

Marketing 4.0: le sfide della multicanalità

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## Dual quality of food products: what from a marketing perspective?

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#### **Abstract**

Some European countries have introduced the issue of dual quality, claiming that some companies sell in specific European markets (especially in Eastern Europe) food of lower quality than in other ones, despite the packaging and branding being identical. This theme has generated an international debate - *involving practitioners, researchers and media* - which provides for a multidisciplinary approach. We think it is important to analyze the dual quality topic also from a marketing perspective.

Therefore, this conceptual paper aims to understand the food products quality from the consumer's point of view, in the hypothesis that understanding the factors that affect perceived quality can be useful to deepen the theme and hypothesize solutions.

The paper aims to generate a reflection on the theme of dual quality: the reflection includes the perceptions of the consumer and the consumer behavior, considering therefore the marketing perspective.

**Keywords:** dual quality, perceived quality, food, quality factors, consumer behaviour.

# 1. Introduction

The dual quality issue catch a particular attention of the scholars and media when politicians from some European countries as Hungary, Slovakia and Czech Republic assert that there are compositional differences in so called dual quality product sold in their countries; that means inequality issue between western and eastern Europe. So, the issue of dual quality arise when 'in some parts of Europe, people are sold food of lower quality than in other countries, despite the packaging and branding being identical' (State of the Union Address, 2017). According to European Parliament the issue of dual quality may be seen when "the manufacturer carries out all of activities without highlighting to the consumer clearly, emphatically, transparently and without misleading, the fact that the product is another product of different composition, weight, quality or other related characteristics.' (Report 2018/2008(INI), explanatory statement)". Therefore, the problem of dual quality emerges when a firm supplies product of different ingredients/quality/weight without consumers being properly informed about the differences.

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The debate on the theme of dual quality has generated interdisciplinary reflections. Among these, questions also emerge from the perspective of marketing and management of production companies regarding the meaning and role of dual duality. In particular, a re-reading of the topic that includes consumer perceptions and purchasing behaviour can provide new elements for the debate.

Considering what has been discussed so far on this topic, this conceptual paper<sup>4</sup> starts from the definition of quality, with the aim of understanding which *factors* influence the perception of quality of food products and their role in the problem of dual quality.

# 2. Literature review: quality and perceived quality

The topic of quality is broadly discussed by reference literature (Flynn et al., 1994; Baker, 1995; Hitt et al., 1997; Ertekin and Aydin, 2010; Sumutka and Neve, 2011), but its definition is still complex. It is not easy to have a unique definition because of the multidimensional nature of the concept and of the features of each agri-food product. The reference literature explains the concept of quality as a set of images and characteristics of a product or service which could satisfy the consumer needs. So, the quality is strictly correlated with the consumer preferences; it influences the consumer' decision to buy or not to buy.

Therefore, none of the definitions can be considered exhaustive to clarify the quality concept; in fact, each definition just analysed it from different perspectives.

Deming (1994) gives one of the main definitions of quality: "A product or a service possesses quality if it helps somebody and enjoys a good and sustainable market".

The economic and management studies analyse the concept of quality from objective and subjective perspective (Grunert, 1997, 2005; Olson and Jacoby, 1972; Steenkamp, 1989). The objective quality is defined by physical characteristics of the product. The subjective quality is the quality perceived by consumers. In the connection between the objective and the subjective quality, the economic importance of quality lies. In fact, the quality become a competitive parameter for food product when the producers can transform the needs of consumers in the physical characteristics of product and include in products the qualities wished by consumers (Grunert, 2005).

Scholars use different approaches to deep the concept of the quality perceived by consumers and to study the consumer's purchases choices in agri-food (Grunert, 1997): the information economy approach; multi-attribute approach; hierarchical approaches; integrative approaches. Each approach consider product as a set of attributes (Lancaster, 1966) or attributes and cues (Steenkamp, 1989).

The information economy approach (Nelson, 1970; Darby, Karni, 1973) measures quality as the intensity of a product's attributes. The information approach evolves in other (multi attribute approach) based on the consumer evaluation of the product based on the quality cues (Olson and Jacoby, 1972). These cues are distinguished by Olson and Jacoby (1972) in intrinsic and extrinsic. Intrinsic cues concern physical aspects of the product (as colour, appearance and thickness) and their modification leads to a

<sup>&</sup>lt;sup>4</sup> This paper origins from an extensive research on the theme of dual quality made by the authors that is included in a research project of European Commission - Joint Research Centre of Seville (JRC).

physical modification of the product. Instead, the extrinsic quality cues are, for example, the price, the brand, the country of origin.

While the previous approaches give insight into the quality perception process, the hierarchical approaches deeps the issue of quality perception and try to analyse quality from a subjective point of view. It is developed on the means-end chain. The means-end chain permits to highlight how "product characteristic (concrete or abstract) is linked to consequences (functional or psychosocial) of consumption, which in turn may be linked to the attainment of life values (instrumental or terminal)" (Grunert, 1997). The model assumes that the choice of a product is caused by its ability to produce the desired effects, and indirectly to satisfy certain consumer' personal values. The "means" that the consumer uses to reach a certain "end" is represented by the attributes of the product.

The integrative approach is based on the concept that the perceived quality of a product derives from two distinct time phases: before purchase and after purchase.

According to this approach, the qualitative characteristics of product are divided in quality cues and quality attributes (Steenkamp ,1989). A quality cue is an attribute which can be perceived before purchase and consumption; it is indicative of its quality. Instead, quality attributes are used by consumers to determine the quality after the consumption and can be divided into experience attributes - determined before and during usage (e.g. taste) - and credence attributes - based on beliefs (e.g. healthy) (Tijskens et al., 2001). Fernqvist and Ekelund (2014), realize the model of quality perception by combining the studies of Steenkamp and Van Trijp (1996), Steenkamp (1990) and Olson (1977).

Finally, three approaches previously examined (the information economy approach, the multi-attribute approach and the means-end chain) inspire the Total Food Quality Model: this is model with two dimensions (horizontal and vertical). In the horizontal dimension the model divides the perceived quality process into two times: before and after purchase. Also in this case, it is important to consider the distinction between experience and credence attributes (Brunsø et al. 2002).

# 3. Methodology

This conceptual paper aims at understanding the meanings of dual quality by a marketing perspective, through a literature review about the factors affecting perceived quality. This is because we consider understanding of the concept of dual quality important to go beyond the technical or objective definition of quality and to involve consumer perceptions.

To analyse the main literature, a research on the Web of Science is made using the keywords "perceived quality" and "food". The first 100 papers in terms of citations are analysed and 50 papers are selected for their consistency with our goal. These papers are grouped by factor of influence of perceived quality. After the results are discussed hypothesizing the effect on the concept of dual quality.

### 4. Results

To discuss about the meaning and role of dual quality it is important to understand the main factors that influence consumer quality perceptions.

The methodology led to identify the variables that prevalent literature has identified as determinants in the construction of perceived quality of food products, that can be grouped in 6 main factors: intrinsic factors (13), origin (12), healthy and organic (11), price (10), brand (9), packaging and labelling (6).

We know that consumer behavior is a complex topic influenced by a lot of factors, especially in food category: consumer is primarily influenced by characteristics related to the person (personal, social, cultural and psychological factors) (Sharma et al. 1994; Smith, 2012; Rani, 2014)), by factors related to the macro environment and the context (Everett et al, 1994; Massara et al, 2006), by the purchasing motivations (Wee et al, 2014) and by the nature of the need that leads the consumers to buy (needs or wants) (Sheth et al, 1999; Flexner et al, 1977; ). For all these reasons appear to be not possible to generate an exhaustive and complete list of factors that determine the consumer perception about the quality. Any case, the literature certainly shows that (also after the first purchase) the perceived quality is not only influenced by intrinsic attributes and organoleptic characteristics of the product, but by a system of credence attributes that the consumer uses to estimate the quality.

The methodologies used in the paper of Tab.1 underline the impossibility of measuring the weight of each factor on the perceived quality, especially if we individually consider it. This because the effect of the factors on the consumer's purchase decision has to be considered in a systemic way.

Furthermore, talking about the issue of dual quality, it is important to consider the difference between first purchase and re-purchase of the food product. In case of first purchase, the perceived quality is estimated by the consumer through intrinsic cues (mostly visual) and extrinsic cues (price, packaging and labelling, brand, origin, healthy and organic); in the case of re-purchase, the quality perceived by the consumer becomes experienced, the intrinsic cues become intrinsic attributes as taste or organoleptic characteristics linked to the tasting; the other 5 factors continue to play a key role in the construction of consumer perception of quality, which despite being experienced, remains a subjective perceptive.

Therefore, from the marketing perspective, it should be considered that the eventual perfect information of the consumer does not only impact on the intrinsic factors of the product but can impact on all the credence factors and on the whole perceived quality.

# 5. Conclusions and managerial implications

The debate about dual quality led to consider literature and research on the factors that determine the concept of quality perceived by consumers.

The quality, from marketing and management perspective, seems to be linked to complex factors related to consumer that determine the decision to buy or not buy; so, these variables go beyond the intrinsic or technical characteristics of the product.

Therefore, the concept of quality cannot be described only by an objective dimension, but by an integration between objective and subjective factors that determines the competitiveness of the food product.

In the hypothesis of different products in different countries, it is necessary to reflect also on the motivations that could push a company to communicate or not communicate these differences.

The previous discussion about factors that influence the perceived quality, shows how the perfect information of the consumer does not only impact on the intrinsic factors of the product, but can impact on all the credence variables. We can think, for example, the case of a brand recognized by the consumer as a global brand, to which he associates values of belonging to a tribe that go beyond the spatial boundaries between territories. In this situation the company will have no interest in communicating that the ingredients or the recipe of the product are different in the different markets, since what could be a simple variation linked to the strategies of differentiation of the company can also have a negative impact on the value of the brand and be interpreted as a betrayal by the company that proposes a global brand but not a global product.

Similar considerations can be made thinking about the country of origin. As evidenced, the COO of a product conveys with itself values linked to the cultural aspects of the nation. Among these surely there are the recipes and methods of production of the products. Therefore, the communication of a variation of these can annul the halo effect of the country of origin and reduce trust in the brand and in the "made in" that it communicates.

If we want to generalize considerations that are inherently complex, we could say that non-information of the consumer essentially affects the intrinsic factors of the product; the information of the dual quality will affect the trust in the brand and - depending on the reasons for the purchase - the tribe effect of the brand, the country of origin and the halo effect of the country, the perception of food healthy, in other words it could affect all the main credence attributes.

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