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SUMMARY OF PHD THESIS

LOCAL PRODUCTS AND THE CONSUMERS PERCEPTIONS REGARDING THEM

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INTRODUCTION

Current concerns manifested in the European Union related to food safety and security, but also food products traceability has generated specific legislation regarding the quality, through specific regulations for the following categories: Protected Designation of Origin (PDO), Specialized Traditional Guaranteed (TSG), and Protected Geographical Indication (PGI).

In Romania, the certification process is at its beginnings, the proof consists in the existence of a single certified product with a European label (Topoloveni jam), registered as a protected geographical indication (PGI), while other two products „Novac smoked in Country Barsa” and „Ibânești cottage” applied for a PDO certification and they are still under evaluation. The research begins with a conceptual delimitation of the various product categories, which are often wrongly perceived by consumers: traditional products, organic and local products. A closer focus on local products indicate their different meanings. They can define both products with a Protected Geographical Indication, thus clearly placing products in a geographical area, but also products that have not been certified, but have the potential for obtaining a certification and a label with the specification of the country of origin.

Following these aspects observed, the present study has developed in several directions:

- Identification of consumer perception from Cluj-Napoca on local products and those imported approach developed by two major categories of methods: qualitative (focus groups) and quantitative (sociological survey);
- Identify the level of consumer ethnocentrism from Cluj to determine how they relate to local products and those imported, using the CETSCALE developed by Shimp and Sharma in 1987 and applied to American consumers;
- Identify local producers perception on the certification process, using qualitative research method, the semi-structured interview.
Research motivation consists in the need to determine the Romanian consumer perception on local products because of their potential to become recognized at a European level. Without a study among consumers is impossible to build adequate and sustainable marketing strategies. This research represents a solid starting point in building future marketing strategies of local products, to which, lately, even the authorities have started to show some interest. This interest is manifested by introducing in the retail chains, Romanian products with the Romanian flag accompanied by the name of „made in Romania”. However, a correct and complete approach to this issue requires further study, analyzing the factors underlying the decision to use such products, characterizing the consumers and making a segmentation in order to develop strategies for product, price, promotion and effective placement. These specific aspects determined the conducting of this research, which subsequently acquired more complex meanings, that was addressed by a new field in the food marketing: the problem of ethnocentrism and the degree to which it can influence the consumers and their buying behavior.

The research utility consists mainly in the ability to provide to the market stakeholders a consumer study on local products, or at least the starting point in developing a national study. Data can serve local authorities involved in the organization of actions to promote local products, and national authorities involved in the certification. The results of this study have been published in six scientific papers both in Romania and abroad.

**PART I. LITERATURE REVIEW**

Chapter I contains a clarification of the issues studied by a legislative delimitation of local, traditional and organic products, in order to avoid confusion existing in the related legislation.

Chapter II provides a theoretical approach to the concept of „local product" as it appears in the literature, aiming its definition and presentation of the main existing trends
in the food chain attached to it, but also the reasons underlying the local products consumption.

The third chapter provides an overview of the concepts related to „ethnocentrism” and „country of origin effect” in the context of marketing research conducted by now regarding local products, emphasizing the importance of studying them because of the central role they can play in the process of developing marketing strategies.

PART II. MATERIAL AND METHOD

Chapter IV starts with diagnosis of the socio-economic environment of Cluj-Napoca, representing the study research area. The structure of the business sector is dominated by trade, services being placed on second place, followed by industry. Within it, the agro-food industry is a key element, with a tradition in the field, having internationally recognized brands. The number of products certified as traditional products, in Cluj-Napoca in 2013, was 63 products.

In Chapter V are presented the two qualitative methods used, namely the focus group and the semi-structured interview. Focus group is defined as a group of individuals selected by researchers to discuss and comment based on their personal experience, research theme addressed. The basic idea is to generate a focus group discussion on topics known within a small group of participants that are considered relevant features for their views opinions to be considered. The focus group was used in the present study both because of its benefits discussed, as well as its utility in the developing the questionnaire.

Semi-structured interview was used in the research to find out the characteristics of Cluj producers of local products. Therefore, a total of 14 interviews were applied in a local fair, held annually in Cluj-Napoca, bringing together local producers in the association "Cluj product".
Chapter VI consists in the developing the working protocol, following all stages of a sociological survey, but also the questionnaire. In the present research, the method of data collection was based on direct interview or „face to face”, considered to be the most appropriate method for collecting data on consumer perceptions on local products, because the objective is a large community of people from Cluj-Napoca.

PART III. RESULTS AND DISCUSSIONS

The study on consumer behavior of local products cannot be complete without a prior analysis of Cluj producers of such products. Their importance is given to the role that it plays in the local economy because they are the keepers of culinary traditions, authentic recipes and cultural identity. Local producers from the Fair have adopted different positions towards product certification. The certification process is perceived as a positive one by those who have obtained various certifications, but it may be observed that this process is not fully understood by producers.

There is not a standard definition of local products in the scientific literature. Among consumers, for each of them, the term „local” has other meanings. From the perspective of local products marketing is very important to identify this product acceptation assigned to construct appropriate strategies. The study results indicate that a quarter of respondents (26,4%) associated with the term locally produced product the one that is manufactured in Cluj county. A much higher percentage of 37,9% consider as „local product” that product manufactured in Transylvania, so in a region. A small percentage of 7,9% correlates term „local” to their place of birth, but a higher number of respondents, 15% of them associate „local product” with that produced in the city where they live.

Regarding the perception of local products and their related aspects, it is highlighted the fact that 45,85% of respondents believe that a local product is also a traditional one, and 36,10% of respondents believe that is specific to a particular area. A
percentage of 35,74% of respondents considers that the local product must be certified by a label of origin to indicate the area where it came from, which is important in terms of future certification in Romania. However, the percentage of those who do not consider certification required is much higher, of 64,30% of the respondents. A similar percentage of respondents who consider the certification required is that of respondents who believe that a local product should have a genuine recipe (35,02%).

After analyzing the intrinsic characteristics associated with local products, it can be stated that most of the respondents (50,18%) associated with local product „freshness”. Given the generally accepted meaning and how that local products are manufactured in Cluj or Transylvania, freshness is the most important attribute of this product.

The results indicate a high consumption of local products, 89,20% of respondents stating that they generally buy local products, only 10,80% said they did not buy them. The results are encouraging for the local economy, given the products popularity among consumers. The data indicate that most of the respondents mentioned as the main motivations for consumption of local products, those related to personal benefits (freshness, greater confidence, familiar taste). Motivations related to environmental protection are the weakest, respondents not having an interest in protecting it or they do not think that there is a link established between the consumption of local products and protecting the environment.

Within a proper analysis of consumer perception towards local products is imperative to study the issue of imported products, manufactured in other countries, competing with local products, in supermarkets/ hypermarkets, food markets, in specialized shops or online. In this analysis allegations built with reference to imported products is an essential step to observe the Romanian consumer behavior. Regarding the statement „I prefer to purchase food produced in other countries”, there is a very high percentage of respondents who expressed their disagreement or disapproval total cumulative percentage of disagreement being 59,93% of respondents. Of these, 28,16% say they totally disagree with the statement, while 32% express their simple
disagreement. The consumer attitude towards the labels of origin of a product is important, given that in Romania, unlike the European Union, the certification process is at its beginnings and consumers are still uneducated on this point. The positive aspect is the fact that, according to the study, consumers attach a great importance to the geographical origin of food.

Studying the country of origin effect on consumers was based on attributes used in the scientific literature: „produser country of origin”, „brand”, „price”, „ingredients / recipe” and „packaging”.

Regarding the importance of those attributes, their hierarchy could be perform with the parameter „mean”, which indicated „price” as the most important attribute for consumers, the mean obtained on the scale of importance being 4,21. The recipe and ingredients are also very important, obtaining a mean value of 3,98. The third attribute important to consumers is „producer country of origin” gaining a mean of 3,46 on the Likert scale. Brand or geographical indication is less important to consumers obtaining a score of 3,25. The least important attribute is the packaging that received a score of 2,94 which was neither important nor unimportant to respondents. After measuring the Romanian consumer ethnocentrism a score of 4,40 was obtained with a standard deviation of 1,86. The result is comparable to that achieved by Crhyssochoidis et al. (2006) in a study conducted among Greek consumers on a sample of 274 people.

Following factor analysis, K-means Cluster and discriminant analysis, a consumer segmentation was conducted among the consumers in Cluj county. The first segment called „non-ethnocentrist consumer” is composed of 167 respondents and is characterized by a moderate ethnocentrism. The second segment called „ethnocentric consumers” is characterized by a strong ethnocentric attitude combined with an anti-import attitude. This group is smaller, consisting of 110 respondents.
CONCLUSIONS

The problem addressed, that of local products and consumer behavior from Cluj for such products has been approached on several levels, using methods of scientific research both quantitative and qualitative. The purpose of combining the two types of methods was to obtain a more complete and accurate picture of the situation of local products Cluj market, both from the perspective of the consumer of such products and from the local producers.

This work is distinguished by a number of novelties in the field of marketing:

1. Conducting a complex bibliographical study research comprising the relevant research regarding local products.

2. Approaching the local products issue from a dual perspective (consumer-producer) and conducting the research based on qualitative and quantitative methods of the two main players in the market.

3. Develop the questionnaire addressed to consumers, pre-testing and analyzing it data processing and interpretation, being a complex endeavor because it involved a broad knowledge of the topic addressed in other studies.

4. Develop the interviews addressed to the local producers from Cluj, conducting the direct interviews, the analysis, systematization, processing and interpreting the data.

5. Develop themes of discussion in the focus group and organization, including moderating discussions and processing results.

6. Identify within the scientific literature an unexplored field of knowledge, at least in the field of food marketing, the concepts related with local products namely: the country of origin effect and the consumer ethnocentrism.

7. A key contribution of this research was to adapt and test the CETSCALE and its original American version, for the Romanian consumers, measuring their degree of ethnocentrism and conducting a segmentation based on the criterion of the degree of ethnocentrism.

8. Develop viable and useful advice both to state institutions and business.
9. Building a research tool that can be successfully applied in any district / region of Romania, to study the issue of local products.

As main conclusions drawn from the study are:
1. Origin local food is very important;
2. The local product certification is associated with „traditional product”;
3. Local product is considered fresh, tasty and authentic;
4. There is an increasing interest in specialty stores and not in supermarkets and hypermarkets when purchasing local food;
5. Domestic products are preferred to the imported ones;
6. The country of origin of food is less important than price or ingredients;
7. Consumers from Cluj are in a high proportion non-ethnocentric.

As a result of this study and the conclusions obtained it can be mentioned the following recommendations:

1. Following the focus group results obtained it can be recommended in the future, to build strategies in tourism in Cluj-Napoca, by considering the inclusion of local products and local preparations in the tourist offer, and thus promote them as part of the travel experience.

2. Following interviews among local food producers in Cluj the recommendations consist in the fact that state institutions, both local and central, to organize information campaigns among these producers to give them free advice for the event that would like to certify products;

3. Encourage manufacturers to be part of associations, cooperatives, clusters;

4. Consumer research Cluj-Napoca can be repeated in each county of Romania to build effective marketing strategies for local products specific to each county;

5. Retail chains should include a wider range of local products in their offer, given the importance of the local origin of food for consumers and the high consumption of local products;
6. Given the preponderance of acceptation of the term „local product” as the product manufactured in Transylvania, it is proposed to identify all local products in Transylvania and creating marketing strategies to promote them;

7. Frequent association with traditional local products, requires a traditional certification to increase their awareness and appreciation among consumers;

8. The desire of consumers to see food labels of origin, creates favorable prerequisites for certification in Europe;

9. It is recommended that the promotion of local products to follow emphasis on freshness of these products, good taste due to the area in which they are made, and the idea of authenticity;

10. Local producers of meat and meat products, bread and bakery products, milk and dairy products, fruits and vegetables, will have to take into account the high frequency with which these types of local products are purchased by consumers for a properly production. Also retail chains should rely more on cooperation with local producers, given the frequency of buying such product categories.

11. Consumer preference for specialty stores when it comes to purchasing local food products leads to the statement and recommendation that local producers to set up, either on their own or based on association, specialized stores, very popular among consumers;

12. These local products are appreciated for their recipe and ingredients, but the price is the most important attribute for consumers during the decisionmaking process, more important than the quality of local products, so producers would have to size the prices of products so that they remain accessible to the public, even if the profit margin is lower, the gain will come from higher turnover;

13. The category of sweets and drinks is purchased mainly from import, so it is advisable to focus on highlighting the local aspect;

14. Consumers in Cluj-Napoca Romanian are mostly non-ethnocentric, so they are open to foreign products, this has strong implications for the local market who have to compete with these products, therefore, it is recommended to develop domestic market,
creating strong local brands and product certification, to provide a quality alternative supply from outside.