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Branding Strategies in Typical Food Products: A Qualitative Study

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Abstract: Italy is the first country in the world for certified production, but consumers are not able to recognize the distinctive features of typical food products yet. They often confuse local and typical products, they have limit knowledge about European Certification and they don't perceive the value of the denomination of origin. Such situation worried marketers operating in agricultural food chain who are wondering which strategies to implement in order to improve consumer knowledge and the perception of the value of typical food products. A proper understanding of the value of typical food products is, in fact, a prerequisite for implementing effective marketing strategies and supporting a premium prices for these products. Our research aims to explore consumers' perception of typical food products in order to understand the role of brands and distribution channels in consumer and shopping behaviour. Understanding how consumers perceive typical food products is important to drive retailers and manufacturers in their strategies aimed to give the appropriate value to typical production.

Key words: typical food products; brands; distribution channels; consumers perception
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1. Introduction

The market for typical produced goods has grown substantially over the past few years, nevertheless the recession and the decline in food consumption.

Italy is the first country in the world for number of certified typical products, with 269 products registered at the end of 2014: production turnover has reached € 6.6 billion while consumers' sales are about € 13 billion (Ismea, 2014).

Despite the leadership of our country in typical foods market, Italian consumers are not yet able to recognize and perceive the value of the denomination of origin: according to recent researches, consumers have a limit knowledge about European Certification (Eurobarometer, 2012) and they often confuse local and typical products, because they believe that "local" is equivalent to "typical" food (Ismea, 2012).

This disorientation is not surprising if we consider that the typical foods market is a fragmented market with several actors, operating in different levels of the agricultural food chain, with their own products and brands: collective organization have their own collective marks, retailers have their own private labels, industrial companies have their brand. Along with these brands, moreover, there are sometimes the European certifications (DOP, IGP, STG) which marks the denomination of origin. Also the structure of distribution channels does not

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simplify the process of consumer choice. The typical food products are distributed through vary channels with different pricing strategies and range: grocery retailers, specialized retailers, ecommerce, local market, farmers.

Such situation worried marketers operating in agricultural food chain who are wondering which strategies to implement in order to improve consumer knowledge and the perception of the value of typical food products.

It is of paramount importance to get an insight into consumers' perceptions and attitudes towards typical food products: only if consumers are able to recognize their authenticity, thusly their superiority, they could be available to pay a premium price for them.

In the process of creating value, both manufacturers (with their marketing levers) and retailers (with their retail marketing levers) could have an important role. While there is a growing literature on consumers behavior, little is known about the consumer's decision making regarding typical food products inside the store.

Starting from these considerations, our work aims to investigate the perception consumers have about typical products in order to understand the role brands and distribution channels have in the process of creating value. Understanding how consumers perceive typical food products is important to drive retailers and manufacturers in their strategies aimed to give the appropriate value to typical production.

2. Literature Review

The literature about typical foods market is rich in contribution and this would strengthen their strategic importance both in the local and global economy. Typical food products, in fact, represent an important element of European culture, identity and heritage: they contribute to the development and sustainability of rural areas, protecting them from depopulation, entail substantial product differentiation and provide a variety in food choice for consumers (Guerrero L. et al., 2009).

There are several definitions in the literature of the concept of typical food products. While in the prevalent international literature, typical food products are often called "local" or "traditional" products, in the Italian studies the term "typical food" is more widespread. In our study, thus, we will use the term "typical food" in order to highlight the specificity of local resources used in the production processes and the distinctive features typical products have in comparison with mass market products. In particular, a product is defined "typical" when four main dimensions are present together: the specificity of local resources (natural and human) used in the production process; the history and tradition of production; the collective dimension and the presence of local culture; the link with the country of origin (Marescotti, 2006).

Typical foods market has been studied along two different perspectives.

Some academic studies in the field of agribusiness have taken the supply perspective by focusing on the agricultural food chain structure. In particular, they have analysed the strategies producers carry out to improve safety, healthiness and convenience of their products, the role played by the different operators (farmers, producers, collective organization) and the certification's process (Belletti, 2000; Giacomini et al., 2007; Arfini et al., 2010; Annunziata & Cesaretti, 2011). Always on the supply side, others contributions in the field of marketing and management have focused on the branding strategies by analysing the role played by different brands, such as collective trademarks, industrial brands and private labels (Grandinetti, 1997; Gregori & Garlatti, 1997; Ravazzoni et al., 2006; Fait e Trio, 2011; Borra et al., 2012).

Many contributions in literature, however, have taken the demand perspective by analysing different topic concerning with the consumer and shopping behaviour.

In particular, some authors have focused on the role of products and brands in consumers' perception, attitudes and behaviour. According to them, consumers feel that by buying local produce they are purchasing products that are more authentic and higher quality (Boyle, 2003; Lee, 2000; Chambers S., 2007), as well as fresher (La Trobe, 2001), more nutritious, tasty and safe (Seyfang, 2004). Other contributions, however, found that the consumption of typical food products is driven only partially by the organoleptic characteristics: the typical product generated inside consumers a sense of belonging and satisfaction and it is, therefore, associated by them to symbolic values, such as the link with the family, tradition, conviviality (D'Amico, 2002; Ciappei, 2006; Pencarelli & Forlani, 2006; Bertoli & Resciniti, 2013). The need to support farmers in the local area is another reasons to buy typical food products (Chambers, 2007).

At last, others authors have focused on the role of distribution channels and point of sales in consumers' perception, attitudes and behaviour. According to them, the store format can influence the perception consumers have about typical product: a product purchased in a grocery stores is judged of lower quality than the one which is bought in a specialized store (Gabbai, 2003; Aurier P. et al., 2005; Ciappei, 2006). Supermarkets, however, are seen as beneficial in that they allowed people with limited time to shop quickly (Chambers, 2007). Although it would be enjoyable and worthy experience to shop for typical food in specialized stores and market, consumers could not do this on a routine basis due to lack of time and opportunity.

While there is a growing literature on consumers behaviour, less is known about the consumers' decision making regarding typical food products inside the store, as well as about the influence of the store on consumers' perception.

Given the increasing importance of shopping behaviour and considering that consumers often chose first the store in which making grocery purchase, and after the product, the role the brand has in consumers choice cannot be separated from the role distribution channels played in driving consumer choices and purchase.

A proper understanding of consumers' perception, thus, cannot depend only on the role of the brands, but has to consider even the role of the distribution channels. Over the last few years, in fact, producers and retailers are shifting from a traditional marketing approach, focused on consumers and their consumption patterns, to a shopper marketing approach, focused on shoppers in shopping mode.

The growing literature about shopping behaviour (Shankar, 2011) and all the levers that could influence the consumers when they are in the role of shopper (well known as shopper marketing approach) would strengthen the importance to study the role of brands and retailing strategies conjointly.

3. Research Aims and Methodology

Our research intends to investigate consumers' perception of typical food products in order to understand which role the branding strategies and retailing strategies have in giving the appropriate value to typical production.

Specifically, our work intends to answer the following research questions:

Q1 - What perception do consumers have about typical food products?

Q2 - What role has the brands in consumers' perceptions of typical food products?

Q3 - What role have distribution channels in consumers' perceptions of typical food products?

In order to pursue these research aims, we used a qualitative method, combining the focus group (Lonkila, 1995) with the experimental design (Harrison & List, 2004).

Focus groups are a qualitative method aimed to give importance to each individual voice, encouraging dialogue in the group and listening to individual concerns, but not aiming to obtain data on representativeness of a particular position. Based on a discussion (from 90 to 120 minutes) with 6 to 12 participants, the researchers aim to learn about the perceptions, feelings, attitudes, values and ideas of the participants in a defined area of interest (Zanoli et al., 2004; Padel & Foster, 2005). Focus groups represent one of the most widely used techniques in market research and, since the mid-1980s, they have been recognized as a valuable method in academic research (Saumure, 2001).

In our study, focus groups were used to explore the consumers' perceptions of typical food products, their level of knowledge concerning certification and their ability to recognize typical food products across the levers of branding strategies (brands, communication and packaging) and retailers strategies (space allocation, range, communication and marketing activities in store).

We conducted four focus groups, with eight participants in each one. A screening questionnaire was used in the recruitment process so as ensure that all participants met the criteria selected for our research: to be responsible for buying food in their family was a prerequisite for the participants' selection. All participants were regular buyers of typical foods coming from different Italian region.

Focus groups participants were initially asked to express their perceptions regarding typical food. This particular question was crucial to identify the general image that participants have of typical food (results in 5.1).

Transition questions were then asked in order to understand the role of brands and distribution channels in consumers' perceptions. For this purpose, we used an experimental design approach by simulating a purchase context through the projections of images about different typical food products and different point of sales.

In particular, with reference to the role of brands, we showed different images of typical food products, some of them produced near the country of origin (region in the north of Italy) while others produced far from it. Participants were asked to express their opinion about brands, packaging, value perceived, willingness to pay a premium price. The aim was to understand the role of brands in driving consumers' choices (results in 5.2).

The same procedure was followed with reference to the distribution channels. In this case, we showed different images of typical food products inside the point of sale (both grocery and specialized stores) and we asked participants to discuss about their perception in front of the display, their willingness to pay, reasons to purchase or not to purchase. The aim was to understand the role of distribution channels (grocery vs specialized stores) in driving consumers' choices (results in 5.3).

A final question was asked to participants to state their final position on the reasons to purchase a typical products, in order to understand if their decisions were driven by the brands (thus producers marketing strategies) or store formats (thus retailers marketing strategies). The discussion has been interpreted taking into consideration the different geographical origin of consumers, on the belief that proximity to the country of origin of typical products can affect consumers' perceptions as well as the role of brands and distribution channels.

All focus groups discussions were recorded and fully transcribed verbatim. The transcripts were entered into T-Lab, a software package especially designed for the analysis of qualitative research. All data that related to a particular topic or theme were categorised and given a code name. Data were coded through the initial creation of around 150 free nodes, some of which later were revised and categorised according to topic areas. Coding helped the organisation of data and facilitated interpretation. A node tree was created as well as two different note sets to explore perceptions of typical food in relation to brand dimensions (brand, package, advertising) and distribution channels dimensions (store formats, space allocation, instore activities, communication in store, private labels).

4. Findings and Discussion

In the following section, the results of the focus groups and experimental design have been combined to reveal insights into consumers' perceptions and attitudes to typical food products, highlighting the role of brands and distribution channels.

4.1 Consumers Perceptions of Typical Food Products

In order to answer our first research question (Q1), focus groups participants were asked to write down words and/or sentences they associate spontaneously with "typical food products". This activity led to identify the categories and codes listed in Table 1.

Table 1 Categories and Codes of the Thematic Analysis

Categories	Codes	Frequency (%)
Quality	Intrinsic dimension (tasty, special, distinctive) Extrinsic dimension (aspect, color, size, packaging, ingredients)	34%
Safety	Intrinsic dimension (genuine, healthy, safe) Extrinsic dimension (certifications, trademarks)	32%
Geographical dimension	In a wide sense (country of origin) In a strict sense (region, supporting local producers)	14%
Historical and cultural dimension	Intrinsic dimension (identity, sense of belonging, local community) Extrinsic dimension (tradition, culture, heritage)	14%
Experiential dimension	Emotions, curiosity, memories	6%
Total		100%

In particular, the words and sentences associated with "typical food products" can be grouped into five categories. Most participants have associated "typical food product" with "quality" (34 percent of words and sentences written recall it) and "safety" (32 per cent of words and sentences), both in their intrinsic and extrinsic dimension, as explained in Table 1.

The geographical dimension, as well as the historical and cultural one, have been mentioned less frequency: only 14 per cent of the words and sentences associated with typical food products recall the territory, as well as the history or the culture. Lastly, the experiential dimension has been recalled only from 6 percent of spontaneous associations.

These findings confirm only partially what the literature has demonstrated so far.

Even if consumers recognize in the typical food products the three main dimensions mentioned by the literature-geographical, historical and cultural (D'Amico, 2002; Marescotti, 2006; Chambers, 2007; Arfini et al., 2010), they give more importance to the rational dimension — quality and safety — while the emotional dimension seems to have a secondary role.

The great importance given to quality and safety, especially in their extrinsic factors (such as certifications), revealed how consumers are getting more sensible to the variables that can reduce the risk perceived and give them more guarantees. The extrinsic characteristics (such as packaging, labels, etc.), thus, have an important role in the perception of authenticity of the typical food products, acting as a heuristic evaluation of the quality of the product (as emerged in Fort, 2012).

These findings could be better understood looking at the new patterns of consumption, which outline the customer as more responsible, critical and conscious (Fabris, 2010), searching for information not only about products but also on processes. The experiential dimension, according to which typical food products are associated to values such as tradition, conviviality, family (Ciappei, 2006; Pencarelli e Forlani, 2006), seems to overshadow.

4.2 The Role of Brands in Consumers' Perceptions of Typical Food Products

Brands have an important role in the consumers' evaluation process and in the value perception, as emerged from previous literature (Eroglu & Machleti, 1988; Manrai, 1988; Platania & Privitera, 2006; Darby et al., 2008), but the traditional functions attributed to brands change when consumers have to purchase a typical food product.

In particular, during the discussions, two principal groups of people were identified. The first group consisted of those participants who trust in the industrial brand. People living far from the region of origin of the typical food products belong to this group (that we called "non-experts consumers"). For them, industrial brand is synonymous of guarantee, quality and safety. Since they are not able to evaluate the intrinsic characteristics of typical food product, their purchasing decisions are driven by industrial brands.

The second group consisted of those participants who don't trust in the industrial brands. People living in the region of origin of the typical food products belong to this group (that we called "experts consumers"). These consumers perceive the industrial brands as not typical and they prefer to buy collective brands. Since they live in the region of origin of the typical productions, they have a good knowledge about products, farmers, producers and production process. Thus, they are able to recognize the collective brands and evaluate their quality (unlike non experts consumers).

Some participants, talking about industrial brands, stated: "... I try to avoid famous brands…for me typical products must be produced by local firms, specialized in typical productions…"

For both the groups, private labels are perceived typical and authentic and they are recognized both by "experts" and "non-experts" if the retailers have developed an umbrella brands strategy, like many Italian retailers have done.

All participants, "experts" and "non-experts", perceive a food products as more typical when the packaging is simple, does not give too evidence to brands and labels but gives information about the origin of the products, giving value to their crafted image ("…a simple and transparent packaging is important for choosing a typical products…"; "…I am attracted from a packaging simple, essential, without too marks…". For the same reasons, most participants do not like too much advertising ("…if the food product is so genuine, I do not see why they should do an advertising campaign so big..…")

Finally, for all participants, food production is "typical" when it is specialized: differentiation strategies and an extended product portfolio are perceived as "not typical" from most consumers (…typical means not standard, but specialized…).

4.3 The Role of Distribution Channels in Consumers' Perceptions of Typical Food Products

The distribution channel has an important role in consumers' evaluation process and it influences the consumers' perception of typical food products, as emerged from previous literature (Gabbai, 2003; Aurier P. et al., 2005; Ciappei, 2006; Chambers, 2007).

For all participants, specialized stores are typical, synonymous of quality and authenticity ("…typical for me means butcher, farmer…." Grocery stores, however, are preferred from most consumers because they are seen as more "time saving" and convenience ("…in order to save time, I look for a store which allows me to make only one shop expedition…").

During the discussion, different opinions have emerged with reference to the two groups described before (experts vs non-experts).

Expert consumers rely primarily on the local producer (associated with the Consortium) and, secondly, on the specialized stores. Non-expert consumers, instead, choose grocery retailers who are seen as more reliable than small producers or small retailers. The trust in retailers guides also the brands choices instore: most of non-experts consumers decide to purchase the private labels instead of industrial brands or collective brands.

Unlike previous research, thus, not necessarily a typical food product purchased at the supermarket is judged of a lower quality than the one bought in a specialized store (Ciappei, 2006). Thanks to in-store marketing activities and private labels strategies, even grocery stores can influence positively the image of typical food products ("…retailers ensure the quality of products…if I have limit knowledge of typical food products, I prefer choosing the private label brands…").

5. Conclusions and Implications

A new scenario seems to be opening up for retailers and producers of typical food products, characterized by a growing importance of distribution channels in consumers' perception and purchasing decisions. Distribution channels are likely to overshadow the industrial brands. These latest, in fact, are searched mainly outside the country of origin (by non-experts consumers) and in grocery stores. Instore, however, most consumers tend to prefer private label products which are considered as more authentic.

In this context, producers have to face with stronger retailers who are gaining consumers trust and loyalty. If they want to better compete with retailers and expand the market share, they should innovate their branding strategies in order to give the appropriate value to typical food products and to be perceived as more reliable and authentic.

One way could be to invest in collective marks, but this is a very difficult strategy to follow because it requires an organizational structure that few companies have.

A second way could be to produce the private labels, but this choice would mean to give up their branding strategies in favor of the retailers.

A third way, probably one of the most preferred by industrial companies, could be to invest more in their own branding strategies. Follow this way, however, means to innovate the branding strategies taking into account consumers' attitude towards brands, package and advertising. If producers want to be perceived as "typical", they have to use carefully the traditional levers of consumer marketing.

Finally, a last way could be implement shopper marketing strategies in order to create value for typical products inside the store in partnership with retailers. Given the growing importance of distribution channels in consumers' decision making, it could be the right choice, even if it is not so easy to implement successfully.

Building a strong brand identity through the store requires a close partnership between producers and retailers, as well as a good experience in managing all the shopper marketing levers. Considering that shopper marketing is a relative young approach for most marketers, it cannot be followed by everyone and probably it will take some time to implement this strategy with effectiveness and efficiency.

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