RELATIONSHIPS ON FOOD MARKETS – CONSUMERS' PERSPECTIVE

MICHAŁ GAZDECKI • ELŻBIETA GORYŃSKA-GOLDMANN

POZNAŃ 2018

RELATIONSHIPS ON FOOD MARKETS – CONSUMERS' PERSPECTIVE

ABSTRACT

Whether seen from a theoretical or practical perspective, the relationships between market operators are a topic of growing importance. The significance of relationships is also due to the fact that they may be considered in the context of both B2B and B2C systems. There are more and more papers addressing both of these areas, reflecting the growing interest of authors from management and economic sciences.

In the context of B2C markets, note, it is worth to underline the important contribution of relationships to the value for final customers and to the development of innovation driven by cooperation between the enterprise and consumers. By developing their consumer relationships, enterprises may also generate innovativeness and, thus, create value for the owners and consumers. In this area, an interesting discovery are the practices for building trust, positive image and sustainable customer relationships in the food markets. The above developments considerably affect the food markets and the challenges they face. The development and heterogeneity of food markets is the reason why they can experience the full spectrum of relationships and phenomena associated with the operation of business networks.

In this paper, the issue of food market relationships is considered from the consumer perspective. The initial section of this paper introduces the term and structure of relationships between consumers and enterprises. The second section presents selected phenomena and trends occurring in food markets, as seen from the relational perspective. The operating conditions of and prospects for the Polish organic food market are also discussed. The authors also emphasize the importance of consumer relationships in actions taken to boost competitiveness and innovativeness in food markets. Additionally, this paper presents the concept and awareness of fair trade in the Polish market as well as the perception of health as a value, and attitudes towards sustainable development, illustrated by the example of the Hungarian society. In the final part, this paper considers the consumer information activity and the role of sustainable packaging in food market relationships.

Keywords: relationships, food markets, B2C markets, consumers behaviors, relational marketing, market trends.

RELACJE NA RYNKACH ŻYWNOŚCIOWYCH – PERSPEKTYWA KONSUMENTÓW

STRESZCZENIE

Problematyka relacji występujących pomiędzy podmiotami rynku należy do zagadnień o rosnącym znaczeniu w ujęciach zarówno teoretycznych, jak i praktycznych. Istotność zagadnienia relacji wynika również z faktu, iż mogą one być rozpatrywane w układach B2B i B2C. W obu tych obszarach obserwuje się rozwój piśmiennictwa, który jest wynikiem rosnącego zainteresowania autorów wywodzących się z nauk o zarządzaniu i ekonomii.

W kontekście rynków B2C warto podkreślić znaczenie relacji w kreowaniu wartości dla klientów końcowych oraz tworzeniu innowacji poprzez współpracę między przedsiębiorstwem a konsumentami. Poprzez kształtowanie relacji z konsumentami można generować również innowacyjność, a tym samym kreować wartości dla właścicieli przedsiębiorstw oraz dla konsumentów. Ciekawe są w tym zakresie obserwowane praktyki budowania zaufania i dobrego wizerunku oraz trwałych relacji z klientami na rynkach żywnościowych. Zaznaczone powyżej zjawiska w znacznym stopniu dotyczą rynków żywnościowych i wyzwań, z którymi rynki te muszą się zmierzyć. Rozwój rynków żywnościowych, ich heterogeniczność, powodują, że może ujawnić się na nich pełne spektrum powiązań relacyjnych oraz zjawisk związanych z działaniem sieci biznesowych.

W niniejszym opracowaniu problematyka relacji na rynkach żywnościowych rozpatrywana jest z perspektywy konsumentów. W początkowej części opracowania wprowadzono czytelnika w pojęcie i strukturę relacji pomiędzy konsumentem a przedsiębiorstwem. W drugiej części przedstawiono wybrane zjawiska i trendy występujące na rynkach żywnościowych w perspektywie relacyjnej. Przedstawiono między innymi uwarunkowania funkcjonowania i perspektyw rozwoju rynku żywności ekologicznej w Polsce. Omówiono znaczenie relacji z konsumentami w działaniach na rzecz zwiększenia konkurencyjności i innowacyjności na rynkach żywnościowych. Poruszono też zagadnienie koncepcji Fair trade i poziomu świadomości tego pojęcia na rynku Polskim, a także postrzeganie wartości zdrowia jak i stosunku do zrównoważonego rozwoju na przykładzie społeczeństwa Węgier. Opracowanie kończą rozważania na temat zachowań i potrzeb informacyjnych oraz roli zrównoważonego opakowania w relacjach na rynku żywności.

Słowa kluczowe: relacje, rynki żywnościowe, rynki B2C, zachowania konsumentów, marketing relacyjny, trendy rynkowe.

Editor of the Department
dr hab. Arkadiusz Sadowski

Reviewers
prof. Semenova Valentyna Grygoriivna
Odessa National Economic University, Ukraine
dr hab. Joanna Wiśniewska-Paluszak
Poznań University of Life Sciences, Poland

Ministry of Science
and Higher Education
Republic of Poland

International scientific conference "Relationships on food markets –
two perspectives" – the project financed under Contract No. 784/1/P-DUN/2018
of 12 June 2018 by the funds of the Minister of Science and Higher Education

ISBN 978-83-7160-922-0
https://doi.org/10.17306/M.978-83-7160-922-0

Editorial elaboration
Lucyna Borowczyk

Design of the cover
Scriptor s.c.

Graphic design, computer-aided
Stanisław Tuchołka • panbook.pl

WYDAWNICTWO UNIWERSYTETU PRZYRODNICZEGO W POZNANIU
ul. Witosa 45, 61-693 Poznań
tel./faks: 61 848 78 08, e-mail: wydawnictwo@up.poznan.pl
http://www.wydawnictwo.up-poznan.net

Issue I
Electronic version

Contents

Introduction

Whether seen from a theoretical or practical perspective, the relationships between market operators are a topic of growing importance. The significance of relationships is also due to the fact that they may be considered in the context of both B2B and B2C systems. There are more and more papers addressing both of these areas, reflecting the growing interest of authors from management and economic sciences.

Even though the transactional approach continues to be strong in B2B markets, a trend could be observed in the last decades which makes the enterprises shift away from “confrontation and conflict” thinking towards strategies focused on a joint and collaborative pursuit of objectives. As a consequence, competition between businesses is replaced with competition between channels or enterprise networks.

In the context of B2C markets, it is worth to note the important contribution of relationships to the value for final customers and to the development of innovation driven by cooperation between the enterprise and consumers. By developing their consumer relationships, enterprises may also generate innovativeness and, thus, create value for the owners and consumers. In this area, an interesting discovery are the practices for building trust, positive image and sustainable customer relationships in the food markets.

The role of consumers in the market is also changing. In the last century, they were mainly passive market actors, whereas today they are considered to be a crucial element of the value network and actively participate in its creation. The place of consumers in corporate strategies is also redefined; main focus is placed on customer retention, good contacts and integrated communications.

The above developments considerably affect the food markets and the challenges they face. Examples include the retail sector which, following a period marked by rapid growth and an increased number of new entrants, must now seek new development opportunities. In parallel to the mass food market, alternative markets can be observed to grow rapidly. They are underpinned by new business models which address, for instance, the new social functions of enterprises. The search for new consumption models, e.g. sustainable consumption, determines changes in the role the consumers play in the market. On the one hand, there is a commitment to personalized customer experience which is primarily enabled by new technologies. On the other hand, consumers are engaged in the value creation process, for instance through their participation in the innovation development process.

Strong competitors and frequent contacts with customers in food markets are the factors that stimulate the creativity of marketers. Moreover, the developments and trends initiated in food markets often become widely adopted in other industries. The development and heterogeneity of food markets is the reason why they can experience the full spectrum of relationships and phenomena associated with the operation of business networks. Therefore, food markets may be a valuable area of research on relationships.

In this paper, the issue of food market relationships is considered from the consumer perspective. The paper comprises eight sections. The first one introduces the term and structure of relationships between consumers and enterprises. The next sections present selected phenomena and trends occurring in food markets, as seen from the relational perspective.

The second section presents the operating conditions of and prospects for the Polish organic food market. It deals with diagnosing the production and processing potential of the organic food market in Poland. Despite many activation efforts, the organic food market continues to be a niche which makes up a small part of the Polish food market. However, on the other hand, note that organic products and production could provide the integrating link for food markets and, thus, encourage the development of relationships in these markets.

The third part discusses the importance of consumer relationships in actions taken to boost competitiveness and innovativeness in food markets. Good consumer relationships are the necessary condition for the development of strong clusters which fall in the category of agglomeration-based economies. The authors presented the history of the cluster concept and the arguments for including consumers in the discussion on clusters, especially since they are a major element of the marketing chain in the food market.

The fourth part addresses the fair trade concept. While the general awareness of the fair trade movement is still at an initial stage in Poland, there are some reasonable signs that consumers change their expectations and decision-making behavior. Each year, more and more consumers are interested in fair trade concepts.

The fifth part presents the findings of research on lifestyles, perceptions of health as a value, and attitudes towards sustainable development, illustrated by the example of the Hungarian society. The increased consumer interest in these aspects contributed to the emergence of a new market segment referred to as LOHAS (Lifestyle of Health and Sustainability). That segment, and especially the values which guide its members, could become the integration backbone for enterprises and consumers in the food markets.

The sixth part of this paper deals with consumer information activity. It presents the heterogeneity of the consumers' information activity, illustrated by the example of the Polish organic food market. Food cooperatives are a form of loosely formalized consumer associations in food markets. Their members demonstrate intensive information activity by strongly integrating with the supply side of the market.

As shown in the seventh part, the fact that food consumers must make decisions triggers the need for information which should be a signal for market operators who develop marketing actions and corporate strategies. Marketing communications can bring positive outcomes only if the information needs are skillfully explored by the entrepreneurs.

The eighth part is about the role of sustainable packaging in food market relationships. These aspects are related to the product policies adopted by enterprises. Product sustainability attributes or brands can have a significant impact on consumer decisions. Therefore, food market enterprises could use it as basis for the creation of brand-to-consumer relationships.

We realize that important topics related to relationships between enterprises and consumers are addressed in this paper only to a small extent. However, we hope it may become the starting point for further investigation, in-depth studies and scientific research, thus providing inspiration for expanding the current knowledge.

Michał Gazdecki
Elżbieta Goryńska-Goldmann

1

Michał Gazdecki

The meaning and structure of a relationship on consumers' market

From transactional marketing to relationship marketing

Marketing is inextricably linked to, and originates from, economic activity. However, it has only relatively recently become a topic of scientific interest. The first research papers on marketing date back to early 1900s (Jones and Monieson, 1990). At that time, the American universities started to offer the first marketing courses. Since marketing has become a part of the academic discussion and a topic of scientific research, the changes experienced in that area could be tracked more precisely. Marketing has evolved in line with the transformation of economic realities and market conditions which affect the businesses. The market in early 1900s was a producer market, and therefore the businesses initially focused on efficient manufacturing processes (product and production orientation). After World War 2, the gradual saturation of markets and the deterioration of the purchasing power experienced by the societies were the reasons for refocusing the marketing activities towards product sales. Because the consumer market emerged as a persistent trend, marketing started to shift towards a main goal defined as meeting customer/consumer needs. In this situation, focusing on consumers and their needs was a way to compete and survive in the market. In 2013, the American

Marketing Association defined marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" (AMA, 2013). Their definition focuses on creating and exchanging value for various stakeholder groups, including consumers (B2C), organizations (B2B) and the entire society.

Kotler, Kartajaya and Setiawan (2010, p. 24) see the evolution of marketing in a slightly different way, and identify three milestones. Product-centric marketing (marketing 1.0) was related to the industrial revolution and technological developments which enabled mass production. The leading strategic concept behind consumer-oriented marketing (marketing 2.0) was diversification and setting a market benchmark. Finally, marketing 3.0 redefined the business goals for enterprises. According to the authors referred to above, the objective of marketing 3.0 is to make world a better place. This illustrates the change in the strategic business concept which increasingly focuses on externalities of market operators and the impacts they have on third parties. Technological progress is believed to be among the key drivers of changes affecting consumers, markets and marketing activities (Kotler et al., 2010, p. 23). It started the industrial revolution and resulted in the emergence of product-oriented policies. The IT revolution, the development of personal computers and Internet, and the ability to store and process consumer information, enabled the businesses to focus on consumer needs. Finally, next-generation technologies – which brought unprecedented communication features – and the Internet of Things (IoT) provided the consumers with the ability to impact the markets but also created a new area of activity where the consumers engage in near-continuous communication with businesses.

The dynamic development and diversification of markets resulted in changing the marketing operations and the way marketing was perceived. Especially the 1980s are believed to be the time where a shift occurred from the "traditional" transactional marketing towards relationship marketing. This is when the Nordic model, based on the relations theory, developed as an alternative to the Anglo-Saxon model based on the transactional paradigm. The origin of relationship marketing is believed to be the separation of service marketing which – considering the intangible nature of goods being sold – focused on long-term relationships which may exist between various market actors. Service marketing was focused on: interaction streams between market actors (the process-based approach); moving from analyzing products or services to analyzing the value being traded; integrating marketing functions into other dimensions of management; increasing the contribution of quality studies (Gummesson, 1997; Mitręga, 2006). Other marketing concepts established at the same time are also of major importance, including B2B marketing, direct marketing, process-based management and the use of the game theory or the social exchange theory in marketing (Mitręga, 2006).

These trends resulted in the progressive emergence of an alternative paradigm of marketing with relationships at its core. In late 1900s, the relationship marketing trend had many proponents and opponents. However, it was considered to have a development potential because (Sheth and Parvatiyar, 1995):

- it is a concept which unites marketing theoreticians from different academic centers;
- it is broadly enough to combine many sub-disciplines of marketing;
- it confirms the scientific nature of marketing which, as any other science, undergoes development processes and witnesses the creation of new theoretical constructs;
- many proponents of transactional marketing demonstrated their interest in relationship marketing.

As noted by Sheth and Parvatiyar (1995), transactional marketing focused on competition and on the independence (sovereignty) of operators whereas in relationship marketing, the operators cooperate with each other to pursue their market goals and accept a certain loss of independence. The transactional approach proved not to be enough to explain the persistent connections between market actors which contributed to value creation, e.g. in supply chains. This created development potential for relationship marketing.

The definitions of relationship marketing emphasize the bilateral benefits experienced between the related parties. A frequently cited definition is the one proposed by Grönroos (1997) who claims that *relationship marketing* *is to establish, maintain and enhance relationships with customers and other partners, at a profit so that the objectives of both parties involved are met. This is achieved by a mutual exchange and keeping of promises. Such relationships are usually but not necessarily always long term.* Relationship marketing is closer to business relations where the creation and maintenance of connections between organizations is a condition for strategic alliances and market success (Sorce and Edwards, 2004).

The essence of B2C relationships

The above considerations reveal that the relation is the cornerstone of relationship marketing. It can be defined as a *mutually oriented interaction between two reciprocally committed parties* (Håkansson and Snehota, 1995, p. 25). In this context, note that studies on relationships are rooted in social sciences. The social exchange theory, developed already in the 19th century, shifted the center of gravity from individuals and social groups to connections and impacts between them. As noted by Emerson (1976, p. 336) *the exchange approach in sociology is the economic analysis of noneconomic social situations*. Fiske (1992, p. 689) emphasized that *people are fundamentally sociable – that they generally organize their social life in terms of their relations with other people*. Social interactions are the source of relationships. People interact with others in order to construct and participate in one or another of the four basic types of social relationships: communal sharing, authority ranking, equality matching and market pricing (Fiske, 1992)[1]. Relationships were studied by representatives of sociology, social anthropology and social psychology who had an impact on other fields of science and became an inspiration for exploring new avenues of research.

---

[1] See also: Fiske, A. P. (1991). Structures of social life: The four elementary forms of human relations: Communal sharing, authority ranking, equality matching, market pricing. New York, NY, US: Free Press.; Fiske, A. P. (1992). The Four Elementary Forms of Sociality – Framework for a Unified Theory of Social Relations. Psychological Review, 99(4), 689–723.

The concept of relationships was also inspiring to economists and management scientists; this is the approach used in this paper. Therefore, it can be termed as 'marketplace-based relationship' considered as the *mutual recognition of some special status between exchange partners* (Czepiel, 1990). This approach implies that a relationship can be confirmed to exist if mutually recognized by the actors (interrelated partners). Secondly, note that the relationship goes beyond occasional contact, reaching a "special status" which, although identifiable by the interrelated parties, is difficult to describe or measure (Barnes, 1997).

When reviewing the papers dealing with relational issues, Iacobucci and Hibbard (1999) identified three types of relationship: business marketing relationships (BMRs), interpersonal commercial relationships (ICRs), and business-to-consumers relationships (B2C). BMRs are long-lasting relationships with frequent interactions between actors (Sorce and Edwards, 2004). ICRs include the set of consumer-to-consumer connections, service provider-to-consumer interactions, and salesperson-to-customer relations (Iacobucci and Hibbard, 1999). Finally, B2C relationships include interactions between an organization and individual consumers; the asymmetry of these connections is highly challenging (Iacobucci and Hibbard, 1999). The creation of business-to-consumers relationships is strongly determined by technological progress which enables continuous contact between an organization and dispersed consumers. This type of relationship is often associated with consumer loyalty to a brand (defined as repeated purchase behavior). However, this is debatable. As indicated by Mitręga (2006), repeated purchase behavior may result from restrictions (the consumer does not have any other option but to repeat his/her purchase) or commitments (the consumer wants his/her relationship to continue). While both of these circumstances will result in maintaining the relationship, its quality should definitely be interpreted in different ways (Bendapudi and Berry, 1997; Mitręga, 2006).

Iacobucci and Hibbard (1999) indicate that two dimensions – closeness and interdependence – need to be considered when identifying a relationship. The repeated purchase behavior itself is certainly a reflection of closeness. However, if not underpinned by interdependence, it results in what is referred to as pararelationships.

Iacobucci and Hibbard (1999), the authors mentioned above, used a set of four dimensions to measure various typed of relationships:

- valence: related to the trust and cooperative (positive valence) versus hostile and competitive (negative valence);
- intensity: due to mutual interactions, actors could be "closer" (more interdependent, committed, higher frequency of interactions) or more distant;
- symmetry of the dyad: actors can be relatively equal or unequal in their power;
- formality of the dyad: focuses on the social aspect of the relation, for instance, is the relationship primarily social or work-related.

These dimensions can be used to characterize each type of relationships (Table 1.1).

Table 1.1. Characteristics of various types of relationships

Dimension	Type of relationship		
	Business marketing relationships (BMR)	Interpersonal commercial relationships (ICRs)	Business to consumers relationships (B2C)
Valence	Not necessarily positive	Neutral to positive	Neutral to positive
Intensity	Close and intense	Distant and short-term	Distant
Symmetry of the dyad	Relatively symmetric	Relatively symmetric	Inherently asymmetric
Formality of the dyad	Work related (formal)	Could have a social component	Work related (formal)

Source: based on Iacobucci and Hibbard (1999, pp. 28–29).

The comparison shown in Table 1.1 suggests that the types of relation systems differ from one another. Consumer relationships, which this paper focuses on, are similar to commercial relationships in terms of valence and intensity. Conversely, in terms of 'formality of the dyad,' they look much like marketing relationships. What makes B2C relationships stand most apart from other types of relationships is the considerable asymmetry of systems existing within the dyad, i.e. between the consumer and the enterprise. This implies serious challenges involved in relationship management. The totally incomparable market force is the source of potential conflicts and of the initial mistrust (Iacobucci and Hibbard, 1999). Therefore, when creating B2C relationships, it is extremely important to communicate with the customers in the most personalized way possible. A customized approach to consumers is largely conditioned by technological progress which provides the entrepreneurs and consumers with the ability to communicate in a near continuous manner. The development of information exchange technologies and platforms may also reduce the asymmetry of the consumer/enterprise relationship.

A concept related to B2C relationships are relationship systems established between consumers and a brand (consumer brand relationship). This term was introduced by Shimp and Madden (1988) who claim that *consumers form relations with consumption objects (products, brands, stores, etc.), which range from feelings of antipathy, to slight fondness, all the way up to what would, in person-person relations, amount to love*. A similar definition of the consumer brand relationship was provided by Kumar (2007) who considers it to be the knowledge on *how people make long-term commitments to inanimate objects that they buy and use, as well as help make, sell, and distribute*.

According to the above definitions, what makes B2C relationships different from consumer brand relationships is the subject of the relationship, i.e. respectively the enterprise or the brand which refers to what is consumed. Consumer brand relationships can definitely be linked to B2C relations. The strength of that link will be the consequence of the brand strategy adopted by the enterprise.

Dimensions of B2C relationships

The relationships between enterprises and consumers can be seen from two different perspectives. First, the analysis may focus on how the relationship is perceived by the consumer (customer): *how do customers feel about their interaction or relationship with a firm or its staff*? (Barnes, 1997).

That perspective mainly includes psychological and emotional aspects. Second, focus may be placed on the essence of interactions between consumers and enterprises, mainly including the behavioral aspects (Barnes, 1997; Czepiel, 1990).

When discussing the relationships between consumers and enterprises in the service market, Barnes (1997) proposed the following dimensions thereof:

- Closeness of the relationship, which may be defined by emotional aspects, for instance. However, this approach generates some methodological difficulties; if emotions are assessed based on declarations (using a questionnaire), the resulting data may be difficult to interpret. The closeness of a relationship may also be measured with the frequency of contacts. This approach is based on behavioral factors. Some authors propose that closeness of a relationship be considered as the composite result of several aspects. For instance, based on an analysis of approaches adopted by different researchers, Snyder et al. (1989) indicate that closeness may be determined by: 1) analyzing the subjective assessment of relationships by the respondents; 2) identifying the emotions behind the relationship (using appropriate measurement scales); 3) measuring the satisfaction from being in the relationship.
- Emotion in relationships: because of what the analysis focuses on, this component is related to assessing the closeness of the relationship and may also determine the duration of the relationship.
- Relationship strength and intensity: this component may be measured based on the assumption that stronger relationships are less vulnerable to adverse factors (perturbations) and are more likely to be continued in the future.
- Duration: a factor related to the closeness of the relationship. However, a long-lasting relationship is not necessarily a close one. This is because some circumstances may exist which make it difficult or impossible to terminate a relationship (Snyder et al., 1989).

The dimensions of relationships proposed above could definitely become a basis for preparing a methodological concept for research on B2C relationships. However, the similarity between particular dimensions proposed by Barnes (1997) may pose a difficulty.

A different view on the dimensions of relationships is presented by Mitręga (2005) who proposes that the complex term of relationships be decomposed with the use of relationship variables (properties) which exist, to a certain extent, within the seller/customer dyad. He believes strength to be the key property of a relationship. In turn, the strength of a relationship may be measured with (Mitręga, 2005): duration of a relationship; intensity of a relationship (number of contacts); customer satisfaction; benchmarking (propensity to replace a company with another); customer orientation of the seller; professional knowledge of the seller; customer involvement (emotional attitude).

As regards the consumer brand relations referred to above, Keller (2001) proposed a system composed of two dimensions, i.e. intensity that is consumer psychological bond with the brand and second, activity that engendered by consumer loyalty (Ghani and Tuhin, 2016). Thus, his proposition extends over emotional and behavioral aspects. A more extensive list of dimensions of brand relationships was used by Fritz and Lorenz (2010) who took the following into consideration: interdependence, relationship duration, satisfaction, brand commitment, actual behavior, equity, brand trust, passion and intimacy.

As shown by the above examples of studies on B2C and brand consumer relations, the term 'relationship' is defined in a similar way. To put the two concepts in more general terms, each of them defines relationships with a set of variables from three categories: emotional variables, behavioral variables and cognitive variables.

References

AMA (2013). Definition of Marketing. Retrieved 3 February 2019, from https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx.

Barnes, J. G. (1997). Closeness, Strength, and Satisfaction: Examining the Nature of Relationships between Providers of Financial Services and Their Retail Customers. Psychology & Marketing, 14(8), 765–790.

Bendapudi, N., Berry, L. L. (1997). Customer's Motivations for Maintaining Relationships with Service Providers. Journal of Retailing, 73(1).

Czepiel, J. A. (1990). Service Encounters and Service Relationships: Implications for Research. Journal of Business Research, 20(1), 13–21.

Emerson, R. (1976). Social Exchange Theory. Annual Review of Sociology, 2, 335–262.

Fiske, A. P. (1992). The Four Elementary Forms of Sociality – Framework for a Unified Theory of Social Relations. Psychological Review, 99(4), 689–723.

Fritz, W., Lorenz, B. (2010). Beziehungen zwischen Konsumenten und Marken – Eine empirische Analyse verschiedener Beziehungstypen. Schmalenbachs Zeitschrift für Betriebswirtschaftliche Forschung, 62(4), 366–393.

Ghani, N. H. B. A., Tuhin, M. K. W. (2016). Consumer Brand Relationships. International Review of Management and Marketing, 6(4), 950–957.

Grönroos, C. (1997). From marketing mix to relationship marketing – towards a paradigm shift in marketing. Management Decision, 35(3/4), 322.

Gummesson, E. (1997). Relationship marketing as a paridigm shift: Some conclusions from the 30R approach. Management Decision, 35(3/4), 267.

Håkansson, H., Snehota, I. (1995). Developing Relationships in Business Networks. London: Routledge.

Iacobucci, D., Hibbard, J. D. (1999). Toward an Encompassing Theory of Business Marketing Relationships (bmrs) and Interpersonal Commercial Relationships (icrs): An Empirical Generalization. Journal of Interactive Marketing (John Wiley & Sons), 13(3), 13–33.

Jones, D. G. B., Monieson, D. D. (1990). Early Development of the Philosophy of Marketing Thought. Journal of Marketing, 54(1), 102.

Keller, K. L. (2001). Building Customer-Based Brand Equity: A Blueprint for Creating Strong Brands.

Kotler, P., Kartajaya, H., Setiawan, I. (2010). Marketing 3.0. From Products to Customers to the Human Spirit. New Jersey: John Wiley & Sons.

Kumar, R. (2007). Marketing and Branding: The Indian Scenario. New Delhi: Pearson Education India.

Mitręga, M. (2005). Pomiar relacji pomiędzy przedsiębiorstwem a konsumentem. Marketing i Rynek, , 2–7.

Mitręga, M. (2006). Building strong relationships between services' providers and consumers: Evidence from Poland. Transformations in Business & Economics, 5(2), 148–162.

Sheth, J. N., Parvatiyar, A. (1995). The Evolution of Relationship Marketing. International Business Review, 4(4), 397–418.

Shimp, T. A., Madden, T. J. (1988). Consumer-Object Relations: A Conceptual Framework Based Analogously on Sternberg's Triangular Theory of Love. Advances in Consumer Research, 15(1), 163–168.

Snyder, M., Berscheid, E., Omoto, A. M. (1989). Issues in studying close relationships: Conceptualizing and measuring closeness. Review of Personality and Social Psychology, 10, 63–91.

Sorce, P., Edwards, K. (2004). Defining business-to-consumer relationships: The consumer's perspective. Journal of Database Marketing & Customer Strategy Management, 11(3), 255–267.

2

Selected trends on the food markets as a driving force of creating relationships with consumers

2.1

Mariola Grzybowska-Brzezińska

Organic food market in Poland: insights, opportunities and challenges

Introduction

Factors that stimulate the creation and development of markets are consumer behavior, promotion of new trends, and the buyer's mature preferences for specific products. Sustainable development is a concept encompassing the activity of entrepreneurs, institutions and politicians which seeks to create instruments for a rational and responsible use of resources. As this concept develops, the consumers are also observed to promote socially responsible behaviors. Since more than a decade, the scientists, producers, research programs, and the promotional and operational activities of institutions have been addressing the issue of how to establish the conditions for the development of the Polish organic food market. Unfortunately, no effective solutions exist that could strongly affect the development of that market and reinforce its position vis-à-vis the conventional food market. The growing awareness and wealth of societies drives interest in organic food and creates development opportunities for the European and global organic food market (Domagalska and Buczkowska, 2015, pp. 370–376). The increasing attention paid by civil society to issues of environmental sustainability, healthiness and safety of food production and consumption (Annunziata and Vecchio, 2016, pp. 193–200; Arvola et al., 2008, pp. 443–454; Barlagne et al., 2015, pp. 62–72; Chen, 2007, pp. 1008–1021; Hsu and Chen, 2014, pp. 6–13; Laureati et al., 2013, pp. 1–8; Schifferstein and Oude Ophuis, 1998, pp. 119–133; Van Loo et al., 2013, pp. 2118–2129; Vermeir and Verbeke, 2008, pp. 542–553; Williams and Hammitt, 2001, pp. 319–330) has prompted governments to intensify their efforts in supporting organic agriculture. Policy measures include regulatory promotion of environmentally sustainable and low-toxicity farming techniques, certification of processes and products complying with organic standards, preservation of biodiversity, improved land protection, and control and reduction of environmental pollutants. A consequent effort to improve the awareness of consumers on all of the above issues has been made in most if not all socioeconomically developed countries. As a result, organic food market figures have been steadily growing worldwide. As of the end of 2014 (FIBL and IFOAM, 2016), the global sales of organic food and drinks have reached USD 80 billion. Organic food is produced in 172 countries, where almost 2.3 million producers cultivate 43.7 million hectares of land (including in conversion areas). With its EUR 23.9 billion worth (ca. 38% of the global market), Europe represents the second largest organic market in the world (with the US accounting for ca. 43% of the global market), extending over 11.6 million hectares of organic agricultural land, managed by almost 340,000 producers (Agovino et al., 2017). In Poland, the organic food market is a niche, especially as regards domestic demand which represents a small part of the food market. In 2017, the Polish organic food market was worth ca. EUR 270 million (at retail prices, VAT incl.), and has been rapidly growing at an annual rate of ca. 20% for 5 years (Brągiel and Ślusarczyk, 2017).

Despite many efforts taken to improve the functioning of the promising organic food market, it continues to suffer from operational imperfections. Therefore, key purpose of these considerations is to present the operating conditions and determinants of the development of the Polish organic food market.

Status and operating conditions of the organic food market

The conditions for the development of the organic production market are both opportunities (including the considerable competitive potential of producers and processors active in that market) and barriers related to the absence of organized distribution channels and high costs generated by particular chain links which make it truly impossible to convert that potential into a strong competitive edge (Grzybowska-Brzezińska, 2013, pp. 47–58).

The excessively fragmented supply of Polish organic farm products, dispersed processing facilities, limited access to raw materials (due to logistical, quantitative or qualitative reasons), limited or unavailable supply of large uniform batches of crops and animal products, insufficient number of organized groups offering storage services, and absence of organized distribution and sales processes for organic food are the key problems in achieving economic sustainability in that sector (Przybylak, 2016, pp. 35–38). What also hampers the functioning of that market is the small number of organic processing plants and the dispersion of organic farms which disrupts smooth supplies. The poor development of domestic processing plants is also manifested by low processing levels of organic food and by a narrow product range (Zuba, 2011, pp. 261–288). Infrastructural deficiencies affect the organic food market across the entire organic production chain which mainly lacks durable links. The sales channels for final organic products are poorly developed. The supplies, buying-in, storage and processing also lack proper organization (Michalczyk, 2016, pp. 178–192). At the production side, there are farms with little market power. The excessive dispersion of production sites translates into multiple difficulties in selling the products, which is the most common reason why farmers discontinue organic farming activities. Another weakness of the buying-in process is the absence of an information system on organic food grouped by type, quantity, destination, price and scheduled delivery times (Zuba, 2011, pp. 271–280).

As part of these considerations on the conditions for the development of the supply side in the organic food market, the thesis was advanced that the concentration of production and processing establishments creates market development opportunities. In view of the above, secondary information was used in an attempt to present the concentration degree of these operators in different Polish voivodeships. The classical location quotient formula (Kuberska and Grzybowska-Brzezińska, 2017, pp. 591–599) was used to identify regional differences in the concentration of two links of the marketing chain (organic farming and organic processing) in the organic food market.

In this study, the measure used to determine the degree of supply concentration in the organic food market is the Location Quotient. LQ is applied in research on regional concentration of economic activity, laying emphasis on comparing the descriptive data of territorial units. It enables comparing local characteristics with reference areas, i.e. comparing a specific area to the whole territory (Moineddin et al., 2003). Also, LQ is used to measure the degree of relative concentration of a particular activity, thus making it possible to compare its share in a given area to the corresponding share in a certain aggregate base (Thrall et al., 1995).

Classic location quotient formula:

$$LQ = \frac{x_{ij}}{x_j} \div \frac{x_{in}}{x_n}$$

with:

x_{ij} – value of the sub-variable in dimension i in area j;
x_j – total value of the analyzed variable in area j;
x_{in} – value of the sub-variable in dimension i in reference area n;
x_n – total value of the analyzed variable in reference area n;
LQ_L – Location Quotient the number of farms;
LQ_{POW} – Location Quotient the area of farms.

As shown by the analyses, in Poland, the largest share of organic farms in the total number of farms LQ_L (with agricultural land) was recorded in the Zachodniopomorskie ($LQ_L = 6.78$) and Warmińsko-Mazurskie ($LQ_L = 5.61$) voivodeships. The development process of cluster structures was analyzed in the links related to the processing of organic agricultural produce (Table 2.1.1). The reference point for these considerations was the number of operators registered in sections 10 (production of food products) and 11 (production of beverages) of the 2007 Polish Classification of Economic Activity. In 2010, there were 293 operators classed as organic producers active

Table 2.1.1. Location quotients for organic farms and certified organic processing plants by voivodeships in 2010 and 2015

Voivodeship	Location of production plants				Location of processing plants	
	Year					
	2010		2015		2010	2015
	LQ_L	LQ_{POW}	LQ_L	LQ_{POW}	LQ_L	LQ_L
Dolnośląskie	1.27	1.23	0.92	0.86	0.57	0.63
Kujawsko-Pomorskie	0.41	0.21	0.35	0.25	0.89	0.74
Lubelskie	0.84	0.73	0.64	0.59	2.54	1.94
Lubuskie	2.15	2.37	3.60	2.97	0.70	0.69
Łódzkie	0.28	0.23	0.24	0.26	0.69	0.93
Małopolskie	0.84	0.99	0.53	0.60	1.00	0.94
Mazowieckie	0.77	0.68	0.63	0.70	1.05	1.39
Opolskie	0.20	0.18	0.16	0.15	0.36	0.26
Podkarpackie	0.88	1.37	0.63	0.73	1.78	1.49
Podlaskie	2.16	1.20	2.58	1.34	0.85	1.38
Pomorskie	1.18	0.83	1.15	0.82	0.88	1.02
Śląskie	0.15	0.38	0.24	0.47	0.37	0.31
Świętokrzyskie	0.97	0.71	0.65	0.60	1.08	1.14
Warmińsko-Mazurskie	3.87	2.13	5.80	2.84	1.24	0.87
Wielkopolskie	0.51	0.73	0.42	0.50	1.10	0.95
Zachodniopomorskie	5.47	3.06	6.46	3.44	1.65	1.37

Source: own compilation based on Kuberska and Grzybowska-Brzezińska (2017, pp. 594–595).

in organic product processing. Five years later, that number reached 562. In 2010, operators active in the processing of organic agricultural produce represented 0.87% of all operators classified in sections 10 and 11, compared to 1.59% five years later.

In Poland, organic farming and processing – as part of the marketing chain in the organic food market – follows a regional concentration pattern. The Warmińsko-Mazurskie voivodeship (LQ_L = 5.80) was one of the leaders of organic farming in 2015. The processing potential is concentrated in several voivodships, with Lubelskie, Mazowieckie, Podkarpackie, Podlaskie, and Zachodniopomorskie voivodeships leading the way. However, the regions that are the most significant concentrations of organic processing do not coincide with the largest concentration of organic farms (this cluster includes Warmińsko-Mazurskie, Lubuskie, Podlaskie and Zachodniopomorskie voivodeships). In 2015, clusters of organic farming and clusters of organic processing which met the condition LQ ≥ 1 coexisted only in two voivodeships: Podlaskie and Zachodniopomorskie (Kuberska and Grzybowska-Brzezińska, 2017, pp. 594–595).

What is more, significant differences in the number and the area of agricultural land of organic farms and organic food processing plants between particular voivodeships are not transitory. In the longer term, the disproportions in the scope of analyzed features may be expected to persist or deepen. They may result from various lines of economic development of individual voivodeships, especially from the policy tools deployed in the field of rural development and support for the development of organic food production and processing.

These regions have a high potential which, if properly exploited, can be the starting point for boosting competitiveness. In an effort to identify the development of organic production and processing across the voivodeships, the construction of particular links of the marketing chain could be initiated to enable the emergence of cluster structures.

The high level of prices of organic food products counterbalances these positive trends. It is a critical barrier to purchasing and a factor hindering the further development of the market. Little by little, this becomes a chronic condition which leads to adverse effects from the perspective of the demand and supply side of the market. As soon as possible, this stage of development should be subject to further transformation, resulting in a fall in prices of food products. This is conditioned by multiple aspects, including the geographic concentration of operators active in the industries covered by this study, the presence of which was confirmed during the analyses. There are indications that the potential accumulated on the demand side of the market will grow. However, in order for this to happen, the prices must drop, which is possible where there is geographic concentration. As it has been shown, this condition is met in Poland. However, the problem is that agricultural production clusters do not coincide geographically with food processing clusters. Due to the lack of appropriate links between the areas considered, there is a need

Table 2.1.2. Main motive for engaging in organic farming (% of replies)

Specification	Podlaskie	Zachodniopomorskie
Ability to access higher subsidies	47.5	45.8
Higher prices of organic products	35.9	47.4
Soundness of the environmentally-friendly farming concept	32.3	27.6
Concern for the health of my own family	29.3	41
Ability to manufacture high-quality products	34.5	32.6
Reluctance to using chemical agents in agricultural production	26.4	24.6
Professional challenge	21	18
Growth of organic food consumption and an opportunity to increase sales	29.6	48.2

Source: own study.
Note: The study was carried out in 2018 with 45 organic farms in the Podlaskie voivodeship and 55 in the Zachodniopomorskie voivodeship. Also, 12 and 20 processing companies were interviewed in the Podlaskie and Zachodniopomorskie voivodeships, respectively.

to import processed products that cost much more than domestic ones. For the Polish organic food industry, it would be more beneficial to act as an exporter rather than an importer of processed food. One way to decrease the prices of organic food products may consist in managing the relations within supply chains and marketing chains. Organic farmers and food processors should strive for cooperation. It would provide the former with outlets for their production, and the latter with constant access to raw materials.

When assessing the conditions for the development of the Polish organic food market, the producers identify the economic conditions (i.e. the growing consumption of organic food, higher prices of organic products, and the ability to access higher subsidies) as the main motive for engaging in this production concept (Table 2.1.2).[1]

[1] This research focused on three groups of operators, namely: producers (farms), processors and intermediaries. The research methods employed relied on structured interviews (with the producers) and on in-depth structured interviews (with the processors, intermediaries and consumers). The content of survey questionnaires was assessed

Table 2.1.3. Sales structure of products offered by organic farms located in analysed voivodeships (%)

Sale methods	Podlaskie	Zachodniopomorskie
Direct sales, mainly to tourists (agritourism)	30.5	10.2
Other direct sales at farm gate (including to neighbors)	13.5	4.2
Market, fair	8.9	11.8
On-demand delivery to consumers	10.1	7.8
Sale to warehouses	9.5	18.6
Sale to companies specializing in processing and packing	4.8	9.4
Sale for processing (including to dairy cooperatives)	10.2	11.4
Deliveries to small shops	7.5	13.6
Deliveries to supermarkets	0	3.6
Deliveries to catering facilities (restaurants, hospitals, school cafeterias)	5	9.4

Source: own study.
Note: The study was carried out in 2018 with 45 organic farms in the Podlaskie voivodeship and 55 in the Zachodniopomorskie voivodeship. Also, 12 and 20 processing companies were interviewed in the Podlaskie and Zachodniopomorskie voivodeships, respectively.

Located in different voivodeships, the organic farms covered by this study sell a diversified range of products and rely on short distribution channels (Table 2.1.3).

The producers surveyed declare to sell over 40% of their production volume at farm gate. Their main customers are agritourists. Ca. 57% of the

by other scientists with expertise in organic farming. A pilot study was also carried out. The territory covered by this study includes the Podlaskie and Zachodniopomorskie voivodeships, selected because of the development level of the organic food market in this group of operators. The proposed organization of trade in organic food, based on research conducted in selected locations, will provide a reference point for the development of new proposals for other Polish regions. Sample sizes were estimated based on the list of organic farms and processing plants published by the Inspectorate of Marketable Quality of Agri-food Products (as at 2016). The study was carried out in 2018 with 45 organic farms in the Podlaskie voivodeship and 55 in the Zachodniopomorskie voivodeship. Also, 12 and 20 processing companies were interviewed in the Podlaskie and Zachodniopomorskie voivodeships, respectively.

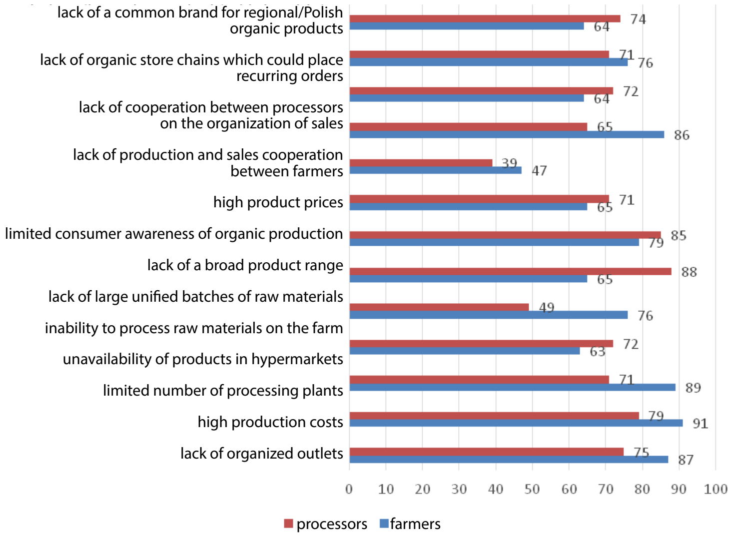

Figure 2.1.1. Barriers to the development of the organic food market, as seen by organic farmers, processors (%)
Source: own study.
Note: The study was carried out in 2018 with 45 organic farms in the Podlaskie voivodeship and 55 in the Zachodniopomorskie voivodeship. Also, 12 and 20 processing companies were interviewed in the Podlaskie and Zachodniopomorskie voivodeships, respectively.

farms deliver raw materials and perform agreements entered into with processors. The interviewees based in the Podlaskie voivodeship sell ca. 10% of their products through this channel. In the Zachodniopomorskie voivodeship, ca. 19% of goods are delivered to warehouses. The organic food market may be efficient and may develop only if the supply of raw materials and finished products is optimized. The manufacturers are often small farmers neither of which can have a direct impact on market prices as they do not contribute enough to total supply (Figure 2.1.1). Considerable imperfections clearly affect the sales of these goods. The channel of direct sales to processing and catering facilities needs to be strengthened in order to reinforce the real distribution network in the organic food market. A sales method specific to organic farms consists in establishing short distribution channels and in creating a brand and a proprietary store chain. In order for this to happen, producers must collaborate and an organizational network must be established for operators that focalize the respective links of the marketing chain.

The main barriers to the development of the organic food market, as identified by both producers and processors, are high production costs and the absence of organized outlets. Another problem is the low production scale which prevents the producers from effectively competing with "conventional" food producers. As regards the definition of barriers to the development of the organic food market, the main problem is the insufficient scale of production which would facilitate the organization of the organic food market. The development of production in the organic farming system and in the organic food market is also a driver of sustainable development. The creation of an infrastructure enabling the development of agriculture and processing sectors based on a natural (extensive) technology offers prospects for new jobs and provides opportunities for establishing micro-enterprises specializing in trade and processing (while also promoting the development of existing operators).

The issue of marketing activities in the organic food market

Organic marketing instruments

As the market for organic foods develops, marketing activities which address its particularities obviously play an increasingly important role. This is especially true for countries such as Poland where the organic food market is at the initial development phase. Also, the situation is specific in that the demand is clearly limited and does not drive an increase in supply. On the other hand, the limited supply (characterized by a narrow product range) and the poorly intensive distribution do not stimulate the demand (Pilarczyk and Nestorowicz, 2010, pp. 16–17).

Green marketing, also referred to as eco-marketing, is defined in various ways. According to Bronakowski (1996), "eco-marketing is a system composed of knowledge, skills and a management style which enable satisfying and addressing the needs of the actors on the organic goods and services market" (Bronakowski, 1996, pp. 100). The environmental requirements of consumers – which are taken into consideration when making important decisions regarding products, prices, distribution and promotion – make up a major part of eco-marketing. From a strategic point of view, it is extremely important for each company to properly communicate their environmental efforts and progress. Rather than on the final product, focus should be placed on the entire manufacturing process (Malinowska, 2011, pp. 1–3).

The consumers' interest in ecology is not yet reflected in their mass purchasing decisions. Note also that environmentally-friendly attitudes are more firmly rooted in highly developed countries where consumer awareness is higher than in countries such as Poland where the society is still unable to spend more on organic products. Nevertheless, the growing environmental awareness of the consumers affects their product opinions and makes them more interested in the characteristics of the production process. The main goal sought by marketing strategies developed in the European market is to reduce or eliminate any barriers to the development of the organic food market. Each country (together with its products) is considered on a case-by-case basis when developing a strategy because it must be precisely tuned to the characteristics and needs of a region. However, the overarching efforts consist in adopting a customer-centric approach and generating real demand which will grow steadily. Once the demand reaches a favorable level, it should be maintained with adequate supply which can be generated only if the consumers and their needs are thoroughly explored. Therefore, it is important to generate general information both on organic foods and on the product range available in the market (Maciejczak, 2008, pp. 4–6). Another major step will consist in establishing a communication system to promote the brand's reliability. Furthermore, education processes must be organized to encourage environmental behaviors among children and young people.

An organic food product is classified as an eco-product. Therefore, these products reflect the commitment to reduce pollution and other environmental problems across the globe, and do not include any harmful ingredients (as indicated on the label). From the marketing perspective, these features are referred to as the "core of the product" (Figure 2.1.2). Very often, organic food has a distinctively minimalist form of packaging, and its brand is not widely

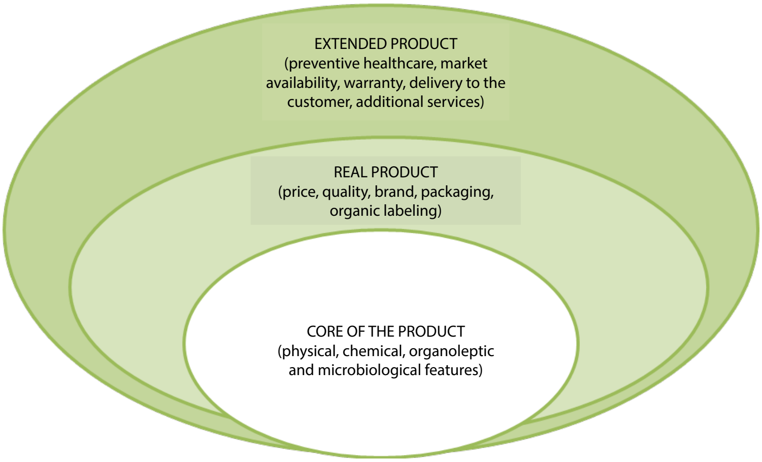

Figure 2.1.2. Organic products from the marketing perspective
Source: Pilarczyk and Nestorowicz (2010, pp. 130).

known. Hence, it is important to display and inform of its intrinsic advantages which the consumer cannot explore. The customers can only see the real product, and therefore it is important that eco-products be presented as extended products with features corresponding to a series of efforts made by producers who must take adequate awareness-raising measures while ensuring suitable purchasing conditions (Pilarczyk and Nestorowicz, 2010, pp. 130).

Certainly, organic products must be continuously improved against conventional and other competitive products. The producers must lay strong emphasis not only on environmental requirements but also on social requirements, and must seek continuous change which is visible to consumers (Peattie, 1995, pp. 181). The downside of the Polish organic food market is the insufficiently broad range of national organic food products. This results from a poorly developed processing sector, deficiencies in technical equipment of farms, highly dispersed agricultural production, improper organization of trade in eco-products, and inadequate preparation of the producers for marketing activities (Żakowska-Biemans, 2006, pp. 8). Another reason why the product range of some warehouses is narrow is that certain short-shelf-life products require specific storage conditions. The narrow range of products sold does not generate a large number of sales transactions which also results in marketing costs being relatively high (Zuba, 2011, pp. 281–282).

When fixing the price of organic products, certain determinants which define the price range must be taken into consideration. One of these aspects is how the price and the product are perceived by the consumer. The price range is defined by two limits. This means that if the price falls below the bottom limit, it would be too low for the producer and would be insufficient to cover the unit production cost. In turn, for the consumer, it could suggest that the product is of dubious quality. On the other hand, an excessive price would discourage the buyers, resulting in the emergence of what is referred to as a demand barrier. The price of an organic product makes it a unique experience and adds more value. The prices differ strongly across the organic market because of little information being available to producers (Łuczka-Bakuła and Smoluk-Sikorska, 2010, pp. 39–48). This may be due to the fact that – when it comes to the organic food market – the focus is not on the competition between producers and distributors but rather on the analysis on the rivalry with conventional food manufacturers (Pilarczyk and Nestorowicz, 2010, p. 161).

The price, as the outcome of market interactions between supply and demand, is a component of the organic food market because it largely constitutes a barrier to purchase. In the European market, eco-products are definitely more expensive than conventional ones. This results from production and distribution costs and trade margins which, in turn, depend on the maturity level of the market concerned (Maciejczak, 2008, p. 5). In accordance with the price range principles, it is important to set the price so as to make the products affordable to different consumer groups while presenting the manufacturer as a reliable source of high-quality products (Łuczka-Bakuła and Smoluk-Sikorska, 2010, pp. 39–48).

If the demand grows, the limited supply pushes the prices up, as can be observed in the European Union's organic food market. However, the prices of eco-products start to follow a downward trend in countries with a more mature market. It is definitely too early for this to happen in Poland because the demand increases faster than supply (Pilarczyk and Nestorowicz, 2010, p. 170).

One way to reduce the barrier to availability of organic food is by introducing products to supermarkets. Also, this results in reduced transport costs and allows margins to be squeezed by traders (Maciejczak, 2008, p. 5). Recently, organic products are being offered for sale in super- and hypermarkets in an effort to win customers who have so far focused on conventional food. Hypermarkets mainly offer basic cereal products, processed fruit and vegetable products, dairy products and a small part of processed meat products (Zuba, 2011, p. 283). The sale of organic products in hypermarkets enjoys the greatest popularity in countries which report relatively high levels of supply. Considering the fragmentation of organic production in Poland and the fact that food offered in hypermarkets is perceived as lower-quality products, a much better approach to availability optimization would be for the producers to build their own distribution channels (which will help reducing intermediation margins). In the European Union, direct sales is the most common distribution method of eco-products (Czubachowski, 2012, p. 2). In Poland, distribution channels are still at an initial stage, and are mainly represented by some forms of direct sales and by specialized organic stores. When comparing these two methods, specialized stores offer a broader product range and a more professional sales staff while also being better positioned to use various marketing instruments. Also, product display plays a more important role in this case. Therefore, the weakness of direct sales is the basic narrow product range and – as regards specialized stores – the fact that they also sell non-organic food which, though also promoted as "healthy," does not come with an adequate certificate (Zuba, 2011, p. 287). Moreover, a farmer who sells organic food must be highly qualified to offer a reliable customer service which also includes preserving the farm's image as a trustworthy organic producer (Łuczka-Bakuła, 2007, p. 98).

Compared to other marketing instruments, the price does not play a key role in the organic food sector due to low price elasticity of demand. The price reflects the high manufacturing costs which are a guarantee of high quality and unique values. These are the aspects of utmost importance to buyers, and need to be focused on. Therefore, in the organic food market, competition is primarily based on non-price instruments (Garbarski et al., 2001, p. 374).

Promotion is an instrument used to inform the consumers of the availability and features of a product and of the specific location where it may be purchased. The role of promotions varies across the European Union member states. For instance, in the German market, promotional activities are focused on delivering information to help choose a product. Conversely, in Poland, promotions are still centered around raising the awareness and making people realize what the organic food market is. The essence of marketing campaigns is to draw up a message and make it reach the target audience. In Poland, marketing activities are carried out by social or state institutions, for instance. Unfortunately, the effectiveness of promotional activities in Poland fails to meet the expectations because they do not translate into a considerable increase in demand. Seemingly, these measures are not properly adapted to consumer needs, and the marketing efforts themselves do not harmonize with other parts of the value chain, especially including production (Maciejczak, 2008, pp. 7–8). When attempting to undertake promotional activities, a particularly regrettable mistake is not to define the target group. This a crucial aspect because environmental and health-related concerns are not rooted deeply enough in the minds of Polish consumers to provide a basis for the establishment of a sustainable customer segment (Cichocka and Grabiński, 2009, p. 108). The system for the delivery of information on the supply of eco-products (i.e. the types, quantities, prices and most data of key importance for the creation of effective distribution systems, too) does not function properly. The development goals defined for the organic food market can be achieved only if the activities are orchestrated within a systemic approach (Zuba, 2011, p. 282).

Organic marketing instruments deployed by the producers will be much more effective in actively shaping the attitudes and preferences in the organic food market. Unfortunately, systemic approaches to promotion or production processes failed to adequately boost environmental awareness among consumers, and did not result in organizing the market or establishing real conditions for rapid market development. Product range and availability, production concentration, and the volume of processed products still need to be increased in the organic food market. However, the institutions, producers and processors are not effective in their efforts as the market continues to be at an initial stage of development. The commercialization of production, processing and trade based on the organic marketing strategy is a challenge for the producers. By establishing certain market actors (e.g. marketing cooperatives), they will become able to organize smoothly functioning sub-markets.

Determinants of demand for eco-products

The demand for organic food depends on both the consumers' purchasing motives and the barriers to purchase. As shown by the vast majority of research on the motivation behind purchasing habits, the health-promoting properties of eco-products are the most important aspect. Consumers want to avoid the chemicals used in production of conventional food. Some research also suggests that organic food is considered to be more nutritious (Jolly, 1991, pp. 41–148). When buying organic food, the consumers are guided by egoistic motives; caring for one's own health is a stronger argument than environmental concerns. While the environmental aspect is believed to encourage the choice of eco-products, it does not play a major role. The same is true for the expected improvements to animal welfare in limited production systems: although sometimes mentioned, they are not the main stimulus for purchasing (Hill and Lynchehaun, 2002, pp. 526–542).

Products that consumers might perceive as 'naturally healthy' have become increasingly popular in the past decade, as for example organic food (Aschemann-Witzel et al., 2013, pp. 68–76; Guilabert and Wood, 2012, pp. 353–358) or functional food positioned as 'natural' (Mellentin, 2013, pp. 34–39). Interestingly, the consumer appeal of naturalness (Rozin et al., 2004) also seems to be driven by a certain distrust of conventional science and technology (Dickson-Spillmann et al., 2011, pp. 149–156).

In the organic food market, the behavior of consumers should also be seen in the light of their awareness and knowledge of specific features of this type of food. The market behavior of a responsible customer includes making informed choices of socially valuable products (such as environmentally-friendly products). Knowledge and awareness have direct and indirect impacts on consumer attitudes towards different goods, and are decisive for their willingness to pay more for socially responsible products. When buying organic products, consumers demonstrate much confidence in the related production technologies (Giannakas, 2002, pp. 35–50). The society's awareness and knowledge of organic product features, and the confidence they have in the brand and in the production location, are decisive for the consumers' market decisions (Grzybowska-Brzezińska and Rudzewicz, 2015, pp. 304–320). Consumer choices of organic food are driven by the sensory and safety attributes of food (Bourn and Prescott, 2002, pp. 1–24). Other important determinants of choosing organically grown products are their attractive appearance and the ease of buying and use. The descriptions of the classification of organic food attributes, as found in the literature, take two categories into consideration: the technological and market attributes. The technological attributes include the product's sensory features, manufacturing technologies, agri-technical concerns, use of production and processing additives, packaging methods and composition. Market attributes are the place of purchase (availability), price levels, product display in the point of sale, confidence in the brand, environmental friendliness and promotion and advertising activities taken by the producers (Grzybowska-Brzezińska, 2013a, pp. 67–75).

Utilitarian and hedonic attitudes play an important and influential role in determining behavioral intentions to purchase organic food (Lee and Yun, 2015, pp. 259–267). However, there seems to be a lack of evidence that organic foods significantly differ from their non-organic counterparts in product criteria such as nutrition or health impacts (Załęcka et al., 2014, pp. 2600–2604). While the ecological nature of the product is one of the competitiveness factors for the company's product range, it is not a key driver of competitiveness of Polish food products, at least not for all producers (Baryła, 2016, pp. 737–746). Nevertheless, it is an important and systematically growing market segment in some product categories. For instance, there seems to be growing importance of the organic yoghurt segment which is an element that promotes diversity of the product range (Domański and Bryła, 2012, pp. 618–635). A better understanding of organic consumers may help to serve the long-term interests of the organic industry and other stakeholders of food marketing (Oates et al., 2012, pp. 2782–2787). Organic food products are often perceived as environmentally friendly, healthy and tasting better than conventional food (Gottschalk and Leistner, 2013, pp. 136–142). Previous research shows that high prices and a poorly developed distribution network are the most important barriers to the development of the organic food market in Poland (Mazurek Łopacińska and Sobocinska, 2010, pp. 109–118). When it comes to organic food consumption motives, healthiness tends to play a key role across the studies (e.g. Huber et al., 2012, pp. 2766–2773; Kahl et al., 2012, pp. 2760–2765; Truong et al., 2012, pp. 529–543), and so does the concern for the environment (e.g. Goetzke et al., 2014, pp. 96–105; Seyfang, 2008, pp. 187–201).

Food safety aspects are an other reason why consumers opt for buying organic food. In the context of numerous epidemics and food scandals widely discussed in media, they lose confidence in a growing number of product groups and look for alternative choices which they believe are safer and may protect them against food of unknown origin (Jolly, 1991, pp. 41–148). Another motive often cited by consumers is the perception of organic food as trendy and en vogue. This is driven by the ever increasing media coverage of promotional campaigns. Also, there is a segment of consumers who decide to buy organic food out of pure curiosity, and the "nostalgic segment" represented by people who associate eco-products with authenticity and flavors from the past (Hill and Lynchehaun, 2002, pp. 526–542).

The barriers include high prices of organic food which, paradoxically, are also a factor in creating confidence because of the "more expensive means better" pattern. The consumers' belief in health-promoting properties of eco-products (which, as a matter of fact, have not been scientifically proven) is the most important reason why they buy it. The barrier to buy food – posed by high prices – also emerges if the price is too low because this is where the consumers start to wonder whether the desired high quality and health-promoting properties are actually preserved. Finding a balance between these two aspects is a major challenge for the industry and the producers (Williams, 2002, p. 19).

Other barriers are the persistently poor availability of organic products and a skeptical approach to off-the-shelf products. The manufacturing methods specified on labels give rise to doubts (Ott, 1990, pp. 593–602). Other deficiencies include poorly developed marketing activities, i.e. insufficient information on organic food and ineffective retail strategies. In the Polish market, the main barriers reported by the consumers are: the unavailability of organic food in stores visited by the respondents; lack of knowledge on where to buy eco-products; high prices; organic food shops being located too far away from the respondents' place of residence; inability to tell the difference between organic and other products (Żakowska-Biemans, 2006, p. 26).

The compilation of motives behind and numerous barriers to purchasing organic food suggests that much still needs to be done by the producers in order for organic production to keep on developing and serving diverse consumer interests. The basic thing is to gain an in-depth insight into the essence of organic food, because if the customers fail to tell the difference between eco-products and conventional food, it is not surprising they do not want to buy these products, especially at a higher price (Hughner, 2007, pp. 11–14). The decisions on whether to buy organic food increasingly depend on consumer trust towards organic producers and sellers. Having in mind that food choices are routine decisions, this is an understandable behavior. The food buying pattern is shortened, and the alternative products are assessed to a limited extent. Therefore, a clear label and a prominent display of the product in the store will be decisive in product choice. The composition or other technological features are assessed by the customer based on reliable information on the packaging, and also based on whether he/she trusts the producer. Therefore, when designing organic food labels, it is important to leverage the position of highly trusted brands, and to build and maintain that trust among target market segments (Grzybowska-Brzezińska and Grzywińska-Rąpca, 2016, pp. 57–68).

Summary

Despite many activation efforts and development diagnoses, the organic food market continues to be a niche which makes up a small part of the Polish food market. It may develop in a situation where the supply of raw materials and finished products is optimized by taking consumer expectations into account and by organizing effective distribution channels. Producers and manufacturers declare their willingness to cooperate, and acknowledge the need for organizing local or regional distribution channels.

Fragmentation of production and the large number of organic farms result in limited supply and small-scale operations. This is also a barrier to business contacts with processors or retailers, and the reason why farmers experience difficulties in communicating with each other. Positive relationships should be established between marketing channel actors who seek personal benefits in efficient marketing operations. This means creating tools that encourage cooperation between market players.

The Polish organic food market continues to be at an early, unstable development stage where various marketing instruments need to be broadly and skillfully used.

The technological attributes (mainly organoleptic and sensory features, i.e. appearance and smell), as well ad manufacturing and processing methods and food composition need to be considered when building the organic food product range. The producer's logo, product range and health-promoting properties are important aspects in the preparation of market attributes. The technological aspects of organic food production, its natural smell, taste and appearance are crucial in driving customer behavior. The market attributes to be created for this food category are: a broad product range; improved availability; validated health-promoting properties; and more reliable information on product composition. In order to assess the prospects of the market for organic food, it is necessary to monitor the production, build the supporting infrastructure for the sales organization, and identify the target consumer group for this specific product category.

References

Agovino, M., Crociata, A., Quaglione, D., Sacco, P., Sarra, A. (2017). Good taste tastes good. cultural capital as a determinant of organic food purchase by Italian consumers: evidence and policy implications. Ecological Economics, 141.

Annunziata, A., Vecchio, R. (2016). Organic farming and sustainability in food choices: an analysis of consumer preference in southern Italy. Agriculture and Agricultural Science Procedia, 8. DOI: http://dx.doi.org/10.1016/j.aaspro.2016.02.093.

Arvola, A., Vassallo, M., Dean, M., Lampila, P., Saba, A., Lähteenmäki, L., Shepherd, R. (2008). Predicting intentions to purchase organic food: the role of affective and moral attitudes in the theory of planned behaviour. Appetite, 50. DOI: http://dx.doi.org/10.1016/j.appet.2007.09.010.

Aschemann-Witzel, J., Maroscheck, N., Hamm, U. (2013). Are organic consumers preferring or avoiding foods with nutrition and health claims? Food Quality and Preference, 30(1).

Barlagne, C., Bazoche, P., Thomas, A., Ozier-Lafontaine, H., Causeret, F., Blazy, J. M. (2015). Promoting local foods in small island states: the role of information policies. Food Policy, 57. DOI: http://dx.doi.org/10.1016/j.foodpol.2015.09.003.

Baryła, P. (2016). Organic food consumption in Poland: Motives and barriers. Appetite, 105.

Bourn, D., Prescott, J. (2002). A comparison of the nutritional value, sensory qualities and food safety of organically and conventionally produced foods. Critical Reviews in Food Science and Nutrition, 42(1).

Brągiel, E., Ślusarczyk, B. (2017). Tendencje na europejskim rynku żywności ekologicznej. Zeszyty Naukowe Szkoły Głównej Gospodarstwa Wiejskiego w Warszawie. Problemy Rolnictwa Światowego, 17(3). DOI: https://doi.org/10.22630/PRS.2017.17.3.50.

Bronakowski, H. (1996). Marketing i rynek produktów oraz usług ekologicznych. Encyklopedyczny zarys wybranych problemów. Politechnika Białostocka, Białystok.

Chen, M.F. (2007). Consumer attitudes and purchase intentions in relation to organic foods in Taiwan: moderating effects of food-related personality traits. Food Quality and Preference, 18. DOI: http://dx.doi.org/10.1016/j.foodqual.2007.04.004.

Cichocka, I., Grabiński, T. (2009). Psychograficzno-motywacyjna charakterystyka polskiego konsumenta żywności ekologicznej. ŻYWNOŚĆ, Nauka, Technologia, Jakość, 5(66).

Czubachowski, T. (2012). Produkty ekologiczne, skup produktów, oczekiwania rynku. BIOHURT.

Dickson-Spillmann, M., Siegrist, M., Keller, C. (2011). Attitudes toward chemicals are associated with preference for natural food. Food Quality and Preference, 22(1).

Domański, T., Bryła, P. (2012). The fragile strength of a leading Polish yoghurt company (case study of Bakoma). British Food Journal, 114.

Domagalska, J., Buczkowska, M. (2015). Rolnictwo ekologiczne – szanse i perspektywy rozwoju [Organic farming – opportunities and development perspectives]. Problemy Higieny i Epidemiologii, 96(2), 370–376. DOI: 10.15678/ZNUEK.2017.0961.0108.

FIBL, IFOAM (2016). The world of organic agriculture. Statistics and Emerging Trends, Frick.
Garbarski, L., Rutkowski, I., Wrzosek, W. (2001). Marketing. Polskie Wydawnictwo Ekonomiczne, Warszawa.
Giannakas, K. (2002). Information asymmetries and consumption decisions in organic food product markets. Canadian Journal of Agricultural Economics, 50.
Goetzke, B., Nitzko, S., Spiller, A. (2014). Consumption of organic and functional food. A matter of well-being and health? Appetite, 77.
Gottschalk, I., Leistner, T. (2013). Consumer reactions to the availability of organic food in discount supermarkets. International Journal of Consumer Studies, 37.
Grzybowska-Brzezińska, M. (2013a). Preferencje konsumentów w kształtowaniu atrybutów produktu żywnościowego. Wyd. Uniwersytetu Warmińsko-Mazurskiego w Olsztynie, Olsztyn.
Grzybowska-Brzezińska, M. (2013b). Wpływ instrumentów marketingu ekologicznego na zachowania konsumentów na rynku produktów spożywczych. Zeszyty Naukowe Uniwersytetu Szczecińskiego, 775. Problemy Zarządzania, Finansów i Marketingu, 30. DOI: article-e51db789-9aaf-4f84-9e74-950061a09806.
Grzybowska-Brzezińska, M., Grzywińska-Rąpca, M. (2016). Atrybuty żywności ekologicznej determinujące wybory konsumentów. Ekonomika i organizacja gospodarki żywnościowej. Zeszyty Naukowe Szkoły Głównej Gospodarstwa Wiejskiego w Warszawie, 114.
Grzybowska-Brzezińska, M., Rudzewicz, A. (2015). Environmental management systems in food processing and production as a source of product value for the customer on the organic food market. International Journal Business Performance Management, 16(2/3). DOI: https://doi.org/10.1504/IJBPM.2015.068727.
Guilabert, M., Wood, J. A. (2012). USDA certification of food as organic: An investigation of consumer beliefs about the health benefits of organic food. Journal of Food Products Marketing, 18(5).
Hill, H., Lynchehaun, F. (2002). Organic milk: attitudes and consumption patterns. British Food Journal, 104(7), 526–542.
Hsu, C. L., Chen, M. C., 2014. Explaining consumer attitudes and purchase intentions toward organic food: contributions from regulatory fit and consumer characteristics. Food Quality and Preference, 35. DOI: http://dx.doi.org/10.1016/j.foodqual.2014.01.005.
Huber, M., Bakker, M., Dijk, W., Prins, H., Wiegant, A. C. (2012). The challenge of evaluating health effects of organic food: Operationalisation of a dynamic concept of health. Journal of the Science of Food and Agriculture, 92.
Hughner, R. S., McDonagh, P., Prothero, A., Stanton, J. (2007). Who are organic food consumers? A compilation and review of why people purchase organic food. Journal of Consumer Behaviour, 6.

Jolly, D. A. (1991). Determinants of organic horticultural products consumption based on a sample of California consumers. Horticultural Economics and Marketing, 295.

Kahl, J., Baars, T., Bügel, S., Busscher, N., Huber, M., Kusche, D. (2012). Organic food quality: A framework for concept, definition and evaluation from the European perspective. Journal of the Science of Food and Agriculture, 92.

Kuberska, D., Grzybowska-Brzezińska, M. (2017). A retrospective approach to cluster development in the context of the marketing chain in the polish organic food market. Journal of Agribusiness and Rural Development, 3(45). DOI: 10.17306/J.JARD.2017.00371.

Laureati, M., Jabes, D., Russo, V., Pagliarini, E. (2013). Sustainability and organic production: how information influences consumer's expectation and preference for yogurt. Food Quality and Preference, 30. DOI: http://dx.doi.org/10.1016/j.foodqual.2013.04.002.

Lee, H., Yun, Z. (2015). Consumers' perceptions of organic food attributes and cognitive and affective attitudes as determinants of their purchase intentions toward organic food. Food Quality and Preference, 39.

Łuczka-Bakuła, W. (2007). Rynek żywności ekologicznej. Polskie Wydawnictwo Ekonomiczne, Warszawa.

Łuczka-Bakuła, W., Smoluk-Sikorska, K. (2010). Poziom cen ekologicznych owoców i warzyw a rozwój rynku żywności ekologicznej. Uniwersytet Przyrodniczy, Poznań.

Maciejczak, M. (2008). Marketing żywności ekologicznej w Europie i Polsce. SGGW, Warszawa.

Malinowska, I. (2011). Marketing i innowacyjne technologie ekologicznych produktów żywnościowych. SGGW, Warszawa.

Mazurek-Łopacińska, K., Sobocińska, M. (2010). Ekologizacja konsumpcji i wynikające z niej konsekwencje dla zarzadzania produktem. Zeszyty Naukowe Uniwersytetu Ekonomicznego w Poznaniu, 153.

Mellentin, J. (2013). Functional foods 2.0: A natural evolution. Nutraceuticals World, 16(9).

Moineddin, R., Beyene, J., Boyle, E. (2003). On the Location Quotient Confidence Interval. Geographical Analysis, 35.

Michalczyk, J. (2016). Rynek żywności ekologicznej w warunkach członkostwa Polski w Unii Europejskiej. Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu. Wolny handel i szybki rozwój. Współczesne priorytety w gospodarce światowej, 448. DOI: 10.15611/2016.448.14.

Oates, L., Cohen, M., Braun, L. (2012). Characteristics and consumption patterns of Australian organic consumers. Journal of the Science of Food and Agriculture, 92.

Ott, S. L. (1990). Supermarkets shoppers' pesticide concerns and willingness to purchase certified pesticide residue-free fresh produce. Agribusiness, 6.

Peattie, K. (1995). Environmental Marketing Management. Pitman Publishing, London.

Pilarczyk, B., Nestorowicz, R. (2010). Marketing ekologicznych produktów żywnościowych. Oficyna Wolters Kluwer Business, Warszawa.

Przybylak, K. (2016). Rynek żywności ekologicznej w Polsce w 2015 roku. Najnowsze dane w pigułce. Retrieved from: http://biokurier.pl/aktualnosci/3350-rynek-zywnosci-ekologicznej-w-polsce-w-2015-rokunajnowsze-dane-w-pigulce.

Schifferstein, H. N. J., Oude Ophuis, P. A. M. (1998). Health-related determinants of organic food consumption in The Netherlands. Food Quality and Preference, 9. DOI: http://dx.doi. org/10.1016/S0950-3293(97)00044-X.

Seyfang, G. (2008). Avoiding Asda? Exploring consumer motivations in local organic food networks. Local Environment, 13.

Thrall, G., Fandrich, J., Elshaw-Thrall, S. (1995). Location Quotient: Descriptive Geography for the Community Reinvestment Act. Geo Info Systems.

Truong, T., Yap, M., Ineson, E. (2012). Potential Vietnamese consumers' perceptions of organic foods. British Food Journal, 114.

Van Loo, E. J., Diem, M. N. H., Pieniak, Z., Verbeke, W. (2013). Consumer attitudes, knowledge, and consumption of organic yogurt. Journal of Dairy Science, 96. DOI: http://dx.doi.org/10. 3168/jds.2012-6262.

Vermeir, I., Verbeke, W. (2008). Sustainable food consumption among young adults in Belgium: theory of planned behaviour and the role of confidence and values. Ecological Economics, 64. DOI: http://dx.doi.org/10.1016/j. ecolecon.2007.03.007.

Williams, C. M. (2002). Nutritional quality of organic food: shades of grey or shades of green? Proceedings of the Nutrition Society, 61.

Williams, P. R., Hammitt, J. K. (2001). Perceived risks of conventional and organic produce: pesticides, pathogens, and natural toxins. Risk Analysis, 21. DOI: http://dx.doi.org/ 10.1111/0272-4332.212114.

Żakowska-Biemans, S. (2006). Rynek żywności ekologicznej w Polsce – szanse i możliwości rozwoju. Centrum Doradztwa Rolniczego, Radom.

Załęcka, A., Bügel, S., Paoletti, F., Kahl, J., Bonanno, A., Dostalova, A. (2014). The influence of organic production on food quality e Research findings, gaps and future challenges. Journal of the Science of Food and Agriculture, 94.

Zuba, M. (2011). Szanse i bariery w integracji łańcucha żywności ekologicznej w Polsce. Zeszyty Naukowe WSEI, Ekonomia, 3(1).

2.2

Dominika Kuberska

Clusters and consumers: relationships and effects

Introduction

The economy is a system of relationships materialized at both microeconomic and macroeconomic level. The strength of these relationships translates into success or failure of the entities that establish them and the locations in which they unfold. Different locations offer different conditions for development, and some are more favorable than others.

Certainly, consumers are an important piece of that puzzle. The relations that they are a part of are different in nature as they may compete, cooperate or opt for coopetition. Moreover, they enter into direct or indirect relations with many other actors. Not all supply-side market participants are aware of the benefits of establishing, developing and sustaining consumer relationships. This is especially true for entities active in the initial stages of the marketing chain. Also, some of the marketing chain participants who are directly involved in consumer support minimize their contacts with the consumers. This attitude makes them unable to establish more in-depth relations which could contribute to their competitiveness and innovativeness.

Relations are a pivotal element of every network. Networks generate externalities, either positive or negative. As networks differ in many dimensions, many types of networks exist. A cluster is a system of relations which can be considered a network which is unique in that cluster members are located close to each other. Clusters are "geographic concentrations of industries related by knowledge, skills, inputs, demand, and/or other linkages" (Delgado et al., 2014, p. 1). From a more empirical perspective, they are defined as "groups of industries with high levels of co-location in terms of employment" (Delgado et al., 2012, p. 4).

Research on clusters has gained momentum in the last two decades, primarily because of the positive effects attributed to cluster occurrence. Clusters have a multifaceted impact on the economic environment. First and foremost, clusters impact productivity. This is related to the fact that they enable a broad access to inputs. Positive effects of clusters affect many market participants at the microeconomic level, either directly or indirectly, while also having an impact on industries which are composed of these market actors. Finally, they affect economies at local, regional and national level.

The spatial agglomeration of entities means that the available inputs are industry-specific. This generates lower transaction costs and limits the opportunistic behavior of suppliers (Porter, 2001, p. 267). Innovations are another area where clusters generate positive effects. The specific environment they offer is particularly advantageous to companies. The environment, especially the transfer of knowledge, enables firms to achieve higher levels of innovativeness (Sölvell, 2009, p. 19).

Kowalski (2010, p. 7–8) distinguishes various positive effects stemming from clusters, including: the development of a local culture of innovation and entrepreneurship; attractive conditions for new company formation; greater availability of funds for innovative activities; easier transfer of knowledge and know-how; increased number of jobs and the development of the labor market for skilled workers; and accumulation of (human and financial) capital. All of these are important from the point of view of competitiveness which is beneficial for citizens, firms, and governments. Competitiveness is a concept which attracts interest because of the changes that have been affecting the global economy in recent decades. Competition between locations has gained importance due to internationalization, globalization and the accompanying changes in the political, economic, socio-cultural and demographic landscape. Economies at various development levels compete against each other in the context of open and liberalized trade.

Clusters are composed of different entities; cluster maps (diagrams of entities and their mutual relationships) are useful tools in exploring the extent of the cluster and the relationships within the network structure. The traditional approach to cluster maps fails to take consumers into account. Therefore, such maps are focused on the supply side of the market along with related and supporting industries and regulatory institutions. Given the fact that consumers, together with their needs, preferences and knowledge, are essential to building competitive advantage, the authors propose to include them in the analysis of relationships which are vital for cluster development. The argument behind this proposition is based on the assumption that a mutual causal relationship exists between consumers and clusters. On the one hand, establishing relations with consumers is necessary to develop strong and successful clusters. In turn, strong clusters lead to economic development and competitiveness. On the other hand, economic development improves the standards of living which is beneficial for consumers. Therefore, the purpose of this chapter is to promote the inclusion of consumers in the considerations around clusters and their effects.

The chapter comprises an introduction, four main parts, and concluding remarks. Part 1 (Clusters: the story behind) focuses on the development of the cluster concept, presenting the outline of selected historical theories and concepts. Part 2 (Clustering effects) is meant as a synthesis of economic effects of clusters. The aim of Part 3 (Clusters as ecosystems of relations) is to call for the inclusion of consumers in the cluster network structures. Part 4 (Clusters in agri-food markets) presents examples of markets where the consumers' role as cluster participants should not be disregarded because many favorable effects may arise from establishing relations with them. Concluding remarks are the final part of the chapter.

Clusters: the story behind

Fundamental assumptions of the cluster concept are historically embedded in Marshallian Industrial Districts. Marshall's observations on the mechanisms behind industrial agglomeration became the starting point for clusters and other related concepts. Marshall believed that "the causes which determine the economic progress of nations belong to the study of international trade and therefore lie outside of our present view. But for the present we must turn aside from these broader movements of the localization of industry, and follow the fortunes of groups of skilled workers who are gathered within the narrow boundaries of a manufacturing town or a thickly peopled industrial district" (Marshall, 1920, p. 271).

Marshall concluded that in a given industry, the geographic proximity between enterprises and related industries drives benefits for all entities active in these industries. An industrial district is therefore a group of companies specializing in particular phases of the production process, which enables companies to acquire, develop and consolidate skills and competences and achieve economies of scale (Gorynia and Jankowska, 2008, p. 30). Marshall believed that industrial districts generate positive externalities (external economies). First, they give easier access to skilled workforce. Also, these locations strengthen the development of supporting activities and enable the local division of labor between companies active in various types and at various stages of production.

The Marshall's contribution to industrial districts has become more widely discussed only quite recently. His ideas, as one may say, were resurrected by authors exploring the success stories of economic development of certain regions. Such was the case of Becattini's research on Terza Italia regions. His studies on 'distretti industriali' (Becattini, 2004, pp. 7–17) coincided in time with the economic development of some of the Italian regions. Their role in the growth of Italian exports at that time was driven by two factors: the features of the economy which comprised a large number of small- and medium-sized companies; and the relations established between these companies due to their geographic proximity. Local development was a recurring theme of Becattini's scholarly work which he related to the role played by industrial districts.

Specialization is a factor responsible for positive effects associated with industrial districts. This belief materializes both in Marshall's industrial districts and their Italian counterparts. However, another theory suggests that diversity, rather than specialization, is the driver of economic development. This belief was strongly favored by Jacobs. Through observations made while living in New York City, she believed that greater diversity in the division of labor translates into greater ability of the economy to include new types of products and services. In other words, agglomerations – rather than clusters of specific industries together with related and supporting industries – should be considered more important for the strength of the urban economy. Jacobs believed that "most important knowledge transfers come from outside the core industry. As a result, variety and diversity of geographically proximate industries rather than geographical specialization promote innovation and growth" (Glaeser et al., 1992, p. 1128).

The approaches of Marshall/Becattini and Jacobs differ when it comes to the effects of the proximity of entities. Several studies take up the task of finding out which external effects of agglomeration are more important. Following Marshall's and Jacobs' ideas, these effects are divided into two categories: specialization externalities (due to proximity within a specific industry) and diversity externalities (occurring between industries) (Beaudry and Schiffauerova, 2009, p. 318).

The purpose of some studies on the effects of agglomeration is to find the causes behind the success of certain industries in certain locations and the inputs and outputs brought by geographic proximity. Several locations are renowned globally for their industrial specialization and the effects it brings, e.g. Hollywood (filmmaking and entertainment), the Silicon Valley (IT), Milan (fashion), New South Wales (wine making), etc. Why are these locations so competitive and not others? Porter, who started to study the effects of agglomeration somewhere around the turn of the 1980s, proposes clusters as a concept explaining the reasons behind the economic success of some locations. Porter (2001, p. 248) defines clusters as "geographic concentrations of interconnected companies, specialized suppliers, service providers, enterprises in related industries and associated institutions (e.g. universities, standards agencies, trade associations) in a particular field that compete but also cooperate". There is a clear connection between Porter's clusters and Marshall's industrial districts. Both concepts are built around the concept that geographic proximity translates into various positive developments.

When analyzing academic literature as well as other works on clusters, many texts can be easily find where clusters and cluster organizations or cluster initiatives are addressed on an equal footing. This is a wrong approach. Research on clusters has emerged relatively recently; many misconceptions exist regarding the theoretical and practical aspects of the concept. Cluster organizations are organizations that include companies, research organizations and government agencies whose objective is to enhance positive results generated by clusters. Therefore, most cluster organizations are based on formal agreements between different entities, entered into to support the development of clusters. Many actions taken to support the development of clusters and cluster organizations have been undertaken by public institutions within the framework of the European Union. This manifests the importance of the ideas behind the cluster concept because clusters have been recognized as one of the key drivers of competitiveness and innovativeness.

Clustering effects

Location matters, as seemingly confirmed by the uneven geographical distribution of people. At the very beginning, the natural environment was the driving force behind the migration patterns of early societies. Then, as time went by, economic, socio-cultural, legal, and political factors rose in importance. People and businesses tend to cluster; these agglomerations have many effects, either positive or negative. For example, better access to knowledge in cities is a positive effect whereas traffic congestion is a negative one.

There are different reasons why people choose the locations they do. Whether for housing or career purposes, they take many factors into consideration. The same goes for companies trying to locate their operations in the most favorable environment. Every location has a set of characteristics. Companies make their location decisions in a systematic, optimization-oriented approach. This process also takes into account different requirements and values that characterize the potential locations. Due to continuous changes in the business environment, both location conditions and the needs of economic operators are subject to modification. This may result in the need to relocate or change the nature of business / reconvert the business in the current location (Wieloński, 2005, p. 33).

The standard of living plays an important role in location decisions. Most people find it desirable to be able to move to places that offer higher standards of living. And higher standards of living can be achieved by improving the competitiveness of the economy. Whether considered at national, regional or local level, the competitiveness of the economies depends on their ability to generate more outputs than others using the same amount of inputs. The relationship between competitiveness and standards of living is evident. Thus, in order to achieve higher standards of living, many efforts are taken to boost competitiveness. The clear relationship between competitiveness and standards of living appears in the definition of competitiveness developed for the purpose of the President's Commission on Industrial Competitiveness. In their "Global Competition – The New Reality" report (1985, p. 70), the Commission states that "competitiveness for a nation is defined as the degree to which it can, under free and fair market conditions, produce goods and services that meet the test of international markets while simultaneously maintaining and expanding the real income of its citizens". The definition can easily be adapted to regional and local-level economies. For Misala (2007, p. 24) international competitiveness means the ability of various economic operators active in a given country to achieve the greatest possible benefits from the social division of labor, so as to outperform their partners in order to increase the income for distribution in their own country and better meet the diverse needs of citizens.

Another essential work on competitiveness that shaped future research into this topic was Porter's Competitive Advantage of Nations. First published in 1990 as a result of more than four years of research into the world's ten leading economies, the narrative seeks to unveil the models of their success. Porter went with his deliberations beyond the range of popular competitiveness assumptions which focus on the factors of production costs (with particular emphasis on labor), economies of scale or international trade (exchange rates). Porter presents his take on national, regional, and local competitiveness. He underlines that the issue of competition, when analyzed from the point of view of firms, is largely focused on what is taking place within the firm itself. Moreover, in the analysis of competition between countries, and consequently in the research on competitiveness, the role of location is often omitted or reduced to an insignificant factor (Porter, 2001, pp. 245–246). But location does matter because this is the environment where economic activity takes place and where clusters emerge and develop.

Clusters influence their locations and locations influence clusters active within their borders. Many developments occur because of the existence of geographic concentrations of certain industries in certain places. The effects that clusters bring affect different actors. The geographic concentration of clusters, which translates into intensified competition and cooperation, is believed to boost business competitiveness. When operating within cluster boundaries, companies may expect, for example: increased efficiency; lower transportation costs; faster technology transfer; increased opportunities for joint innovative activities; easier access to cooperation with foreign investors; decrease in uncertainty associated with cooperation; greater operational flexibility; wider access to limited resources and skills; and economies of scale (Chrobocińska and Juchniewicz, 2010, pp. 110–111).

Martin and Sunley (2003, p. 27) underline that while clusters offer many advantages, they are also associated with certain potential dangers. The list of benefits includes, but is not limited to, higher innovation, higher growth, higher productivity, increased profitability, increased competitiveness, higher new firm formation activity, and high job growth. On the other hand, technological isomorphism, labor cost inflation, inflation of land and housing costs, widening of income disparities, over-specialization, institutional and industrial lock-in, local congestion and environmental pressure may also occur.

Part of the research on clusters and their effects is focused around the idea that clusters support innovative behavior and influence innovativeness.

As companies are located close to each other, it is easier for them to learn from one another. Through observations or interactions, they choose the solutions they want to implement among those used by their competitors. This kind of environment allows for a more rapid spread of knowledge and ideas. Also, in these circumstances companies are more likely to cooperate which means they are also more likely to share R&D costs and risks. Therefore, clusters should be seen as structures that support innovation diffusion. Ultimately, all of the above means that clusters support innovative behavior and boost innovativeness.

Clusters influence competitiveness, innovativeness and other developments beneficial for people, companies, institutions and governments. Why is it then that not all medical device clusters are as successful as the one in Boston? Also, why is it impossible for most locations to have their own Silicon Valley? Both questions can be tackled with the same answer: it is all in the location. First, the medical device cluster in Boston owes a significant part of its success to its location (proximity to Harvard, MIT, etc.). Second, other locations were unable to create conditions that would allow for the development of their own Silicon Valleys. These two particular locations are unique also because of the relationships established between clients, firms, universities, institutions for collaboration, government agencies and other organizations. And relationships are key when thinking of building competitive advantage.

Clusters as ecosystems of relations

The economy is a system of links configured between different elements. Often, system elements are themselves systems with different configurations. Some of them are somewhat simple while other are very comprehensive. As a consequence, due to high complexity, various sets of elements analyzed in economics are compared to ecosystems whose underpinning ideas – originating from other sciences – were adapted for the purposes of economics (Jackson, 2011, p. 1–2).

The concept of ecosystems in economic sciences is defined in diverse ways depending on the context. For example, "business ecosystems consist of a heterogeneous and continuously evolving set of entities that are interconnected through a complex, global network of relationships" (Basole et al., 2015, p. 1). This concept first appeared in Moore's publication (1993, p. 75) which defined it as economic communities supported by the foundations of interactions between organizations and individuals – the organisms of the business world. Over time, the concept of ecosystem in economics has evolved and shifted towards innovation theory where it is known as the "ecosystem of innovation." There is no consensus as to the definition, scope, boundaries and theoretical roots of this term (Ritala and Almpanopoulou, 2017, p. 40).

When looking at economic ecosystems as collections of entities interlinked with a variety of relations, some of them can easily be distinguished from others. Clusters are one such example. In a traditional approach, cluster structures are established by the following actors:

- firms;
- public sector entities;
- R&D units (e.g. universities, technology transfer centers, technology parks, etc.);
- institutions for collaboration;
- other.

Learning about the relationships established in clusters unveils a complex network of connections. Cluster maps are a tool used to clarify the intricacies behind these relations and in these networks (Figure 2.2.1).

Relations within clusters take three forms: competition, cooperation, and coopetition. Competition is an activity characteristic of humankind either in the natural, socio-cultural or economic dimension. On the one hand, economic activity is based on limited resources. On the other, people take their needs into consideration in every decision they make. The scarcity of resources in relation to human needs may be considered as a prerequisite for the emergence of competition (Leśniewski, 2011, p. 38). Marshall (1920, p. 5) stated that "the strict meaning of competition seems to be the racing of one person against another, with special reference to bidding for the sale or purchase of anything."

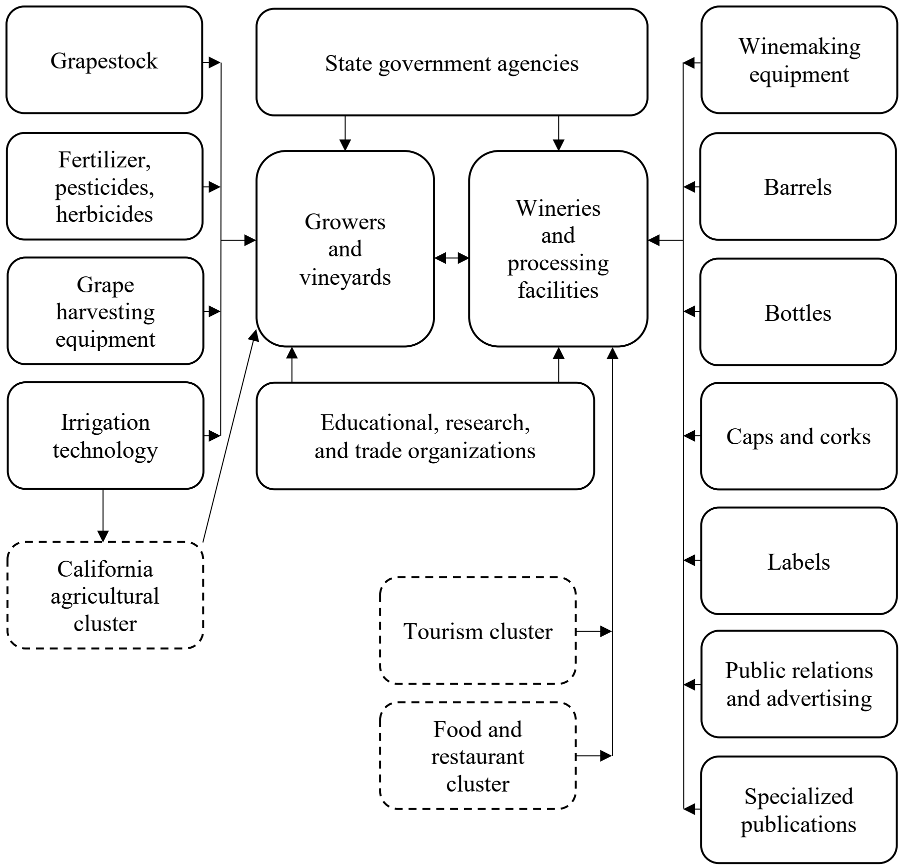

Figure 2.2.1. Cluster map of wine production in California
Source: Porter (1998, p. 79).

Nowadays, the level of competition that companies face is unparalleled to what they had to endure in the past. The economy is an aggregate of market and non-market activities taking place within its borders. When competing against each other, the operators must take the unprecedented degree of economy's openness into consideration. In the domestic market, in addition to competing with domestic operators, enterprises compete with their foreign peers who enjoy greater mobility between locations due to favorable conditions.

Certain industries are more open to foreign competition than others. While some businesses are focused on catering to local consumers' needs, others also look for market opportunities outside their home region or country. This regularity is made manifest in what is referred to as traded clusters. They should be distinguished from local clusters because of their range of impact and the location pattern of clustered entities. Both types are vital for economic development and competitiveness but it is the former that is especially desirable. This is because traded clusters serve not only local consumers but also other markets.

Cooperation and coopetition are the other two types of activities undertaken in clusters between different actors. But in a traditional research approach to clusters, consumers are not a part of connections depicted in the cluster map. It is believed that cooperation may occur between all market actors, including competitors (it is then called coopetition) but consumers are left out of the question. Nowadays, consumers assume versatile roles in the market. This is a reason to call for the incorporation of consumers into the map of relations established within cluster structures. When present in the market, consumers shape the competitive environment and should also be considered among all the established connections.

Clusters in agri-food markets

Relationships with consumers take different forms as consumers assume various roles in the market. In a traditional approach, consumers generate demand when buying what the companies offer. Through accumulation of resources, and driven by their needs, they purchase goods and services. However, their market inputs can go beyond that. This means that the consumers' presence in the market is not just about the act of consumption. Other roles played by consumers become manifest when they influence the production process. The reappearance of this trend dates back to the 1980s and 1990s and is due to the development of the digital economy. The role of consumers in the production process has evolved and can now take many forms. First, consumers sometimes become producers or, more precisely, prosumers: those who consume and manufacture a product. Also, they may influence the products/services by signaling their preferences to companies, e.g. through crowdfunding. Another example of consumer roles in the market can be revealed by incorporating them in the product/service production process. They may be particularly helpful when looking for innovative solutions (such as product and/or marketing innovations). Their insights are key to competitive advantage. It is simply because users bring insights as to what changes should be introduced to meet their needs. This approach is known as open innovation. All in all, consumers have a lot to say about their experiences. Now, more than ever, their voice can be heard. In the era of digital technologies and social media, companies must be aware of that and make sure they stand on the same side of the barricades. This can be achieved by developing and maintaining strong consumer relationships.

Establishing close ties with consumers may be particularly beneficial for agri-food companies. The resulting feedback enables a better understanding of consumer needs and boosting competitiveness. This is especially important for agri-food companies in the European Union – who compete against various types of actors – when considering (1) the location of the competitor and (2) the location of the market where their products are sold. For instance, a Polish company selling its products in Poland competes against other Polish companies, but also against foreign competitors. When internationalizing their sales, the company must realize that fierce competition is likely to be faced outside their domestic market.

The existence of clusters suggests that competition may be more severe in the region concerned. The location quotient is a measure used to pinpoint those locations. According to the results obtained by the European Cluster Observatory, operators active in the EU-28 agri-food sector are clustered (Table 2.2.1). The methodology used distinguishes between four types of agri-food clusters: agricultural products, farming and animal husbandry, processed food, and tobacco. The level of specialization differs across the EU-28 economies. When analyzed at national level, processed food clusters reach the threshold of 1.00 more often than other types of agri-food clusters.

Table 2.2.1. Location quotient of agri-food clusters in the EU-28 in 2011

Country	Cluster			
	agricultural products	farming and animal husbandry	processed food	tobacco
Austria	0.62	0.08	1.42	0.22
Belgium	0.62	0.53	1.01	0.74
Bulgaria	1.49	3.13	1.61	2.97
Cyprus	0.62	2.55	0.98	0.52
Czech Republic	1.00	1.35	1.18	0.81
Denmark	0.79	1.78	0.84	---
Estonia	1.09	2.26	1.32	0.06
Finland	0.57	3.57	0.85	1.22
France	0.82	0.70	1.04	0.18
Germany	1.05	0.57	0.98	0.45
Greece	3.28	5.71	1.08	8.59
Hungary	1.08	3.46	1.43	0.45
Ireland	0.53	0.11	1.67	0.61
Italy	0.63	0.00	1.05	0.09
Latvia	0.54	1.25	1.01	0.02
Lithuania	0.59	0.00	2.20	---
Luxembourg	0.95	0.01	1.39	1.52
Malta	2.19	---	2.90	0.97
Netherlands	1.98	2.17	0.77	2.90
Poland	0.68	0.45	1.88	1.26
Portugal	0.91	0.04	1.07	0.02
Romania	0.88	0.01	1.91	0.60
Slovakia	0.60	0.02	1.35	0.73
Slovenia	0.37	0.42	0.93	---
Spain	2.09	2.52	0.70	2.95
Sweden	0.55	0.97	0.81	0.00
United Kingdom	0.21	0.10	0.62	0.03

--- – data not available.
Source: European Cluster Observatory database. Retrieved from http://www.clusterobservatory.eu (October 12, 2018).

Table 2.2.2. Location quotient of agri-food clusters in Polish NUTS 2 regions in 2010

Region	Cluster		
	agricultural products	farming and animal husbandry	processed food
Dolnośląskie	0.58	1.24	0.50
Kujawsko-Pomorskie	1.70	2.60	1.34
Lubelskie	1.26	0.75	1.30
Lubskie	0.55	2.45	0.99
Łódzkie	1.12	0.68	1.16
Małopolskie	0.41	0.53	1.00
Mazowieckie	0.55	0.19	0.89
Opolskie	2.17	2.52	0.92
Podkarpackie	0.88	0.38	0.97
Podlaskie	0.96	0.45	1.61
Pomorskie	0.79	0.83	0.72
Śląskie	0.79	0.26	0.71
Świętokrzyskie	1.04	0.34	0.96
Warmińsko-Mazurskie	0.71	1.13	1.82
Wielkopolskie	2.49	2.82	1.30
Zachodniopomorskie	1.04	2.52	0.83

Source: Figiel et al. (2012, pp. 26–27).

Because of the characteristics of agri-food clusters, establishing close relationships with consumers seems to be easier and more feasible to entities of the processed food cluster. This is because they are closer to consumers (when considering the structure of the marketing chain). Consumers are the final link and therefore are more accessible to food producers than to their suppliers.

Cluster analysis at national level should be broadened by analyzing the geographic concentration patterns across regions. Each country comprises regions that differ industry-wise. For example, the differences in regional specialization between Polish agri-food clusters were studied by Figiel, Kuberska and Kufel (2012, pp. 22–38) (Table 2.2.2).

In regions with a location quotient of 1.00 or more, the share of employment in a given cluster category in overall regional employment is higher than the countrywide ratio of employment in that cluster category to overall employment. However, the three agri-food cluster categories in Table 2.2.2 are defined quite broadly. This means they extend over different types of activities (e.g. different types of food producers in the case of processed food clusters). A case-by-case analysis requires conducting further research based on industry data.

As there are different types of food producers, business particularities vary across markets. Given that, food producers differ in their need to establish relations with consumers. It should be more beneficial in the case of those who either face greater competition or struggle with convincing consumers to buy the products they offer.

In Poland, both conditions are met in the organic food market. Although it has been developing quite spectacularly, many obstacles continue to prevent it from developing commensurately with its potential. Organic food production in Poland is regionally clustered. According to Kuberska and Grzybowska-Brzezińska (2017, p. 597), in 2015, seven out of 16 NUTS 2 regions in Poland (Lubelskie, Mazowieckie, Podkarpackie, Podlaskie, Pomorskie, Świętokrzyskie, and Zachodniopomorskie) reported a location quotient for organic food processing of 1.00 or higher. At the same time, the market is far from reaching organic food consumption levels close to those observed in other highly developed economies. This is caused by many factors, primarily including the relatively high level of organic food prices.

What are the possible solutions to overcome this obstacle? Organic food prices are the outcome of factors embedded in the supply side and demand side of the market. Therefore, further development of the organic food market in Poland potentially depends on a multitude of actions that could lead to changes in the intensity of (1) competition and (2) cooperation between marketing chain actors. If organic food producers want to strengthen their competitive position and boost their sales figures, they need to take measures to generate positive effects and lead to a drop in prices. Cooperation with other actors is one of the ways to achieve that. This could mean considering cooperation with consumers (for those companies who have not yet extended their consumer relationships beyond the act of selling) or expanding the existing relationships (for those companies who have made efforts to engage consumers in their production activities).

Concluding remarks

Markets are built upon networks of relations that affect the results achieved by market participants. The two main types of relations (competition and cooperation) are formed with a varying intensity and follow different goals. In some cases, two or more market operators compete and cooperate at the same time or, in other words, engage in coopetition. Clusters and cluster development rely on the intensity and strength of all of the above types of relations. Clusters are geographic concentrations of companies active in a specific industry and other operators. Because of geographic proximity between cluster members, certain effects take place. These developments can be highly desirable not only for the companies and consumers but also for the government. In order to make it happen, strong relations between market operators must be established.

Until now, the role of consumers in clusters has notably been omitted or reduced in cluster studies. Such approach contradicts the fundamental assumption that consumers are the key element of every market. Without them, markets would not exist; and without adequate demand, the producers could not earn profits, their main goal. Moreover, the classic relationship between producers and consumers, i.e. the scenario where they assume their roles as producers and buyers, respectively, sometimes evolves and goes beyond that. In these cases, consumers assume other roles that go beyond simply buying the desirable products or services. They may, in a more or less active manner, participate in the production process. This is how the producers get feedback from consumers which allows them to come up with a more suitable offer. This approach is desirable especially in these markets where companies face severe competition and want to boost their competitiveness; or in markets affected by structural issues that prevent companies from reaching their full potential. The second issue is particularly true in the Polish organic food market where high price levels pose a barrier to further development.

Establishing closer ties with consumers may be beneficial for a number of reasons. First and foremost, it allows for consumer insights to be surfaced. This is how the companies can discover consumer needs and preferences. This knowledge can be then transformed into customized offers that meet consumer needs. That should eventually translate into higher profits and competitiveness. Also, companies may find it desirable to engage consumers in innovation processes and become more innovative than their competitors. That also eventually should lead to the same outcome. In the case of the Polish organic market, investing time and effort to broaden relations with consumers should lead to diminishing its key developmental issues. The results of these efforts may include a more efficient marketing chain.

References

Basole, R. C., Russell, M. G., Huhtamaki, J., Rubens, N., Still, K., Park, H. (2015). Understanding business ecosystems dynamics: a data-driven approach. ACM Transactions on Management Information Systems (TMIS), 6(2).

Beaudry, C., Schiffauerova, A. (2009). Who's right, Marshall or Jacobs? The localization versus urbanization debate. Research Policy, 38(2).

Becattini, G. (2004). Industrial districts: a new approach to industrial change. Cheltenham: Edward Elgar Publishing.

Chrobocińska, K., Juchniewicz, M. (2010). Konkurencyjność sektora MSP na Warmii i Mazurach. Olsztyn: Wydawnictwo Fundacja Wspieranie i Promocja Przedsiębiorczości na Warmii i Mazurach.

Delgado, M., Porter, M. E., Stern, S. (2012). Clusters, convergence, and economic performance. Retrieved from https://www.nber.org/papers/w18250.pdf (January 10, 2019).

Delgado, M., Porter, M. E., Stern, S. (2014). Defining clusters of related industries. Retrieved from https://www.nber.org/papers/w20375.pdf (January 10, 2019).

European Cluster Observatory database. Retrieved from http://www.clusterobservatory.eu (December 10, 2018).

Figiel, S., Kuberska, D., Kufel, J. (2012). Klastry i inicjatywy klastrowe w polskim sektorze rolno-żywnościowym. Warsaw: Instytut Ekonomiki Rolnictwa i Gospodarki Żywnościowej – Państwowy Instytut Badawczy w Warszawie.

Glaeser, E., Kallal, H., Scheinkman, J., Shleifer, A. (1992). Growth in Cities. Journal of Political Economy, 100(6).

Gorynia, M., Jankowska, B. (2008). Klastry a międzynarodowa konkurencyjność i internacjonalizacja przedsiębiorstwa. Warsaw: Difin.

Jackson, D. J. (2011). What is an innovation ecosystem? Arlington: National Science Foundation.

Kowalski, A. M. (2010). Kooperacja w ramach klastrów jako czynnik zwiększania innowacyjności i konkurencyjności regionów. Gospodarka Narodowa, 225–226(5–6).

Kuberska, D., Grzybowska-Brzezińska, M. (2017). A retrospective approach to cluster development in the context of the marketing chain in the Polish organic food market. Journal of Agribusiness and Rural Development, 45(3).

Leśniewski, M. A. (2011). Konkurencyjność przedsiębiorstw. Wybrane problemy. Toruń: Wydawnictwo TNOiK Dom Organizatora.

Marshall, A. (1920). Principles of economics. London: Macmillan.

Martin, R., Sunley, P. (2003). Deconstructing clusters: chaotic concept or policy panacea? Journal of Economic Geography, 3(1).

Misala, J. (2007). Międzynarodowa zdolność konkurencyjna i międzynarodowa konkurencyjność gospodarki narodowej. Podstawy teoretyczne. Radom: Wydawnictwo Politechniki Radomskiej.

Moore, J. F. (1993). Predators and prey: a new ecology of competition. Harvard Business Review, May–June, 71(3).

Porter, M. E. (1998). Clusters and the new economics of competition. Harvard Business Review, Nov–Dec, 76(6).

Porter, M. E. (2001). Porter o konkurencji. Warsaw: PWE.

President's Commission on Industrial Competitiveness (1985). Global Competition – The New Reality. In: President's Commission on Industrial Competitiveness. Report of the President's Commission on Industrial Competitiveness. Washington: U.S. Government Printing Office.

Ritala, P., Almpanopoulou, A. (2017). In defense of 'eco' in innovation ecosystem. Technovation, 60–61.

Sölvell, Ö. (2009). Clusters. Balancing evolutionary and constructive forces. Stockholm: Ivory Tower Publishers.

Wieloński, A. (2005). Geografia przemysłu. Warsaw: Wydawnictwo Uniwersytetu Warszawskiego.

2.3

Eszter Tóth

Introducing the Fair trade movement in Poland: a case study

Introduction: fair trade as a consumer engagement tool

The popularity of the fair trade movement in Poland continues to grow. There are reasonable grounds to believe that consumer expectations and decision-making behavior are changing. Today, more and more conscious citizens choose food and other items having ethical features (environmentally friendly, cruelty-free, organic, local, handmade by disabled people, etc.) and serving socially oriented goals. Since this progress is clearly noticeable in developed markets in the 21st century globally, the trend will slowly trickle down to Central and Eastern European markets, including Poland. At the end of the day, local and international companies have no other option than to follow consumer demands and meet their needs. In doing so, conventional stores and retail chains increasingly offer fair trade certified goods in their shops. By updating their product supply, they not only might earn more profit but can promote their developed Corporate Social Responsibility, too. As a result, companies embed fair and/or other ethical principles into their marketing strategies to better fit increased customer awareness (Kulig-Moskwa and Nogiec, 2017). Fair trade is promoted as a product which either demonstrates higher quality or "is linked to caring for oneself, one's family and the society by raising awareness of the global interconnectedness" (Polynczuk-Alenius, 2018, p. 206). This movement is worth taking a look at as a tool for creating relations with new consumer demands.

The fair trade movement

Fair trade is a special collaboration between market actors taking into consideration that a business should be equally beneficial to all players in the supply chain. In this alternative model of trade, producers from developing countries are considered to be the key stakeholders in a market preparing for a sustainable and meaningful cooperation. According to the informal association of the four main fair trade networks[1] (FINE) "fair trade is a trading partnership, based on dialogue, transparency and respect that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South. Fair Trade Organizations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade" (World Fair Trade Organization [WFTO], 2013).

Fair trade principles

The history of the movement can be traced back to the 1940s when several religious organizations started to support poor communities from the Global South by selling their handcrafted items among church members. These bottom-up movements of alternative trade planted the idea that purchasing can and should be fair. Later, non-governmental organizations (NGOs) were established in order to offer support and guidance to producers from developing countries; and on the other hand, to raise awareness in developed

[1] https://en.wikipedia.org/wiki/FINE.

countries where the goods of these producer communities were sold. Today, 1.6 million farmers from 75 countries in ca. 1600 producer organizations from the southern hemisphere are involved in this approach, while more and more conscious consumers search for items with the fair trade logo in their daily shopping (Fairtrade International [FLO], 2017).

Fair trade membership is based on a meticulously designed certification scheme. Different marks and logos help consumers find products on the shelves which have fair trade ingredients or are made in compliance with fair trade practices. There are two different organizations which grant the fair trade logo. The Fair Trade International (FLO) uses product certifications while the World Fair Trade Organization relies on an "integrated supply-chain route." In the first case, the fair trade mark guarantees the fair production and/or distribution conditions of a specific product, whereas in the integrated view all actors across the supply chain (from producers to exporters/importers, wholesalers, retailers, etc.) should comply with fair principles.

The main aspects of the movement are agreed upon by all key actors of its institutional system, and can be summarized as follows (based on the Charter of Fair Trade Principles) (WFTO, 2019):

Principle 1: Creating Opportunities for Economically Disadvantaged Producers – poverty reduction by making producers economically independent. It means that the movement is committed to creating market access for producers from less prosperous countries. By meeting the fair trade rules, producers and farmers get better paid compared to usual international trade arrangements.

Principle 2: Transparency and Accountability – involving producers in important decision making. International fair trade institutions involve producers in making new regulations and standards, and in deciding upon future goals. Through this mindset, the management and leadership activities turn to be transparent to all members within the movement.

Principle 3: Fair Trading Practices – trading fairly with concern for the social, economic and environmental well-being of producers. The producers are at the heart of this movement. All rules are set to make their living standards better. A comprehensive approach to sustainability requires looking at all three aspects of the case in order to improve their chances. A good partnership between the producer and the salesman is the starting point of fair trade. This philosophy intends to minimize the number of transactions in the supply chain in order for the producers to get more income at the end of the route. Producer organizations also have the opportunity to ask their traders to make an advance payment (up to 40–60% of the contracted value) to guarantee the continuity of their production activities.

Principle 4: Payment of a fair price – paying producers a fixed price by mutual agreement, ensuring socially acceptable wages depending on the location. The ex-ante fixed minimum prices are the biggest advantage for the producers participating in fair trade. The price is calculated so as to cover all production costs of the farmer and, in this way, to guarantee long-term operability. Also, what is referred to as a premium amount is set on top of the price, and is collected by the producer community (and not by the producer himself/herself).

Principle 5: Ensuring no child labor and forced labor – adhering to the United Nations (UN) Convention on children's rights. Fair trade producers are not allowed to employ children for their production. In poor developing countries, children often work together with their relatives to earn more money for housekeeping. The higher market prices and premiums are meant to compensate for this loss in the family budget.

Principle 6: Commitment to non discrimination, gender equity and women's economic empowerment and freedom of association – respecting the trade union rights and rejecting discrimination based on gender, religion or ethnicity. Fair trade avoids all types of discrimination and supports women in taking part in business activities. Women empowerment and entrepreneurship is a crucial aspect of fighting poverty in poor countries; it can support the development of local communities and raise the living standards for the families.

Principle 7: Ensuring good working conditions – Providing a safe and healthy working environment for producers and workers in line with the International Labor Organization (ILO) conventions. A safe and healthy working environment is a must for fair business activities. Producers have to meet strict environmental guidelines, must not use certain pesticides during the production process, and pay fair wages for their employees, too.

Principle 8: Providing capacity building – seeking to develop the skills of producers and workers so they can continue to grow and prosper. The fair trade premium is a perfect tool for capacity building. It can be used upon common agreement between the farmers for development projects benefiting the whole community, such as organizing training for the members, purchasing educational supplies for local children, building a community center or developing water pipelines in the settlement, etc.

Principle 9: Promoting fair trade – raising awareness for the need of greater justice in world trade by trading fairly with poor communities. International fair trade organizations support awareness-raising activities all over the world through various communication channels in order to commit more consumers to fair trade goals. The campaigns are focusing on conscious buyers as the main target group, however educational institutions, public bodies and everyday people are also invited.

Principle 10: Respect for the environment – caring for the environment by maximizing use of sustainable energy and raw materials while minimizing waste and pollution. Fair trade supports smart practices during agricultural field works in order to reduce waste and environmental effects as much as possible. The technique of substituting chemicals with shade-grown plants is a good example of how to reduce the environmental footprint of fair trade farms.

Polish fair trade trends

The history of fair trade in Poland started some 10–15 years ago when the idea was taken up by the Gdansk-based Polish Fair Trade Association "The Third World and Us"[2] (*Stowarzyszenie Sprawiedliwego Handlu 'Trzeci Swiat i My'*). The enthusiastic NGO first focused on awareness-raising activities, and therefore collected relevant professional materials as needed to develop informative handouts and educational documents. They organized several workshops at schools and universities to "train the trainers" first. Later on, the Polish Green Network[3] joined them to lay down the basics of conscious consumerism with their "Good Shopping" consumer guides (Krier, 2005).

The closeness of Western European countries and trends successfully supported these innovative efforts in Poland. Soon, fair trade products were imported from Germany and sold through wholesalers and retailer companies. New market actors of the recently open post-socialist countries brought their 'western' business mindset with them, and retailer chains such as the British Mark and Spencer offered a wide range of fair trade products next to their fashion items (Boenning, 2009). The first-comers were accompanied by Sprawiedliwy Handel[4] (Fair Trade) and Grupa EFTE Warszawa[5]. Together, they promoted ethical shopping in general and fair trade more specifically, and set up a strategy on how to adapt alternative trade practices. Conferences, festivals and other public events offered opportunities for citizens to get to know these ideas better (Krier, 2007).

Nowadays, there is a small but eager community who fights for fair trade in Poland. The Polish Fair Trade Association (earlier known as "The Third World and Us") has held several successful events with assistance from Transfair, a German NGO. Their mission was effective as more cyber cafés and catering service providers joined the movement and started to sell fair

[2] http://www.sprawiedliwyhandel.pl/pl/

[3] https://www.ekonsument.pl

[4] http://www.sprawiedliwy-handel.pl/

[5] Unfortunately, they are no longer active.

trade certified products at their facilities. One of the best examples for their success is the Polish national gas station network, ORLEN, which sells fair trade certified coffee at their canteens[6]. Back in 2008, the nine most active businesses in this field established an informal group called the Polish Coalition for Fair Trade[7]. In 2013, it was incorporated in the Foundation of the "Fair Trade Coalition" – Fairtrade Polska, (*Fundacja "Koalicja Sprawiedliwego Handlu" – Fairtrade Polska*).

In April 2015, the Foundation became an official representative of Fairtrade International in Poland under the auspices of Fairtrade Deutschland. Fairtrade Polska plays an active role in many other organizations responsible for conscious shopping and corporate social responsibility, and in various campaigns for sustainable food production, ethical fashion, etc. The overarching goal of Fairtrade Polska is to spread and facilitate the adoption of fairness principles in trade across Poland, and to promote sustainable development in order to benefit producers all over the world to guarantee their livelihoods and fulfill their potential. To carry out this mission, they engage into awareness raising, educational and communication activities introducing fair trade to consumers as a meaningful example to follow. Also, they assist local small and medium enterprises with advocacy to engage in selling Fair Trade products (Fairtrade Polska [FP], 2019).

At their website, Fairtrade Polska defined their own goals as:

- Develop and promote Fair Trade
- Raise awareness and create a positive image of Fair Trade
- Develop a representation of the Fair Trade movement in Poland
- Support entities interested in working for Fair Trade
- Support initiatives aimed at ensuring accessibility of Fair Trade products in Poland
- Support research on Fair Trade operations and its impact on the producers.

---

[6] https://www.orlen.pl/EN/CSR/SocialEnvironment/Pages/FairTrade.aspx

[7] https://www.fairtrade.org.pl

Recently, the Polish Institute for Market, Consumption and Business Cycles Research (IBRKK) has conducted a survey on the citizens' awareness of fair trade issues and found that almost 70% of the respondents liked the "idea of ensuring fair pay for work and bringing producers closer to consumers" (Żwawa, 2017). However fair trade itself has not attracted much attention among consumers, with just one third of them being interested in the topic (which is truly contrary to the results). Finally, the report concluded that price continued to be the most important aspect of the decision-making process for Poles (IBRKK, 2013).

Despite these institutional successes, the movement is still at an initial stage. It means that most people are not familiar with the philosophy of fair trade; an everyday consumer is price-focused rather than social-driven when making his/her shopping decisions (Kulig-Moskwa and Nogiec, 2017), and even professional organizations lack resources to fund their own operations, not to mention country-wide campaigns which, in the long run, could result in a breakthrough in this topic. Products are mostly available in large retail stores and supermarkets, or in organic food shops and cafés. However, this is not a special Polish case; the general awareness of fair trade is pretty similar all over Central and Eastern Europe (Trade for Development Centre [TFDC], 2013). The survey of Kulig-Moskwa and Nogiec (2017) reveals that women consumers tend to be more socially sensitive towards the topic and indicated the limited access to fair trade products and the poorer variety of goods–rather than higher prices compared to traditional items–to be an inhibitor of market success. As an interesting result, they found that the presence of a child in a household also correlates with the perception of fair trade.

Concluding remarks

Fair trade still represents a niche market within the Polish economy, although there are significant grounds to believe that the market is changing (Kronenberg and Bergier, 2012). The 2nd Saturday of May as the World Fair Trade Day initiated by the WFTO offers a good opportunity for further education and campaigns for a fairer trade globally. Every year, festivals, fairs, exhibitions and other public events are organized to focus the citizens' attention on ethical issues, while fair trade professionals gather at symposiums and conferences to discuss the latest achievements of the movement. Even in Poland, one municipality, two towns (Poznań and Jelenia Góra), and ten schools are already operating in compliance with fair trade principles which is a true reflection of success. And the rest is yet to come!

References

Boenning, K. (2009). The Introduction of Fair Trade in Poland: Opportunities and Challenges. BANWA: A Multidisciplinary Journal, University of the Philippines Mindanao, 6, 2.

FLO (2017). Working Together for Fair and Sustainable Trade, Annual Report 2017–2018, Retrieved from https://www.fairtrade.net/fileadmin/user_upload/content/2009/about_us/annual_reports/2017-18_FI_AnnualReport.pdf.

FP (2019). About us. Retrieved from https://www.fairtrade.org.pl/about-us/.

IBRKK (2013). Rynek produktów Sprawiedliwego Handlu w Polsce. Retrieved from http://old.ibrkk.pl/id/154/.

Krier, J.-M. (2005). Fair Trade in Europe 2005, Fair Trade Advocacy Office, Brussels, 2005. Retrieved from http://www.fairtrade.net/uploads/media/FairTradeinEurope2005.pdf (no more available here).

Krier, J.-M. (2007). Fair Trade 2007: New facts and figures from an ongoing success story. Retrieved from https://www.fairtrade.org.pl/wp-content/uploads/2016/08/publ_17_fairtrade2007newfactsfigures.pdf.

Kronenberg, J., Bergier, T. (2012). Sustainable development in a transition economy: business case studies from Poland. Journal of Cleaner Production, 26. DOI: 10.1016/j.jclepro.2011.12.010.

Kulig-Moskwa, K., Nogiec, J. (2017). The Fair Tradde products: A Marketing Innovation or a Manifestation of Considered Consumption. Journal of Agribusiness and Rural Development. DOI: 10.17306/J.JARD.2017.00344.

Polynczuk-Alenius, K. (2018). The Dialectics of Care: Communicating Ethical Trade in Poland. Media and Communication, 6, 2. DOI: 10.17645/mac.v6i2.1283.

TFDC (2013). Fair Trade in Eastern Europe. Retrieved from http://www.befair.be/drupal_files/public/all-files/brochure/oost-europa%20-%20English%20version.pdf.

WFTO (2013). About Fair Trade. Retrieved from https://wfto-europe.org/about-our-sponsor/.

WFTO (2019). International Fair Trade Charter. Retrieved from https://wfto.com/fair-trade/10-principles-fair-trade.

Zwawa, A (2017). Fair Trade solidarity trade in Poland (word document). Online communication with Andrzej Żwawa, Fairtrade Polska, 15.09.2017.

2.4

Virag Agnes Kiss, Marietta Kiss, Peter Popovics, Zoltan Szakaly

Examination of Lifestyle of Health and Sustainability market groups with particular focus on Hungary

Introduction

The development of an environment in which present and future generations can live and grow up healthy and be aware of environmental effects of their behavior is a priority task for every society (Kiss et al., 2016).

The challenge of sustainable development and active behavior is that they are identified as global problems, and therefore are not an individual concern. Several studies have shown that consumers perceive them as the responsibility of governmental bodies and companies rather than their own responsibility (Natural Marketing Institute (2015)).

As shown by the NMI (Natural Marketing Institute) model, individual mindsets and behavior are linked to global goals (Figure 2.4.1). This kind of sensitization should be the aim of consumer communication, because consumers take into consideration global problems making their individual decisions.

This paper is a compilation of research results, models and theories focused on a group of people who try to make their consumer decisions more

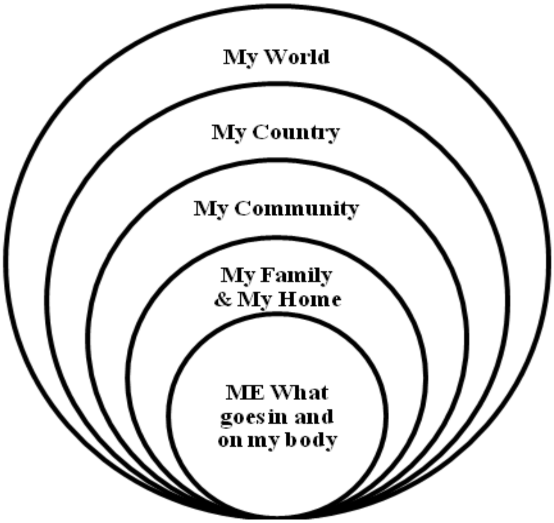

Figure 2.4.1. NMI's Thought Leadership Fuels Insight Across the Full Spectrum of Sustainability
Source: Natural Marketing Institute (2015).

consciously by caring for global problems while taking into account their personal development and interests. In the past few years, several groups have been identified who are committed to a certain aspect of sustainable development, such as environmentally conscious, ethical or ethnocentric consumers. Later in this paper, the LOHAS (Lifestyle of Health and Sustainability) market segment and the related attitudes will be presented based on international, Hungarian and the authors' own studies.

Importance of research on conscious consumer behavior

As shown by research carried out by Hungarian scientists in the recent years (Beck, 2006; Vetőné, 2012b; Rácz, 2013; Brávácz, 2015; Szakály et al., 2015a, b), conscious attitudes have developed both locally and internationally. They are not limited to environmental protection, supporting local products or health consciousness; a fusion or parallelism of several spheres in consumer attitudes can be observed.

Today, commitment to sustainability and healthy lifestyles becomes more and more widespread. Increased interest in sustainable consumption has brought with it the need to define sustainable lifestyle (Choi and Feinberg, 2017).

Becoming a conscious consumer is a long and multifaceted process in which the understanding of goods, services and markets plays an important role. This is how the individual becomes able to behave in an adequate manner and to pursue his/her and the community's interests while taking into account the values of sustainable development (Ádám, 2002). The literature typically distinguishes between two types of conscious consumption: individual conscious consumption and socially responsible consumption (Dudás, 2011).

Van Trijp (2007) believes that consciousness can be developed through the following steps: the first step is information, followed by interest, attention, perception, and understanding. The consequence is the use, i.e. a real act which makes the individual a true conscious consumer who trusts in the effects of his/her preferred values and in the companies committed to these principles (Van Trijp, 2007 in Szakály, 2011).

LOHAS segments

"LOHAS" is an umbrella acronym that stands for Lifestyle of Health and Sustainability. It refers to a wide range of industries, corporate activities and products/services that are designed to be environmentally conscious, sustainable, socially responsible, and/or healthier for both people and the planet (French and Rogers, 2015, p. 1). The Natural Marketing Institute made this segment known worldwide for the first time, and conducted several research studies to gain an in-depth insight into it. However, Baker had already identified this segment in 1999, but research in the topic begun only in the late 2000s. In the LOHAS group, personal values about "self" and about the social and nature have already been highlighted in the early years. In addition, the willingness to pay for products providing these values was also emphasized (Emerich, 2011).

In their early research, NMI identified the LOHAS, NOMADICS, CENTRISTS and INDIFFERENT groups. In the late 2000s, the groups were observed to change their attitudes, and therefore were renamed as follows: LOHAS, NATURALISTS, DRIFTERS, CONVENTIONALS and UNCONCERNED (French and Rogers, 2015).

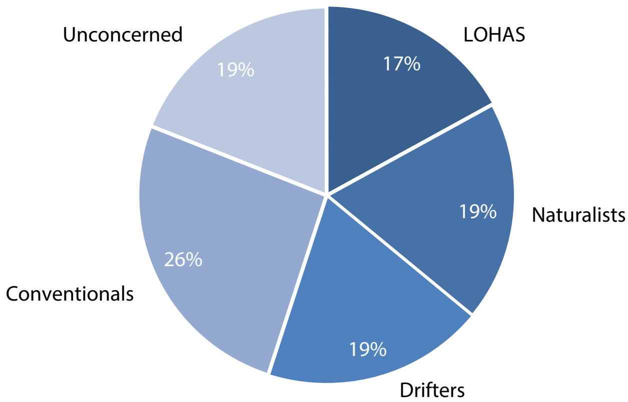

Figure 2.4.2. NMI's 2007 US LOHAS consumer segmentation model
Source: Natural Marketing Institute (2008).

The proportions between the five groups were almost identical. The following attitudes were identified in the groups: the LOHAS group actively protects the environment and takes environmental aspects into account in their decision-making. The group also considers the factors that are most beneficial to their own and the planet's health. They are lifestyle-oriented, i.e. individual values are not played down. This is the largest/strongest consumer group in the market of green and socially responsible products. Naturalists are similar to the LOHAS group, and therefore also play an important role in the market for LOHAS products. For them, their own health is the most important value. Members of the Drifters segment are well intentioned and attentive to consciousness issues. However, they are not consistent in their conscious attitude. They consider environmental awareness to be trendy and important, but their price sensitivity makes them less willing to make conscious purchases. The Conventionals are rather practical; they are interested in the LOHAS lifestyle and products but their incomes and financial concerns have a strong impact on their behavior. The Unconcerned group is not really interested in either social or environmental values or the related activities (Natural Marketing Institute, 2008). Various LOHAS research activities have begun worldwide along these typologies and principal components, resulting in serious networking and product developments. LOHAS and the related research gained the greatest popularity in the Asian region.

Harding (2010) divided the LOHAS market into five parts by individual characteristics (Figure 2.4.3). The importance of social justice was also addressed in the model. According to the researcher, the commitment to these values is the best way to develop and market profitable products and services for the LOHAS segment.

International research includes more than just general studies on consumer attitudes in the LOHAS segment. For example, needs and expectations

Figure 2.4.3. LOHAS market
Source: Harding (2010).

of this group are examined in the tourism sector, especially in the context of the conscious or eco-tourism (Gelter, 2010; Ivanovic, 2015; Urh, 2015), and in the furniture manufacturing sector as well (Wan et al., 2015; 2016).

Hungarian LOHAS segmentations

The buying decisions of LOHAS consumers are guided by sophisticated values, such as life quality, authenticity, and naturalness. Therefore, they prefer e.g. organic or local and regional products and opt for the slow food movement (Törőcsik and Dudás, 2007). In 2007, Törőcsik identified them as a group of followers characterized by a commitment to a healthy and environmentally aware lifestyle. Schulz (2008) identifies the members of the LOHAS group as having a hybrid lifestyle because in his research, values not related to each other in previous studies are present in pairs. Examples include "self-centered yet community-oriented" and "rational yet spiritual thinking" or (at the behavioral level) combining health with pleasure or modern with authentic values (Schulz, 2008 cited by Lehota et al., 2014). Moreover, they accept the rationality of mass production while being aware of its environmental and health impacts (Törőcsik, 2007). Compared to other sustainability movements, the LOHAS group is criticized (Kiss, 2015) for their failure to solve the problem of overconsumption; moreover, this group is rather characterized by a hedonistic lifestyle (Törőcsik, 2007; Rácz, 2013).

It is clear from both domestic and international research that LOHAS members show similar socio-demographic characteristics, i.e. they are usually women, living in a family and enjoying a good financial standing (Rácz, 2013; Szakály et al., 2015; Törőcsik, 2007). In her research, Rácz (2013) identified groups based on five factors consistent with the characteristics referred to above. These factors (values) include environmental awareness, health consciousness, ethics and authenticity. Additionally, ego or personality as well as individualism were also identified as values. For these communities, caring for one's health and implementing sustainability are compatible efforts that can be made in parallel because preserving the quality of the environment is necessary to stay healthy (Kiss, 2015).

Rácz (2013) was the first to present the results of a primary large-sample research on LOHAS. In this research, five value groups were identified based on factor analysis:

- The first one is the group of individualistic values related to personal development.
- The second one is health consciousness and environmental awareness.
- The third one includes authentic values, such as supporting one's own community or domestic economy.
- The fourth one are ethical values in an altruistic sense, such as volunteering and donation.
- The fifth one includes ethical values in business behavior, such as ensuring appropriate working conditions or philanthropy.

The Hungarian consumers could identify the least with the fourth value dimension. One possible explanation is the fact that volunteering is not yet well established in the Hungarian society compared to western countries. Nevertheless, strong interest was shown in other value groups. Along these dimensions, five groups were separated based on cluster analysis.

1. Elderly conscious consumers;
2. Followers;
3. Health conscious and environmentally aware consumers committed to national values;
4. Indifferent consumers;
5. Disappointed pessimists.

Among these groups, the Followers adjust to the hybrid lifestyle of LOHAS consumers to the greatest extent. They are individualistic and authentic at the same time, pay much attention to their health and environment, and make up 21% of the Hungarian population. Nevertheless, further research revealed that only a subgroup of about 8% truly identifies with all of the sustainability values.

In the second Hungarian research, Brávácz (2013) looked for LOHAS consumers in the food market using health consciousness and environmental awareness as a criterion (N=1053). As a result, five groups were identified by degree of consciousness, namely:

1. Conscious Majority;

2. Committed Conscious;
3. Thrifty Housewives;
4. Youthfully Eclectic;
5. Passive Consumers.

Although consciousness-related values are present in these groups in several cases, the consumers tend to identify with the values of health consciousness. The Committed Conscious group keeps in mind the environmental aspects, too. They made up 18.4% of the research population. Regarding their demographic characteristics, they are typically women living in larger cities; they are employees or entrepreneurs, and therefore their income level is outstanding. They pay the greatest attention to consciousness-related values, including health-conscious lifestyle, environmental protection, and moral or authentic values. According to the international and Hungarian literature, they are the closest to the LOHAS consumer segment (Brávácz, 2013).

The third Hungarian study based on research by Natural Marketing Institute (2008) and Rácz (2013), Szakály et al. (2017) identified six groups using the principal component and cluster analyses on a large sample (N=1000). In these groups, health and environmentally conscious dimensions previously identified by Rácz (2013) were separated from each other. The value dimension characterizing the Hungarian population to the largest extent was the group of individual values and to the smallest extent the ethical values. The segmentation resulted in identifying five groups: Young Followers, Ethical Traditionalists, Young Environmentally Conscious People, Uninvolved Elderly People, and Disappointed Pessimists.

As shown in Figure 2.4.4, in this case, the Young Followers are the largest group. They identify with all values and declare to pay much attention to sustainability and health consciousness. Regarding their demographic backgrounds, they are youngsters with high education levels, and their good financial standing makes LOHAS products affordable to them (Szakály et al., 2017).

These Hungarian results are supported by research on markets for various conscious products; as shown in surveys carried out by both the Association of Conscious Consumers and GfK, the market for these goods and services has grown considerably over the recent years.

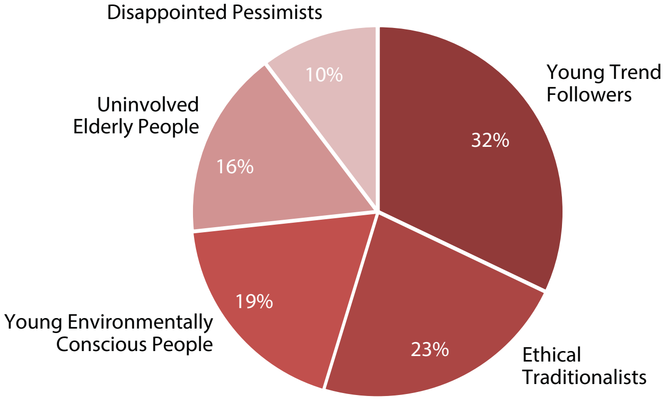

Figure 2.4.4. Value-Based Lifestyle Clusters in Hungary
Source: own compilation based on Szakály et al. (2017).

In addition to LOHAS, another trend worth mentioning is LOVOS (Lifestyle of Voluntary Simplicity) which, unlike LOHAS, is rather underpinned by the ideology of voluntary simplicity (Kreeb et al., 2008). Its basic principle is the reduction of consumption (Kocsis, 2001). This group does not identify with hedonistic and individualistic values to the same extent as LOHAS members do. Nevertheless, the LOVOS group accepts other values to a great extent, and is committed to reinforcing them in everyday life.

Summary

The conclusion is that consumer commitment to a more conscious lifestyle follows a positive trend. The related consumer expectations emerge in an ever greater part of the market. The LOHAS market segment can also be observed to grow, and although this study addressed the Hungarian realities, it is worth paying attention to other countries, too, because the Eastern European population demonstrates similar attitudes. This group is especially important for the companies because they generate demand for conscious products while also expecting the businesses to comply with corporate social responsibility rules and to offer more better-quality healthy products and services.

References

Ádám, F. (2001). Fenntartható fogasztás családi és iskolai közösségekben. In: Nyitrainé N. I., Varga A. (Ed.), Bimbó boci bóklászása és más ötletek a fenntarthatóságra neveléshez. Magyar Környezeti Nevelési Egyesület, Budapest.

Beck, U. (2006). A választás tétje. Belvedere, Szeged.

Brávácz, I. (2015). Az egészség- és környezettudatosság, mint új befolyásoló tényező az élelmiszerfogyasztói magatartásban. In: Karlovitz János Tibor (Ed.), Fejlődő jogrendszer és gazdasági környezet a változó társadalomban. International Research Institute s.r.o., Komárno.

Choi, S., Feinberg, R. A. (2018). The LOHAS Lifestyle and Marketplace Behavior. In: Dhiman S., Marques J. (Eds.), Handbook of Engaged Sustainability. Springer, Cham.

Dudás, K. (2011). A tudatos fogyasztói magatartás dimenziói. Vezetéstudomány, 42 (7–8).

Emerich, M. (2011). The gospel of sustainability. Board of Trustees of the University of Illinois, USA.

French, S., Rogers, G. (2008). Understanding the LOHAS consumer: The rise of ethical consumerism. Natural Marketing Institute. http://www.fusbp.com/wp-content/uploads/2010/10/UNDERSTANDING-THE-LOHAS-CONSUMER.pdf (19.12.2018).

Harding, A. (2008). The rise and growth of LOHAS. Green Unplugged, 7th June, 2010, Conscious Ventures. https://www.slideshare.net/GreenUnplugged/andrew-harding.

Kiss, V. Á. (2015). A fenntarthatóbb fogyasztói magatartás és megnyilvánulási formái. TAYLOR Gazdálkodás- és szervezéstudományi folyóirat, 7 (3–4), 20–21.

Kiss, V. Á., Kovács, S., Szakály, Z. (2016). A fenntartható fejlődés értékei és az egészségtudatos életstílus elemzése középiskolás diákok körében. Táplálkozásmarketing, 3 (2).

Kocsis, T. (2001). A materializmustól a teljes emberig. Kovász, 3–4.

Kreeb, M., Motzer, M., Schulz, W. F. (2008). LOHAS als Trendsetter für das Nachhaltigkeitsmarketing. In: C. Schwender, W. Schulz, M. Kreeb (Eds.), Medialisierung der Nachhaltigkeit. Das Forschungsprojekt balance(f): Emotionen und Ecotainment in den Massenmedien. Metropolis, Marburg.

Lehota, J., Csíkné Mácsai, É., Rácz, G. (2014). Az egészségtudatos élelmiszer-fogyasztói magatartás értelmezése a LOHAS koncepció alapján. Táplálkozásmarketing, 1 (1–2).

Natural Marketing Institute (2008). Understanding the LOHAS Market Report, Sixth Edition. National Marketing Institute, http://www.lohas.se/wp-content/uploads/2015/07/Understanding-the-LOHAS-Consumer-11_LOHAS_Whole_Foods_Version.pdf (12.11.2018).

Rácz, G. (2013). Az értékek változásának és a fenntartható fejlődés trendjének hatása a hazai élelmiszerfogyasztásra. PhD thesis, Szent István Egyetem, Gazdálkodás és Szervezéstudományok Doktori Iskola, Gödöllő.

Schulz, W. F. (2008). Der Markt für nachhaltige Produkte, Eine Chance für den Mittelstand, Vortrag In. Rahmen der BMZ/DIHK – Auftakveranstaltung „Mittelstand schaft Werte". Berlin, 6. Dec. 2008.

Szakály, Z. (2011). Táplálkozásmarketing. Mezőgazda Kiadó, Budapest.

Szakály, Z., Pető, K., Popp, J., Jasák, H. (2015a). A fenntartható fogyasztás iránt elkötelezett fogyasztói csoport, a LOHAS szegmens jellemzői. Táplálkozásmarketing, 2 (1).

Szakály, Z., Pető, K., Popp, J., Jasák, H. (2015b). A LOHAS szegmens mérete és jellemzői Magyarországon. Táplálkozásmarketing, 2 (1).

Törőcsik, M. (2007). A tudatos fogyasztást és egészséget preferáló új fogyasztói trendcsoport, a LOHAS csoport megjelenése Magyarországon. Élelmiszer, Táplálkozás és Marketing, 1.

Törőcsik, M., Dudás, K. (2007). „Environmental conscious consumer clusters in Hungary", Competitiveness and European Integration International Conference, Cluj-Napoca, Romania, October 26–27, 2007.

Tudatos Vásárlók Egyesülete (2017). Tudatos Vásárló Piaci Jelentés. https://issuu.com/tudatosvasarlok/docs/tudatos_vasarlo_piaci_jelentes (11.11.2018).

Vetőné Mózner, Z. (2012). Fenntartható életmódok felé: lehet-e az élelmiszer-fogyasztás fenntartható? In: S. Kerekes, M. Csutora (Eds.), Fenntartható fogyasztás? Trendek és lehetőségek Magyarországon. Aula Kiadó, Budapest.

Urh, B. (2015). Lifestyle of Health and sustainability -the importance of health consciousness impact on LOHAS market growth in ecotourism. Quaestus, 6(1).

Wan, M., Chen, J., Toppinen, A. (2015). Consumers' environmental perceptions of children's furniture in China. Forest Products Journal, 65(7).

Wan, M., Toppinen, A. (2016). Effects of perceived product quality and Lifestyles of Health and Sustainability (LOHAS) on consumer price preferences for children's furniture in China. Journal of Forest Economics, 22.

2.5

Renata Nestorowicz

Informational activity of consumers in the Polish organic food market

Introduction: the essence of informational activity at consumer level

Informational activity means actions taken by market participants to enhance their own knowledge or that of other market actors (Forlicz, 1996, p. 9). This can be done by (Forlicz, 2008, p. 14):

- capturing;
- transferring
  - sending,
  - receiving;
- processing information.

This paper will later focus on informational activity of organic food consumers in the area of sending and receiving relevant information at each stage of the purchase decision-making process.

The consumers may receive information in either an active or a passive way. If a market actor (e.g. producer, distributor, other consumer, representative of an organization) delivers information to customers, he/she is the more active party to the communication process. In this case, the customer receives but does not seek the message. This can be referred to as a passive receipt of messages by the customer as he/she does not make any efforts to access information. While he/she receives the messages, he/she does so without any special commitment and does not seek any information. Another way of accessing information is an active search which consists in accessing information from personal and non-personal sources, whether formal or informal. A slightly different classification of information sources was proposed by Antonides and van Raij (2003, p. 265) who identified four types of sources based on two criteria (personality and commerciality), namely:

- personal commercial sources, such as sellers in organic food stores, market sellers, representatives of organic food producers (e.g. farmers);
- personal non-commercial sources, i.e. friends and family;
- non-personal commercial sources which include various types of promotional instruments, such as advertising, leaflets, packaging and information available in a sales unit;
- non-personal non-commercial sources which include reports by consumer organizations and information available at organic food and organic farming websites.

Note that, increasingly often, the consumers' informational activity – rather than being limited to seeking information – also includes delivering information to other consumers, organizations, producers or distributors (Kieżel, 2005, p. 13). If information is provided to potential sellers or various other institutions, the process generally consists only in an active and intentional delivery of information. In turn, when a consumer shares information with other consumers, he/she does more than just actively and intentionally providing information; he/she also signals (whether wittingly or unwittingly) his/her involvement, e.g. being a member of a consumer group, using and consuming organic products. This is not a direct message such as "I am eating an organically grown carrot. This is cool. You should try it too" or feedback posted on a forum (or at the producers' fanpages); instead, this means a situation where a consumer only posts a picture of him/her with an organic branded product in social media, even in a very different context. That signal may have an impact on other consumers; this very process is referred to as sending signals (as opposed to direct messages). The observers may, more or less wittingly, start to emulate such environmentally-oriented behaviors. The development of social media is what highlights the consumers' new role as sources of information.

Informational activity at consumer level observed in the organic food market

The consumers' informational activity is inextricably linked with the flow of information between them and other actors. Figure 2.5.1 shows the flow of information between the consumer and other actors active in a specific market or in its surroundings; Table 2.5.1 provides some examples of activity involved in passive and active receipt of organic food information by the consumer. As shown in Figure 2.5.1, information flows in both directions,

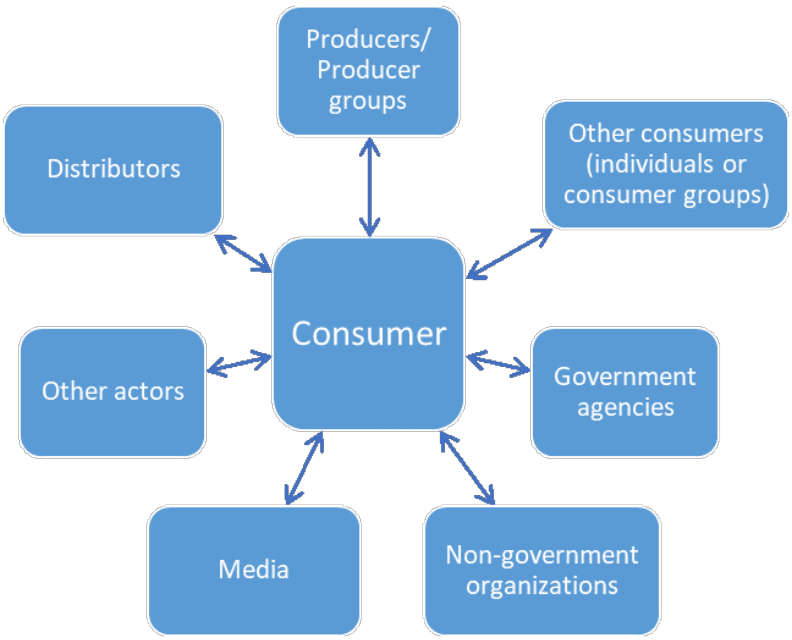

Figure 2.5.1. Informational activity of organic food consumers in the area of information transfer
Source: own study.

Table 2.5.1. Examples of informational activities involved in the receipt of information by the consumer

Source of information	Receipt of information by the consumer	
	Passive receipt of information	Active search for information
Producer/ distributor	Watching advertisements and processing them in the background Watching shows with organic product placement (for instance) Passive receipt of information e.g. on organic food promotion sent by conventional supermarket chains or discount stores	Searching for information through the producers' and distributors' websites Information accessed at trade fairs, marketplaces, festivals, in sales points or in direct contact with the producer or distributor Reading information on product packaging Comparing organic food prices, e.g. using price comparison websites
Other consumers	Observing the behavior of other consumers Observing the social media activity of other consumers	Searching for information in discussion forums and consumer groups Asking people around about their experience related to organic food
Government agencies/non-government organizations	Accessing information delivered e.g. as promotional leaflets or brochures on organic food or agriculture Watching advertisements and processing them in the background	Searching for information online Gathering information on food tests and certification Watching educational programs on organic food Participating in workshops, trainings and lectures Seeking advice from consumer organizations
Media	Watching/listening to programs, browsing magazines and having accidental access to organic food information	Purposefully watching/listening to programs, reading papers on organic food
Experts/influencers	Following the social media profiles of celebrities and having accidental access to information on organic food	Asking questions to nutritionists and organic food experts Tracking information on food and nutrition published by experts (and also by celebrities)

Source: own study.

although the flows may largely vary in intensity. For instance, as regards the relationship between the producer or distributor and the customer, more information flows from the seller to the customer than in the opposite direction. However, it does not mean the opposite flow is totally invisible. In this context, note that while the message from the representatives of the supply side is sent to various customer segments, feedback is usually delivered by consumers at a higher level of commitment who make larger and more frequent purchases.

Information received by organic food consumers is transferred not only between the supply and demand sides; sellers may retrieve it e.g. from non-government institutions and organizations established to protect consumer rights, or from educational programs and materials developed by these organizations. Another source of information could be the government agencies in charge of managing and promoting organic farming. The allocation of funds to the promotion of organic farming among Polish consumers is detailed in yearly reports of the Ministry of Agriculture and Rural Development (MRiRW, 2018; MRiRW, 2017; MRiRW, 2016).

In turn, the healthy eating and fitness trends which have been observed in Poland in the recent years have contributed to a growing interest in these topics from the media. Organic food fits well with these trends, and therefore is increasingly mentioned in educational, information or current affairs programs, as well as in press releases and product test reports.

Other actors listed in Figure 2.5.1 include experts and influencers. In this context, experts mean nutritionists or organic farming professionals. However, the consumers' purchasing behavior is often more influenced by web celebrities, bloggers and vloggers (Patrzałek and Wardzała, 2018). While not all of them are experts in the field concerned, they have a considerable impact on their fans' behavior.

As Internet can be accessed anytime and anywhere, it is not difficult for the consumers to find the information they need. However, it may be increasingly problematic to distinguish between reliable and useless information. Therefore, the sources accessed by consumers when searching for organic food information are of crucial importance. Assessing the credibility and reliability of information received by the consumer may require more effort than the process of finding relevant information itself. Also, because of the abundance of information, it is increasingly difficult for the consumers to find the pieces of information they need the most (cf. the results of research by Levy et al., 1996).

As mentioned earlier, informational activity at consumer level means not only an active access to and a more passive receipt of information, but also delivering information to other actors. Usually, an active search for information takes place in the initial steps of the purchase decision-making process. Conversely, the consumers usually deliver information after the purchase is made, when they want to share their experience with others. The above does not mean, however, that they do not seek information at this stage of the purchasing process. On the contrary, dissatisfied consumers may look for reasons why the product purchased fails to meet their expectations, or look for information to reassure them they made the right choice.

While information actively delivered by the consumers is targeted at different recipients, it essentially boils down to delivering messages and signals to suppliers and other consumers (Table 2.5.2). Active information delivery is manifested both by customer-initiated activities and by activities initiated by the selling party, such as participation in marketing surveys carried out or contracted by the producer. Examples of activities initiated by the consumers include filing a complaint, reporting suggestions for product improvements, and contributing to product development. These people can be referred to as prosumers who, in addition to searching for product information, contribute to developing a tailored offering, deliver information on their needs and communicate their satisfaction or dissatisfaction with a product (Toffler, 2001; Mruk, 2012; EURO RSCG Sensors, 2012; Smyczek, 2015).

The consumer's activity in the area of delivering information to other consumers may be driven by various stimuli, including:

- the intent to stand apart from others by behaving ostentatiously and building one's image as a person concerned by health and environmental issues etc. (Forlicz, 1996, p. 81);
- informational altruism, i.e. the intent to selflessly help other consumers in making the right decision (Kisilowska, 2014, p. 374);

Table 2.5.2. Examples of informational activities involved in the delivery of information by the consumer

Target audience	Delivery of information by the consumer	
	Transmission of messages	Transmission of signals
Producer/distributor	Reporting a complaint Reporting the demand for various types of new, redesigned products Sharing positive feedback on a product/service Participating in marketing surveys	Changes in organic food buying patterns (discontinuing, buying more, changing the product mix)
Other consumers	Communicating one's satisfaction or dissatisfaction with a product or service, either directly (e.g. during a conversation) or indirectly (e.g. in discussion forums) Providing advice to less experienced consumers	Using a product in public Posting pictures in social media
Government agencies/non-government organizations	Communicating one's satisfaction or dissatisfaction with having participated in promotional campaigns or using certified products Participating in marketing surveys	–
Media	Communicating one's dissatisfaction or uncertainty related to the use of organic products	–
Experts/influencers	Sharing one's own experience with organic food	–

Source: own study.

- the intent to express one's satisfaction or dissatisfaction with the products or services purchased (Rawicz-Mańkowski, 2008).

Obviously, some consumers may deliver information to others for unethical reasons, e.g. out of pure malice (towards the seller or another consumer). However, this is very rarely the case in the organic food market, probably because those most involved in delivering information to consumers are those most committed to the organic food concept which is directly related to sustainable development and building trust between market actors.

Informational activity in different segments of organic food buyers

Organic food buyers are not a homogeneous group. Even though, for instance, the lifestyle characteristics of organic food consumers are a reflection of a highly active, socially committed, highly influential and information-seeking group of people, it includes some segments which considerably differ from each other. Based on a study carried out since 1990 among a sample of 50,000 people from 30 countries, it was possible to identify four segments (NMI, 2015):

- devoted to the idea (24%): focused on their own health and on the health of their human and natural environment; committed to the idea; accepting a higher price of organic food; large share of organic food in total purchases; organic food as an integral lifestyle component;
- temperates (26%): focused on their own health; pragmatic; moderate environmentalists; organic food fits their lifestyle;
- dabblers (33%): not involved; price sensitive; if they buy organic food, they do so to avoid harmful substances;
- reluctants (17%): not interested; do not believe in organic certificates; do not believe that organic food is worth the expense; prefer the taste of conventional food.

As the Polish organic food market is not yet mature, it is difficult to identify many customer segments. Based on research carried out in Poland, consumers in the organic food market may be generally divided into two groups (Nestorowicz et al., 2016):

- aware consumers who buy organic food on a regular basis, have confidence in organic food, and know organic certificates;
- occasional consumers who buy organic food when making other purchases, follow the trends, and do not pay special attention to certificates.

Both groups differ not only in the frequency of purchases and amount of expenditure, but also in their motivation to make purchases and in their involvement in the purchasing process. Another difference between both consumer segments is the level of informational activity. The group of conscious organic food consumers is better motivated to make greater efforts in searching for products and related information. Occasional consumers purchase organic food when doing their day-to-day shopping; they are not particularly willing to search for products and spend more time or make more efforts to find organic products. As groups of recipients of information delivered by producers or independent institutions, they totally differ in their information needs and demonstrate different levels of activity when it comes to both receiving and delivering information. This conclusion is based on general information regarding informational behavior in the food market[1], on opinions voiced (perhaps quite intuitively) by operators active in the organic food market (Nestorowicz et al., 2016), and on observations of and attempts to characterize the population demonstrating the highest levels of informational activity (e.g. activists, members of food cooperatives). However, there are no studies that could be the basis for a detailed specification of similarities and differences between both customer segments in the way they actively search for information, passively receive information and deliver information to other actors. Examples of high informational activity among organic food consumers include members of food cooperatives, i.e. conscious and committed people grouped in the "conscious" consumer segment.

Food cooperatives as an example of consumer groups at above-average levels of informational activity

In the last few years, Poland has witnessed the emergence of food cooperatives: a kind of (usually informal) cooperatives whose members jointly purchase foods directly from the producer. The usual motivation of founders

[1] For instance, according to research carried out by Grunert with European buyers of various food categories, there are differences in informational activity related to active search of information on food consumed and in the extent of using the information collected in different market segments (e.g. Grunert et al., 2010, pp. 177–189; EUFIC, 2009; EUFIC, 2011).

and members of cooperatives is the intent to purchase healthy food at affordable prices while often contributing to sustainable development of their region. Also, they are committed to support local farmers. Characteristics of cooperative founders also include: focusing on the origin of organically grown vegetables and fruits; caring for the environment and food safety; transparency of agreements and directness of relationships in the food distribution process which is favorable to building trust; respect for social standards; and involvement in social projects, including fostering citizenship. These characteristics are present to varying degrees in different cooperatives. In the context of Italian cooperatives, a description of consumers classified in one of four groups (based on these very characteristics) was presented by Torquati, Viganò and Taglioni (2016). All characteristics of Italian cooperative members covered by their study can also be observed in Polish cooperatives, though to a slightly different extent. No such detailed research has yet been carried out on Polish cooperatives because they have been active for a much shorter time.

Usually, Polish cooperatives collaborate with farmers located in the immediate vicinity. However, some examples can be found of cooperatives who collaborate with foreign farmers. For instance, *Grupa Zakupowa Mokotów* collaborates with the Sicilian *In Campagna* who supplies oranges, lemons and other goods (*Grupa Zakupowa Mokotów*). Most food cooperatives collaborate both with certified organic farmers and with those who rely on traditional production methods but do not hold any certificates. Examples include *Poznańska Kooperatywa Spożywcza* and *Kooperatywa Dobrze* based in Warsaw. Products purchased by a cooperative may be either available only to its members (delivered as ordered) or sold also to non-members in stores, as it is the case in the chain run by *Kooperatywa Dobrze*. Considering the volume of organic products sold through cooperatives, this seems to be a niche activity. Note however that people who join such initiatives are consumers highly engaged in the purchasing process and committed to the organic food movement. Usually, they are referred to as heavy users of organic food.

Cooperative members build relationships and actively exchange information with at least four different groups of actors: other members of their cooperative (consumers); collaborating suppliers; other types of organizations; and other social movements (Sumner and Wever, 2015), including other cooperatives. Often, cooperatives exchange information and business experience between them.

A specific type of food cooperative is the Community-Supported Agriculture (CSA), an initiative where a group of people enter into an agreement with a farmer for the year-round supply of defined products, paid either in advance or in installments. The essence of this concept is to jointly invest in the activity and development of local family farms while making fresher, healthy foods available to customers at an affordable price (Europejska deklaracja RWS, 2018). This is a specific kind of participation in farming activities because in addition to crop financing and co-deciding of which crops to grow, members of these groups, together with their families, visit the farmers and may watch and assist in the cultivation of vegetables and fruits which end up on their plates. For more information on the functioning of these groups, see the interview with Joanka Szewczyk (Rolnictwo Wspierane…, 2015). Unlike traditional food cooperatives, CSA means greater consumer involvement. The relationships established between consumers and farmers are often closer and more intense, and seem to be more of a partnership. In this case, too, an important role is played by information exchange processes between "cooperative" members and between cooperative members and the farmers of the external environment, e.g. in order to win new members. As emphasized by CSA operators, clear communications and delivery of information to each other are an essential condition for success of these projects. The informational activity, which means delivering information to others and seeking information that supports the functioning of the entire group while addressing individual needs, is an inherent part of activities taken by the entire organization.

Note that an efficient operation of cooperatives and CSA requires, on the one hand, exchanging information on an ongoing basis and, on the other, taking certain measures to structure, collect and transfer information as a part of summary reports (e.g. at the end of a season). Ongoing communications are handled through discussion forums, e-mails, phone calls and personal conversations. The form of communication is selected not only in function of its purpose but also depending on who is the recipient and what are his/her preferences and contact options.

In addition to information exchange within the cooperative and between the cooperative and its suppliers, activities taken to exchange information with the environment are also important. The purpose of these activities may be to retrieve information on business development opportunities, to look for operational practices followed by other actors, to win new members, to enter into cooperation with new suppliers or to collaborate with parties who may provide space for weekly supplies or meetings or help in organizing the supplies. Often, another goal of cooperative members is to spread their ideas to a wider audience. Therefore, in addition to using internal communication tools, they start publishing websites and blogs; they are mentioned in local media and invited to give interviews; and invite non-members to take part in events they organize. Whether it comes to intra-group or external communications, the role of social media cannot be overestimated.

Lines of further research on the informational activity of organic food consumers

In the light of the above considerations, four research problems emerge which are worth being addressed in the future:

- the relationship between a consumer's commitment to organic food concepts and his/her informational activity;
- altruistic motives vs. the need for self-creation in the growth of consumer information activity manifested by information sharing;
- informational activity of food cooperative members and its impact on the operations of buying cooperatives;
- variation in informational activity between members of different generations.

As regards the first research problem, the buyer segmentation procedure proposed by Nestorowicz (2017) can be useful. It identifies four groups differing in their informational activity:

- active on all fronts (active when with their family and friends; use non-personal sources of information; share information with their family and friends; ask their closest friends for feedback);
- information seekers (mainly rely on non-personal sources; exchange information with their family and friends);
- active only when with their family and friends (communicate their satisfaction and dissatisfaction to their family and friends; do not share information with other actors; do not seek information from non-personal sources);
- the passive group.

The results of previous research on the organic food market suggest, quite generally, that the most frequent buyers of organic food are also the most active in exchanging information. However, it would be worth checking whether the segments defined by attitude towards organic food coincide with informational activity segments. Answering that question would enable reaching the consumers and non-consumers of organic food with the right message.

The second research problem is related to a common observation that consumers increasingly often become active in delivering information to other actors. First, it should be verified whether, and to what extent, this is true for organic food compared to other market segments. Second, the reasons behind these activities should be checked: are they more altruistic or egoistic; do they affect the way, form and time of information delivery and the establishment of relationships between the sender and the recipients of information.

Food cooperatives are a very interesting phenomenon, and an absolute novelty in the Polish market. It would be worth verifying whether their founders and members share any characteristics; how do the cooperatives' internal and external communications affect their functioning; and are the members of buying cooperatives really the most committed and the most active consumers in the information exchange process compared to those who buy organic food through other channels. In turn, long-term research should focus on how does informational activity change in function of the time the cooperative is active and in function of the duration of relationships between farms and cooperative members. Such research could help in determining the development opportunities for these ways of distribution which, while still being a niche business, have a positive impact on local relationships, the development of small local farms and the emergence of a civil society.

The last of the research problems proposed in this paper is to determine whether being a member of a given generation affects the level and form of the organic food consumer's informational activity. As shown by research carried out in the United States, the millennials are the age group the most engaged in food purchasing (NMI, 2016). For the time being, things look quite different in Poland. However, the Polish millennials are highly likely to increase their importance in the organic food market, and therefore it would be already useful to identify the similarities and differences in informational activity between generations.

References

Antonides, G., van Raaij, W. F. (2003). Zachowania konsumenta. Podręcznik akademicki. Warszawa: Wydawnictwo Naukowe PWN.

EUFIC (2011). EUFIC Forum n°5: Consumer response to portion information on food and drink packaging. Retrieved from https://www.eufic.org/pl/collaboration/category/consumer-research/.

EUFIC (2009). EUFIC Forum n°4: Observation, understanding and use of nutrition information on food labels. Retrieved from https://www.eufic.org/pl/collaboration/category/consumer-research/.

EURO RSCG Sensors (2012). Ja i moje ciało. Zdrowie i dobre samopoczucie w dzisiejszych czasach. Prosumer Report, marzec 2012. Retrieved from https://dzieckowwarszawie.pl/artykul/ja-i-moje-cialo-zdrowie-i-dobre-samopoczucie-w-dzisiejszych-czasach-najnowszy-globalny-rapor.

European Parliament (2018). The EU's organic food market: facts and rules (infographic). Retrieved from http://www.europarl.europa.eu/news/en/headlines/society/20180404STO00909/the-eu-s-organic-food-market-facts-and-rules-infographic.

Europejska Deklaracja RWS (2018). Retrieved from http://www.wspierajrolnictwo.pl/o-nas/373-europejska-deklaracja-rws.

Forlicz, S. (1996). Mikroekonomiczne aspekty przepływu informacji między podmiotami rynkowymi. Poznań: Wydawnictwo Wyższej Szkoły Bankowej.
Forlicz, S. (2008). Informacja w biznesie. Warszawa: Polskie Wydawnictwo Ekonomiczne.
Grunert, K. G. et al. (2010). Nutrition knowledge, and use and understanding of nutrition information on foodlabels among consumers in the UK, Appetite, 55. Retrieved from http://www.eufic.org/upl/1/default/doc/GDApaperJPubHealth.pdf.
Grupa Zakupowa Mokotów. Retrieved from https://kooperatywni.pl/grupa-zakupowa-mokotow.
Kieżel, E. (2005). Racjonalność w postępowaniu klientów (w świetle teorii i wyników badań empirycznych). Katowice: Wydawnictwo Akademii Ekonomicznej w Katowicach.
Kisilowska, M. (2014). Altruizm informacyjny jako przykład zmiany w zachowaniach pacjentów. In: E. Głowacka, M. Kowalska, P. Krysiński (Eds.), Współczesne oblicza komunikacji i informacji. Problemy, badania, hipotezy. Toruń: Wydawnictwo Naukowe Uniwersytetu Mikołaja Kopernika.
Levy, A. S., Fein, S. B., Schucker, R. E. (1996). Performance Characteristics of Seven Nutrition Label Formats. Journal of Public Policy & Marketing, 15, 1, Nutrition and Health (Spring, 1996). Retrieved from http://www.jstor.org/stable/30000331.
MRiRW (2018). Sprawozdanie z wykonania „Ramowego Planu Działań dla Żywności i Rolnictwa Ekologicznego w Polsce na lata 2014–2020” za 2017 rok. Retrieved from https://www.gov.pl/documents/912055/913531/Sprawozdanie_za_2017.pdf/0bd89fed-ef47-f340-b203-94194d3d0efe.
MRiRW (2017). Sprawozdanie z wykonania „Ramowego Planu Działań dla Żywności i Rolnictwa Ekologicznego w Polsce na lata 2014–2020” za 2016 rok. Retrieved from https://www.gov.pl/documents/912055/913531/Sprawozdanie+z+Ramowego+Planu+Dzia%C5%82a%C5%84+za+2016+rok.pdf/d210f4a5-cf99-8ae2-7c94-01f38d82e244.
MRiRW (2016). Sprawozdanie z wykonania Ramowego Planu Działań dla Żywności i Rolnictwa Ekologicznego w Polsce na lata 2014–2020 w okresie od 1 sierpnia 2014 r. do 31 grudnia 2015 r. Retrieved from https://www.gov.pl/documents/912055/913531/Sprawozdanie+z+Ramowego+Planu+Dzia%C5%82a%C5%84.pdf/c5729c2f-6331-bb43-d516-59c5db979e6b.
Mruk, H. (2012). Marketing. Satysfakcja klienta i rozwój przedsiębiorstwa. Warszawa: Wydawnictwo Naukowe PWN.

Nestorowicz, R. (2017). Asymetria wiedzy a aktywność informacyjna konsumentów na rynku produktów żywnościowych. Poznań: Wydawnictwo Uniwersytetu Ekonomicznego w Poznaniu.

Nestorowicz, R., Pilarczyk, B., Jerzyk, E., Rogala, A., Disterheft, A. (2016). Postawy etnocentryczne konsumentów (w ujęciu lokalnym) a szanse i bariery rozwoju rynku żywności ekologicznej. Retrieved from http://ue.poznan.pl/en/uniwersytet,c13/projekty,c2098/zywnosc-ekologiczna,c7270/.

NMI (2016). Growing the Organic Industry, Strategies for Brand Success. Capturing the Millennials. Retrieved from https://www.nmisolutions.com/what-we-do/news-a-publications/nmi-trend-insights/560-capturing-the-millennials.

NMI (2015). NMI's Organic Consumer Segmentation Identifies Leader & Follwers Opportunities. Retrieved from https://www.nmisolutions.com/syndicated-data/segmentation-algorithms-a-panels/organic-segmentation.

Patrzałek, W., Wardzała, J. (2018). Influencerzy i media społecznościowe – mobilne wspólnoty zainteresowań w kontekście zachowań młodych konsumentów. Prace Naukowe Uniwersytetu Ekonomicznego we Wrocławiu, 526.

Rawicz-Mańkowski, G. (2008). Niezadowoleni klienci: śmiertelne zagrożenie czy cenne źródło informacji. Harvard Business Review Polska, 64.

Rolnictwo wspierane przez społeczność to szansa na przetrwanie małych gospodarstw rolnych (2015). Retrieved from http://witrynawiejska.org.pl/przesiebiorczosc/sprzedaz-zywnosci/item/44701-rolnictwo-wspierane-przez-spolecznosc-to-szansa-na-przetrwanie-malych-gospodarstw-rolnych.

Smyczek, S. (2015). Przejawy unowocześniania konsumpcji na rynkach finansowych. In: E. Kieżel, S. Smyczek (Eds.), Zachowania konsumentów. Procesy unowocześniania konsumpcji. Warszawa: Oficyna a Wolters Kluwer Business.

Sumner, J., Wever, C. (2015). Cultivating Alliances: The Local Organic Food Co-ops Network. Canadian Journal of Nonprofit and Social Economy Research, 6, 2.

Toffler, A. (2001). Trzecia fala. Warszawa: Państwowy Instytut Wydawniczy.

Torquati, B., Viganò, E., Taglioni, Ch. (2016). Construction of Alternative Food Networks for organic products: A case study of "Organized Groups of Supply and Demand". New Medit., 4.

Willer, H., Lernoud, J. (Eds.) (2018). The World of Organic Agriculture Statistics and Emerging Trends 2018. Frick: Research Institute of Organics Agriculture (FiBL) & Bonn: IFOAM Organics Interntional. Retrieved from https://www.organic-world.net/yearbook/yearbook-2018.html.

2.6

Elżbieta Goryńska-Goldmann

Consumer information need in the food market

Introduction

In the context of changes affecting the human environment, there is a growing need for information. The development of the food market and the related increase in competitiveness require the information to be laser-focused on the consumer. In order to be successful, business provide the consumers with information through various communication channels aligned with the needs of the target markets. This allows the economic operators to expand their markets and boost product sales. The commitment to increase sales and expand business activities results from the basic goal of economic operators which is to maximize profits. Note that in the 21st century, opulence may become an embarrassing objective for the undertakings. Modern enterprises are increasingly committed to positive social, environmental and other beneficial impacts, which is in line with the concept of corporate social responsibility.

Processes which include the progressing globalization and ICT development also considerably contribute to these changes. The emergence of new technologies enables efficient communications between market actors thanks to the development of services and to a shift away from mass production. These processes have a strong effect on market participants, driving changes in their behavior. This is what makes the exploration of these processes so important. Also, they pose new challenges to economic operators. For instance, in the Fast Moving Consumer Goods (FCMG) sector, the traditional business model established many years ago is being replaced with a new solution. In this case, the efficient scale proves to be more important than in the traditional approach. Indeed, traditionally, a company grows and develops by taking over the supporting structures, and sometimes becomes a "large organism" which makes its decisions on a quarterly or yearly basis. Today, businesses focus their attention on the consumer (shopper, customer) who is considered to be of key importance. Such a model is built around meeting customer (consumer) needs, and the important decisions are made each day. The consumers are the ones who set the criteria for assessing the competences and the competitive edge. The 21st century witnesses the emergence of an "archipelago of collaborators" who support the company in meeting its goals. The companies who opt for that business model look for other motives; as mentioned earlier, profits are not their only goal. These measures are in line with global trends. The crucial elements of this process are the team building skills, the ability to understand others, and the form itself of designing. For instance, many enterprises work on a daily basis in international (virtual) teams focused on conceiving a new food product with a contribution from existing or potential users (consumers).

Humans and their needs are placed at the core of modern economics. This is conditioned by the relations between consumption and economic processes. As emphasized by Salaüna and Flores (2001, pp. 21–37), the economic theory is mainly focused on producers while economic research usually addresses consumer behaviors. There is an abundance of behavioral research including an exploration into how information is used and perceived.

Currently, consumers increase their requirements for goods they choose (they are critical of marketing, market and hands-on information intended for them). They can clearly specify their preferences and express their opinions on goods and services they purchase. This certainly results from a virtually unlimited access to information. However, on the other hand, consumers become less and less loyal, especially to brands. Products become widespread; retailers offer own-branded products in the market. As a summary of the above considerations, the author finds it useful to consider the aspects related to understanding other people and exploring one of the underpinning factors of trust and loyalty, which is information.

This paper focuses particularly on consumer information needs related to the food market where food products and services are characterized by a myriad of attributes that allow to determine their quality (including marks, symbols and other quality characteristics). Focus was placed on information which can be used as a basis to identify the product's quality.

The purpose of this paper is to present the results of a quantitative research on the identification of consumer needs for information on the food market.

Information need vs. information behavior

A paper by Düssel (2009) defines need as a feeling of deficiency combined with the willingness and intent to address it. Needs are part of human nature, change over time, may be created, and affect the actions of individuals and human lives. Identifying a need is the first stage attributed to the decision-making process related to selecting and purchasing a product. If the need is not met, the individual either looks for an object which could meet his/her need or suppresses that need (Kotler and Keller, 2012).

An information need is *the internal tension of a human body which activates and orientates the process of accessing information important for the creation and update of an individual's knowledge structures and for making the right decisions* (Kujawiński, 2008, p. 51). In order to characterize the information need, its dynamic nature, variability and diversity need to be addressed. The information need is conditioned by subjective and objective factors which make it being perceived in different ways. Subjective conditions are perceived in a unique way by each human who feels that need, and are reflected in his/her mood, e.g. as satisfaction, happiness, concern, experience, interest or skills. In turn, objective factors include economic conditions, type and nature of work, housing, functions, free time, social security, natural environment of humans, health, social environment, purpose of information.

Consumer information needs result from consumer activity (e.g. their professional activity may be determined by professional competences, household size and surroundings, or relationships with the environment), living needs, willingness to discover, curiosity, and the desire to emulate or dominate others (Kujawiński, 2008).

Human needs keep on growing and are accompanied by an irresistible desire to satisfy them. In the case of specific products, or when using a service, the consumers very often check, test and compare product parameters and features of interest before making the final purchase. These are the characteristics of the information seeking process which are needed by the consumers; the first step is to realize and recognize the need for a product or service.

Note that in order to do so, the consumers rely on various sources of information (e.g. personal, public or marketing sources). The quality and reliability of this information may vary. This is mentioned in earlier research by Goryńska-Goldmann, Adamczyk, and Gazdecki (2016, pp. 301–308) who emphasize that consumers filter information and its sources (to capture crucial pieces of information), and therefore own selected information on the ability to meet a specific need. Hence, they face the need to assess the market alternatives. There are many motives behind the decision-making. Some are usually based on emotional factors combined with satisfaction, happiness, mood or prestige. Other, in turn, are underpinned by a stronger rationale which takes into consideration utilitarian and functional features, health qualities, safety, or respect and care for the environment. When making their choice, consumers are increasingly aware of the consequences it has both for them and for their environment.

Note also that the term 'information needs' should not be equated with information behavior. According to Wilson (1999, pp. 249–270), information behavior includes realizing the need for information; seeking information; and processing and transferring information in various ways. Wilson (2000, pp. 49–55; 2005, pp. 31–36) and Godbold (2006) interpret information behavior as the whole set of human behaviors combined with information sources and channels, information seeking method (e.g. active or passive) and information use. For instance, consumer behavior resulting from the search for information (e.g. an active, purposeful, routine or random process) and responding to information (e.g. seeking, sharing, avoiding, ignoring, challenging, hiding, destroying) both fall within the scope of information behavior.

Consumer information needs as a condition for the establishment of relationships and the development of enterprise

Considering the perspective of entrepreneurs and the intent to trigger a response to stimuli (instincts, emotions) which will motivate them to address the needs felt by consumers, it should be noted that they can access the available knowledge of psychologists, philosophers and anthropologists who have adequate tools to provide an insight into human needs, expectations and dreams. These tools are designed to inspire by presenting specific goods and services as a condition for reaching various objectives (e.g. life, family, vocational or financial goals or objectives centered around personal desires or related to health aspects). When solving these problems, companies should combine and flexibly use the already existing or innovative approaches and methods based on knowledge and information.

Knowledge of resources is the operational basis for today's enterprises and organizations. It allows the companies to make the right (rather than instinctive) decisions, be successful and create new opportunities. Knowledge and information assets obtained in the research process with the use of properly selected tools, followed by correctly interpreted research results, are the condition for making important decisions in enterprises related to the market. As a result of correlation between internal and external data, this kind of knowledge allows to design product packaging and other items, choose the right type of information and build marketing messages intended for a specific age group etc. Therefore, the challenge faced by enterprises is to seek and practically use new solutions which allow them to develop. The context for these considerations are final consumers focused on products and services which address their needs to the fullest and best extent (even if these needs are unrealized or excessive). According to Burgiel (2006, p. 14–19), the accompanying decision-making processes, whether more or less complex, encourage consumers to make certain choices by triggering information needs. Thus, consumers are encouraged to use the available information resources or look for new ones.

The operating method employed by businesses, as presented above, may go through different phases. When looking for solutions, the companies should always ask themselves a "simple" question: why and for whom do they do it? When defining the value they offer and the customer segment, food market entrepreneurs realize that in order for the customers (consumers) to be at the core of the company, their voice must be heard. This approach explains the need to carry out an extensive and thorough analysis, and to understand what the customer wants and what are his/her targets and expectations for the future. In this context, it is useful to refer to the way of meeting consumer needs conditioned by a human, the hierarchy of these needs and economic conditions which often make it difficult (or allow) to address them. Note also that many individual consumers are short-sighted and focused on apparent and ancillary needs. Thus, they pay less attention to actual needs. Today, a reclassification of needs can be observed which distorts the natural distribution of needs (Szacka, 2003; Bywalec, 2010). These processes are the consequence of changes in lifestyles, value hierarchy, and type of connections and relationships that may exist between consumers within groups, communities and societies.

There is a good reason why the final buyer (consumer) of products and services marketed can be called the key market actor in today's economy who focuses the attention of industrial and trade sectors. Undertakings related to the Polish food market are in a good shape and can be expected to further grow their potential and efficiency.

However, the position of food companies largely depends on the level of innovativeness which, in the classical approach, includes aspects related to the product, production, organization and marketing (Oslo Manual, 2008). The *9th Annual Global CEO Survey/January 2018* report reveals that CEOs believe product and service innovations (35%) and an increased share in the existing market (30%) to be the key drivers of business growth. Therefore, the enterprises should rely on innovation – in a rather radical sense – especially if they realize that a product/model has reached the end of its potential. To become or remain the leader (at regional or other level), entrepreneurs should shift away from simple emulation towards finding the courage and leveraging their natural advantages. Rather than finding a niche in the existing market, this means creating a new one which will fit well with corporate strengths. Innovations are largely decisive for many aspects, including the pace and degree of concentration and modernization of market undertakings. Also, this is the driving force behind the development of economic operators and of the society itself. The need for the undertaking to communicate to the market the type of innovative research which provides a basis and inspiration for the products and services marketed was emphasized by many stakeholders, including the CEO of the Production–Marketing Association (PMA) in her speech on the condition of the industrial sector delivered in October 2018 at the Fresh Summit Convention and Expo held in Orlando. She also indicated the importance of social media and sustainable development, and of automation and robotics (Strailey, 2018).

The competitiveness level of food market enterprises, together with the standard and quality of living of the population, depends on the ability of the economy to create conditions that drive innovation and to effectively commercialize (market) innovative solutions. Consumers are the basic target in the product commercialization process; in the context of food goods and services, they are directly involved in the design and implementation of food products, and indirectly involved in the design and implementation of industrial products. The fundamental importance of consumers in the product commercialization process is reflected in the following areas: initiation of the development process of a new product, its test sequences and final validation or acceptance (Earle et al., 2007; Sojkin, 2012). In the context of consumer information needs, the conclusion from the above is that identifying those needs in each of the consumer activity areas (as referred to earlier in this paper) in the product development and commercialization process could be one of the keys to initiate the development process of product innovations intended to be marketed as a new product.

When supported by marketing activities, long-term relationships between market players (i.e. state authorities, institutions, undertakings and other partners), characterized by loyalty and willingness to cooperate, are a foundation for long-run benefits (both for the state and the company). For the market operators, the development and maintenance of positive relationships is a way to strengthen their market position and to adopt a specific market orientation focused on consumers (by analyzing their needs and desires) and competitors (by exploring their strategies and market decisions).

To choose the communication channels designed to deliver consumer information, the undertakings must know the type of information the consumer relies on to address his/her individual needs and the needs of his/her household members. In the 21st century, marketing communication activities taken by enterprises, institutions and state authorities can deliver positive outcomes only if they have the capacity to identify consumer information needs. In the Polish market, these measures (just like strategic thinking) were initiated by foreign companies. The effects of this way of establishing customer relationships (with both existing and new customers) encouraged the Polish companies to follow that trend. The companies try to identify consumer needs, properly set the time, place and conditions of food purchasing, and create an enjoyable shopping experience, decorate the interior etc. Thus, consumer-targeted marketing activities do not only mean seeking immediate benefits but pursuing strategic objectives related to the need to establish and build sustainable relationships, both on an ongoing basis and in the long term.

The next section of this paper presents the results of a quantitative research on the identification of consumer information needs in the food market.

Methodology for the research on information needs in the food market. Characteristics of respondents

The author performed a desk research and relied on the outcomes of her own and other authors' studies, supplemented with her expertise and experience.

Primary data was collected as part of a direct interview survey carried out by the Department of Economics and Economic Policies for the Agribusiness at the Poznań University of Life Sciences in 2017. The survey was administered to the population of the Wielkopolskie voivodeship. Quota and purposive sampling techniques were used in order to make the sample consistent with the population structure of the Wielkopolskie voivodeship in terms of two criteria (age and gender). Quota sampling is a non-probability sampling technique, and is widely used in surveys. It consists in describing the sample using specific parameters, i.e. age, gender, occupation, incomes, so that – with respect to these variables – it has the same structure as the general population. Picking the individuals with the same characteristics is a way to create a respondent base for the survey.

Primary data was obtained from respondents using a questionnaire with closed and open questions. A total of 433 interviews were carried out in all age brackets above 18 years. In the sample, 54% were women and 46% were men. The interview was representative and was administered to a similar number of interviewees of each gender. This is consistent with the current demographic data (provided by the Central Statistical Office) which suggests that in Poland, the female population (51.5%) is larger than the male population. Respondents from the age bracket of 35–44 were the largest group (over 19%; 52% of them were women and 48% were men), followed by three age groups, 18–24, 25–44 and 55–64, each with a share of ca. 16.4% in the sample. The 65+ age group was slightly smaller (15.9%). The first age bracket was the most outstanding in terms of gender structure (59% of women vs. 41% of men). These differences had no adverse effects on research findings, and did not vary from other generally available studies. The average age was around 44 years for both women and men (with slight deviations). The survey was carried out in over 70 towns, with the residents of the city of Poznań being the largest group (43%). Holders of tertiary education degrees clearly had the largest share (33%). 45% of the interviewees claimed to have an average standard of living; while they can afford day-to-day expenses, they must save money for major purchases.

This is another of the numerous studies conducted by the author to gain a more in-depth insight into consumer needs in the context of changes observed in food markets. This paper used replies to selected questions on the way consumers seek food information, such as: "Do you seek information on food, consumption and food market?"; "What kind of information on food, consumption and food market is interesting to you?". The first was a closed single-answer question, whereas the second was an open question (with no answers being proposed). The closed question was used whenever the scientists wanted to diagnose the respondents' attitude towards the selected category. The freedom of expression was guaranteed by the open question.

The replies to open questions were interpreted with the use of content analysis, a method employed, for instance, to explore press releases, current affairs papers, web forum posts etc. An important part of content analysis is the ability to create a system (key) for the classification of statements made by the respondents. This approach enables a quantitative analysis of open questions. The key was created using an emergent technique which consists in that categories are created based exclusively on empirical data collected as spontaneous statements of the interviewees, and the final key includes the set of categories. The unit used in this analysis was a statement made by one respondent. It included the answer to the question referred to above. For instance, in a single answer, the interviewee could reveal more than one type of information on food, consumption and food market which is of interest to him/her (a multiple-choice question). Next, the answers were subject to a factual analysis, partially based on the content analysis technique developed by Berelson (Berelson, 1952).

Food information sought by consumers

Although Polish consumers realize the need to take various actions related to consumption, the author's own research shows that only 39% of the population surveyed confirmed to be interested in and to actively seek information on food, consumption and food market. Most of the remaining 61% of interviewees either declared not to have sought any information related to the notions referred to above (55% of the total population surveyed) or did not answer the question (6%).

To provide a broader insight into the interviewees' answers, the surveyed population was characterized in greater detail with respect to the selected characteristics, i.e. gender, education and living conditions. Women were more interested than man in seeking information on food, food market and consumption (61% vs. 48% of the interviewees who answered the question). This may be due to the fact that women are more frequent shoppers than men and prepare a shopping list, thus deciding of food products they need. Also, they pay more attention to how they look; compared to men, they take better care of their own and their family's health. This involves multiple aspects, including healthy eating considerations and the perception of health as a value. As shown by the analysis of education levels in the sample, people with a tertiary education (43.86%) and people with a secondary education/holders of a baccalaureate degree (22.81%) are more willing to seek this kind of information than people with a junior secondary or basic vocational education. Educated people were found to be more aware and responsible; this was reflected in many ways, including in their interest in seeking information on food, consumption and food market. An investigation into the living conditions of the respondents' households revealed that people interested in seeking this kind of information mostly had good living conditions (around 2/3 of the population surveyed) or 'neither good nor poor' living conditions (1/3 of the population surveyed).

What matters from a scientific point of view, is both the amount and the type of information sought. Therefore, in order to extend the question on the respondents' interest in food, consumption and food markets, they were asked to indicate the types of information their seek (they are interested in). When identified, this information may somehow reflect the diversity in, for instance, consumption patterns, processes observed in food markets; or the vectors of change in food from the perspective of the interviewees (consumers). Information delivered by the interviewees is data they are aware of and is interpreted by them. The content the respondents retrieved from the surrounding world, adjusted to their senses and expressed during the interview will be analyzed to determine the type of consumer information needs regarding the food market. Note that the information obtained as a result of the search process, when enhanced with the researcher's extensive experience and written down (e.g. as a "message" which often includes more than one piece of information), carries a certain load of information energy which affects the behavior of an individual (e.g. expresses one's attitude towards genetically modified foods, pesticide residues, nutritional value, product price or origin).

The information types specified by the interviewees will depend on the degree to which their needs (created by what they imagine and desire) are met. However, irrespective of their hierarchy of needs, it is important to realize that the consumers (in this case, the interviewees) differ in their needs and in how intensively they feel and satisfy their needs. Note also that as regards individual interviewees, the needs related to their interest in information seeking and their ability to identify the type of information they seek on the food market, consumption etc. were conditioned by their personal situation, tradition, environment or media (used to "produce" and exchange information).

The interviewees who confirmed to be active in collecting information decided to describe the type of information they seek. This means they are a group who knows about the need for information on the food market, and who formulates its own information needs. Hence, they deserve to be called "informed consumers" which means consumers who have knowledge of consumption processes and food markets and are interested in what takes place in these markets.

The types of information sought by the interviewees are shown in Figure 2.6.1. To deepen the analysis, the text presented was extended with selected quotes from the interviewees' statements referring to the categories being identified. As shown by the results, the average number of associations per interviewee was 1.79. This could mean the respondents focused on areas of key importance to them. The categories provide a picture of the type of information sought on food, consumption and food market in the minds of consumers. The extended range of information related to the food market and food consumption proves that the respondents had earlier contacts with various labels and messages regarding these aspects.

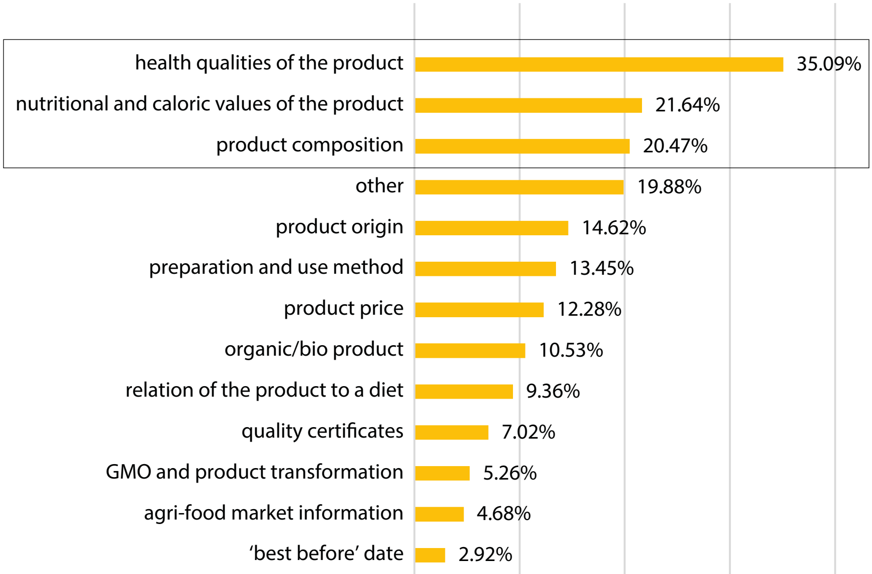

Figure 2.6.1. Types of information on food, consumption and food market sought by the interviewees. N=169, multiple choice, the values do not sum up to 100%
Source: own study.

The way the consumer behaves in the market is determinant for the needs (including information needs) he/she feels. When feeling a need, they seek a way to address it. Also, when assessing food, consumption and food markets, consumers verify and evaluate products and services offered in that market. Issues related to consumer health (broadly defined as physical, mental and social well-being) and the products' health effects were clearly the most important type of information sought (as identified by 35% of respondents who answered that question). The interviewees focused on what may be beneficial or harmful to their body. Examples of statements include "what is healthy for the body," "is the product healthy," "are there any substitutes for unhealthy products," "what ingredients should be avoided," "health information." Many were interested in the kind of potential benefits resulting from the consumption of a product (Figure 2.6.1).

The product's composition and nutritional and caloric values, i.e. features directly related to the product, were highly important. The consumers picked the information on vitamin, mineral and microorganism content of food products, and on the benefits these ingredients bring to products and dishes. For the interviewees, their diet means the need to supply vitamins, minerals and nutrients. According to some statements, the respondents are also interested in the "caloric value of dishes" and the "number of calories of a food product." These answers suggest that the interviewees want to know how much calories are actually supplied by a product or meal. As revealed in numerous studies, the nutritional quality of food products is measured using, for instance, the caloric value and the carbohydrate, fat, microelement or vitamin content.

The respondents associated the product's composition with its ingredients ("what is the percentage of particular ingredients contained in a food product"), its chemical composition ("chemical composition of food products") and the amount of preservatives ("how much preservatives are used in the product"). Product composition is a matter of interest to consumers. Those who care for their health openly declare their willingness to buy food free from any additives, commonly referred to as "chemicals." Their distrust may be well founded, considering – for instance – the various media reports and the fact that unethical enterprises fail to comply with applicable law (controlled by different institutions in charge of food quality protection).

The product's health is described by its nutritional, caloric and dietetic value, referred to as hard information. In this research, it was found useful to highlight particular health aspects to reflect consumer awareness of different health-related topics. This approach is backed up by numerous studies, including those by Degeratu, Rangaswamy and Wu (2000, pp. 55–78) who emphasize that non-sensory information related to the product provides a greater value for the consumers in the e-shopping process. This is because the online channel, for instance, has specific limitations in that respect, i.e. it does not carry any aromas and the buyer is unable to identify the product using his/her senses (e.g. intensity of the aroma, hardness or softness).

Other types of information sought by the interviewees include product origin; product preparation method; product price; organic nature of the product; relation of the product to a diet; quality certificate; GMO content; product processing; agri-food market information; and 'best before' date.

The interviewees associated the 'product origin' category with the local, domestic nature of the product, thus demonstrating an ethnocentric attitude (statements: "regional dishes," "is it a Polish product," "country of origin and place of production," "producer information"). The information on product origin may be combined with information on the product's taste and health qualities. The country of origin is a complex category which, in the light of literature, may be described using such elements as brand, product advertising, product description, recognition of the producer, "made in..." label, bar code etc. The conclusions by Rojek (2007) and Maison (2004, pp. 80–82) suggest that, for instance, while the Polish population declare to prefer domestic products (which confirms their ethnocentric attitude), these declarations are not reflected in choices they actually make.

The information sought by the interviewees was also related to their intent to find inspiration to use diverse products in their dishes; and to the methods for preparing new dishes (statements: "cooking and eating inspirations," "culinary shows," "new recipes," "ideas for dishes with exotic products"). The interviewees want to face new food challenges, experience something new and explore new flavors.

The price is the economic dimension of product quality and the core element of the product offering which therefore captures the attention of consumers. The interviewees were price sensitive and declared to check the price levels in advertising leaflets, for instance ("I check the prices in advertising leaflets"). This is an important aspect because the price itself is not decisive for the purchasing decision as most buyers have little knowledge of product prices (Boutillier et al., 1994, pp. 31–42). According to some statements, the respondents "check the prices of the same product in different stores." This corroborates the research results referred to above. Because the consumers prefer regional products, the manufacturers may use a higher price strategy.

The interviewees relied on information regarding the cultivation or production process to check the organic nature of food products ("are the vegetables and fruits grown organically," "environmental impacts of production processes"). The interviewees were found to pay much attention to quality certificates of the product or dish. They also reported the need for information on quality standards of a particular product group (statement: "quality standards of food, e.g. bakery, dairy"). Factors that ensure product quality include the absence of preservatives and the information on the degree of transformation of the product. Sillani and Nassivera (2015) concluded that consumers opt for innovation, and are critical of GMO and other technologies that involve excessive modifications to the original product (e.g. are considered dangerous to human health and harmful to the environment). The increase in consumer awareness contributed to a greater popularity of food which is believed to have health-promoting effects, and to a decreased interest in products with no beneficial impacts on health.

In addition to production technology, information related to the agri-food market also included market novelties and current market trends. The interviewees paid little attention to the 'best before' date which may be somehow surprising as it suggests they do not care whether the product has expired or not. However, this feature should be important to consumers because the ability to properly interpret the 'best before' date and appropriate food storage practices have an impact on consumer health.

The characteristics of the respondents' profile (gender, education and living conditions) were used to provide a more complete picture of the topic under consideration. The reflections on the type of information sought and the resulting information needs suggest that in most categories identified in this study, women seek information more often than men. The biggest difference between women and men exists with respect to product health (2/3 of replies pointing to this category were given by women vs. 1/3 by men). As shown by the results, women are more concerned about what they eat, what is healthy and what can be harmful. This is how they care for their own body and for their family or household members. Unlike women, men are interested in product prices (which may suggest they are more thrifty and careful when using their budget) and prefer to watch culinary shows and follow food-related blogs to find inspiration for meals.

When analyzing the type of information sought in the context of the respondents' education level, the conclusion was made that the higher the education level, the higher is the interest in specific types of information related to foods, markets and consumption. Only in the case of product prices, there was a similar share of replies from respondents with a tertiary education and from those at lower education levels. Holders of a tertiary education degree are more sensitive to the diverse aspects of social life.

An investigation into the living conditions of the respondents' households revealed that most people enjoying good living conditions replied to the question on the type of information sought. These respondents could clearly highlight their needs related to product health, unlike people who declared their living conditions to be 'neither good nor poor.' Interestingly, the respondents' living conditions had no differentiating effect on the number of replies regarding product origin. The respondents who declared their material status to be 'poor,' were only interested in the products' health-promoting qualities and in the way the products are prepared and used.

The knowledge collected by the author (based on her own research) enabled the identification of consumer needs for information on the food market. Research findings indicate that when seeking information on food, consumption and food market, interest is mostly focused on health properties, nutritional qualities, caloric values and composition of the product. The consumers were also found to demonstrate a great need for information on the products' origin, nature, preparation and use methods, prices, environmental concerns and on whether a product is consistent with an individual's diet. The respondents were least concerned about information on product quality (i.e. certificates, symbols or food quality marks), information on whether a product contains GMO or is processed, and 'best before' dates.

The results of research by other authors reveal that the consumers' purchasing power and preferences strongly differ across countries, regions and socioeconomic groups. It would be useful to identify in detail the consumers' needs for information. Research by Nestorowicz and Białowąs (2017, pp. 155–166) confirms that consumers differ from one another not only by information needs but also by information activity. To address such a large variety of tastes, entrepreneurs related to the food market must gain a deep understanding of this issue. Nestorowicz and Białowąs suggest that data on information activity can be useful when designing a corporate communication campaign (implemented, for instance, between the supplier and the consumers in order to boost customer motivation) or when making organized educational efforts to raise consumer awareness. The knowledge of consumer information needs can also be used for these purposes, as confirmed in a study by Salaüna and Flores (2001, pp. 21–37). However, they believe that trust plays a crucial role in that respect. They confirm that consumer information needs (including internal needs, information characteristics and consumer expectations) can be taken into consideration to develop information [...]. For instance, in a short supply chain, the supplier may efficiently exchange information to deliver high-quality products and establish a partnership with consumers. This procedure may be mutually beneficial to the economic operators engaged in it. Indeed, the suppliers will be able to optimize the effectiveness of their information campaigns (by ensuring consumer loyalty) whereas the consumers will gain confidence in understandable, communicative and reliable information tailored to their needs and expectations.

Conclusions

When seeking information on food, consumption and food market, interest is clearly focused on health properties, nutritional qualities, caloric values and composition of the product. The consumers were also found to demonstrate a great need for information on the products' origin, nature, preparation and use methods, prices, environmental concerns and on whether a product is consistent with an individual's diet. The respondents were least concerned about information on product quality (i.e. certificates, symbols or food quality marks), information on whether a product contains GMO or is processed, and 'best before' dates. The consumers differ in how they feel and address their information needs.

Note that today's consumers have an unrestricted access to information. In the food market, there is an active consumer group capable of clearly identifying their need for accessing information which plays an important role in building knowledge of food, consumption and market in order to make the right market decisions. That group has the potential to become an equal partner and to naturally strengthen their market position. Their guiding principle is to use a product in line with actual needs while caring for their own and their household's health and for their environment rather than focusing on the ownership or the quantity of goods purchased (which is characteristic of growing consumerism). However, the group is still small, and therefore the objective of, and the building block for, the relationships between enterprises and consumers should be the continuous education of consumers to create fully informed market players.

Food consumers must make decisions. This triggers the need for information which should be a signal for market operators who develop marketing actions and corporate strategies. Marketing communications can bring positive outcomes only if the information needs are skillfully explored by the entrepreneurs. Research findings indicate that consumers are a valuable active source of relevant information.

In order to build connections and relationships with customers and consumers, information must be collected from them. Today's entrepreneurs should consider how to use the knowledge of consumer information needs to establish relationships with an increasingly demanding partner. It is important to choose the channel and content used to contact the customers and consumers. Another crucial aspect is the management method for operational activities. The content has to be aligned with the objective of communication activities or with the product promotion method. The language of emotions cannot be disregarded. Consumer relationships should be established in various ways at different levels of maturity. This means going beyond product sales to: seek contact with final users; engage in personal discussions; adopt a tailored approach to encourage the customer to contact the company; and make efforts to retain the customer as a result of diverse operational activities. No company can survive in the market without developing and caring for consumer relationships.

The data collected suggests that as regards the communication process (including the choice of the channel and content), the strategies of food suppliers and sellers should strongly emphasize the health aspects of foods offered by referring to nutritional qualities resulting from the composition of the product. This is especially important when creating innovations. In the long run, data on information needs allows to capture the changes in consumer behavior. In view of the findings presented above, health qualities of food continue to be among the key information on food retrieved from the market. This provides a basis for maintaining a corporate market communications strategy which takes health aspects into consideration. Otherwise, it may also encourage the enterprises to modify their market communications strategy.

References

Berelson, B. (1952). Content analysis in communication research. The Free, New York.

Boutillier, Le J., Boutillier, Le. S. S., Neslin, S. A. (1994). A Replication and Extension of the Dickson and Sawyer Price-Awareness Study. Marketing Letters, 5(1), 31–42.

Burgiel, A. (2006). Procesy informacyjno-decyzyjne konsumentów – cz. 1. Marketing i Rynek, 10, 14–19.

Bywalec, Cz. (2010). Konsumpcja a rozwój gospodarczy i społeczny. Wydawnictwo C.H. Beck, Warszawa.

Degeratu, A. M., Rangaswamy, A., Wu, J. (2000). Consumer Choice Behavior in Online and Traditional Supermarkets: The Effects of Brand Name, Price, and Other Search Attributes. International Journal of Research in Marketing, 17, 55–78.

Düssel, M. (2009). Marketing w praktyce. Praktyka (i teoria) biznesu. Wydawnictwo BC.edu, Warszawa.

Earle, M., Earle, R., Anderson, A. (2007). Opracowanie produktów spożywczych. Podejście marketingowe. Wydawnictwo Naukowo-Techniczne, Warszawa.

Elliott, G., R., Cameron, R. S. (1994). Consumer perception of product quality and the country-of-origin effect. Journal of International Marketing, 2(2), 49–62.

Godbold, N. (2006). Beyond information seeking: towards a general model of information behavior, Information Research, 11(4) paper 269. Retrieved from http://InformationR.net/ir/11-4/paper269.html (15.02.2019).

Goryńska-Goldmann, E., Adamczyk, G., Gazdecki, M. (2016). Awareness of sustainable consumption and its implications for the selection of food products. Journal of Agribusiness and Rural Development, 3(41), 301–308. DOI: 10.17306/JARD.2016.57.

Strailey, J. (2018). Fresh Food. Produce Industry's Future Is Ripe With High-Tech/High-Touch. Retrieved from https://www.winsightgrocerybusiness.com/fresh-food/produce-industrys-future-ripe-high-techhigh-touch (15.02.2019).

Kujawiński, W. (2008). Podstawy teoretyczne działalności informacyjnej publicznych rolniczych organizacji doradczych. Centrum Doradztwa Rolniczego w Brwinowie Oddział w Poznaniu, Poznań.

Kotler, P., Keller, K. L. (2012). Marketing. Dom Wydawniczy Rebis.

Maison, D. (2004). Utajone postawy konsumenckie. GWP, Sopot.

Nestorowicz, R., Białowąs, S. (2017). Płeć a aktywność informacyjna konsumentów na rynku produktów żywnościowych. Marketing i Zarządzanie (d. Problemy Zarządzania, Finansów i Marketingu), 2(48), 155–166.

Podręcznik Oslo (2008). Zasady gromadzenia i interpretacji danych dotyczących innowacji. Wspólna publikacja OECD i Eurostat z 2005 r. Wydawnictwo MNiSW, Warszawa.

Raport 9th Annual Global CEO Survey/January 2018. Retrieved from https://www.pwc.com/gx/en/ceo-survey/2016/landing-page/pwc-19th-annual-global-ceo-survey.pdf (15.02.2019).

Rojek, R. (2007). Marka narodowa. Relikt czy fenom na globalizującym się rynku. GWP, Gdańsk.

Salaüna, Y., Flores, K. (2001). Information quality:: meeting the needs of the consumer. International Journal of Information Management, 21 (1), 21–37. doi.org/10.1016/S0268-4012(00)00048-7.

Sillani, S., Nassivera, F. (2015). Consumer behavior in choice of minimally processed vegetables and implications for marketing strategies. Trends in Food Science & Technology, 46.

Sojkin, B. (2012). Komercjalizacja produktów żywnościowych. Wydawnictwo PWE, Warszawa.

Szacka, B. (2003). Wprowadzenie do socjologii. Oficyna Naukowa, Warszawa.

Wilson, T. D. (1999). Models in information behaviour research. Journal of Documentation, 55(3), 249–270. Retrieved from http://informationr.net/tdw/publ/papers/1999JDoc.html (10.02.2019).

Wilson, T. D. (2000). Human information behavior. Informing Science, 3(1), 49–55. Retrieved from http://informationr.net/tdw/publ/papers/2000HIB.pdf (10.02.2019).

Wilson, T. D. (2005). Evolution in information behavior modeling: Wilson's model. In: Fisher, K. E., Erdelez, S., Kechnie, L. Mc. (Eds.), Theories of information behavior (pp. 31–36). Medford, N.J.: Information Today.

2.7

Joanna Zjawin

The role of sustainable packaging in B2B relationships between food business operators

The packaging market

According to the Global Packaging Market 2017–2021 (2017) report, based on an in-depth market analysis carried out with industry experts, the global packaging market will grow by 5.7% through 2021. That trend is undoubtedly driven by an increase in consumption expenditure. Food producers make efforts to carefully choose their products' packaging because the consumers are ready to pay more for the value-added it brings. The economic transformation resulted in an extremely wide range of products being offered in stores. Also, the consumers may choose between products with similar properties delivered by different manufacturers. Therefore, in addition to meeting product quality requirements, it becomes important to impact consumer choices through the product's visual aspects. As a consequence, packaging designers face a major challenge. In the years to come, the Millennials – who make the businesses rethink their approach to packaging and to the advertising campaign as a whole – will become one of the key target groups. For several years now, efforts have been made to capture and assess the trends followed by the young generation. They are typified by perfect visual communication, both offline and online, which must be consistent. Pro Carton, the European cardboard producers association, emphasizes the importance of several attributes (identified based on remarks by leading researchers into consumer trends) which affect the attractiveness of packaging (Trends 2018: Market and Packaging Intelligence, 2018). They say that in the era of Internet, packaging must be smart and active; this means it should leverage the technology to share such information as product description, best-before date, freshness or temperature it was stored in across the supply chain. Another important aspect to be kept in mind by product designers is e-commerce which requires not only that packaging be designed for physical stores but also that the packaged product look good on a website.

Today, green consumption trends are visible more than ever. According to Paul Marsh from The Packaging Experts, a recyclable packaging is highly likely to win new potential customers. Also, placing a sustainability message can help survive in the competitive market. According to Cone Communications, 91% of global consumers expect the companies to act responsibly while 71% of them are willing to pay an extra price for more sustainable products.

Sustainable packaging

Both the concept and the term of sustainable development have evolved over the last decades. Three phases can be identified: it was first mentioned in the U Thant's 1st report to the Club of Rome in 1969. The report provided grounds for the establishment of a global environmental protection concept and emphasized the role of the entire human kind in protecting and caring for the environment. Eco-development, in turn, was a term coined at the 1972 Stockholm Conference. The Stockholm declaration considered the environment as anything which the humans need to live a life of dignity and well-being, and was the first to identify two kinds of capital: natural capital and human capital (Madeja, 2002). The declaration also emphasized the importance of the right of humans to use the environment while making them responsible for maintaining environmental quality (Bagiński, 2012). Sustainable development considerations started to be intensively discussed with international institutions. The concept itself of sustainable development made the entrepreneurs embrace a responsible environmental approach.

In accordance with the sustainable development concept, any economic activity (including in the packaging industry) should: rely on renewable natural resources which ensure the durability and the protection of properties and functions of ecosystems; preserve biodiversity; keep noxious emissions below critical thresholds; and avoid irrecoverable damage to the environment (Żuchowski and Malinowska, 2010).

Therefore, when considering the importance of packaging in the sustainable development concept, the role of packaging should be seen as having the following dimensions (Hanss and Böhm, 2012):

- the environmental dimension (non-interference with environmental resources; responsible use of non-renewable resources; reducing the adverse environmental impact of packaging throughout the lifecycle; use of renewable resources; greenhouse emissions at particular stages of product lifecycle; voluntary certification for compliance with environmental criteria);
- the social dimension (the packaging should: guarantee an adequate quality of living; care for the social fabric; meet users' expectations; support consumer education and enhance knowledge on environmentally and socially advantageous solutions);
- the economic dimension (the packaging should reduce production, transport and disposal costs);
- the temporal dimension (the packaging should address the needs of the present and future generations);
- the development dimension (the packaging should drive business innovativeness and development).

If classified by environmental impact, the following packaging groups may be identified: naturally biodegradable or recyclable packaging; and non-degradable packaging which becomes waste and is either landfilled or incinerated (Heimowska, 2015).

When combining multiple definitions referred to in the literature, and having regard to the requirements of the European Union, packaging may be considered as a finished product which: is designed to protect the goods packaged against adverse external impacts or, vice versa, to protect the environment against harmful impacts of the product; enables handling the products during storage, transport, sale and use; informs of the content; demonstrates aesthetic qualities which influence consumer behavior; and has a specific economic value (Fertsch, 2006). Also, in order to properly perform its function, each packaging should meet specific requirements related to its ability to deliver adequate customer satisfaction.

To provide all of these features, food manufacturers must use packaging which is produced in line with the sustainable development concept throughout the manufacturing process. Therefore, they must closely cooperate with packaging manufacturers.

Supplier relationships in B2B markets

According to Poirer (2012), supplier relationships management focuses mainly on building relationships between the buyer and the key suppliers in order to identify the opportunities both for a thorough development of their relationships and for a collaborative improvement and enhancement of benefits delivered to partners active in a business network environment.

Some companies consider the risk of supplies or the contribution of suppliers to economic, social and environmental effects as a criterion when selecting their suppliers. What distinguishes these companies is the segment of key suppliers, mainly characterized in that they:

- supply goods of crucial importance to the buyer's business;
- meet their customers' sophisticated requirements;
- handle supplies which involve high risks for such reasons as a limited number of suppliers, high entry barriers for new suppliers or limited substitutability of supplies.

In its relationships with key suppliers, the buyer focuses its commitment on:

- strategic development of their cooperation;
- exploring the suppliers' potential in terms of cost drivers of their business, innovative technologies and their contribution to the development thereof;
- engaging the suppliers in product design and development activities in an effort to leverage new sources of value;
- making the suppliers contribute more to strategic planning and process designing in order to maximize value for final customers.

The buyers also identify a group of key contractors who generate the bulk of contracts with the highest impact on business profitability. In their mutual relationships, the companies are primarily committed to:

- manage their contracts on a long-term and professional basis;
- perform the contracts at highest service levels and continuously improve the contractors' satisfaction;
- develop their own potential to meet the current and future needs of the customers;
- seek synergies by sharing competences and technologies throughout the supply chain.

The mutual identification of interdependencies between suppliers and buyers, acting as strategic partners, becomes the decisive driver of business collaboration on B2B relationship management. The partnership requires both parties to make a long-term commitment and share information, risks and benefits arising out of their relationship (Ellram and Hendrick, 1993; Weele, 2014).

The role of sustainable packaging in the light of qualitative research

Because the author intended to understand the substance of the information, a structured in-depth interview was conducted to gather detailed feedback and information from companies active in the Polish market. The research data analyzed in this paper originates from 3 interviews with food producers. The first of the undertakings surveyed provides the customers with relatively low-priced high-quality products made of natural, non-transgenic raw materials. Its leading products include chocolate-coated wafers and a broad range of cookies. The undertaking sells its products in domestic and international markets.

The second undertaking covered by the survey was established in 1931 in Denmark. Currently, the Polish branch is part of an international group whose plants are located in Denmark, Germany, Bangladesh and Poland, and specializes in the production of ready-to-eat cakes.

The third undertaking is capable of developing a product according to a defined specification, and supports its operations with international standards-compliant quality management systems. The company sells ca. 8,000 tons of products to retail chains such as Tesco, Makro, Kaufland, Polomarket, Auchan and Selgros and to warehouses located across the country and abroad, mainly in European Union countries.

Each interview started with an essential data section to discover the company profile, followed by questions arranged into two sections. The first one was about sustainable packaging while the second referred to supplier relationships.

The first operator covered by this study is a domestic joint-stock company with some 750 employees. It has been operating for more than 109 years. It supplies one third of its products to retail chains and exports the remaining volume. Although company employees have little knowledge of the sustainable development policy, they make efforts to implement the related principles. They ask their suppliers to commit themselves to sustainable development only to a partial extent, even though their customers asked them to present their view on this matter.

The second undertaking defines sustainable packaging as one with no environmental impacts. They use sustainable packaging only when the customer so requires. They only partially and sporadically try to impose requirements on packaging supplied to them. One of the criteria to be met by cardboard suppliers is the FSC certificate which guarantees that the paper used in the production of cardboards originates from properly managed forests.

When choosing a supplier, they mostly rely on recommendations. Also, they have some influence on the choice of components used in packaging production. The quality department is in charge of accepting the packaging delivered by the suppliers (they are about 30 of them). They change their suppliers as seldom as possible and maintain good supplier relationships. The development itself of relations in the B2B market is crucial to them. These relations primarily depend on the quality of packaging supplied; equally important is the trust they can have in their partners whereas price plays a less significant role.

The second interviewee was a limited company with Danish capital. It has been active in the Polish market for 25 years, and currently employs ca. 420 people. The company's commitment to sustainable development is reflected in employee awareness of sustainability principles. The company also surveys its customers to explore the issues of sustainable development. They perceive sustainable packaging as degradable packaging, and therefore believe it should be as simple as possible. However, they realize that an environmental policy does not always match customer expectations. All packaging offered by the undertaking has been sustainable since several years now. The company requires its suppliers to hold a BRC certificate which is an international standard of food safety. BRC certification guarantees that the product has successfully passed specialized tests and inspections, demonstrates high quality and is safe to consumers. The company maintains long-term relationships with four regular suppliers of packaging. Company representatives believe that the building blocks of a relationship are cooperation, flexibility of supplies and timeliness combined together. The main driver of relationships in the B2B market is confidence in a supplier who is able to solve product problems by himself.

The third undertaking is a cooperative with 70 years of experience and ca. 200 employees. The staff is rather unaware of the sustainable development policy, and therefore they do not ask the suppliers to make a commitment to sustainable development. Just like Undertaking 2, the company delivers half of its products to retail chains and the other half to warehouses. For them, sustainable development means environmentally-friendly packaging. In the case of new products, they try to consider various types of packaging and try not to use excessive quantities of non-degradable materials. They consider sustainable packaging to be the result of a rational approach. Their main requirement for suppliers is to be BRC certified. They have around 10 regular suppliers. When building relationships, the company focuses on direct contacts with persons in charge of packaging production. They believe the payment deadlines, flexibility, logistics, confidence and communications to be the key building blocks for relationships in the B2B market.

Summary

The Polish packaging market is expanding rapidly. New technologies provide more and more opportunities for improvements which strengthen the attractiveness of products offered to consumers. Because of the fierce market competition, price and design are no longer the only thing that matters to final customers. Therefore, before considering the producers, they look for other distinguishing features of the product, which may include greening (as reflected in specific features of the packaging). Packaging used in the food market should comply with certain quality standards. The customers are sensitive to whether the packaging is recyclable and environmentally-friendly. Therefore, the producers must carefully choose the packaging for their products in accordance with sustainable development principles. As a consequence, they should expect their suppliers to meet certain requirements. Based on opinions voiced during the interviews, it may be concluded that the companies active in the Polish market are only beginning to see the role of sustainable packaging. Certainly, the managers' awareness of these issues needs to be raised. Hence, it becomes important to educate Polish enterprises, especially in view of the market internationalization process.

References

Bagiński, J. (2012). Jakość w zrównoważonym rozwoju przedsiębiorstwa. Warszawa.

Fertach, M. (red.) (2006). Słownik terminologii logistycznej. Instytut Logistyki i Magazynowania, Poznań.

Hanss, D., Böhm, G. (2012). Sustainability seen from the perspective of consumers. Int. J. Consum. Stud.

Madeja, T. (red.) (2002). Gospodarka a środowisko przyrodnicze. Szczecin.

Poirer, Ch. C. (2012). Supplier Relationships Management (SRM): Virtual Networks. In: J. B. Ayers (Ed.), Encyclopedia of Supply Chain Management. CRC Press Taylor & Francis Group, Boca Raton.

Van Weele, A. (2014). Purchasing and Supply Chain Management. Cengage Learning, Andover.

Żuchowski, J., Malinowska, J. (2010). Rola opakowań w realizacji celów zrównoważonego rozwoju. Wybrane zagadnienia logistyczne w zapewnieniu jakości towarów. Wydawnictwo Naukowe Instytutu Technologii Eksploatacji – PIB, Radom.

https://www.prnewswire.com/news-releases/global-packaging-market-2017-2021---focus-on-sustainable-packaging-solutions--growing-popularity-of-lightweight-packaging-300566020.html.

https://www.procarton.com/trends-2018-market-packaging-intelligence/.

http://www.dbc.wroc.pl/Content/27380/Heimowska_Opakowania_zgodne_z_idea_zrownowazonego_rozwoju.pdf.

Michał Gazdecki, Elżbieta Goryńska-Goldmann

Final remarks

Considering the high diversification of food markets in terms of products, strategies and functions, two sub-markets can be identified. The first one is the mass food market with large-scale sales operations focused on a large group of consumers (mass consumers). This sub-market provides households with food products and allows the consumers to meet their food-related needs. The other system is an alternative/niche market which focuses on more sophisticated consumer needs and adds more value to products and services offered. In this case, marketers deal with niche strategies and dispersed consumers who need a more personalized approach.

In each of the sub-markets, business success largely results from the ability to create and maintain consumer relationships. The sub-markets rely on different B2C relationship strategies. In mass markets, asymmetry (based on market power) between companies and consumers may be stronger than in niche markets. Large-scale trading operations and a high turnover may result in moving the company progressively away from its consumers. In addition, in these markets, many players may supply consumers with similar products. This makes customers more independent; they can simply obtain the products from different "sources" and may become less loyal to the company. In the niche markets, the smaller number of consumers and their strong commitment (e.g. to the brand and its identity) may foster the emergence of B2C relationships. Additionally, modern communication tools help entrepreneurs reach dispersed consumers.

The market trends and phenomena discussed in this study could be a starting point for the development of marketing strategies designed to establish connections with consumers. For instance, marketers may leverage some product aspects and focus on the greening of consumption and organic production in order to create more value for the customers and make them more closely related to the company. Companies can refer to markets externalities as part of the concept of fair trade or sustainable development. Alternatively, they can take into account different consumer needs and behaviors involved in searching for information in the purchasing process, and develop new communication strategies.

Topics discussed in this study cover only a small part of the various processes and trends that take place in food markets. However, it provides grounds for further research on the nature of B2C relations; the resulting findings may be used in the future by the food industry and could enhance the knowledge about market relationships.