

Consumer perceptions of home made, organic, EU certified, and traditional local products in Slovenia

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Content of this presentation

- Goals of the research
- Research method: data and analyses
- Results
- Conclusions and implications for cheese and sausages processors

Goals of this research

- Understand the position of regular, organic, PDO, mountain and farm made cheeses and sausages in the minds of Slovene consumers
- Understand whether the current positions can result in good performance
- Identify opportunities to improve the positioning of cheese and thus increase performance

Methodology

- Representative sample from the Slovene population
 - 1550 questionnaires about cheese were sent and 220 were returned (14.1 % response rate)
 - 800 questionnaires about sausage were sent and 120 were returned (15.0 % response rate)

Methodology

Products that were included are:

- Regular cheese
 - Organic cheese
 - PDO cheese
 - Mountain cheese
 - Farm made cheese
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- Normal sausages
 - Organic sausages,
 - Sausage with PGI (Kranjska sausage), a
 - Farm made sausage



Methodology

- Measures for the **view** of Slovene consumers on special local and organic products
 - Do you think that (Farm made cheeses):
 - are nutritious?
 - improve your health?
 - are healthy products?
 - have certificates that guarantee the safety of the product?
- Products that were included are: Regular cheese, Organic cheese, PDO cheese, Mountain cheese, Farm made cheese

Do you think that regular cheese	Absolutely Not						Definitely Yes
Is nutritious	1	2	3	4	5	6	7

Methodology

- Measures for the **importance** of food characteristics
 - When buying food products how important is the **nutritional value** for you?
 - When buying food products how important is it for you to **improve your health**?
 - When buying food products how important is **healthy food** for you?
 - When buying food products how important is for you **food security, guaranteed by certificates**?
- These questions are answered on a seven point scale that is anchored by not important and very important

When buying regular cheese how important is	Not important						Very important
Nutritional value for you?	1	2	3	4	5	6	7

View of Slovene consumers on Cheeses

Red: low compared other cheeses

Green: high compared to other cheeses

Perceived attributes of Cheese	Regular Cheese	Organic Cheese	PDO Cheese	Mountain Cheese	Farm made
Healthy	4.39	5.53	5.33	5.37	5.06
Nutritious	4.96	5.61	5.62	5.85	5.76
Improving health	3.99	5.25	4.86	5.16	4.88
Healthy	4.37	5.70	5.36	5.63	5.17
Certificates as safety guarantees	4.27	5.60	5.50	4.88	4.47
Good Price	4.46	3.20	3.48	3.71	4.06
Low price	4.24	2.88	3.18	3.49	3.90
Competitive price	4.69	3.53	3.77	3.94	4.21
Sustainable production	3.98	4.88	4.76	5.23	4.87
Fair price for producers	3.83	4.10	4.32	4.44	4.34
Environmental friendly production	4.03	5.30	5.01	5.63	5.14
Animal friendly production	4.12	5.27	4.95	5.63	5.15

View of Slovene consumers on Cheeses II

Red: low compared other cheeses

Green: high compared to other cheeses

Perceived attributes of Cheese	Regular Cheese	Organic Cheese	PDO Cheese	Mountain Cheese	Farm made
Traditional production	4.09	4.97	5.84	5.85	5.53
Produced in Slovenia	4.57	5.00	6.05	5.91	5.89
Traditionally produced	3.80	4.94	5.51	5.85	5.61
Produced in a specific region	3.92	4.97	5.95	5.79	5.13
Indulgence	5.03	5.29	5.43	5.44	5.11
Enjoyable meal	5.02	5.27	5.39	5.44	5.06
Excellent taste	5.05	5.31	5.47	5.44	5.16
Convenience	5.53	4.96	5.12	4.74	4.63
Convenient to buy	5.54	4.65	4.86	4.28	4.24
Easy to prepare	5.52	5.28	5.38	5.20	5.01
N	214	211	206	208	108

View of Slovene consumers on Sausages

Red: low compared other sausages

Green: high compared to other sausages

Perceived attributes of Cheese	Regular Sausage	Organic Sausage	PDO Sausage	Farm Sausage
Traditional production	3.83	4.60	5.45	5.24
Produced in Slovenia	4.28	4.75	5.91	5.60
Traditionally produced	3.66	4.58	5.18	5.27
Produced in a specific region	3.57	4.46	5.26	4.85
Indulgence	4.37	4.92	5.01	5.33
Enjoyable meal	4.30	4.82	4.85	5.21
Excellent taste	4.44	5.03	5.19	5.45
Convenience	5.15	5.03	5.59	5.28
Convenient to buy	5.14	4.72	5.42	4.95
Easy to prepare	5.16	5.34	5.76	5.62
N	119	118	118	117

View of Slovene consumers on Sausages

Red: low compared other sausages

Green: high compared to other sausages

Perceived attributes of Cheese	Regular Sausage	Organic Sausage	PDO Sausage	Farm Sausage
Healthy	3.60	4.68	4.13	4.12
Nutritious	4.38	4.92	4.88	5.24
Improving health	2.87	4.25	3.25	3.42
Healthy	3.23	4.58	3.56	3.95
Certificates as safety guarantees	3.92	4.97	4.85	3.88
Good Price	3.71	2.78	3.55	3.71
Low price	3.47	2.41	3.28	3.41
Competitive price	3.95	3.15	3.81	4.01
Sustainable production	3.27	4.22	3.81	4.01
Fair price for producers	3.32	3.68	3.89	4.15
Environmental friendly production	3.31	4.78	3.86	4.15
Animal friendly production	3.17	4.21	3.70	3.74

Results: Expressed relative importance of food product characteristics

Indulgence

Perceived attributes of food	Average importance across the sample
Excellent taste	6.36
Healthy	6.04
Produced in Slovenia	5.97
Enjoyment	5.93
Environmental friendly production	5.92
Improving health	5.88
Animal friendly production of food products	5.85
Fair price for producers	5.69
Convenient shopping	5.47
Certificates as safety guarantees	5.38
Traditionally produced	5.36
Premium quality	5.35
Easy to prepare	5.22
Nutritional Value	4.95
Competitive price	4.61
Produced in a specific region	4.40
Low price	4.30
<i>N</i>	325

Results: Expressed relative importance of food product characteristics

Healthy

Perceived attributes of food	Average importance across the sample
Excellent taste	6.36
Healthy	6.04
Produced in Slovenia	5.97
Enjoyment	5.93
Environmental friendly production	5.92
Improving health	5.88
Animal friendly production of food products	5.85
Fair price for producers	5.69
Convenient shopping	5.47
Certificates as safety guarantees	5.38
Traditionally produced	5.36
Premium quality	5.35
Easy to prepare	5.22
Nutritional Value	4.95
Competitive price	4.61
Produced in a specific region	4.40
Low price	4.30
N	325

Results: Expressed relative importance of food product characteristics

Sustainable

Perceived attributes of food	Average importance across the sample
Excellent taste	6.36
Healthy	6.04
Produced in Slovenia	5.97
Enjoyment	5.93
Environmental friendly production	5.92
Improving health	5.88
Animal friendly production of food products	5.85
Fair price for producers	5.69
Convenient shopping	5.47
Certificates as safety guarantees	5.38
Traditionally produced	5.36
Premium quality	5.35
Easy to prepare	5.22
Nutritional Value	4.95
Competitive price	4.61
Produced in a specific region	4.40
Low price	4.30
N	325

Results: Expressed relative importance of food product characteristics

Traditional

Perceived attributes of food	Average importance across the sample
Excellent taste	6.36
Healthy	6.04
Produced in Slovenia	5.97
Enjoyment	5.93
Environmental friendly production	5.92
Improving health	5.88
Animal friendly production of food products	5.85
Fair price for producers	5.69
Convenient shopping	5.47
Certificates as safety guarantees	5.38
Traditionally produced	5.36
Premium quality	5.35
Easy to prepare	5.22
Nutritional Value	4.95
Competitive price	4.61
Produced in a specific region	4.40
Low price	4.30
N	325

Results: Expressed relative importance of food product characteristics

Good price

Perceived attributes of food	Average importance across the sample
Excellent taste	6.36
Healthy	6.04
Produced in Slovenia	5.97
Enjoyment	5.93
Environmental friendly production	5.92
Improving health	5.88
Animal friendly production of food products	5.85
Fair price for producers	5.69
Convenient shopping	5.47
Certificates as safety guarantees	5.38
Traditionally produced	5.36
Premium quality	5.35
Easy to prepare	5.22
Nutritional Value	4.95
Competitive price	4.61
Produced in a specific region	4.40
Low price	4.30
N	325

Results: Expressed relative importance of food product characteristics

Convenience

Perceived attributes of food	Average importance across the sample
Excellent taste	6.36
Healthy	6.04
Produced in Slovenia	5.97
Enjoyment	5.93
Environmental friendly production	5.92
Improving health	5.88
Animal friendly production of food products	5.85
Fair price for producers	5.69
Convenient shopping	5.47
Certificates as safety guarantees	5.38
Traditionally produced	5.36
Premium quality	5.35
Easy to prepare	5.22
Nutritional Value	4.95
Competitive price	4.61
Produced in a specific region	4.40
Low price	4.30
<i>N</i>	325

Influence of perceptions on buying intentions for cheese

product	Behavioural intentions to buy				
	Regular Cheese	Organic Cheese	PDO Cheese	Mountain Cheese	Farm made Cheese
Healthy	0.38	-0.13	0.31	-0.22	-0.31
Good Price	-0.08	0.04	0.17	0.14	0.09
Sustainable production	-0.29	0.01	-0.15	-0.17	-0.04
Traditional production	-0.15	0.11	-0.33	0.08	0.17
Indulgence	0.64	0.65	0.82	0.53	0.60
Convenience	0.28	0.08	0.20	0.54	0.57
Knowledge		0.24	0.28	0.12	0.18
R2	0.16	0.22	0.29	0.20	0.33
N	209	204	202	201	64
F	6.6**	7.9**	11.3**	7.0**	4.1**

Influence of perceptions on buying intentions for sausages

product	Regular sausages	Organic sausages	PDO sausages	Farm made sausages
Healthy	0.38	-0.13	0.26	0.34
Good Price	0.04	0.25	0.25	0.14
Sustainable production	-0.51	-0.19	0.05	0.09
Traditional production	0.00	-0.19	-0.09	-0.26
Indulgence	0.72	0.79	0.61	0.99
Convenience	0.28	0.20	0.13	-0.34
Knowledge		0.17	0.21	0.59
R2	0.20	0.19	0.23	0.34
N	117	116	116	117
F	11.3**	10.3**	13.4**	15.5

Conclusions

- **Excellent taste** is the most important characteristic of food for consumers
- Organic, PDO, Mountain, and Farm made cheese do **not** perform better on taste than regular cheeses
- Organic, PDO, and Farm made sausages **do perform better** on taste than regular cheeses
- **All products can increase their sales if they find ways to improve the taste**

Conclusions

- Consumers do not say convenience (Availability) is important
- Organic, PDO, Mountain, and Farm made cheese and organic sausages perform worse on convenience than regular cheeses
- **Mountain cheeses and farm made cheeses can increase their sales by improving its availability for consumers**



Conclusions

- Consumers say health, sustainability (environmental and animal friendly), and tradition (specifically production in Slovenia) are important, but this does not increase their intention to buy
- Organic, PDO, and Farm made cheese and sausages and mountain cheeses perform better on health, sustainability and tradition, than regular cheeses, but this does not help them to sell cheese
- **Promotion of Special local and organic cheeses should not emphasise health, sustainability, and tradition; excellent taste and enjoyment of food are more effective.**

Conclusions

- Consumers say **price is not important** to them and low, competitive prices hardly influence their intention to buy products
- Organic and PDO cheeses and organic sausages are considered more expensive than regular products
- PDO sausages and Farm made sausages and cheeses are **not** considered more expensive than regular products
- Organic, PDO, and Farm made cheeses should not try to beat competition on price, but efficient production, distribution and marketing are important to be profitable. Economies of scale by doing things together, therefore, is important.

Conclusions

- Sales of farm made sausages and organic and PDO cheeses can increase if consumer's knowledge about the products increases
- Different perceptions of cheese do not completely explain lower buying intentions for organic, PDO, mountain and farm made cheese
- Other reasons should be explored





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**Thank you for your
attention!
Questions?**