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Product Origin and Food Marketing

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Abstract: The consumer's knowledge and perception of a product's country of origin play an important role in food marketing strategies. "Think-national" campaigns are used widely in some EC countries but are not, however, as effective as quantitative restrictions on imports. Surveys and legislation at both national and EC levels reflect the desire of European consumers for "origin marking" to appear on food product labels. National stereotypes are frequently adopted by generic and brand advertisers to promote food and beverages. Those stereotypes could also be used meaningfully in association with reference groups and for market segmentation. However, their mutability indicates that continuous research is desirable.

Introduction

Consumer's knowledge and perception of a product's country of origin appear to play an increasing role in food marketing. In recent years, "buy-home-produced-goods" promotional campaigns have attempted to influence buyer behaviour in several European countries. Examining decisions from the Commission and Court of Justice of the European Communities (EC), Mattera (1983) and Nolin (1983) have analyzed legal aspects of that new form of protectionism; although member states' public authorities cannot conduct such campaigns, private marketing organizations are free to do so.

The country of origin is also important when determining marketing strategies, since it contributes to the "eiconic"² product configuration. Images attached to products according to their countries of origin are part of the marketing environment. Those images, which may or may not correspond to reality, result from a mix of cultural beliefs, perceptions, associations of ideas, and experiences; they are called "national stereotypes." In order to formulate appropriate marketing strategies, more information on how national stereotypes affect the marketing of products would be valuable. A large number of international organizations, including the EC, are actively involved in the removal of "physical barriers" to international trade, and much research and information about their nature and impact have been generated and disseminated. But psychological barriers, such as "negative images," have not benefited from the same attention.

The Development of "Think-National" Campaigns

With a situation of high unemployment in the EC, claims for import controls are occasionally made in member countries, but the degree of European economic integration and GATT world trade liberalization would make the implementation of such restrictive proposals difficult. On the other hand, "think-national" exhortations are of frequent occurrence and appear to receive support in some private and government quarters. The corresponding advertising and promotional campaigns are generally aimed at the domestic market, the copy platform (i.e., how the advertising story is presented such as using an emotional or a rational appeal) being based on national interest and patriotism.

The food marketing sector is not short of produce for which consumers are reminded to be good patriots. The Eggs Authority attempts to reinforce a favourable attitude towards British eggs with a "Buy British" approach, as may be seen from the promotional material on which the UK flag is reproduced with the advertising slogan: "Fly the Flag for British Eggs."

In the post-war period, until 1955 when the Country Cheese Council was created, foreign cheeses were prevalent on the British market, with a market share of approximately two-thirds. Since the beginning of the 1980s, British cheeses have accounted for two-thirds of the market, a marked reversal. The Country Cheese Council promotes the "nine territorial cheeses" (Cheddar, Cheshire, Double Gloucester, Stilton, Lancashire, Gloucester, Wensleydale, Caerphilly, and Derby) and, in 1969, introduced a logo of the British flag into its advertising accompanied by the slogan: "English Cheese, Naturally Ours."

Following the British apple growers' discontent at the market penetration achieved by French producers of "Golden Delicious" with their successful promotion, "Le Crunch," the Apple and Pear Development Council was reorganized in 1980. The Council conducted its "Kingdom Cox" advertising campaign; "Polish Up Your English, The Brightest Taste in Apples."

Already, in the early 1970s, the British Meat and Livestock Commission had asked a London advertising agency to study and test a promotional campaign in favour of British meat. At that time, the Irish Livestock Meat Board was successfully attempting to improve the Irish beef image on the British market with a national advertising campaign. Britain used television commercials and promotional materials with the claim “Good Fresh British Meat—Trust the Flavour.”

In 1980, a supermarket chain organized a promotional campaign in favour of British bacon, and the Minister of Agriculture, Fisheries, and Food declared: “The time has come for the British housewife to see that, when she brings home the bacon, she brings home the British bacon.... It will not just be that the British housewife is having a better breakfast, but that more jobs will be available in Britain, our balance of payments will improve, and, in fact, bringing home the bacon will benefit us all.” The following year, an advertising campaign for “British Pork, The Best of British,” also took place in the UK. Also, several retail chains have conducted “Buy British” campaigns over recent years.

Government Policy and EC Rules

European governments have promoted “think-national” policies. In the UK, for instance, the business press has pointed out that nationalized companies appear to place their orders for industrial goods most often with domestic producers. Referring to similar “think-national policies,” ministers of three EC member states have respectively advocated “to substitute national production for imports,” “creative purchasing,” and “a strategy to reconquer the home market.” Article 30 of the Treaty of Rome forbids quantitative restrictions on imports from other member states “or all measures having equivalent effect.” Against that background, Directive 70/50 aims at eliminating a series of such measures, which include administrative practices or acts from a public authority to induce consumers to purchase only national products or to impose such purchases (Preamble and Article 2K). A case in point was the “Buy Irish” campaign organized by the Irish Goods Council, which was submitted to the European Court of Justice by the Commission in September 1981. The Council was financed by the Irish Government who also appointed its members. It promoted products manufactured in Ireland (“Guaranteed Irish” label, publications, “Shoplink Service” centres giving free information to consumers, and “Ireland House Trade Centre” in Dublin, displaying exclusively Irish products). In its judgment (24 November 1982), the Court specified that a promotion campaign launched and sponsored by a government has an effect comparable to government actions of a compulsory nature, and that the Irish Goods Council’s campaign constituted a measure in the sense of Article 30. Also in 1982, a written question to the Commission from a Member of the European Parliament referred to a “Think-British” campaign by the private sector. In its answer, the Commission stated that: “So long as a campaign is conducted entirely by industry, independently of the State, it does not contravene Community rules on the free movement of goods.”

“Made in...” and Marketing: The Use of National Stereotypes in Advertising

As early as 1962, Dichter (1962) pointed out that “the little phrase ‘Made in...’ can have a tremendous influence on the acceptance and success of products....” Attitudes towards a particular product or brand may depend not only on its physical characteristics but may vary according to its country of origin. The knowledge of “national images” is therefore important in planning marketing strategies for both domestic and export markets.

In 1970, a survey carried out in 16 European countries by the Reader’s Digest Association (1970) was already giving data on attitudes prevailing in those countries towards products according to their national origin and with regard to attributes such as product quality, product value, design and finish, attractiveness, reliability, and modernity.

Butter is an interesting case in point since several surveys carried out in different European countries have revealed the importance of the country of origin to the buyer. A survey conducted in the UK by the Opinion Research Centre (1972) asked (for a variety of goods): “Which country makes the best value product on sale in the United Kingdom?” Respondents ($n = 1,021$) gave the following answers for butter: Denmark, 38 percent; Britain, 29 percent; Ireland, 9 percent; others, 16 percent; and don’t know, 8 percent.

In his case history, “The Launch of Kerrygold Butter,” Samuels (1969) explains that when the Irish Dairy Product Board considered launching Kerrygold on the British market, it carried out

research in Britain to elicit attitudes towards Irish produce. "Ireland scored badly versus New Zealand, Australia, and Denmark. Many housewives ranked it last in their choice, and it received almost no ranking in the first position." That poor stereotype constituted one of the factors that led the Irish Board to decide in favour of a regional launch in the Lancashire area, which although untypical of the British market,³ presented the advantage of a strong concentration of Irish population in Liverpool and Manchester "likely to be receptive to marketing activity."

A further survey carried out by Hunt (1976) with two small samples of butter consumers, indicated that 60 percent of respondents in Liverpool and 48 percent in Aberystwyth preferred foreign butter. "In Aberystwyth, the general feeling was that they preferred to buy British, especially Welsh. In Liverpool, no strong patriotic feeling was encountered...."

Everaet and Ackerman (1973) investigated the degree of importance attached to brand and product origin. Their study revealed that a larger percentage of Belgium consumers (35 percent) consider the origin of butter a more important factor than its brand (24 percent).

A product's country of origin may have a strong influence on buying behaviour; the extent to which national stereotypes are used in advertising is, therefore, not surprising. Having examined advertisements that appeared in several British and French magazines with large circulations, the present author found evidence that references to national stereotypes are not of rare occurrence, particularly for food, beverages, cigarettes, cigars, perfumes, cars, airlines, hotels, banks, and industrial development boards.

Further Marketing Implications

The mention of a product's origin is currently used in advertising. The "national stereotype" influence is a concept most relevant in marketing, since it can help the marketing manager when allocating the marketing effort between the constituents of the marketing mix: product, advertising, promotion, price, and distribution. For example, advertising may be used to capitalize on a favourable image or to correct a negative image; the price may contribute to either a cheap or an expensive and conspicuous image; and distribution may be intensive, selective, or exclusive, depending on the image sought (mass merchandised or prestige/status).

However, before planning a marketing strategy, the marketing manager should investigate the nature of the stereotype attached to the product or brand in relation to its given origin and whether consumers favour competitive products or brands from other origins.

Techniques such as semantic differential, shopping list test, and consumer type test constitute appropriate research instruments. Franke (1963) indicated that such attitude research has been conducted to uncover what influence the country of origin could have on the success of French cheese on the German market and South African fish on the Belgian market.

Factors contributing to the formation of positive or negative stereotypes are: protectionism (e.g., British Cox Orange Pippin apples versus Golden Delicious); a long standing production associated with favourable climatic conditions (e.g., French wines); health and preference for natural products (e.g., consumers' attitudes towards oranges and tangerines preserved with diphenyl or with wax and thiabenza); and politics (e.g., produce from South Africa).

Consumers desire to know the origin of the products or brands that they buy. For instance, the Opinion Research Centre survey included the question: "Do you agree or disagree with the following statement: 'The country where goods are made should be clearly marked on them.?' " The responses were: agree, 94 percent; disagree, 3 percent; and don't know, 3 percent. The survey even indicated that "when choosing what to buy in the shops," 42 percent of British consumers always look for British-made rather than foreign-made goods, and 15 percent sometimes do. In 1979, the Department of Trade also conducted *ad hoc* surveys that revealed that consumer opinion was in favour of compulsory origin marking.

The consumers' desire to know the origin of products has been translated into legal requirements at both national and EC levels. The United Kingdom Trade Descriptions Act of 1972 contains provisions concerning origin marking, stipulating that: "It is an offence for any person, in the course of a trade or business, to supply or offer to supply goods manufactured or produced outside the United Kingdom which bear a United Kingdom name or mark (or any name or mark likely to be taken for a United Kingdom name or mark) unless the name or mark is accompanied by a conspicuous indication of the country of origin."

Following the Department of Trade's *ad hoc* surveys mentioned above, in 1980, the Consumers Affairs Minister decided to proceed with a series of Origin Marking Orders under the Trade Descriptions Act. The first came into force in 1982 and stipulates that the country of origin will have to be marked at the retail level by mail order firms and in point of sale advertising. That First Order applies only to clothing and textiles, footwear, domestic electrical equipment, and cutlery. Such provisions aim at informing the consumer before deciding to buy the product. The order was, however, the source of some controversy, the Retail Consortium considering it a backdoor opportunity for import controls. In France, also, a decree makes it compulsory to indicate on the label of food products and drinks the name of the country of origin, should its omission create confusion as to the true origin of the good.

At the EC level, the instrument used by the Council of Ministers to harmonize the member states' legislations has been the directive (either vertical, adopted for a single type of food products; or horizontal, applying to all foodstuffs). Three vertical Council directives, relating respectively to chocolate, sugar, and honey intended for human consumption, lay down common rules in respect of the packaging and labelling of those products. Among the compulsory information that must be conspicuous, clearly legible, and indelible on the packages, containers, or labels, are the name or trade name and address or registered office of the manufacturer or packer or of a seller established within the EC. The directives also indicate that the member states may retain any national provisions that require indication of the country of origin. That information, however, may not be required for products manufactured or originating in the EC.

In December 1978, the Council of Ministers adopted a horizontal directive with a view to harmonizing the laws of member states on labelling, presentation, and advertising of foodstuffs. The directive requires that the following should appear on the labelling: the name or business name and address of the manufacturer or packager or of a seller established within the EC and particulars of the place of origin or provenance in the cases where failure to give such particulars might mislead the consumer to a material degree as to the true origin or provenance of the foodstuff. The aim appears to be to ensure that purchasers are not misled into believing that an imported good was produced in the member state where it is sold. Member states had to implement the 1978 directive within 2 years from January 1981.

The brief examination of the legal dispositions reveals that consumer information on product origin appears to have been taken into consideration by EC legislation. Two questions would, however, deserve special attention:

- Are consumers in the member states aware of the national and European legal dispositions regarding origin marking?
- What will be the effects of the 1978 horizontal directive?

Possible Avenues for Future Research

The concept of national stereotypes has not benefited from a large amount of research in marketing. More analyses on a product market basis, showing how national stereotypes affect buying decisions, would be valuable. In the area of international marketing, possible failures due to negative product origin images could be avoided, and competitive advantages resulting from favourable images could be enhanced, by appropriate marketing strategies correcting or reinforcing those images.

In advertising, creativity and media selection can be used to reach consumers most susceptible to national stereotypes. Such stereotypes could be related to other behavioural influences such as "reference groups." Studying those groups, Bourne (1956) pointed out that "where reference group influence is operative, the advertiser should stress the kinds of people who buy the product, reinforcing and broadening where possible the existing stereotypes of users. That involves learning what stereotypes are and what specific reference groups enter into the picture...."

The national stereotype concept is also relevant to market segmentation. Groups of consumers that are most influenced by stereotypes can be identified according to demographic characteristics. Analyzing the responses to their survey, Bannister and Saunders (1978) found that "age and sex appear to be particularly significant causes of variance in attitudes towards specific countries of origin."

The increasing movement of people and ideas should also be taken into account. Some consumers are more prone to travel abroad; their attitudes regarding the origin of products may therefore differ from those of other socioeconomic categories. At a more regional level, the free

movement of persons between the EC countries may affect the perception of goods of European origin.

National stereotypes may also change with time. For instance, surveys conducted by Nagashima (1970 and 1977) revealed how US, Japanese, German, UK, and French products were perceived by Japanese businessmen at 8 years of interval. The surveys indicated that the profile of "Made in USA" had changed as far as "inventiveness," "technical advancement," and "worldwide distribution" were concerned. The average score for each of those attributes was not as high in 1977 as it had been 8 years earlier. According to Nagashima, over the same period, "the reliability image of English products had declined and the overall image of 'Made in France' had moved in a positive direction, though the profile itself had not changed much." As for the image of German products, it had greatly improved. Those illustrations of national stereotypes mutability would justify continuous research to monitor long-term changes in particular stereotypes.

For analyzing international trade, the quantification of major effects that national stereotypes have on a country's volume of exports may provide valuable information, but would constitute a difficult task; an attempt could, however, be made to obtain meaningful data on a specific product market basis.

Notes

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²"Eiconics" is the name given to the science of the image by K.E. Boulding.

³The per capita consumption of butter was lower in Lancashire than in most other areas, and consumers favoured "lactic butter"; Irish butter was of the "sweet cream" variety.

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