IMPORTANCE OF BRANDED PRODUCTS IN EUROPEAN CONSUMPTION CULTURE

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Abstract. This article focuses on local and regional products seeking a theoretical explanation of the role of product's brand in its consumption. In scope of COBEREN (COnsumer BEhaviouR Erasmus Network) activities, the authors have analysed survey data to determine the importance consumers of European countries assign to the brand of a product.
The main conclusion is that a consumer does not pay great importance to brands, although, prefer branded products. This article was a detailed analysis of the data on the role of brand products among consumers in different countries. The paper aims to show the general trend.
Key words: local product, brand, consumption.

JEL code: Q00; D10

Introduction

This article aims to clarify the principles how a consumer chooses products, i.e. either focuses on brands or chooses more famous brand, and tries to find out whether a consumer or his/her sense of national identity is linked to the consumption of locally produced products.
In this article, the authors will study if the brand of the product is linked to local products. The study is based on the COBEREN survey data. COnsumer BEhaviouR Erasmus Network (COBEREN) is a network of expert partners in consumer behaviour in Europe, and its purpose is to analyse and disseminate knowledge on consumer behaviour. This article will examine if the following statements are true: there are no significant differences in respondents' consumption habits - consumers pay attention to brand and prefer most famous brands; respondents pay equal attention to brands and choice of locally made products; consumers' choices of locally made products and most famous brands are equal; the consumer's choice for locally produced products is determined by compliance with their national identity.

Regional and local foods

Regional products and local products are by definition geographical phenomena (Parrott N., 2002). According to the definition of the US Congress, local food is a product that is created locally and distance that a product can be transported and still be considered a "locally or regionally produced agricultural food product" is less than 400 miles from its origin, or within the state in which it is produced (Martinez S., 2010) or 100 miles from home (Conner D., 2010). Fritz and the authors have found that consumers consider a product as local food if the distance between local food producer and consumer is less than 30 miles (Fritz M., 2009). In 1994, British scholars introduced another term – food miles. Food miles are a term that refers to the distance food is transported from the place of its production until it reaches the consumer (Melece L., 2012). The concept of food miles was based on the idea that growing

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and consuming local produce is inherently less wasteful than importing it from elsewhere (Kemp K., 2010). Austrian scholars have detected that interrelation between a product and its geographic origin is one of major aspects of local food (Hambrusch J., 2006). In order to encourage regional tourism, local governments can use the term local food to increase the consumption of locally produced food (DeSoucey M., 2010). This opinion is shared by Martinez who has extended the concept of local food by specifying the personality and ethics of its grower; the attractiveness of the farm and surrounding landscape; and other factors that make up the "story behind the food" (Martinez M., 2010).

Product brand

Not only national but also traditional and local products can symbolise belonging to a nation or to a local ethnic group. The sense of belonging associates with such products that are identified with a particular nation, ethnic group, or local area. However, the products may not be produced in the country the identity of which they are related with. In this case, the identity of the state and local ethnic group is linked to the products with the brand. Product branding has existed for centuries as a way to distinguish items from one another, while the modern concept of branding has its roots in the 19th century. According to this concept, a brand can be perceived as a legal instrument, logo, company, system identification, character, personality, relationships, or added significance (Konecnik M., 2007).

Product brands as symbolic meanings can help customers achieve business goals and identity. Therefore, consumer and brand's identification associates with a consumer and brand's unity that is true and impressive expression of our identity search (Stokburger-Sauer N., 2012).

Some scientists believe that the agents established by ethnic-based subcultures can build community's brands. Brand community is a community of people brought together by emotional attachment to the product or brands. There is a close relationship between brands, individuals, and cultures (Veloutsou C., 2009). There are several brands' classifications: national brands, store brands, and discount brands (Batte M., 2010).

Based on theoretical knowledge, it can be concluded that for a consumer, a branded product can mean belonging to a national, ethnic group, local community, certain lifestyle behaviours, quality, and added interest requirements. Food products meet all of these consumer expectations. Food visibility ensures trademark – local, regional, or national level mark. The paper will focus on two types of brands – local and national and on consumers' attitudes towards local foods. The present study will try to find out if the analysed product is associated with the national identity. In the analysis, the authors have used the COBEREN survey data.

Research methodology

COBEREN survey

Considering the large number of participants and the heterogeneity of the group, the research methodology of COBEREN was defined in a very specific way. Researchers have implemented a mixed methodological approach, combining qualitative and quantitative techniques and have used a various range of numerical, verbal, and even pictorial measurements. The framework for covering different dimensions of the consumer culture was made as open as possible; however, it had to remain acceptable from the point of view of the survey response process.

A qualitative data collection allows capturing an in-depth description of consumption behaviour and meanings without any specific preconceived rational model. To which extent do the spontaneous

ISSN 1691-3078; ISBN 978-9934-8466-2-5
Economic Science for Rural Development
No. 35, 2014

evocations of the respondents match or do not match with some classical references regarding needs, motivations, or habits? In this respect, explanatory research can lead to the definition of inductive clusters based on the consumption profiles that can be interpreted in terms of consumption style or culture sub-clusters. To which extent are they global or country-dependent? Are they affected by general attitudes and values towards consumption?

Mixed qualitative and quantitative analysis of a very large data set of 30 European countries allowed the COBEREN team members to investigate the interactions between individual features and preferences, social habits and representations, national belonging, culture and consumption behaviour and ideology.

1. Internet surveys

The European COBEREN survey was mainly conducted through a common on-line questionnaire from January to March 2011. The final raw total sample collected by the COBEREN survey consisted of 12 608 units. The final size of the "calibrated" sample was 5 250 units.

The researchers decided to design a common Web questionnaire that would be translated into all the involved 23 different European languages and afterwards the survey would be disseminated through various procedures, according to the most adopted options in each of the countries. Consequently, three different Internet data collection protocols were developed in scope of the study.

- Dissemination through the web access panels' members in Austria, Sweden, and the United Kingdom. In general, the procedure was possible in the countries located in the centre and in the north of the continent.
- Snowball procedure, for which the link is sent to some specific target people who are successively requested to circulate the survey to other personal contacts etc. Such a specific process was implemented in Greece where it was really successful.
- Students or research assistants enrolled "Pre-recruited" participants. Those persons had agreed to give us their email address and to participate specifically in our COBEREN research project. This method was successfully used in Iceland, Italy, and Romania. We wrote a common invitation e-mail mentioning the identity of the correspondents, the general objective of the study and some privacy information.

2. Face-to-face interviews

In order to complement the main data collection method and be able to reach some of the target respondents, especially in older age categories, we agreed on conducting some face-to-face interviews in the countries where senior people could not be easily contacted through Internet questionnaires, i.e. in Lithuania or Portugal. Printed versions of the COBEREN questionnaire were produced for their particular usage.

In most of the COBEREN partner countries where an Internet access panel was not available or was not chosen (17 cases/30 countries), a multi-channel data collection method was conducted for a proper reaching of all the pre-defined targets from all the different age groups (Santos K., 2013).

The COBEREN survey was used with regard to non-alcoholic drinks. The authors sought to determine whether the product users pay attention to the local product or not, the importance of local production, the importance of product brands, and whether the product associated with the national identity.

ISSN 1691-3078; ISBN 978-9934-8466-2-5
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Statistical methods

The data of the COBEREN research database relating with consumers' choice of products and answers to the principles of national identity were analysed by statistical methods. The studied variables were coded in the study. A respondent, according to the gender, was assigned a code "Male" = "1" and "Female" = "2". Respondent's answer was coded "I totally disagree" = "1"; "I rather disagree" = "2"; "I do not know" = "3"; "I agree rather" = "4"; "I totally agree" = "5"; and A) "Far apart" = "1"; B) "Small overlap" = "2"; C) "Moderate overlap" = "3"; D) "Large overlap" = "4"; E) "Complete overlap" = "5".

In order to determine whether there is a correlation between the answers given by respondents for the product selection and usage habits, the authors statistically compared users' responses with the questions whether they chose the most familiar brands or paid attention to brands, or opt for locally made products. To verify consumers' responses, the authors used pair correlation method to verify nominated statements applying Student t test method.

Research results and discussion

The conducted COBEREN study involved 30 countries. In total, 5258 questionnaires were obtained from respondents. Scientists set a goal to get as close as possible to the number of questionnaires from each country involved in the study. The numbers of respondents both in numbers and as a percentage was 178 respondents or 3.4% of total number of respondents, which was similar for the all countries involved in the study. Cyprus and Liechtenstein were exceptions due to the smaller number of respondents. The COBEREN study involved 160 respondents or 3% of total number of respondents from Cyprus and 106 respondents or 2% of total number of respondents from Liechtenstein. There were also countries in which respondents' questionnaires were received in larger amount than other countries, for example, Germany and France. The two countries involved 182 respondents in the COBEREN study. The percentage of respondents from France and Germany was 3.5 from each country.

The analysis of the CORBEREN study data allowed obtaining information about the criteria of respondents' product selection.

1. Respondents' choice of more famous brands

This part of the article will examine whether there is a significant correlation between male and female respondents' choices of more famous brands.

The study shows that there are not significant differences between the principles of female and male product choices (Figure 1). The correlation calculations obtained the correlation coefficient r = 0.969295612, which for both genders is indicative of a significant correlation. There was no specific polarisation observed in the choice of product. Moreover, 22.6% of females and 17.1% of males do not choose the products of the most famous brands. However, the proportion of those respondents who choose the most famous brand products is not large – 10% of males and 8.6% of females. Those respondents who tend to disagree with the statement that they choose the most famous brand are 32.7% of males and 33.5% of females. A similar proportion was detected among those respondents who mostly agree that they purchase the most famous brand product - 37.5% of males and 33.2% of females.

ISSN 1691-3078; ISBN 978-9934-8466-2-5
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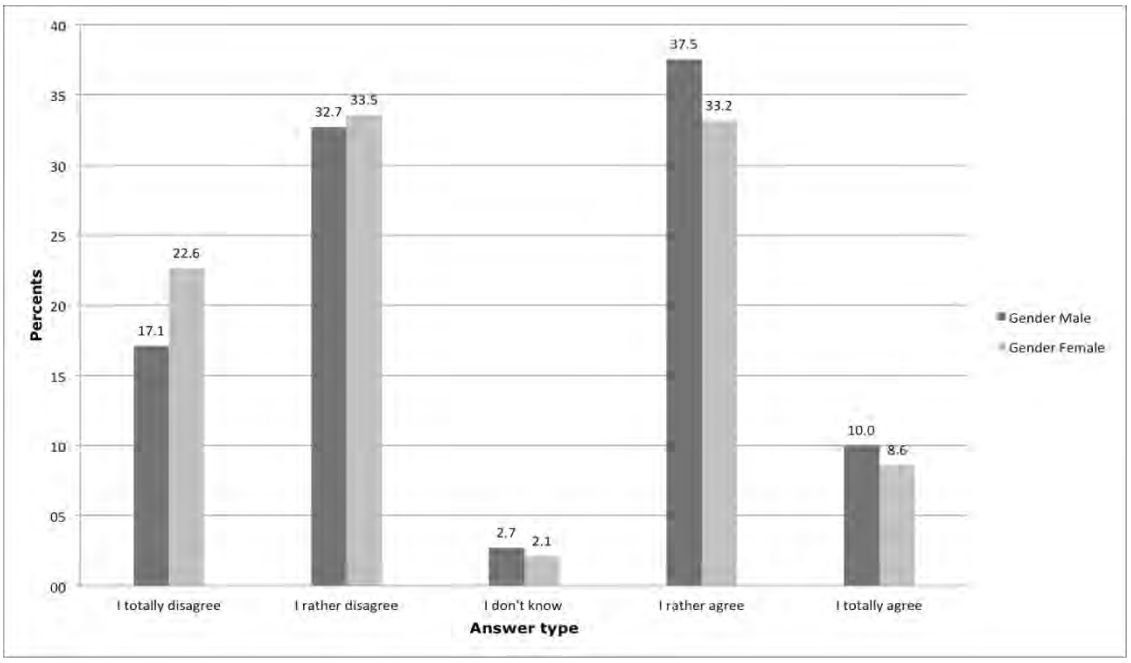

Source: authors' construction based on the COBEREN research data

Fig. 1. **Respondents' choice of more famous brands**

A similar situation can be observed by looking at the COBEREN survey results regarding respondents' attention to brands.

The Bartlett test results showed the data sets that contain respondents' answers to the question whether they pay attention to brands and/or choose more famous brands, and here the variance differs significantly with $p = 2.2e\text{-}16 < \alpha = 0.05$. Therefore, the Student's t-test calculation method has to be chosen according to the groups with significantly different variances. The Student's t-test p-value ($p < 2.2e\text{-}16 < \alpha = 0.05$) obtained by the method leads to the conclusion that there are significant differences between the groups of respondents regarding the choices of the most famous brands and attention to brands.

The results of Student's t-criteria analysis led to the conclusion that respondents' perceived the brands differently. Nevertheless, the pair correlation between male and female answers was similar.

The Student's t-test results lead to the conclusion that the statement "There is no significant difference in respondents' consumption habits - consumers pay attention to brands and prefer the most famous brands" is not correct.

2.Respondents' attention to brands

This part of the article will examine whether there is a significant correlation between male and female respondents regarding the attention paid to brands.

ISSN 1691-3078; ISBN 978-9934-8466-2-5
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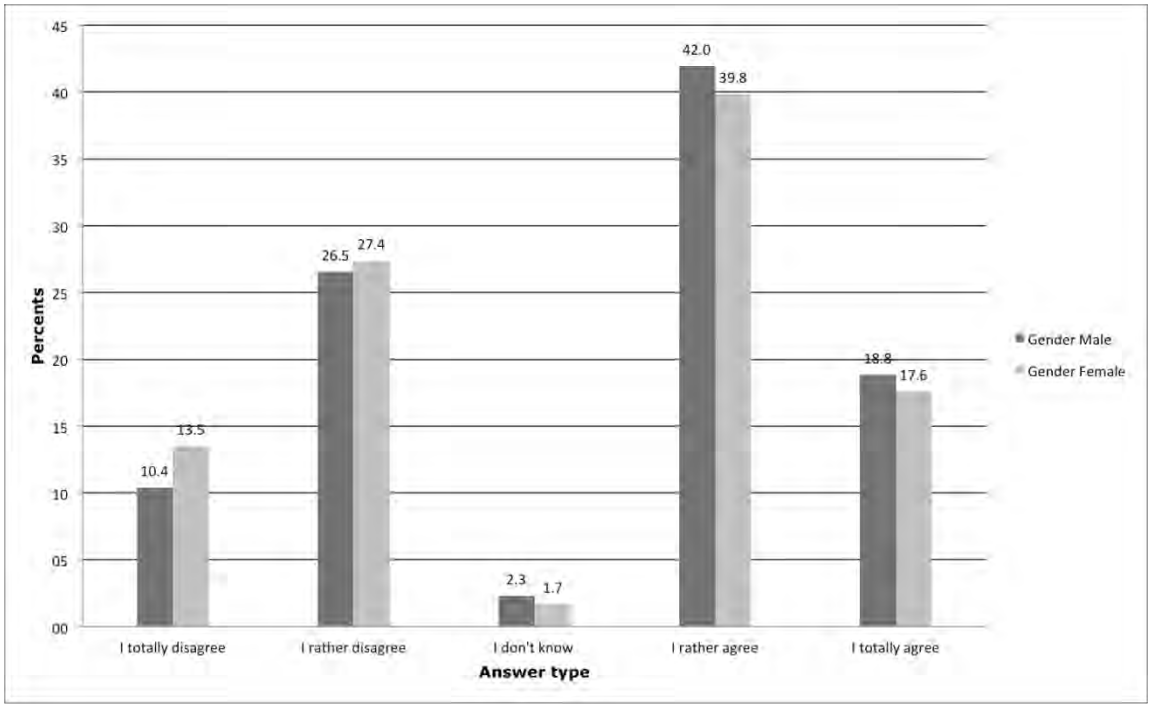

Source: authors' construction based on the COBEREN research data

Fig. 2. **Attention to brands**

The numbers of respondents who said that they paid special attention to brand products constituted (Figure 2) – 18.8% of males and 17.6% of females who claimed that they totally agree with the statement about the focus on brands. The proportion of respondents who agree with the statement that they rather pay attention to brands was 42% of males and 39.8% of females. Their position with regard to the focus on brands could not explain 2.3% of males and 1.7% of females. In the survey, 26.5% of males and 27.4% of females rather disagree with the statement that they pay attention to brands, but 10.4% of males and 13.5% of females completely disagree that they pay attention to brands. The correlation coefficient r = 0.992047058 shows a very strong correlation between male and female views of the focus on brands. In examining the correlation between the males' choice of brand products and focus on brand products, the authors obtained the correlation coefficient of r = 0.900200927, which shows significant correlation between males' brand choices and awareness of the importance of brand products. The correlation coefficient between female brand choices and focus on brand products shows different situation. The resulting correlation coefficient r = 0.849529598 shows that the correlation is strong; however, it is different from the figures derived from the responses of male respondents.

By using the Bartlett test, the results showed the data sets that contain respondents' answers regarding the questions whether they choose to pay attention to brands and whether they choose locally manufactured products. In this respect, the dispersions were significantly different with p = 2.2e-16 <α = 0.05. Therefore, the Student's t-test calculation method should be chosen according to the groups with significantly different variances. The Student's t-test p-value (p< 2.2e-16 < α = 0.05) obtained by this method leads to the conclusion that there are significant differences between the groups of respondents in their focus on attention to brands and choice of locally made products. Although, the two-factor

ISSN 1691-3078; ISBN 978-9934-8466-2-5
Economic Science for Rural Development
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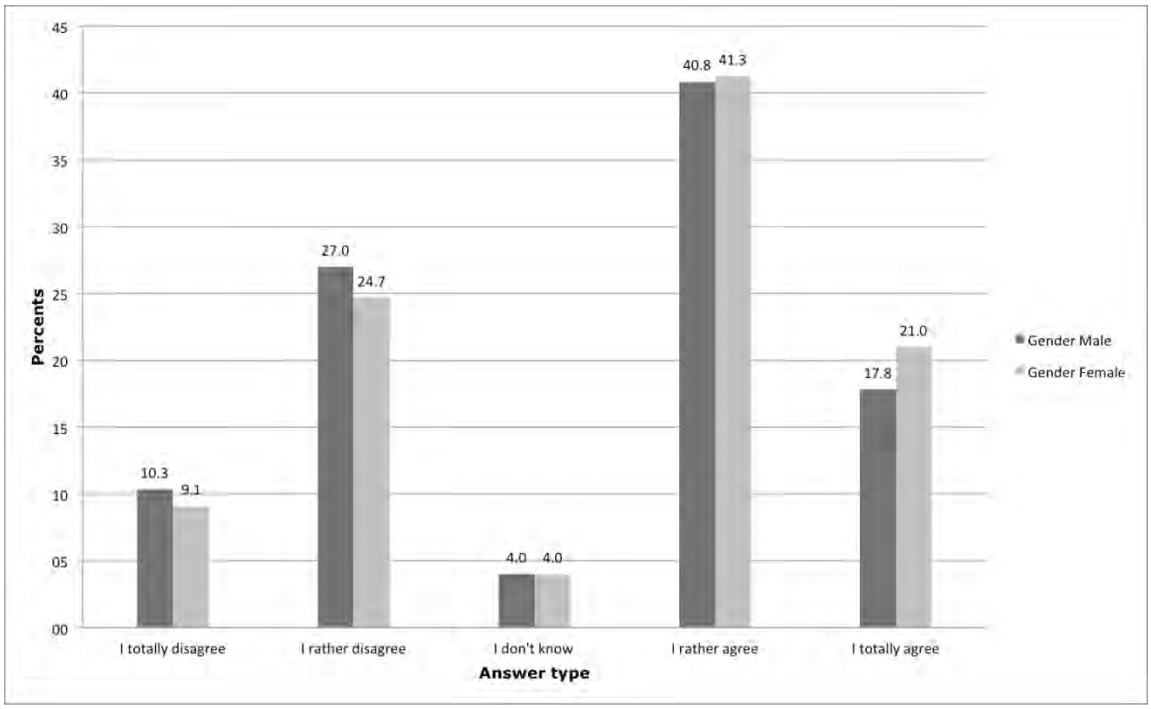
correlation data between males and females are similar regarding the correlation coefficients, there are still some differences.

The Student's t-test results lead to the conclusion that the statement "respondents equally pay attention to brands and choice of locally made products" is not correct.

3.Choice of locally made products

This part of the article will examine whether there is a significant correlation between male and female respondents' choice of locally made products.



Source: authors' construction based on the COBEREN research data

Fig. 3. **Choice of local products**

After the analysis of the COBEREN research data relating to the respondents' attitudes towards local products, it can be concluded that the respondents' attitudes are not extremely polarised in this area. In the study, 17.8% of males and 21% of females totally support local consumption choices. Unlike in Figure 1 and Figure 2, it is observed that 40.8% of male and 41.3% of female respondents would rather support a local product choice. Almost half of the respondents would rather not support local product choices: 27% of males and 24.7% of females but 10.3% of males and 9.1% of females absolutely do not support local product choices. The correlation coefficient r = 0.989856926 shows a very strong correlation between male and female's views of consumption of local products. After examining the correlation between males' local product choices and focus on brand products, the authors obtained a correlation coefficient of r = 0.998361849, which suggests that there is a strong correlation between the male's local product choices and focus on brand products. The situation is similar with the correlation coefficient between female's local product choices and focus on brand products. The resulting correlation coefficient r = 0.9728535 shows that the correlation is very important.

ISSN 1691-3078; ISBN 978-9934-8466-2-5
Economic Science for Rural Development
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In studying the correlation between the male's local product choices and most famous brand choices, the correlation coefficient r = 0.911473239, which suggests that there is a strong correlation between the males' local products choices and most famous brand products. A different situation is revealed by the correlation coefficient between the females' local product choices and most famous brand choices. The resulting correlation coefficient r = 0.708480413 shows that the correlation is strong, however, different from the figures derived from the male responses.

The Bartlett test showed that the variance of the data sets differ significantly with p = 0.05653> α = 0.05. These clusters were included in the respondents' answers to the questions regarding consumer behaviour in selecting the most famous brand and locally made products. Therefore, the Student's t-test calculation method should be chosen according to the groups with significant variances. The Student's t-test p-value (p< 2.2e-16 < α = 0.05) obtained by this method leads to the conclusion that there are significant differences between the groups of respondents regarding their choice of locally made products and choice of the most famous brands. By The Student's t-test results it can be concluded that the statement "consumers' choices of locally made products and most famous brands are equal" is not correct.

4.Conformity to national identity

This part of the article will examine whether there is a significant correlation between male and female respondents regarding their national identity.

COBEREN researchers tried to find out what factors contribute to the consumption of the products. One factor was the national identity. The study respondents were prompted to imagine two circles, one of which meant the personal identity and the second - national identity. Respondents were asked to mark the reply that best reflects the personal and national identity relationship.

COBEREN survey respondents only partially associated their personal identity with national identity. This fact is evidenced by the data aggregated in Figure 4 where 6.4% of males and 4.2% of females are not bound by their personal identity to national identity. The situation is similar regarding the respondents' personal identity linking to the national identity, which constituted 7.6% of males and 7.3% of females. Personal identity was closely bound with national identity for 24.2% of males and 22.8% of females. Personal and national identity was partly bound for 42.6% of males and 47.9% of females. Weak link between national and personal identity was indicated by 19.3% of males and 17.8% of females.

The correlation coefficient r = 0.995181627 shows a very strong correlation between male and females' views on correlation between personal identity and national identity. In examining the correlation between males' national identity and local product choices, the authors obtained a correlation coefficient of r = - 0.143018379, which suggests that the local male's choices and focus on brand products have a weak correlation. The situation is similar with the correlation coefficient between females' national identity and local product choices. The resulting correlation coefficient r = - 0.235133031 shows that the correlation is weak. In studying the correlation between the male's local national identity and attention to brands, the authors obtained a coefficient r = -0.187438525, which suggests that the correlation of males' local product choices and most famous brand products is a weak.

ISSN 1691-3078; ISBN 978-9934-8466-2-5
Economic Science for Rural Development
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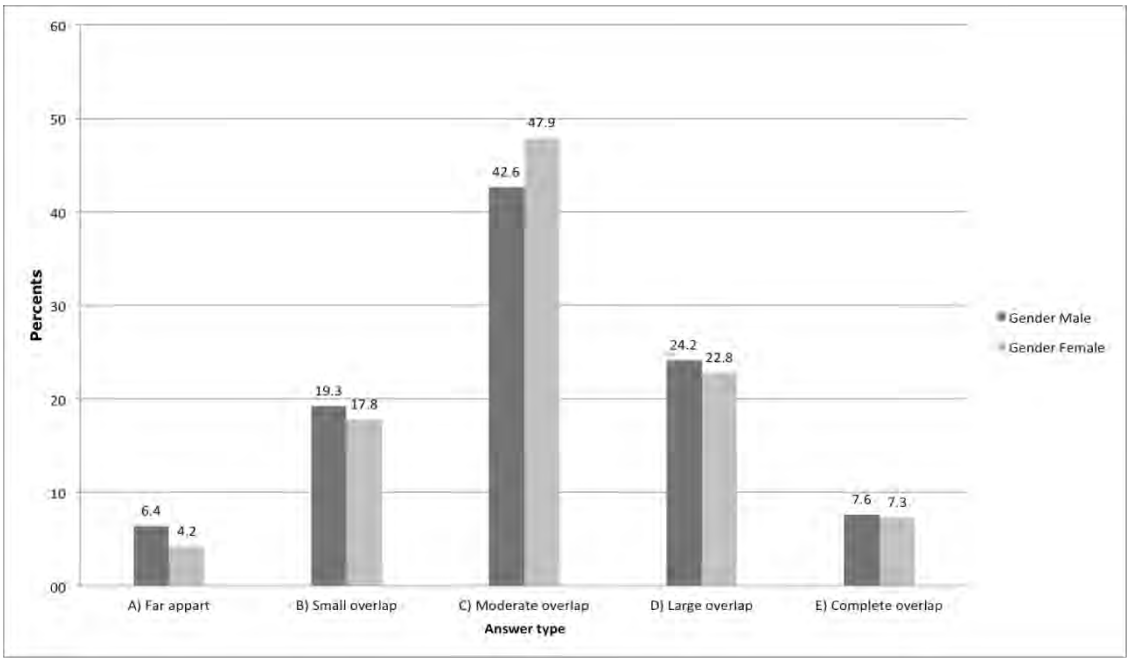

Source: author's construction based on the COBEREN research data

Fig. 4. **National identity**

A similar situation was detected regarding the correlation coefficient between the females' national identity and attention to brands. The resulting correlation coefficient r = -0.34009023 shows that the correlation is weak, however, different from the figures derived from male responses.

In examining the correlation between national identity and choice of more famous brands, the authors obtained a correlation coefficient of r = - 0.187357782, which suggests that the males' national identity and choice of the most famous brands have a weak correlation. The situation is similar regarding the correlation coefficient between women's national identity and choice of most famous brand. The resulting correlation coefficient r = -0.393909351 shows that the correlation is very weak.

The obtained correlation coefficients lead to the conclusion that there are no significant differences between the respondents by gender. The relationship between males' selected locally made products and consumer's national identity is very weak regarding the locally manufactured product choice. The relationship between females' selected locally made products and consumer's national identity is also very weak.

The Bartlett test showed that the variance of the data sets differ significantly with p = 0.05653> α = 0.05. These clusters were included in the respondents' answers to the questions revealing consumers' behaviour in relation to their national identity and locally made products. Consequently, the Student's t-test calculation method should be chosen according to the groups with significant variances. The Student's t-test p-value (p< 2.2e-16 < α = 0.05) obtained by this method leads to the conclusion that there are significant differences between the groups of respondents' choice of locally made products and choice of the most famous brands. The Student's t-test results allow to conclude that the statement "consumers' choice of locally made products and most famous brands is equal" is not correct.

ISSN 1691-3078; ISBN 978-9934-8466-2-5
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Conclusions

The used statistical methods lead to the conclusion that there are significant differences in respondents' consumption patterns. Consumers' attention to the conversion of brand and choice of the most famous brands are not similar. There are significant differences between male and female consumption habits; whereas, consumers' attention to brand and choice of locally made products are not similar. In this respect, there are differences between male and female consumption habits. Moreover, consumers' choice of the most famous brands and choice of locally made products are not similar. There are also differences between male and female consumption habits.

Consumers' conformity to their national identity and choices of locally made products are not similar. No significant differences were detected between the male and female consumption habits.

The analysis of COBEREN survey data leads to the conclusion that there are quite significant differences in respondents' awareness of national identity and local products. Respondents are not bound by national identity to the use of local products. Perhaps, the results of analysis of other products related to the national identity could have been different.

Consumers do not choose products only by brand. They pay attention to brands, but it is not decisive factor in the choice of a product.

The consumer's perception of local products is very closely related to the brand product.

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