

The World's Largest Open Access Agricultural & Applied Economics Digital Library

# This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<a href="http://ageconsearch.umn.edu">http://ageconsearch.umn.edu</a>
<a href="mailto:aesearch@umn.edu">aesearch@umn.edu</a>

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

Acta oeconomica et informatica 1 Nitra, Slovaca Universitas Agriculturae Nitriae, 2011, s. 25–28

# FOOD QUALITY AND FOOD QUALITY MARKS FROM THE CONSUMERS POINT OF VIEW IN THE CONDITION OF SLOVAKIA AND THE CZECH REPUBLIC

#### VNÍMANIE KVALITY POTRAVÍN A ZNAČIEK KVALITY SPOTREBITEĽOM V PODMIENKACH SLOVENSKÉHO A ČESKÉHO TRHU

Lucia VILHANOVÁ, 1 Ľudmila NAGYOVÁ, 1 Jana STÁVKOVÁ<sup>2</sup>

Slovak University in Agriculgure in Nitra, Slovak Republik<sup>1</sup> Mendelova univerzita v Brně, Czech Republik<sup>2</sup>

Food quality is the subject of interest in many countries. Slovakia and Czech Republic implemented the national programs promoting domestic agricultural commodities and food in order to increase the quality and safety of domestic products and support their competitiveness on the domestic and foreign markets. Food products in Slovakia and Czech Republic are labeled by the quality marks that represent the quarantee of their high quality, safety and domestic origin. Promotion of these quality products is ensured through various media campaigns and exhibitions that take place in different countries across Europe. The paper focuses on food quality and Food Quality Policy in Slovakia and Czech Republic and consumer's attitudes towards the food quality and products bearing food quality marks in their home country.

Key words: food, agricultural commodities, national programme, Food Quality Policy, Quality mark

Product quality is one of the marketer's major positioning tools. Quality has a direct impact on product or service performance, thus it is closely linked to the customer value and satisfaction. The product quality means the quality performance – the ability of the product to perform its functions (Armstrong et al., 2009).

It includes the overall durability, reliability, accuracy, ease of use and repair and other valued properties. Even though some of them can be measured objectively, from a marketing point of view, customer's perception of quality should be taken into account. That is why the companies today use customers perception of quality as an effective strategic weapon. Quality has now become a competitive necessity, in the 21<sup>st</sup> century will thrive only companies offering the highest quality (Kotler et al., 2007).

EU applies so-called Quality Policy, which represents the protection of agricultural and food products with the fact that these foods meet certain quality parameters, which distinguish them from other products with their well-defined requirements for their raw material composition and manufacturing process technology (Čo je to politika kvality?, 2010).

Today, for European companies, product quality has its place among major strategic issues. Much of the discussion on quality in the food industry is related to product and process-oriented quality and quality control. But consumers subjectively evaluate quality. Hence, an important element of a marketing strategy based on quality is consumer's perception. It has become increasingly important to optimally align the quality of food with consumer demands, expectations and desires (Grebitus, 2008).

All member states of European Union respect the Quality Policy of EU and also use the chance to support domestic agricultural products and foodstuffs. This is the way to harmonize the Quality Policy at both European and national levels (Nagyová et al., 2010).

The common feature of the consumers is their uniqueness and individuality. Requirements for quality, origin, properties

and other attributes of the products are different from consumer to consumer and individually assessed. Quality is one of the major factors of success of any enterprise. In a time of economic crisis, businesses are increasingly focusing their attention towards customers whose purchasing power determines, affects the direction of the economy and prosperity of individual businesses.

The paper identifies the issue of national programs promoting domestic agricultural products in Slovakia and the Czech Republic and analyzes the consumer's views towards the quality of domestic foods and the quality food brands on the domestic market.

#### Material and methods

Our research paper is based both on primary and secondary data. As a source of secondary data were used materials dealing with national programs promoting domestic food in Slovakia and the Czech Republic, materials and publications dealing with quality marks in Slovakia and the Czech Republic and analized issue.

In order to obtain primary data, a marketing survey through a questionnaire method was carried out in the period of 2009–2010 with the purpose to obtain data about consumer attitude towards quality and quality brands in their home country.

Questionnaire was divided into two sections. The first section surveyed consumer's attitudes towards the food quality, factors that influence consumer's purchase decisions as well as areas relating to quality food brands in Slovakia and the Czech Republic. The second section consisted of respondent's data concerning their gender, education, employment, average family income per month, number of family members and place of residence.

Acquired data were processed by the MS Excel. We examined the relationships and dependencies between qualitative characteristics. Obtained and classified data were organized into so-called contingency tables. The existence of dependency between the characters was verified through the Pearson's chi square test.

#### Results and discussion

Food quality is perceived differently in many ways. Perception of food quality gets a new dimension, its goals, holders, as well as tools for its security are constantly changing. Preferences and consumer needs are not static, they are constantly changing, that is why the methods of manufacture and composition of products are permanently evolving and improving in order to improve overall product quality.

In order to protect and support domestic producers of agricultural products, the sales and domestic product's competitiveness on the domestic market. Slovakia and the Czech Republic developed for this purpose through authorized institutions various activities. These activities are carried out with the purpose of protection and promotion of domestic products in order to increase consumer interest and convince them about the quality and safety of domestic agricultural and food products. Both Slovakia and the Czech Republic implemented a national programmes promoting domestic agriculture and food products and the quality label placed on each product confirms their uniqueness and exceptionality. The aim of this label is to promote the sale of domestic products and convince consumers that the brand holders are only products meeting the strict criteria of quality, their manufacturing process is subject of strict control, which ensures their health safety. National program promoting domestic agriculture and food products in both countries is unique. There are no uniform conditions for its implementation, the programme operates under the national standards and regulations issued by the home country and specifically designated institutions are responsible for its control and realization.

## National program promoting domestic agricultural and food products in Slovakia – "Quality Label SK"

National Program promoting domestic agricultural products was established in 2004 under the auspices of the Ministry of Agriculture, where the intervention agency and its marketing department was responsible for implementing of all activities related to the implementation of the National Program. Subsequently section of coordination of foreign relations and trade policy of ministry was temporarily responsible for marketing and organization of "Quality Label SK" program because the Intervention agency was repealed on 31st December 2006.

Currently, Food Research Institute is responsible for all activities related to the national programme. Institute is also responsible for granting of quality brand, its promotion, marketing, organizational, information and promotional activities in the media, exhibition work, information and education activities.

Logo of "Quality Label SK" is placed on the product's packaging representing the guarantee of the high quality of traditional product made in Slovakia. Products bearing this logo are easily distinguishable from other similar products.

Domestic high-quality products are promoted via media campaigns with the aim to raise awareness of Slovak consumers that the production of domestic food is controlled and this fact guarantee their quality and health safety. Other important opportunities to promote quality products are various food exhibitions held in different countries across Europe.

Quality mark logo is granted upon fulfillment of certain criteria and its compliance is controlled by state authorities. In case of default conditions the right to use the logo of a quality label can be removed. National quality mark logo "Quality Label SK" can be granted only to producers of agricultural products whose products meet all set conditions, meet all the criteria for the award and raw materials for production are processed in the Slovak Republic. Quality mark logo may be awarded for the period of three years with the possibility of additional extensions.

Since the national programme came into existence, total of 106 producers received the right to use the quality mark logo "Quality Label SK" for nearly 500 different food products.

### National program promoting the domestic food in Czech Republic – "KlasA"

The program of national quality "KlasA" came into existence in 2003. The "KlasA" quality mark is awarded to the suggested products by the Minister of Agriculture in cooperation with the State Agriculture and Food Inspection that controls and assess the quality and composition of the foodproducts. The rules for granting national quality mark "KlasA" include conditions which have to be fulfilled. These conditions are designed by marketing department of the State Agricultural Intervention Fund (SZIF) and Scientific Council and subsequently approved by the Minister of Agriculture of the Czech Republic. National Agriculture and Food Inspection in cooperation with the State Veterinary Administration are responsible for control of compliance with these conditions. The quality mark logo "KlasA" is awarded for the period of three years with the possibility of additional extensions.

The promotion of quality domestic products is ensured through various media campaign and exhibitions that take place in various countries across Europe.

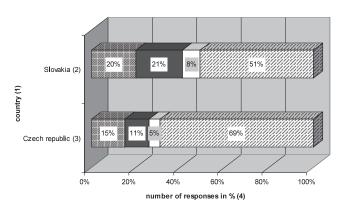
The quality mark "KlasA" represents the assurance for the consumers that the product they are buying is really of high quality. In order to obtain to right to use the logo "KlasA", it is essential to produce product in the Czech Republic.

A total of 227 producers of food products and 1,323 food products acquired the right to use quality mark logo "KlasA" since the beginning of this program.

#### Questionnaire survey

The amount of 300 respondents answered the questionnaire, 150 respondents from Slovakia and 150 respondents from the Czech Republic. In Slovakia the sample consisted of 75 men and 75 women, in case of the Czech Repulic 71 men and 79 women were involved.

In the first question consumer's attitudes towards the quality of domestic products compared to quality of foreign products has been investigated. Results are presented at Fig.1. Respondents were asked to compare the level of quality of domestic and foreign product. For the vast majority of respondents in Slovakia (51 %) and the Czech Republic (69 %) the quality level of these products is comparable, the same. 20 % of Slovak respondents and 15 % of Czech respondents evaluate the quality as higher and 8 % of Slovak respondents



⊠higer (5) ■I do not know (6) □Iower (7) ☑the same (8)

Figure 1 Percentage evaluation of responses to the question "According to you, is the food in your home country of higher quality compared to the foreing one?"

Source: own research and processing

Obrázok 1 Percentuálne vyhodnotenie odpovedí respondentov na otázku "Sú podľa vášho názoru potraviny vo vašej krajine vyššej kvality v porovnaní so zahraničnými?"

Zdroj: vlastný výskum a spracovanie

(1) krajina, (2) Slovensko, (3) Česká republika, (4) počet respondentov, (5) vyššia, (6) neviem, (7) nižšia, (8) rovnaká

and 5 % of Czech respondents as lower compared to quality of domestically produced foods.

Slovakia and the Czech Republic via their home national programs protect domestically produced foods. Respondents in each country were asked whether they recognize the national program promoting domestic food in their home country. Knowledge of the national programs is different depending on the age structure of the respondents in particular countries. Knowledge of respondents about the national program in their home country is shown in the Fig. 2 and in Tab. 1 there are compiled responses to the question about the awareness of the national program at home country in relation to the age.

National program "Quality Label SK" is realized under the auspices of the Ministry of Agriculture of Slovak Republic in order to promote high quality domestic products. 61 % of respondents (91 respondents) know this program, 39 % of respondents (59 respondents) do not know this program. In

Table 1 Percentage evaluations of responses to the question about the awareness of the national program in Slovakia and the Czech Republic by the age group in %

Age group (1)	Slovakia (2)		Czech Republic (5)	
	no (3)	yes (4)	no (3)	yes (4)
to 25 years (6)	15.25	23.08	27.03	22.12
26–35 years	25.42	19.78	8.11	23.89
36–45 years	16.95	23.08	18.92	23.89
46–55 years	27.12	14.29	16.22	19.47
Over 56 years	15.25	19.78	29.73	10.62
Total (7)	100.00	100.00	100.00	100.00

Source: own research and processing

Zdroj: vlastný výskum a spracovanie

Tabulka 1 Percentuálne vyhodnotenie odpovedí respondentov na otázku týkajúcu sa vnímania národného programu na Slovensku a Českej republike podľa vekových skupín v %

(1) veková skupina, (2) Slovensko, (3) áno, (4) nie, (5) Česká republika, (6) roky, (7) celkom

Slovakia knowledge of the national program for all age categories is approximately the same. The lowest knowledge of the national program has 16 of respondents in the age category 46–55 years.

In the Czech Republic the quality of domestic products is supported through the national program "KlasA". 75 % of respondents (113 respondents) are aware of this program, 25 % of respondents (37 respondents) are not aware. National program is known mainly by the respondents in the 26–45 age group. Respondents over 56 years (11 respondents) have the lowest awareness of the national program. Other results are presented in Tab. 1.

From the results it can be concluded that the level of knowledge of national programmes is quite high, in the Czech Republic is slightly higher compared to Slovakia. In order to increase the awareness it is appropriate to carry out various actions, activities via the media that serves as a source of information about the activities and mission of these programs.

Respondents from Czech republic (65 %) are better informed compared to respondents from Slovakia (28 %). Vast majority of Slovak respondents (72 %) and 35 % of Czech respondents do not know products bearing these quality marks.

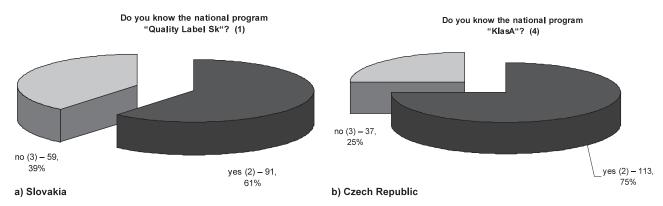


Figure 2 Percentage evaluation of responses to the question, whether the respondents recognize the national programs in Slovakia (a), Czech Republic (b) Source: own research and processing

Obrázok 2 Percentuálne vyhodnotenie odpovedí respondentov na otázku, či respondenti poznajú národné programy Slovensku a) a v Českej republike b) Zdroj: vlastný výskum a spracovanie

(1) Poznáte národný program "Značka kvality SK ?" (2) áno, (3) nie, (4) Poznáte národný program KlasA ?"

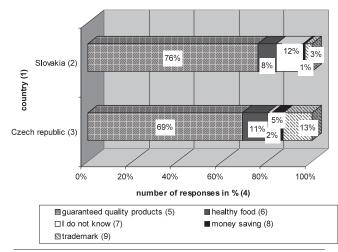


Figure 3 Percentage evaluation of responses to the question "What do you understand by the concept of quality mark?" Source: own research and processing

Obrázok 3 Percentuálne vyhodnotenie odpovedí respondentov na otázku "Čo rozumiete pod pojmom značka kvality?"
Zdroj: vlastný výskum a spracovanie
(1) krajina, (2) Slovensko, (3) Česká republika, (4) počet respondentov, (5) garantované kvalitné výrobky, (6) zdraviu prospešné výrobky, (7) neviem, (8) úspora peňazí, (9) obchodná značka

Vast majority of respondents answered positively the question: Do you trust the quality of food bearing the quality mark logo? Greater confidence towards these product can be seen in Slovakia (79 %) and in case of Czech Republic it is 72 % of respondents. The rest of respondents do not trust to the quality of products labeled by the quality mark.

In Slovakia, vast majority of respondents (74 %) do not search for the products labeled by the quality mark at point of purchase. 23 % of respondents sometimes and 3 % of respondents are always looking for these products. Another situation is in Czech Republic where these products are not interesting for 47 % of respondents. 50 % of Czech respondents are searching for these products sometimes and only 3 % of them always.

The aim of national programs realized in Slovakia and the Czech republic is to promote quality domestic products and foodstuffs in order to increase customer satisfaction and customer awareness about high quality, safe and domestically produced products. Respondents were asked what they understand by the concept the quality mark. In case of Slovakia, 76 % of respondents consider the products bearing the quality mark logo as quaranteed quality products. As it was previously written, Czech respondents (65 %) have high knowledge of products labeled by the quality mark. From the responses of respondents may be indicated that vast majority of Czech respondents (69 %) know the meaning of quality mark. 13 % of respondents assumed this mark to be trademark. Other results are presented at Fig. 3.

85 % of Slovak respondents and 78 % of Czech respondents agree that the national program promoting domestic quality products represent the contribution to the domestic market and domestic producers. In case of respondents who thought that this program has a positive effect, the responses and explanations were as following:

- support of domestic market, domestic producers and domestic economy,
- · greater confidence towards domestic products,
- · greater incentives to buy domestic products,

- · increase in sales of domestic products,
- increase in employment and job creation by increasing the production and sales of domestic quality products.

Answers of respondents who did not think that this program has a positive impact on domestic market and producers were the following:

- increase in quality causes the increase in prices of domestic products,
- lack of confidence of respondents mark may be awarded to the low-quality products,
- quality control may not be sufficient and may results in lower quality products,
- brand is just a marketing tool, the quality does not correspond to the price.

Important part of our research is to determine whether there is a relationship between knowledge of national programs promoting domestic quality food and gender in both Slovakia and the Czech Republic. For this purpose, Pearson's chi-square test was used. Its aim was to confirm or disprove the hypothesis that knowledge of national programmes in these countries is dependent on the gender of respondents. The data acquired via questionnaire survey were processed through the pivot tables, where we obtained empirical frequency, which served as the basis for the calculation of test characteristics. The data were compared to the values in the table. Based on the data set, we evaluated the hypothesis.

Rated hypothesis:

**H**<sub>0</sub>: Knowledge of national programs does not depend on gender.

H<sub>1</sub>: Knowledge of national programs depends on gender.

We calculated the table value according to the function CHIINV  $\chi^2$  (0.05; 1\*1) and its value was 3.841459149. Subsequently we compared this value with the test characteristics for both countries and we obtained these results:

In Slovakia and the Czech Republic the hypothesis  $H_0$  is accepted (1.411029 ^ 0.530469 < 3.841459149). In these countries, the dependence between knowledge of national programs and gender is not confirmed.

Then we tried to determine whether there is a correlation between educational attainment and knowledge of national programmes in each country. For this purpose, the following hypothesis were formulated:

**H**<sub>0</sub>: Knowledge of national program does not depend on education.

 $\mathbf{H}_1$ : Knowledge of national programs depends on education.

For the calculation we used the function CHIINV  $\chi^2$  (0.05; 1\*3), where the table value = 7.81472776.  $H_0$  hypothesis is rejected in case of both countries (10.18891 ^ 29.72262 > 7.81472776). In this case, we accept the hypothesis  $H_1$ . In Slovakia and the Czech Republic knowledge of national programs is dependent on the level of education of respondents.

#### Conclusion

Currently Slovakia and the Czech Republic implement the national programs promoting quality domestic agricultural products in order to increase consumer awareness of quality domestic products. Results obtained through the marketing survey demonstrate a high level of consumer's knowledge about the products bearing the quality mark together with high level of confidence towards these products.