THE IDENTIFICATION OF LOCAL FOOD AT BRAND FEATURES: A REVIEW

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Abstract
This review paper discusses possibilities of the identification of local food products at brand features. Initially, it was examined whether the identification of food products is possible at brand features, after it was established what type of brand could be used for the identification of local food products – store brand or national brand. Local food meets both definitions: national brand products and store brand products. The scientific literature does not provide an answer to the question about the use of imported raw materials in manufacturing process of national level and store brand products. The answer is not provided if the food products, which contain imported raw materials, are considered to be local food. The methodology used for the research is based upon a literature review – a monographic method.
Key words: brand, store brand, national brand.

Introduction

Not only a traditional national and local product can symbolize affiliation to nation or local ethnic group. This sense of belonging can provide the product that is associated with a particular country, ethnic group or local area. Products related with the identity of a national and local ethnic group are recognizable by brands. Great importance is given to the quality of the product, and whether the product is noticeable. Food products can be recognized by its manufacturer, the place of origin and product brand. Product branding existed for centuries as a way to distinguish one product from others. Brand concept, we refer to nowadays, appeared around the 19th century. Under this concept a brand can be seen as a legal instrument, logo, company, system identification, personality, character, or added value (Konecnik and Gartner, 2007). The aim of this review paper was to summarize the research conducted previously, identify variables that must be considered in this review paper, identify gaps in knowledge and provide the evaluation of the problem to identify food origin site at brand feature.

Materials and Methods

Primary sources are scientific papers, monographs, fundamental documents that are closely related to the subject, which could be found in the scientific databases and as free sources on the Internet. Papers were selected by the search terms and from references in the studies that were found. The methodology used for the research is based upon a literature review – monographic method.

Results and Discussion

The brand is a symbol of a specific product, service or company. A brand can take many forms, including a name, sign, symbol, colour combination or slogan. A legally protected brand name is also called the trademark. The American Marketing Association describes the brand as 'a name, term, sign, or look, or a combination of all these elements, the purpose of which is to identify the goods and services that distinguish them from other manufacturers and service providers. The brand's most important feature is the promise of consumer goods' (Tiwari, 2012). The brand has several functions that must be performed in relation to consumers, the brand should provide information about the origin, the definition of producer's responsibility, risk reduction, cost reduction and a virtual agreement with product manufacturers (promise, warranty) (Kuhar and Tič, 2008). Some scientists believe that the ethnic-based representatives of the subculture could create a commune level brand (Algesheimer et al., 2005). Brand community is a community of people that combines emotional affection for a specific product or brand. In this case, there is a close link between the brand and individual cultures (Veloutsou and Moutinho, 2009). The manufacturer and retailer's cornerstone of growth strategies are the main association of brand with a specific product.

Manufacturers and distributors of branded products also recognise that a highly valued brand image significantly improves the consumer's assessment of the new product if one is good for the brand and product compliance link. It must be admitted that this method also has a possible negative effect (Lane and Jacobson, 1997).

A brand and an image can be understood as the relationship between a consumer and a product. The consumer gets this link from his preconceptions about the marketing program, which also includes advertising and other branding activities; however, the consumer's main attention is focused on whether the product is able to meet the needs of the consumer (Roth, 1992). Consequently, the consumer and the identification of brand are linked, as well as the unity of the consumer and brand is the search expression of an identity (Stokburger-Sauer et al., 2012). The brand is a way to make a concrete product visible to the eyes of the consumer. It is believed that consumers usually tend to buy famous brand products, or

consumers are loyal to a brand and are willing to pay more for a product with a brand than equivalent products without a brand if consumers see the advantages of brand products (Paasovaara, 2012). A brand in many markets creates uniquely identifiable products and is addressed to a concrete audience. From a psychological point of view the acquisition and use of products, in addition to the information provided about the brand's product quality and distinctive added value, are promoting the rise of consumer's self-esteem and bring confidence about itself. Specific brand manufacturers who have audience for their production should not spend resources for marketing their products (Shirazi et al., 2013).

The usage of a brand creates a cover charge to products; hence, the consuming of the brand is used to promote the added value of agricultural produce. Local brands traditionally benefit from a high level of visibility and have close links with consumers in their countries (Özsomer, 2012). The scientific literature suggests that brand products are valuable because consumers combine those products with the best performance in three areas: 1) quality and reliability, 2) appearance and 3) prestige (Jin et al., 2008).

Brands are listed by three-point measurement scale at their programmed information significance which is based on the brand's positioning as a good price and a good balance of the product's value, the highest level of private brands and lower-level of national level brands (Oliveira-Castro, 2008).

There are several levels of brand classification: national brands, brands of a store and supply chain, and discount brands. Generally, a consumer gets an offer of two types of products – national brand products and store brand products (Nenycz-Thiel et al., 2010).

National brand

A national brand is used for the identification of products, which are distributed at national level, and the brand owners are manufacturers or distributors. Unlike a store brand that is distributed across specific retail chains or stores, or some areas of the country where the stores or supply chains are running, national brand products are distributed in the territory of the country. National brand products must compete with store brand, local brand and private brand products. National brand products are manufactured, widely disseminated by the manufacturer's established brand. Retailing of national brand products across distribution chains is paid by a manufacturer or the owner of the national brand (Nenycz-Thiel et al., 2010).

Manufacturers are divided into two groups – companies that produce their own national brand items but offer them to a private label, and companies that produce their own national brand products and private label products.

The first category includes companies that manufacture only the highest quality brand products, they usually are leaders of a specific product category, and companies producing branded products. The second category includes manufacturers that produce private label or store brand products keeping separate production and marketing power, and possibly the associated logistical capacity of its national brand or store brand products, and companies that use the same traders, the national brand and private label sale (Zippel et al., 2013).

From the manufacturer's point of view, the use of private brand can offer the manufacturer an opportunity to attack the rival national brand products. Manufacturers, of course, can also choose to become exclusive producers of familiar store brands. The retailer has a strong position in the competitive situation between store brands and national brands, because the retailer directly allocates storage space and promotional materials and determines the level of advertising products in their brand assortment. The relative position of the manufacturer is based on the control of the brand equity. Numbers of national brands usually are big enough that retailers may not obscure national brand products with store brand products; moreover, consumers want to see in retail the greater number of national brand products (Juhl et al., 2006). In addition, the store brand products are sold at a lower price compared to the national brand products; usually this production generally is of good quality. By using the prestige and quality of the national brand, a store brand developer can offer to its clients various levels of production according to the customer and the purchasing power of audience (Labeaga et al., 2007). A large part of national producers perceive store brand products as other national brands, directed against a national brand and created a sharp competition. A leading national brand is strong enough financially to be able to introduce significant brand equity through long-term advertising campaigns and ensuring the quality of production (Bandyopadhyay et al., 2009).

Although the retailer industry remains increasingly important in determining the price of products, changes of store brand products' prices are still limited by the producer's conditions, creating an optimization problem; some manufacturers of national brand products set their retail prices of production (González-Benito et al., 2010). However, it should be noted that the scientific literature does not discuss cases in which national brand manufacturers are producing their products from imported raw materials. In such a case the question remains unanswered whether a national brand product, produced from imported raw materials, is considered as a local product, in this case, local

food. If the problem is considered from the view of the national brand product, this kind of product is of local origin, but from the point of view of the product's raw materials the product is no longer universally judged as a local product.

Store brand

A store brand is a product line that has been assembled by a retailer or distributor (Dawes and Nenycz-Thiel, 2013). There is also a perception that store brands are just sub-brands and the retailer is the only supplier of the goods (Liljander et al., 2009).

Store brand products belong to a store or a store chain, or a retailer, a wholesaler or a distributor of this product has acquired it, and this kind or products are distributed only in a specific store or a store chain (Nenycz-Thiel et al., 2010).

The concept of a store brand is also related to terms that are used in different countries: a home brand, a private-label brand in the United States, the own brand in the UK, a home brand in Australia and most other brands. The difference between a store brand and other brands is that a store brand is owned by a specific store or shop that has created this brand (Juhl et al., 2006).

The distributor, in this case the store or the store chain, develops packaging and appearance of the product and performs marketing activities to create a link to the store's customers. This type of brand products is mostly cheaper than the national level or name brand products (Bandyopadhyay et al., 2009), while the shop or the store chain can optimise the production according to customers' demand and simultaneously reduce the cost advertising.

In addition, by changing consumers' habits, the manufacturer's brand product value gradually and surely is overshadowed by the store brand product popularity, because store brand products, in terms of quality, are equivalent to the national brand production, but they are cheaper in the long-term, and the use of store brand products may cause appreciable savings (Woodside and Ozcan, 2009).

Store brand products are subject to the same regulatory oversight as other products. Store brand distribution is a ripe industry, and some stores even develop a brand as a premium or luxury class brand. Thanks to their quality, identity and developed positive image, store brand products have become the main brand consumption (Semeijn et al., 2004).

A store brand is considered as a private label, a trademark or the brand of a distribution chain. A good brand should provide consumers with a product's image and the added value of brand products. The brand should highlight the most important features of the product, the product's value and quality. Brands of stores or distribution chains are the most successful brands in the world. Companies that are owners of specific brands and trademarks belong to the area of the largest and most successful companies, while less attention is given to a specific product manufacturer. For today 'Tesco', 'Carrefour' and 'Wal-Mart' are considered as the most successful store brand companies, as well as other companies that do not manufacture products but distribute other manufacturers' products, produced by the distributor's request (Abdullah et al., 2012).

Store brands are regarded as a strategic tool while a retailer can get greater control over products distributed through the supply chain (Juhl et al., 2006). In addition, many product categories and store brand products produce more revenue compared to national brand products (Juhl et al., 2006; Ngobo, 2011). Store brand products are widely available in supermarkets (Semeijn et al., 2004). A food brand can identify the origin of a product, as well as a particular manufacturer, which operates in a specific country and supplies the country with its products. Such products are also considered as local food, if they are manufactured in a particular country, but it is not possible to consider this kind of products as local food products, if they are distributed through an international supply chain, while store brand products are not associated with the product's place of origin or manufacturer.

Conclusions

The brand is a way to make a concrete product visible to the eyes of the consumer.

The brand should highlight the most important features of the product, the product's value and quality.

A brand in many markets creates uniquely identifiable products and is addressed to a concrete audience.

National brand products are manufactured, widely disseminated by the manufacturer's established brand.

The store brand is owned by a specific store or shop that has created this brand.

The information about brand provides to a consumer a notion about the product, manufacturer and products' origin site, and it is possible to identify whether the product is local or not.

The scientific literature does not give the answer to the question about the use of imported raw materials in the manufacturing process of national level and store brand products. The answer is not provided, whether food products produced from imported raw materials are considered to be local food products.

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