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Marketing Major

Sarjana Ekonomi Thesis

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**THE EFFECTS OF COUNTRY OF ORIGIN AND  
PERCEIVED RISK ON INITIAL TRUST  
AN EXPERIMENTAL EVALUATION OF THE PERCEPTION OF  
INDONESIAN CONSUMERS ON SERVICE INDUSTRY ACROSS  
HIGH RISK AND LOW RISK SERVICES**

Feranita (1100060871)

**Abstract**

**Objective** - To do a research on Indonesian consumers to uncover how COO and perceived risk affect the initial trust in service industry; and to compare these effects across two service industry – high risk versus low risk.

**Method** – Indonesia is the country studied. A total of 180 respondents were evaluated with different combinations across 2 service industries.

**Results** – The research findings confirmed the effect of country of origin and corporate reputation on initial trust and the relationship between perceived risk and COO.

**Conclusion** – Before engaging to a service, respondents put into considerations for COO and corporate reputation. COO effect may differ across different service industry.

**Key words** Country of origin, Corporate reputation, Trust, Service industry, Perceived risk, and Indonesia.