and consumer decision making in the future. Sampling frame of the respondents doesn't cover all basic complex of consumers in Slovakia and the sampling frame of respondents represents just one segment of the market. The total amount of respondents' answers is 468. Information were processed by computer program SPSS,Ver.14.

The questionnaire was divided into 2 sections.

The first section surveyed respondents' attitudes toward their home country Slovakia and Slovak products.

Further, the respondents were asked to evaluate specific attributes of the products that could influence their decision and preferences in choosing the food. The country-of-origin perception toward home-products was investigated as well as consumers' accent on the price.

# **Results and Discussion**

Total amount of 468 respondents answered the questionnaire. The age of respondents ranged between 18 and 30 years, with an average age of 21.26 years. The females with 69.7% were proportionally higher representative in the sample as compared to males at 30.3%.

The respondents prefer to do their shopping mostly in the hyper and supermarkets (94.9%) while 47.6% of respondents prefer to do their shopping in the retail stores. The discount stores are not popular among the young students, only 13.3% do their shopping over there. There are still 12.2% of respondents, who visit the market place and shop there.

In the first question, the image of the home-country Slovakia has been investigated. The open question to capture all association of the respondents to the term "Slovakia" has been asked. More then 92% of the attitudes to the term "Slovakia" were positive. Respondents expressed their attitude to Slovakia by assigning the attributes which are in their opinion the best known in Slovakia. From individual attributes the most common were the following answers: nature (96.2%), family (89.7%), Slovak cuisine (48.3%), historical monuments and tourism (37.8%).

Following question tried to find out the attitudes of respondents to their native country. The respondents were given 16 findings about Slovakia. The respondents evaluated each one in the range of Likert scale (1 = total disagreement, 6 = total agreement). More than 50% respondents believe that Slovakia is hospitable and likeable country.

48.4% of respondents totally agreed or agreed with the finding, that Slovakia is the country with traditions and 45.5% of respondents believe that Slovakia has a great future.

To investigate the most important factors in the consumer behaviour of the respondents when buying food products, the next question had been asked. The main purpose of this question was to find out if

the country-of-origin of products plays an important role in consumer decision making. For majority of respondents, the important factors affecting consumer decision are: the freshness, which is preferred by 92.7% of respondents. Next factor that influences the consumers is price (88.2%).

Consumer decision was influenced by the flavour of products (84.6%) and by healthy products (51.3%). Almost half of the respondents insisted on the general design of the product. The country-of-origin has impact by one third of respondents in their behaviour in buying the food products. The country-of-origin is not dominant factor in decision making, but the preference by one third of respondents predicts the possibility for the producers to use it as a extrinsic cue to influence some groups of consumers and that is why the higher attention in marketing should be paid to this question.

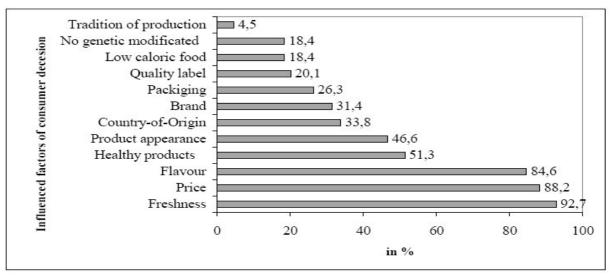


Figure 1: Respondents' Preferences in Food Buying

#### Source: Own Research.

In the next question we have analysed had been the impact of the country-of-origin and the price to the consumers. The yoghurt as a product of the daily consumption was used. In the first part of the question the preferences between Slovak and foreign yoghurt was investigated in general. Almost 88% of respondents had prefered Slovak product.

In the second and the third part of the question the respondents were asked about their preferences in term of price and product's country-of-origin. If the price of Slovak product was lower than the price of foreign one, the Slovak product would be prefered, it means more than 88% of respondents prefer the Slovak yoghurt. But if the price of Slovak product would be 20% higher than the price of foreign one, its preference would decrease on the level of 47.2% and the foreign product would be bought by more than one half of the respondents.

From the above stated figures it is followed that the Slovak students prefer domestic products, but they are also the price sensitive. We can deduce that the country-of-origin of the products has an impact on one group of the respondents, because more than 40% of respondents prefer domestic yoghurt despite of its higher price.

In analysing the factors influencing the respondents' behaviour when buying the household food, these have mentioned the taste of the Slovak foodstuff as the most important reason for this preference of the Slovak foodstuff. Respondets totally agreed or agreed with findings, that Slovak economy is supported by buying the Slovak products (64.4%), 52.9% of respondents usually buy the Slovak products because of its high quality and 49% of respondents would buy the products because these were produced in their

61

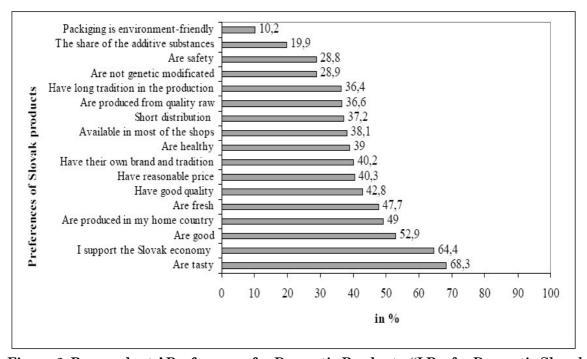


Figure 2: Respondents' Preferences for Domestic Products: "I Prefer Domestic Slovak Products Because..." (in %)

#### Source: Own Research.

domestic country. The other factors influencing respondents' preferences for domestic products are indicated in Figure 2. From domestic products, the most preferred food products are diary products and milk, followed by candy and sweets, fruit and vegetable, bakery products, wine, beer and alcoholic drinks in general.

In consumers' decision making process the communication policy has an important position. While searching for different external factors which influence the consumer we have found out that the product knowledge and previous good experience with the product had a great impact in consumer influencing which is higher than influence of the advertisement. The other factors that stimulate the buying of the foodstuff are the information on the product (48.9%), well known brand (45.6%), recommendation from the experts (39%), like doctors, teachers, ministry or health organisation, professional associations, word-of-mouth advertising (38%), recommendation from the experts, availability of the product in many shops (36.8%), quality label (36.5%) and country of origin advertisements. These results show that there is a necessity to creatively apply the communication tools on the consumer.

#### Conclusion

The aim of the work was to find out the preferences of the Slovak youth people in the segment of university students and to examine their attitudes towards country-of-origin and the preferences of the Slovak young consumers for domestic and foreign food products. The study also analysed the image of Slovakia as a home country of the respondents and the image of the Slovak products.

The preferences for domestic food products were indicated too. From these results it can be stated that the positive image of Slovakia has an influence on the products that are produced in Slovakia. The image of Slovakia among the young students is very positive and also affects the preferences for the domestic products which are on higher level and more than half of the respondents pay attention to the country-of-origin information on the products. However, when we presented the list of factors, that

could influence the consumer buying decision, the respondents gave the distinctive importance to freshness, price and flavor of the products. One explanation for this finding could be that the intrinsic cues, like a freshness and flavor are relatively easy to access, so the consumers don't need to give greater reliance to others cues. But the extrinsic cue price has impact on consumer decision, because we have investigated, that the young Slovak students are price sensitive. Respondents prefer Slovak food products because of their flavor and freshness and students also believe they support the Slovak economics by buying them.

Therefore, we can advise to use above mentioned results in applying in communication focused on the consumers. This is true mainly for bigger retail units, because those are the places where the respondents i.e., the university students prefer to do their shopping.

#### References

Bilkey, W.J. and Nes, E. (1998), "Country-of-origin Effects on Products Evaluations", In: *Journal of Intenational Business Studies*, no. Spring/Summer, pp.89-90, ISSN 00472506.

Hausruckinger, G. (1993), "Denominations as Determinant Factors: An International Study of Long Durables", Frankfurt/Main: Lang, ISBN 103631452624.

Horská, E. and Nagyová, L. (2007), "European Consumers and Consumer Behavior", In: Proceedings of the International Expert Seminar on EU Programs FEM SPU in Nitra, Nitra: SPU, pp.64-66, ISBN: 978-80-8069-944.

Janssen, J. (2002), "Foreign Foods on the Market from the Perspective of Consumers", PhD. Thesis, Humboldt University, Berlin, pp.222, ISBN 3-89825-737-1.

Kretter, A. (2006), "Regional Food Products and Consumer Demand Factors", In: "Proceedings of International Conference FMK UCM", New Trends in Marketing, Trnava: Cyril and Methodius University, Faculty of Mass Media Communications, pp.61-63. ISBN: 80-89220-21-5.

Kretter, A. (2007), "Image and Consumer Preferences for Selected Foreign Dairy Products and Communications", In: Marketing Communications and Image: Tomas Bata University in Zlín, pp.120-125, ISBN: 80-7318-394-3.

Kubicová, L. (2008), "The Impact of Consumer Price Developments in Meat Consumption in Slovakia", In: Firm and Competitive Environment of 2008, Brno: Mendel University of Agriculture and Forestry, ISBN: 978-80-7392-021-0.

Nagyová, L. and Golian, J. (2008), "Comparing the Views of Czech and Slovak Consumers on Food Quality and Safety", In: IX Conference of Food, Ministry of Agriculture Bratislava: Consumer Food Company, pp.19-21

Papadopoulos, N., Heslop, L.A., Graby, F. and Avlonitis, G. (1998), "A Cross-national View of Consumer Predispositions Toward Products from Forgein Countries", In: ESOMAR, Proceedings of the 39th Congress, Monte Carlo, September, pp.91-117.

Sedláková, J., Schade, G., Vogler, W. and Kretter, A. (2007), "Consumer Behavior of Young Consumers - The Impact of Ethnocentrism and the Origin of Food", In: Acta Oeconomica et Informatica, vol. 10, No. 2, pp. 45-48. ISSN 1335-2571.

Webb, D. (2000), "Country of Origin and Brands Effects in a University Setting", In: OZRETIC-DOSEN, D. et. al. Assessments of Country of Origin and Brand Cues in Evaluating a Croatian, Western and Eastern European Food Products, In *Journal of Business Res.*, Vol.6, No.3, ISSN 0265-1335.

63 —