

The Role of Region of Origin in
Consumer Decision-Making and Choice

Koert van Ittersum



The Mansholt Graduate School is a Graduate School of Wageningen Agricultural University in the field of Social Sciences for Agriculture and the Environment.

The Mansholt Graduate School, named after the former politician and European Union Commissioner for Agriculture Dr. S.L. Mansholt, consists of researchers of the following Groups:

- Agricultural Economics and Policy
- Agrarian Education
- Applied Philosophy
- Communication and Innovation Studies
- Development Economics
- Economics of Consumers and Households
- Environmental Economics
- Farm Management
- Farm Technology
- Forest Policy and Forest Management
- General Economics
- Information Technology
- Land Use Planning
- Law and Governance
- Management Studies
- Marketing and Consumer Behaviour
- Operations Research and Logistics
- Rural Sociology
- Socio-spatial Analysis and Recreation & Toerism
- Sociology of Consumers and Households

The aim of the Mansholt Studies is to publish research reports in English from these Groups. All reports are refereed by the editorial board and external referees.

Editorial board: A. van Tilburg, Chairman
 A. Oude Lansink, Managing Editor
 C. de Hoog
 M.C. Hidding
 C. Leeuwis

Editorial secretariat: Mansholt Graduate School
 Hollandseweg 1
 6706 KN Wageningen
 The Netherlands

The Role of Region of Origin in
Consumer Decision-Making and Choice

Promotoren

Prof. dr ir M.T.G Meulenberg
hoogleraar in de Marktkunde en Consumentengedrag

Prof. dr ir J.C.M. van Trijp
hoogleraar in de Marktkunde en Consumentengedrag

Samenstelling promotiecommissie

Prof. dr M. Besch (Technische Universität München, Deutschland)
Prof. dr B. Wansink (University of Illinois, USA)
Prof. dr ir J.E.B.M. Steenkamp (Katholieke Universiteit Brabant)
Prof. dr ir J.D. van der Ploeg (Wageningen Universiteit)

The Role of Region of Origin in Consumer Decision-Making and Choice

Koert van Ittersum

Proefschrift
ter verkrijging van de graad van doctor
op gezag van de rector magnificus
van Wageningen Universiteit
Prof. dr ir L. Speelman
in het openbaar te verdedigen
op maandag 10 december 2001
des namiddags te vier uur in de Aula.

ISSN 1383-6803
ISBN 90-6754-670-4

© Mansholt Graduate School, Wageningen, The Netherlands, 2002

Distribution:
LEI
Den Haag
The Netherlands

All rights reserved. No part of this book may be reproduced, stored in a retrieval system, or transmitted, in any forms or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the written permission of the Mansholt Graduate School.

Printed in the Netherlands

To Marjan

CONTENTS

Acknowledgements	<i>iii</i>
Chapter 1 General Introduction	1
1.1 Introduction	1
1.2 Defining Regions and Regional Products	2
1.3 Problem Statement and Research Questions	3
1.4 Objective	4
1.5 Outline	4
Chapter 2 The Game of the Regional Name; The Region as a Marketing Tool	7
2.1 Introduction	7
2.2 A Historical Overview of Marketing Regional Products: New Opportunities as a Result of Globalization	7
2.3 Consumer Motives for Purchasing Regional Products	10
2.4 Company Motives for Marketing Regional Products	13
Chapter 3 Model and Hypotheses: The Role of Region of Origin in Consumer Decision-Making and Choice	15
3.1 Introduction	15
3.2 Research Framework	15
3.3 Need Recognition	17
3.4 Consumers' Prepurchase Search for Information	22
3.5 Perception and Evaluation	28
3.6 Choice	44
3.7 Consumers' Intention to Repurchase and Regional Product Loyalty	45
3.8 Summary and Introduction to Subsequent Empirical Studies	47
Chapter 4 Determinants of the Accessibility of Regional Product Information	49
4.1 Introduction	49
4.2 Conceptual Model and Hypotheses	49
4.3 Scale Development	52
4.4 Hypotheses Testing - Determinants of the Accessibility of Regional Product Information	58
4.5 Conclusions and Implications	65
Chapter 5 Perception and Evaluation	67
5.1 Introduction	67
5.2 Conceptual Model and Hypotheses	67
5.3 Method	70
5.4 Scale Analyses	73
5.5 Results	77
5.6 Conclusions and Implications	80

Chapter 6 First-Trial Purchases and Consumption Values	81
6.1 Introduction	81
6.2 Conceptual Model and Hypotheses	81
6.3 Method	86
6.4 Scale Analyses	91
6.5 Results	92
6.6 Generic Regional Products and Branded Cheeses	95
6.7 Conclusions and Implications	96
Chapter 7 Regional Product Loyalty; The Role of “Protected Designation of Origin” Labels	97
7.1 Introduction	97
7.2 Conceptual Framework and Hypotheses	98
7.3 Method	102
7.4 Scale Analyses	108
7.5 Results	108
7.6 Conclusions and Implications	111
Chapter 8 Conclusions, Implications And Discussion	113
8.1 Introduction	113
8.2 Conclusions	113
8.3 Marketing Implications	118
8.4 Discussion and Future Research	121
References	123
Summary	139
Samenvatting (Summary)	145
Curriculum Vitae	151
Appendices	153

ACKNOWLEDGMENTS

Having worked on my dissertation for five years and having participated in different related research projects, I can honestly say that I am indebted to many people who contributed to the realization of my thesis.

First of all, I would like to thank Prof. dr ir M.T.G. Meulenberg and Prof. dr ir J.C.M. van Trijp. Professor Meulenberg, I thank you for your tremendous dedication, patience and commitment in supervising my dissertation. I want to express my admiration for your sense for detail on the one hand and your incredibly broad knowledge base on the other. Your expression “that is an *interesting* notion” is one I will never forget. And, although I know you do not really like to travel, I enjoyed our trip to Paris to visit our European friends and I hope to welcome you in Urbana-Champaign some time.

Professor Van Trijp, Hans, I want to thank you for your great enthusiasm, devotion, persistence and allegiance in supervising my dissertation. Although most of the data collection had already taken place at the time you got involved in my dissertation, you stimulated me to see the bigger picture, which has resulted in the structure of my dissertation as it is. Our discussions, some in the refreshing presence of your oldest son, were always fruitful and inspiring. And, I appreciate how you taught me one of the fundamentals of writing: “schrijven is schrappen”. When I told you that Marjan and I were getting married, you said you were pleased to find that I was able distinguish between the important and the very important things in life. I really appreciated that. Let us now find out how we can actually determine what is important and what is not.

I thank both supervisors for their support when I was given the opportunity to go to the United States, even though my dissertation was not yet finished. I realize that, as a result of my leaving the country, a considerable amount of extra effort had to be put in to keep making progress. Neither of my supervisors has ever complained about this. Comments were carefully documented and sent to me by e-mail. I really appreciated that, thanks!

I would like to thank dr Math J.J.M. Candel. Math, you were the one who asked me if I would be interested in becoming a PhD student. You explained to me that doing a PhD-study resembled doing a graduation project...times ten. Looking back on my graduation project, which you supervised, as well as my dissertation period, I now know you were right. Nevertheless, I never regretted my decision. Math, I would like to thank you for your support during the first two years of my research. You were my daily supervisor and were always there... always, and that sometimes made things too easy for me, knock, knock, who's there? Math, I really appreciated our cooperation and look back with good memories.

Dr ir P.W.J. Verlegh, Peeter, first of all, I would like to congratulate you on your recent promotion! We shared an office for about two of the four years we were colleagues. But actually, it did not really matter whether we were sharing an office or not. With you studying the country-of-origin effect and me studying the region-of-origin effect, there was always something to talk about, or, rather, to discuss. Turning the chair or walking ten meters, what is the difference? Although we spent quite some time on discussing matters, I know it was a valuable way of spending some of our time. Peeter, I thank you for the critical and fruitful discussions we had,

whether they were about theoretical aspects, methodological issues or the future path to follow. I hope we will stay in touch and I propose to join efforts soon!

I would like to thank Prof. dr ir J.M.E. Pennings. Joost, I thank you for your strong belief in me. You created a tremendous opportunity for Marjan and me, for which we are thankful. I admire your energy and insights, which are very stimulating and valuable. You taught me a lot about academia, for which I am grateful. I truly hope to learn even more from you in the future.

Further, I would like to thank ir F.J.H.M. Verhees, dr I.A. van der Lans, dr A. van Tilburg, dr ir H.N.J. Schifferstein, dr ir W.E. Kuiper and drs Y.K. van Dam. Frans, Ivo, Aad, Rick, Erno and Ynte. You were always willing to listen and to help find solutions for research problems I encountered. I really enjoyed having you as colleagues and I appreciate the valuable academic and social discussions we had and the lessons I learned from them.

I want to thank my office neighbor J.A. Bijkerk for his support in mining all the data we have gathered during the last few years. Although I often tried to figure out computer problems by myself, the speed with which you provided a solution was very attractive. Further, I want to thank you for all the graphical work you did for me during the different research projects. Beside your professional help, I want to express my gratitude to you for being a friendly neighbor whose door was always open. Jaap, thanks.

I thank E.C. Vossen en L.M. Hijwegen for their valuable assistance in handling a wide variety of operational tasks that I was confronted with during my research. E. Gersons, I thank you for entering data, gathered during one of the research projects. I thank W. Brokking and B. Visser for their valuable help during the beginning of my research.

Most of the data gathered during my research were financed by secondary sources. Actually, my PhD position is largely paid based on a research project on the European market of regional products, financed by the European Commission, paid contract no. FAIR1-CT95-0306. This project has enabled me to work with scholars from different cultural and academic backgrounds. Working in an international and multidisciplinary project is not always easy. It does however provide a great opportunity for learning. I thank all the scholars I worked with in this project for the nice cooperation and international research lessons I learned. Bertil Sylvander, we had our differences, but I look back on our cooperation with good memories. I will never consider the concept of quality the way I did before I met you! Dominique Barjolle, the passion with which you defended your research ideas was admirable. Thanks for everything. Natasha Wilson, during the last two years we have not spoken each other a lot. I hope you are doing fine. I will always remember our trip to Jersey and Marjan and I really enjoyed our stay at your place in London. Thanks for the great cooperation during the project and for the conversations and discussions we had about it. Further, I would like to thank J.M. Chappuis, M. Dufour, K. de Roest, F. Torelli, A. Fearn, C Fotopoulos, K. Mattas and A. Vakrou for the international insights they gave me during our world-famous meetings and for the great social gatherings which took place all over Europe.

I want to express my gratitude to the Dutch Ministry of Agriculture, Nature Preservation and Fishery, Direction Industry and Trade, who financed a project on Dutch regional products. I want to thank K. de Vlieger and H. van der Meulen for the pleasurable cooperation on this project.

The last person from academia I want to thank is Professor dr B. Wansink. Brian, I have got to know you as one of the most energetic persons I have ever met. Although most people have their limits, I still am waiting for you to reach yours. I thank you for the tremendous opportunities you gave me. You offered me some of your scarce office space, and provided me with all necessary means for a perfect lift-off. Further, I thank you for your patience with respect to my having to finish my dissertation and for helping me across some of the final hurdles in doing so. Your support has not been limited to my academic life. You and Jennifer helped Marjan and me to get settled in Urbana-Champaign, and made it a true home for us. Our social gatherings were, and still are, fun, exciting, and different. Having a game dinner somewhere in Indiana, watching a movie at a drive-in theatre, spending Thanksgiving at your house and, of course, celebrating Halloween in your basement are just a few of the activities we look back on with great pleasure. Brian, Jennifer, thanks for everything!

Finally, I want to express my gratitude to my parents and my wife. Pa, ma, bedankt voor de kansen die jullie mij hebben gegeven en nog steeds geven. Het vertrouwen dat jullie in mij hebben en de wijze waarop jullie mij steunen is bijzonder en mijn waardering hiervoor is groot. Ik hou van jullie en hoop nog lang van de veilige, en erg gezellige thuishaven te mogen genieten.

Als laatste wil ik mijn vrouw, Marjan, bedanken. Er zijn maar weinig woorden die mijn liefde en bewondering voor jou kunnen beschrijven. Marjan, ik hou van je en durf zonder meer te stellen dat ik het niet zonder jou steun zou hebben gered. Het moment dat we samen beleefden aan de rand van de Niagara watervallen zal ik nooit meer vergeten. Als teken van mijn enorme waardering en liefde voor jou, draag ik dit proefschrift aan jou op.

CHAPTER 1

GENERAL INTRODUCTION

Please, explain your fears regarding Europe and its harmonization?

It has to do with the European development of standardization, which will result in an identity loss, the death of our heritage.

Why are there so many cheeses down here?

Its because its a dairy area and there are a lot of small businesses actually experimenting and diversifying. (Anonymous)

1.1 Introduction

Until the beginning of the twentieth century, food production and trade were largely organized on a regional basis (Nevett and Nevett 1994). Although trade took place, it was often limited to the own region. With transportation and communication technologies evolving, national trade emerged and production specialization took place. Depending on local expertise, and the presence of natural resources (e.g., soil, sun) in the region, production differentiation and related trade evolved (e.g., Besch 1999). During the second half of the twentieth century, the internationalization of trade developed rapidly. Global brands appeared and the importance of national borders slowly disappeared. The ‘disappearance’ of national borders accelerated due to global investment and production strategies, changing travelling behavior, growing information dissemination techniques (e.g., Internet), and the appearance of global media (Belk 1996, Ter Hofstede et al. 1999). The emergence of trade blocks (e.g., EU, NAFTA, MERCUSOR) and global trade agreements (e.g., GATT, WTO)¹ accelerated this process even further. A globalized globe ‘remained’. ‘As an economic phenomenon, globalization is manifested in a shift from a world of distinct national economies to a global economy in which production is internationalized and financial capital flows freely and instantly between countries’ (Washington 1995, p. 1).

Globalization is considered one of the most important and challenging market characteristics of this time (Yip 1995). The ‘disappearance’ of national borders increases the accessibility of markets, intensifying competition. However, ‘the relative decline in the importance of the nation-state as an institution also provides new opportunities which producers have been quick to capitalize upon through origin-based branding and promotion’ (Papadopoulos 1993, p 18). With the ‘disappearance’ of national borders, local and regional geographic entities and their

¹ EU = European Union, NAFTA = North American Free Trade Agreement, Mercosur = Common Market of the South (South and Central America), GATT = General Agreement on Tariffs and Trade, WTO = World Trade Organization.

characteristics are of growing importance (Applegate 1999, Bonser 2000, Fürst 2001, Institute of Intergovernmental Relations 1999, Porter 1998, Reich 1998, Scott 1998). We propose that marketing products by using their *region of origin* is a viable and valuable strategy. Products marketed with a regional indication, from now on, will be referred to as *regional products*.

The strategy of marketing products based on their region of origin is expected to be especially suited for products that are produced under particular natural conditions and by unique handicraft (cf., Baker 1998, Tregear et al. 1998). These production characteristics give regional products exclusive features, which can be capitalized upon in the market. They are often an effective basis for demarcating the region of the regional product. Because of their more profound regional basis, it is proposed that this strategy may be especially suited for small- and medium-sized enterprises, as opposed to multinationals. Small- and medium-sized enterprises (SMEs) are assumed to be in a better position and more inclined to use their local identity². This local basis may provide SMEs with an opportunity to differentiate their products from those marketed by their national and global competitors (e.g., Gerschau 1990). By stressing unique local characteristics, enabling them to produce a product that has specific characteristics, SMEs may provide their products with a unique identity. Often products are differentiated by a country-of-origin cue. Since the identity of regional products is related to regional characteristics, such as climate and handicraft, product differentiation on the basis of the region of origin seems to be more effective than differentiation on the basis of the country of origin. The reason for this is that regions can better be demarcated by natural characteristics than countries, which are demarcated by their national borders. In fact, a country as a legal entity is primarily identified with its political and cultural characteristics (cf., Cordell 1992, Gaedeke 1973, Martin and Eroglu 1993, Schooler et al. 1987, Wang and Lamb 1983, Verlegh and Steenkamp 1999). To market products that are produced under particular natural conditions and by unique handicraft, as opposed to industrial products³, based on the region of origin may provide marketers with great added value (cf., Kim 1999). Regional products may further address consumers' demand for quality, distinctiveness, and products with which consumers can identify (EEC Council 1992, Giddens 1990a 1990b, Han 1988, Ridner 1999, Shimp and Sharma 1987).

1.2 Defining Regions and Regional Products

When marketing products with a geographic indication of origin, marketers can choose from a wide variety of geographic names⁴, attached to the same place of production. Each village or city is situated within a region, each region in turn is situated within a province, state, or department,

² Although the use of local characteristics may be a viable strategy for multinationals as well, their products are often produced in different countries, making it more difficult to pinpoint one place of origin. Furthermore, they often try to market global brands, making the use of a place of origin indication less desirable.

³ We acknowledge that exceptions can be identified. With complex technical products, for instance, local expertise may actually be a differentiating factor. Computer technology from Silicon Valley may be considered an example of this. Also, products such as Edam and Gouda cheese are often produced in a factory.

⁴ These may both be geographic and administrative entities.

and these are again situated within a country and so on. A ‘single address’ and the ‘entire world’ anchor this geographic continuum. In this research, we focus on that part of the continuum that ranges from a ‘single address’ to a ‘country’. These include states and provinces, but also some cross-border areas, which are culturally, naturally and/or climatically homogeneous (e.g., Alps - France, Wadden region – The Netherlands). A ‘region’ is defined as ‘*an area, which based on traditions, the scenery, language, etc., forms a certain entity*’ (Koenen et al. 1992) or ‘*an area with a specific character*’ (Geerts et al. 1999). Building on the definitions of Koenen et al. (1992) and Geerts et al. (1999), in this research we define regions as follows:

‘A region is an area, situated within one or more countries, which forms an entity based on local characteristics such as traditions, culture, and scenery’.

The European Commission uses two criteria to distinguish regional products from other products. First, the *quality* or *fame* of a regional product should be attributable to the region of origin⁵. Second, the name of the product should refer to the product’s region of origin (e.g., Parma ham). To differentiate regional products from ‘other products’, in this research, regional products are defined as follows:

‘A regional product is a product whose quality and/or fame can be attributed to its region of origin and which is marketed using the name of the region of origin’.

1.3 Problem Statement and Research Questions

Despite the increasing interest in regions and the related marketing opportunities, the amount of research into the effect of the region-of-origin cue on consumer behavior remains relatively scarce. Often, research is limited to specific regional products (i.e., case studies) and conducted without the intention to obtain fundamental insights into the mechanisms underlying consumers’ purchase decisions with respect to these products. Gaining basic insights into consumers’ motives to purchase regional products and the processes underlying the purchase decision of these products, would enable marketers to develop, position and market regional products more effectively. Further, these insights would contribute to our understanding of the place-of-origin effect, encompassing both the region- and the country-of-origin effect. In contrast to the region of origin, the impact of the country of origin on consumer behavior has been investigated extensively.

Schooler (1965) was one of the first researchers to study this effect. As other researchers demonstrated in later studies (Erickson et al. 1984, Johansson et al. 1985, Verlegh and

⁵ For instance, Parma ham is considered a regional product since the quality of the product is attributable to the human expertise and natural factors present in the region of Parma (the production, processing and preparation of the ham take place inside the region). Quercy lamb on the other hand is considered a regional product because of the reputation of the product inside the region of origin.

Steenkamp 1999), Schooler found that ‘products identical in every respect, except for their country of origin, were evaluated differently’ (Samiee 1994, p. 583). The same influence is expected to be present for other places of origin as well, such as regions and provinces (Balling 1995, Hauser 1993), and trade zones and continents (Papadopoulos 1993, Smith 1993).

Although region-of-origin effects are expected to operate through similar processes as country-of-origin effects, the region of origin has some specific aspects that make investigating the region of origin as a product cue a useful enterprise. By using a regional indication, marketers are able to exploit the associations consumers have with a region and provide their product with an image. One important determinant for this strategy to be successful is that the image is internally consistent (Farquhar 1989, Kapferer 1992). Since a region within a country is more homogeneous than a country, a regional indication may provide a more consistent image. Consequently, a regional indication is expected to offer better opportunities for differentiating products than a country-of-origin label. Because of the homogeneous image related to regions, as opposed to countries, the predictive value of the region-of-origin cue is larger (cf., Johansson 1989, Schweiger et al. 1999). As a possible downside, the more specific nature of the regional associations may limit the range of products that can actually be marketed with the region-of-origin cue as compared to the country-of-origin cue.

To gain a better understanding of the role of the region-of-origin cue in decision-making processes by consumers, the following key research questions will be addressed in this thesis:

1. which consumer goals can be satisfied by regional products?
2. in which stages of the purchase process does the region-of-origin cue manifest itself?
3. how does the region-of-origin cue manifest itself in each stage of the purchase process?
4. what are the sustainable effects of the use of the region-of-origin cue as a marketing tool?

1.4 Objective

The *objective of this research* is to gain a deeper understanding of the role of the region of origin as a product cue in consumer decision-making and its role in consumers’ goal satisfaction. More specifically, we want to gain insights into the processes underlying the relationship between the region-of-origin cue and consumers’ goals and how they initiate, direct and terminate consumer decision-making and behavior. To accomplish this, an analysis of decision-making processes regarding regional products is conducted. Understanding these processes enables marketers to utilize the region-of-origin cue more effectively and pro-actively in developing, positioning and promoting regional products.

1.5 Outline

This thesis consists of eight chapters. Chapter 2 describes the context in which this research is conducted. We elaborate on the growing importance of regions for both companies and

consumers. Insights into the practical importance of studying the effect of the region of origin are brought forward.

In chapter 3, the *research framework* is proposed. The role of the region-of-origin cue and of related consumer constructs during the entire purchase process is examined (cf., Johansson et al. 1994). The different stages of the purchase process form the core of our framework (e.g., Engel et al. 1993). Based on this framework, propositions and hypotheses are formulated, most of which are subjected to empirical testing in the subsequent four chapters. Because we anticipated a stronger relationship between specific regional characteristics and the identity of regional products for natural products, vis-à-vis industrial products, our empirical research is conducted on food products.

In chapter 4, it is examined whether and how the region-of-origin cue influences the likelihood that a regional product enters the decision-making process, during consumers' *prepurchase search for information*.

In chapter 5, the role of the region-of-origin cue during the *evaluation stage* is investigated. First, the role of the region-of-origin cue in inferring consumers' beliefs about the true state of the attributes of a regional product is examined. Second, the subsequent effect of these inferred beliefs on consumers' attitude towards the regional product is investigated.

Next, in chapter 6, the influence of the region-of-origin cue on consumers' *intention to purchase* regional products is studied. This chapter focuses on *first-trial* purchases.

In chapter 7, the role of the region-of-origin cue in the development of consumer loyalty towards regional products is examined. Further, it is investigated if and how certificates of origin (PDO protection labels) enhance consumer loyalty towards regional products.

Finally, in chapter 8, conclusions will be drawn. Marketing implications will be inferred from our research results.

CHAPTER 2

THE GAME OF THE REGIONAL NAME; THE REGION AS A MARKETING TOOL

We're from Texas. What country you from?
(Coates 1998)

2.1 Introduction

While regional products have a long history, their importance, both from a demand and from a supply-side point-of-view, is increasing, partly as a reaction to the globalization of markets. In this chapter, a literature study and a series of focus groups, conducted in six European countries⁶ substantiate this notion. First, a historical overview of the use of regional indications is given. Second, preliminary insights into consumers' motives for purchasing regional products are provided. Finally, companies' motives for and benefits of marketing products using the region of origin are discussed.

2.2 A Historical Overview of Marketing Regional Products: New Opportunities as a Result of Globalization

The history of marking products for differentiation and identification purposes is traced back to *ancient Egypt*. In those days, brickmakers already marked their bricks in order to *identify* their products. Further, by placing their own personal mark on their animals, farmers in ancient Egypt indicated who owned which animal. Even in the early days, the use of the place of origin was not limited to identification purposes. Places of origin were also used to signal quality. It is communicated that even in the Greek world, Thasian wine (from the island Thasos, Macedonia region, Greece) yielded a price premium of 20 drachmas for 20 liters (Nevett and Nevett 1994).

In the *middle ages*, European guilds required 'trademarks' on their products in order to assure the consumer of *consistent quality* and to afford the producer legal *protection* in an exclusive market (Farquhar 1989). Different examples of regional products from that period can be identified. For instance, the history of the Parmigiano Reggiano is traced back to 1344. In those days, the cheese was known as 'Parmigiano' or 'Parmensis' (Antonello et al. 1997). Edam cheese received its name because the very first Edam cheeses were marketed through the market in Edam, a small place in the province of Noord-Holland (Berhey, 1811). Edam cheese already had a very good reputation before 1500. The history of Comté cheese (France) is traced back to the 13th century, that of Gruyère cheese to at least the 12th century (Barjolle et al. 2000)

⁶ This research was supported by a grant from the European Commission, paid contract no. FAIR1-CT95-0306.

During the early *sixteenth century*, whiskey distillers started to use actual brand names and throughout the *eighteenth century*, the brand concept evolved. Names and pictures of animals, and famous people replaced many producers' names. The new purpose was to strengthen the association of the brand name with a product. During the *nineteenth century*, an additional purpose of branding emerged. Producers tried to enhance the perceived value of their products through consumers' associations with the brand name of the product. Several regional products from this time period can be identified. For instance, the history of Opperdoezer Ronde potatoes (Netherlands) and that of Washington apples (USA) are traced back to the 19th century.

Even though the use of regional indications remained an important way of differentiating food products, in time, its importance slowly diminished. National trade evolved and production specialization took place. During the second half of the *twentieth century*, internationalization expanded rapidly. The need to accomplish economies of scale urged companies to expand their business horizon to foreign markets. In order to profit optimally from local characteristics (natural resources, human expertise), production began to move to the most 'efficient' places that could be identified. For instance, while research and development are located in one country, the actual production takes place in another. The urge to achieve economies of scale not only resulted in 'geographic specialization' and geographic expansion of marketing operations, it also resulted in production specialization. Instead of producing a broad product assortment, companies began specializing in the production of only a few (standard) products. This development resulted in the loss of many unique and specific regional products (e.g., Tregear et al. 1998, Usunier 1994, 1996).

In time, the importance and opportunities of globalization for business and markets increased even further, a result of increasing (international) travel, growing information dissemination techniques (e.g., Internet), technological developments in logistics, and the emergence of global media (Belk 1996, Ter Hofstede et al. 1999). The appearance of trade blocks (e.g., EU, NAFTA, MERCUSOR) and global trade agreements (e.g., GATT, WTO) accelerated this process even further. In response to these developments and to increase the efficiency of their business (i.e., economies of scope), companies started to introduce *global brands*. These brands functioned as 'carriers of global marketing operations'. Global brands are standard products being marketed across the globe with the same brand name.

It is suggested that due to the appearance of global brands, cultural boundaries are weakening and tastes and preferences are converging (Belk 1996, Usunier 1996). The appearance of global brands contributes to consumers' awareness of the potential loss of cultural identity as a result of globalization. Also, with the loss of numerous specific local products, consumers' options to preserve and support their cultural inheritance and own identity diminish. Further, the appearance of global brands decreases the variety in food supply and as a result may trigger consumers' desire for variety. Both consumers' perception of the potential loss of their cultural identity and their desire for variety increase the demand for acknowledging local differences as well as a demand for distinct product characteristics in product offerings. The fact that many companies switch from uniform mass-marketing to a more customized strategy⁷ (e.g., Usunier

⁷ Because of the development of more efficient and flexible production techniques, companies are also better able to apply this strategy than before.

1996) provides evidence for this notion. Hence, the importance of regions is growing (Applegate 1999, Porter 1998, Scott 1998).

Foregoing developments have stimulated the marketing of traditional regional products, but additionally have triggered the search and development for new regional products⁸ that might be marketed at a profit. This revival of the interest in regional specialities can be noticed throughout the world. For instance, in the Netherlands, SMEs search for the lost regional specialities or introduce new regional products (e.g., Van der Meulen 1998). Sanitch (1999) reports the increased interest in local produce in Australia, while Tsurumi (1997) reports the increased awareness among Japanese consumers of high-quality regional products and the growing number of local manufacturers who are looking for new markets for their products. 'Today, the resurgence of regional identity, coupled with competitive pressures, leads increasing numbers of producers of a broader spectrum of products to group together at the *subnational* level to promote common origin-based characteristics (e.g. Florida's orange and grapefruit growers, California wines and raisins, and Silicon Valley Technology)' (Papadopoulos 1993, p. 18-19).

Products being marketed as regional specialities can be found all over the world, in both the food and the non-food sector. Potatoes from Jersey, raisins from California, oranges from Florida, cheese from Parma, perfume from the Provence, furniture and music instruments from Fukuyama (city in Hiroshima, south-west of Japan), pottery from Delft, crystal from Edinburgh, cigars from Havana, gum from Tsikla, and hay from Crau are just a few examples (Centner et al. 1989, Kotler et al. 1993, Papadopoulos 1993). The image of the region of origin is proactively used in marketing these products. In general, these products are communicated as having specific qualities based on among others the human expertise, and the natural environment in the region of origin. Together with the specific qualities, these regional image factors create a unique identity for the product, and, in this way, bring about added value (cf., Marceau 1994). For instance, nowadays, the production of Washington apples represents almost half of the entire apple production in the United States (85.000 million boxes per year). The local climatic and environmental conditions are said to determine largely the final quality of the apples. Likewise, Idaho is one of the leading potato-producing states in the US (Idaho potatoes). Next to the climatic and natural environment conditions, the local expertise of the producers is considered one of the main determinants of the success (e.g., <http://www.idahopotato.com>).

Because of the growing importance of regional products, in 1992, the European Commission introduced European legislation [Regulation (EEC) N 2081/92] enabling producers to legally protect their regional specialities from counterfeit copy-cat products⁹ (cf., Ilbery and Kneafsey

⁸ *Traditional regional products* are regional products with a long history and tradition in the region. Sometimes these products were lost and forgotten due to companies' strive for economies of scale. To address consumers' increased desire for variety and to preserve their own cultural heritage and identity, companies often revitalize these 'forgotten' specialities. *New regional products* are regional products that are developed based on local characteristics and expertise.

⁹ Besides enabling producers to protect their regional product, the EU-objectives of this regulation are the realization of diversification of agricultural production, stimulation of the economy of rural areas and improvement of the income position of the farmers in the region. Bowler (1999) shows that diversification can result in increased farm incomes and farm employment. Finally, the legislation is aimed at helping consumers by providing them with information concerning the specific character of the products. From the idea that consumers at least have a latent

2000). The legislation enables producers to protect the regional product name from being misused (cf., protection of brand name¹⁰). Nobody is allowed to use the name of the region in relationship to the name of the product category (e.g., Parma ham) unless the production of the product complies with the (production) specifications based on which the regional product received its protection^{11, 12}.

‘Throughout Europe there is an extensive variety of great foods. When a product acquires a reputation, which goes beyond national borders, it can find itself in a market where products pass themselves off as the genuine article and take the same name. This unfair competition not only discourages producers but also misleads consumers. That is why, in 1992, the European Union created systems known as PDO and PGI to promote and protect food products’ (EEC Council 1992).

Protected regional products are allowed to carry a certificate of origin, stating ‘Protected Designation of Origin (PDO)’ or ‘Protected Geographical Indication (PGI)’¹³.

Regional products may well profit from consumers’ desire for variety and distinctiveness. They may offer consumers an alternative to the standard global brands. Two unique characteristics of regional products can be identified. First, the regional origin provides a unique selling point compared to global brands. Further, based on unique regional characteristics (e.g., natural conditions, human expertise), the functional characteristics of regional products may have a unique character.

2.3 Consumer Motives for Purchasing Regional Products

To obtain a better understanding of the notions portrayed in the previous section and to get additional insights into which consumer needs and desires may be addressed by regional

need for a certain amount of variation in food products (Van Trijp 1995), combined with an increasing interest in the regional culture, one might expect regional products to have an added value in certain consumer segments.

¹⁰ What is interesting is that by law you can protect fictitious brand names. However, the protection of geographic names in relationship with a product is much more difficult to achieve based on the same legislation used to protect fictitious brand names.

In some instances, marketers are able to protect the name based on legislation for the protection of brand names (e.g., Philadelphia[®] cream cheese). Further, like any marketer, marketers of regional products have to comply with regulations on good conduct. The information provided to consumers may not be too misleading (It is acknowledged that ‘too’ seems odd. However, the boundaries are considered vague).

¹¹ A limitation of the protection legislation is that it merely applies to producers within Europe. Consequently, producers in other parts of the world still are able to market their ham or cheese referring to, for instance, Parma.

¹² To the best of the author’s knowledge, no comparable legislation is present in other parts of the world. While on a global level, agreements on the use of country-of-origin labeling exist, no regulation on the use of region-of-origin labels is present.

¹³ *Protected Designation of Origin (PDO)*: Products with a protected designation of origin are products of which the name refers to the area where the production, processing *and* preparation occur. Only these products are allowed to carry this name, since the quality of these products can be attributed to the region denoted by the name. *Protected Geographical Indication (PGI)*: Products with a protected geographical indication are products of which the name refers to the area where the production, processing, *or* preparation occur. Only these products are allowed to carry this name because the fame or some other quality of the product may be attributed to the region denoted by the name.

products, focus group discussions were conducted in six European countries (France, Greece, Italy, Switzerland, The Netherlands, United Kingdom) on 20 regional products (see also Appendix I). The next section will report these.

One of the first notions brought forward was the unique qualities and the specific character of regional products as opposed to pan-European or global brands. They are able to satisfy consumers' need for distinctiveness with respect to food (cf., Belk 1996, Besch 1999). Some preliminary insights regarding this notion were obtained during focus groups¹⁴.

- R. Opperdoezer Ronde (Netherlands): *This potato has a specific taste compared with other potatoes. Yes, they are tastier. They have a good taste. The taste is just fabulous. Specific, own taste.*
 Cantal cheese (France): *Good cheese, traditional.*
 Feta cheese (Greece): *Typical traditional Greek cheese. Good taste, good appearance, white color.*
 Noord-Hollandse Edam cheese (Netherlands): *Smooth taste, pleasant taste, slightly hard, good appearance.*
 Nyons olive oil (France): *Low acidity, green color. Good quality, extra virgin.*
 Zagora apples (Greece): *Hard, nice smell, crunchy, hard, good flavor, taste, bright red. Nice taste, lasts longer, more distinct flavor and smell, very nice color, sweet, juicy compared to apples from Macedonia.*
 Jersey Royal potatoes (United Kingdom): *Obviously Jerseys are the crème de la crème. Earthy taste. Good clean texture to them.*
 Parma ham (Italy): *Really special. Very nice and tender. Very sweet. Delicious. Taste firmer, crispier, special taste. Constant quality, color of meat.*

When asked to describe why they purchase the regional product under consideration, consumers often use words such as 'typical', 'specific', 'special' and 'distinct'. The regional products examined during the qualitative study thus seem to have unique and distinct qualities.

In some instances, distinct product characteristics may result in rejection. One Dutch consumer indicated that she hardly ever purchases a specific regional potato because she finds it too firm and having a taste that is too distinct. Perceived uniqueness and distinctiveness and consumers' preference for these characteristics thus depend on consumer characteristics. Further, differences in uniqueness and distinctiveness between regional products exist (e.g., Barjolle et al. 2000). Various factors, such as companies' effort, human expertise, and the natural environment, determine the degree of uniqueness and distinctiveness (e.g., Barjolle and Sylvander 2000, De Roest and Dufour 2000, Sylvander and Lassaut 1994).

A second notion brought forward concerns the effect of globalization on consumers' perception of the own identity. In order to satisfy the desire for belonging (Maslow 1970), consumers develop a sense of belonging to a place they identify with (cf., Giddens 1990b). This, however, becomes increasingly difficult in a globalizing world (Thrift 1994). Some people perceive this difficulty as a direct threat to their own identity (Lambooy 1999). This effect is also referred to as *'the paradox of internationalization'* (Ridner 1999). Belk (1996) 'explains' it by referring to the Newtonian principle that 'for every action there is an equal but opposite reaction' (p. 27). As a result of this effect, many consumers form an attachment to their region of residence or the region where they were born and raised (Ridner 1999, Wilson and Fearné 2000). Consequently, it seems that these consumers are likely to purchase locally produced products to 'reassure' their own identity and to preserve their cultural boundaries (cf., Belk 1996). With the

¹⁴ 'R' stands for 'Respondent'. 'I' stands for 'Interviewer'.

fading away of national borders (e.g., European Community), regions become more important to identify with (Giddens 1990a). During the focus groups, several statements supporting this notion were made.

Netherlands

- R.: *Currently, many developments within the European Community are going on. I think it isperhaps nice. But, I am not really sure. Otherwise, one throws away ones heritage. We become one Europe. Let us try to keep and preserve some things for the future.*
- I.: *How important do you think it is that the cheese comes from your own region of residence?*
- R.: *I think that is quite nice. From a cultural point of view, having something of your own is quite important.*
- R.: *I think it has to do with the feeling of belonging to, the involvement with this little country. I mean, we talk a lot about Euros and a lot of other stuff. Everything is thrown on one big pile and nothing of our "own" remains. On the one hand we say that we should restore our farms and "that should be on the list of monuments", while on the other hand we throw everything away. I think that because of that one sometimes feels like one wants to change something. I just want keep my own little country, with its ordinary Dutch guilder. No European Euro.*

France

- I.: *Please, explain your fears regarding Europe and its harmonization?*
- R.: *It has to do with the European development of standardization (for cheese production in general), which will result in an identity loss, the death of our heritage.*

Netherlands

- I.: *What is your opinion about the fact that the cheese origins from Noord-Holland?*
- R.: *Of course, we are proud of that..... Of course, they should honor that.*

Switzerland

- I.: *What does the word Gruyère mean to you?*
- R.: *We identify with Gruyère (Inhabitant of the region).
We must defend the product. In Switzerland we allow everything to be stolen.*

Netherlands

- R.: *Even if I had to choose between two cheeses, say one from Friesland and one from Noord-Holland, and the Friesian cheese tasted better, I would choose the cheese from Noord-Holland, my own region of residence. Yes, I am that fanatic.*

These results suggest that consumer's desire to support, protect and reflect ones identity may result in the purchase of a regional product. Consumers indicate that they are proud of having regional products. This sometimes results in supporting the local product even though the quality is less than that of competing alternatives (cf., patriotism). The reason for supporting local producers may be related to the wish that they continue producing the regional product and feelings of identification with them, i.e., they are one of us.

United Kingdom

- R.: *There was a thing in the paper about Whitstable Oysters, about the name, well, if you want to support British produce, and there is something very local like that in your area then you do. If people have a livelihood that they depend on then you're more sympathetic. Of course if its somewhere a long way away from you, like Jersey, then what does it matter.*
- R.: *I try to support local producers.*

Switzerland

- R.: *The region of origin is important because I like to purchase Swiss.*

United Kingdom

R.: *If there were three lambs, even if there was a little price difference then I'd pick Scottish.*

United Kingdom

I.: *Do you think about price when you're buying potatoes?*

R.: *Yes, if there were several in a row and you had to pick one out, price would come into it but also how they looked. If I, however, decided to have new potatoes, and there were Jerseys there, regardless of price, I would go for them.*

Consumers' desire to preserve and defend the own culture and identity thus results in a higher preference for regionally produced products. Consumers are willing to pay a price premium for these products as well. These findings suggest that consumers' desire to preserve and protect the own culture and identity is a compelling reason to purchase regional products.

During the focus groups, it became clear that consumers purchase regional products from other regions than their own region of residence as well. One of the motives for purchasing products from outside the own region of residence concerned their desire to 'learn' about that region. More specifically, it enables them to familiarize themselves with the local culture. Local regional products provide the region of origin with an identity.

Netherlands

R.: *I find it great that each region has a specific cheese. If you are in the region, you can really purchase something from the area.*

R.: *I think it is funny that each region has its own products. I find it very nice that if you are in an area, you are able to purchase products that belong to that area.*

Italy

R.: *I find it nice. You can bring home a local product as a souvenir after you have spent your holidays in an area.*

Switzerland

I.: *What do you appreciate in Gruyère cheese?*

R.: *It origins from the mountain pastures, it may not be the best, but it's manufactured with the most love.*

These results suggest that marketing products based on their region of origin may be a valuable strategy.

2.4 Company Motives for Marketing Regional Products

It becomes increasingly difficult for small- and medium-sized enterprises (SMEs) to be successful, locally, nationally, or in the international arena. Often, they face an increased competition 'due to nimble foreign competitors reaping the benefits of global strategies' (Ter Hofstede et al. 1999, p. 1). SMEs generally do not have the means to compete with strong A-brands. This forces them think out creative strategies to survive (cf., Dawar and Frost 1999). 'A globalized economy is characterized by a worldwide network of *large* enterprises sharing certain common features ... This new global arrangement is increasingly affecting SMEs and is

compelling them to react to the threats and opportunities it brings'¹⁵ (Davies 1995, p. 8). Different motives for and benefits of marketing products based on their region of origin, versus applying another marketing strategy, can be distinguished.

First, as described in the previous sections, consumers' preference for regional products is growing. To benefit from this development, a growing number of companies develop, introduce and market regional products.

Second, the use of the known name of the region of origin as (part of) the brand name of a product may be a more efficient device for marketing and differentiating products than the development, introduction and positioning of a new, unknown brand name. The creation of the value of a brand name, based on a set of associations (Aaker 1991, p. 110), is often a long and difficult process, and may take years. As far as the region of origin is concerned, these associations do not have to be created¹⁶, as most consumers will have certain associations with the region already. By using a regional indication, marketers are able to exploit the associations consumers have with a region and provide their product with an image. For this strategy to be successful consumers should be aware of the region and their image of the region should be internally consistent (Farquhar 1989, Kapferer 1992). Determining the optimal geographic indication for a product thus involves balancing the match between the regional image and product on the one hand, and consumer awareness of the region on the other. Producers, pursuing a region-of-origin product policy, have a variety of geographic demarcations within a country at their disposal.

Third, using a product's region of origin, versus its country of origin, makes it possible to differentiate a product both from foreign products and from other domestic products. The French wine market is a good example of this. Although French wines are famous, there is considerable differentiation between wines from different places within France.

Despite the increasing interest in regions and the related marketing opportunities, the amount of research on the region-of-origin cue remains to be limited. In chapter 3, we propose a research framework, which enables marketers to examine and understand consumers' motivation to purchase regional products, as well as the processes underlying this behavior, and enables them to optimize marketing delivery against them.

¹⁵ Transferable competitive factors, such as market information, become more and more quickly accessible to a growing number of companies present at the market. As a result, marketers have to rely more heavily on non-transferable competitive factors, such as local knowledge and resources, to gain a competitive advantage. 'Paradoxically, the enduring competitive advantages in a global economy lie increasingly in local things – knowledge, relationships, and motivation that distant rivals cannot match (Porter 1998, p.77). 'Globalization would seem to suggest a lessening of spatial constraints and a reduction in the importance of this category of geographically sensitive transactions. In fact, the opposite appears to be true: globalization has increased the value of non-transferable, geographically particular factors' (Davies 1995, p.7). Davies (1995) refers to small, specialized component manufacturers and service industries 'who draw their competitiveness not from globalized communications networks but from highly skilled employees, innovative business strategies, and intimate personal links with their customers and other small businesses in the local area' (p.10) (cf., Maskell and Malmberg 1999). 'The conclusion that region-specific advantages generate growth implies that firms will also benefit from clustering and regions from product specialization, both of which will tend to reduce transaction costs and improve local networking' (Davies 1995, p.13).

¹⁶ Like a brand name, the regional brand needs to be managed to benefit from the regional image (Keller 1998b).

CHAPTER 3

MODEL AND HYPOTHESES; THE ROLE OF REGION OF ORIGIN IN CONSUMER DECISION-MAKING AND CHOICE

3.1 Introduction

The *objective of this thesis* is to gain a deeper understanding of the role of the region of origin in consumer decision-making and in goal satisfaction. More specifically, we want to gain insights into the processes underlying the relationship between the region-of-origin cue and consumers' goals and how they initiate, direct and terminate decision-making processes and behavior. To accomplish this, a research framework is proposed that assumes that consumers apply extended problem solving strategies when purchasing regional products. We make this assumption to be sure that all potential influences of the region-of-origin cue in decision-making processes and behavior are examined. The proposed framework enables us to examine at what stage of the decision-making process the region of origin is active and which variables of the decision-making process are influenced by the region of origin. Based on this framework, the theoretical foundation is laid of the potential role that a region-of-origin cue plays in each stage of the purchase process. Hypotheses are formulated, which are subjected to empirical testing in the subsequent chapters.

The structure of this chapter is as follows. First, in section 3.2, a framework of consumer decision-making processes regarding regional products is introduced. After a short discussion of the role of the region-of-origin cue in the different stages of the decision-making process, in section 3.3, the role of the region-of-origin cue during the *need recognition stage* is elaborated upon. In section 3.4, *consumers' prepurchase search for information*, the effect of the region-of-origin cue on the likelihood that a regional product enters the purchase process is examined. Section 3.5, *perception and evaluation*, is concerned with the role of the region of origin cue during the evaluation stage. Further, the effect of certificates of origin during this stage is elaborated upon. In section 3.6, *choice*, it is discussed how consumers choose a specific regional product. Finally, in section 3.7, *intention to repurchase and regional product loyalty*, the determinants of consumers' intention to repurchase and regional product loyalty are elaborated upon.

3.2 Research Framework

The basic structure of our framework is well-accepted in consumer behavior literature (e.g., Engel et al. 1993) and allows examining the role of the region-of-origin cue in different stages of the purchase process (cf., Johansson et al. 1994) (see Figure 3.1). The region-of-origin cue is expected to manifest itself in each of these stages. Consumers' goals and their knowledge about

product categories and regions play an important role in decision-making processes and behavior regarding regional products (e.g., Alba and Hutchinson 1987). Knowing and understanding consumers' goals¹⁷ and the role of consumers' memory enables marketers to examine and understand consumers' motivation to conduct certain behavior, as well as the processes underlying this behavior, and helps them to optimize marketing delivery against them. Hence, *consumers' hierarchy of goals* as well as their *knowledge* about product categories, and regions (and certificates of origin), *stored in memory*, are explicitly incorporated in our framework. Since the ultimate goal of marketers introducing new (regional) products, concerns the realization of consumer loyalty towards their products (cf., Keller 1998a), this ultimate behavioral outcome of multiple purchase processes is examined as well.

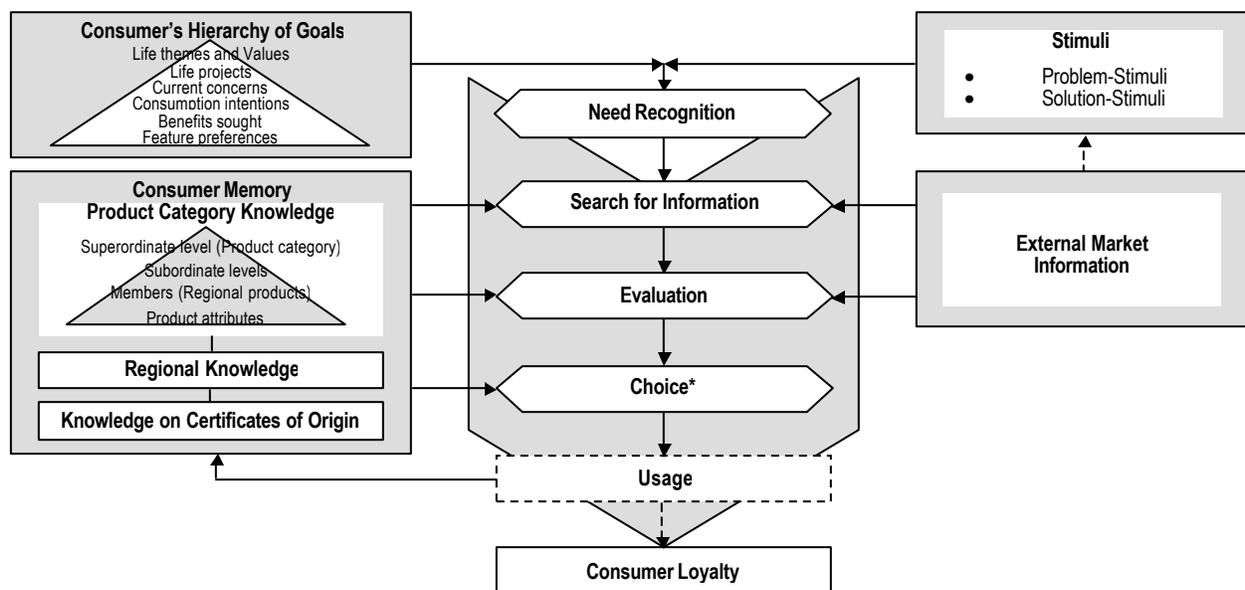


Figure 3.1 Research Framework for Studying the Role of the Region-of-Origin Cue in Decision-Making Processes and Behavior

Our framework starts with a consumer identifying a *need*, or *felt deprivation from a desired state*, explicated in terms of a set of goals. S/he may realize that it is Saturday, the day s/he always does his/her grocery shopping or s/he may accidentally encounter a regional product. S/he thus encounters stimuli that make specific desires salient. Next to these salient desires, which are triggered directly by stimuli encountered, other consumer desires may become salient as well.

Having identified consumer goals, consumers start a *prepurchase search for information* on alternatives able to satisfy the desires identified. Consumers first conduct an internal search for

¹⁷ Consumer goals are 'internal representations of (the way to fulfill) desired states' (e.g., Austin and Vancouver 1996).

information within *memory* to determine if and how much information they have on alternatives in the product category (Howard and Sheth 1969). Depending on their knowledge, the internal search is followed by an external search for information.

Based on consumers' knowledge, as well as product information available on the market (cf., Johansson 1989), consumers next *evaluate* the identified alternatives in more detail. It is assumed that consumer knowledge is associative in nature (Anderson 1983), allowing for inference processes from concrete sensory perceptions to abstract consumer interpretations (Reynolds and Gutman 1988). It is further assumed that sensory product perceptions are extracted from physical product cues (intrinsic–extrinsic) (Steenkamp 1989). The match between consumers' (inferential) product beliefs and their abstract and concrete desires form the substrate for consumers' evaluative judgements (Huffman and Houston 1993, Sheth et al. 1999).

Based on consumers' evaluations, next, consumers *choose* one alternative from the total set of alternatives. Evaluative judgements are key determinants for consumers' purchase and usage behavior. Besides the inferred cognitive product attributes, other product-related values, such as affective feelings related to the product, become important.

Having decided which alternative to purchase, next, consumers purchase and consume the product. When the regional product performs in line with consumers' inferred expectations, satisfaction occurs. The perceived satisfaction and the (updated) expectations determine consumers' postpurchase attitude towards the regional product. If the regional product continues to satisfy consumers, in time, consumers may develop a strong and favorable enduring attitude towards the regional product. This enduring attitude affects future purchase decisions and consumer behavior. Consumers may become *loyal* towards the regional product.

3.3 Need Recognition

3.3.1 Introduction

The purchase process of a regional product starts with consumers encountering one or more stimuli, which trigger specific consumer goals. Next to these goals, which are triggered directly, other consumer goals may be considered as well. Namely, focal consumer goals rarely occur in isolation. They are part of a complex of integrated motivation structures, either horizontally organized (multiple goals) and/or vertically, i.e. hierarchically, organized. Depending on consumer characteristics and situational variables, consumers may engage in varying degrees of *goal determination*, which refers to individuals' conscious processes of the construction and modification of goals (Huffman et al. 2000). It is assumed that during the need recognition stage, consumers compose a bundle of goals that initiate, direct and terminate a decision-making process (Ford 1992, Huffman et al. 2000). However, goal determination is not limited to the need recognition stage, but occurs in others stages as well. In this section, we build on Huffman et al.'s (2000) framework for examining consumer goals. The framework integrates a structural model of consumer goals at different levels of abstraction with a set of goal determination processes.

3.3.2 Consumers' Hierarchy of Goals

In describing the relationships among consumer goals, Huffman et al.'s (2000) framework distinguishes between three states of existence, a being, having and a doing level. For instance, consumers acquire regional products (i.e., doing) to support the local economy (i.e., having) which moves them closer to becoming a true patriot (i.e., being). The being and having level resemble respectively the end-values and the attributes and consequences as distinguished in the means-end theory (e.g., Gutman 1982, Olson and Reynolds 1983, Reynolds and Gutman 1988). Huffman et al. (2000), however, extend this hierarchy by including a *doing* level. The doing level connects the *being* level with the *having* level and represents the *way to fulfil* desired end-states¹⁸.

Table 3.1 Consumer Goals and Definitions, Huffman et al.'s Framework Applied to Regional Products

Level	Goals	Definition (from Huffman et al. 2000)	Examples
Being	Life themes & values	'personal ideas of being'	desire for belonging to a product's region of origin
Doing	Life projects	'the construction and maintenance of key life roles'	being a patriot, being a good host
	Current concerns	'activities, events or quests in which an individual wants to be engaged in the short term'	finding locally produced products
Having	Consumption intentions	'intended product (and service) consumption behaviors'	preparing a 'local' dinner
	Benefits sought	'desired consequences of product usage before, during and after consumption'	signaling patriotism, good quality
	Feature preferences	'preferred feature levels or values as stated in concrete physical or financial terms'	consumer's desire for local region-of-origin labels

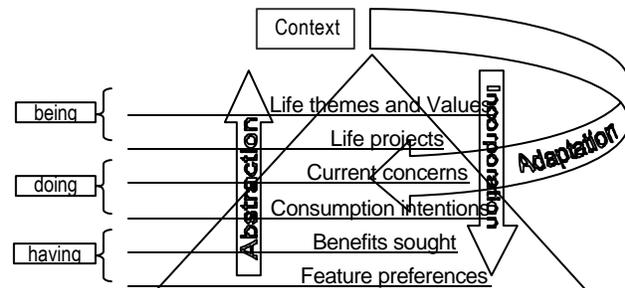
Each level of existence comprises two goal levels. Table 3.1 shows an overview of the definitions of the goals at different levels of abstraction. At the top of the hierarchy, the most abstract goals are present. These are more timeless, less conscious, less accessible, less tangible and less specific. At the bottom of the hierarchy, the most concrete goals are present. These lower level goals are more conscious, accessible, tangible and specific (Austin and Vancouver 1996).

Consumers' desire for belonging to a product's region of origin can be considered a consumer *value* influencing the decision-making process (cf., *being level*). This value, together with many others, represent the core conceptions of self, and once internalized become 'a standard or yardstick to guide actions, attitudes, comparisons, evaluations, and justifications of self and others' (Rokeach 1968, p. 160). Related, but on a somewhat lower level of abstraction, consumers' desire of being a true patriot can be pinpointed as one of the '*life projects*' influencing their decision-making processes (cf., Kleine et al. 1993). At the *doing level*, current concerns and consumption intention are distinguished. Consumers' desire to serve a local dinner

¹⁸ The doing level resembles what Austin and Vancouver (1996) refer to as *scripts*. Scripts are '*sequences of subgoals that can be set without reflection ...[and which] order and initiate the behaviors needed to achieve the goals*' (p. 351).

to local friends may be considered an example of a current concern consumers may be engaged in. To satisfy this desire, s/he will probably go to a store and purchase local produce. As such, this *current concern* guides his or her decision-making process. *Consumption intentions* ‘help break down the overall problem represented by a current concern into smaller, more actionable problems that can be solved by discrete purchase and consumption behavior’ (p. 12). At the *having level*, benefits sought and preferred features are distinguished. The social benefit (i.e., *benefit sought*) provided by the name of a locally produced product (i.e., *preferred feature*), signals the consumer’s desire to be seen as a true patriot.

Figure 3.2 A Model of Goal Determination Processes (from Huffman et al. 2000)



Consumer problem-solving processes typically begin with goal determination at the current-concern level (e.g., preparing a breakfast) or consumption intention level (e.g., desire for cheese). Having identified a desire for cheese, other consumer goals come into play as well. Patriotic consumers, for instance, may be driven towards locally produced cheeses during their search for cheese. This process ‘by which goals at different levels in the hierarchy mutually influence each other such that the system as a whole tends towards consistency and congruence’ is referred to as *alignment* (Huffman et al. 2000). Alignment occurs through both *top-down* and *bottom-up* processes. The top-down processes imply that the ‘output of the higher order goals can activate or determine the desired level of lower order goals’ (Austin and Vancouver 1996, p. 341). For instance, when searching for a specific alternative from a product category, consumers’ desire for belonging to his or her region of residence will provide value to a product’s region of origin (i.e., *incorporation*). The *bottom-up* process implies that consumers’ ‘perception of the current state for a goal is a function of the perceptions of the current states for the sub-goals related to the focal goal’ (Austin and Vancouver 1996, p. 341). For instance, when encountering a locally produced product, buying and consuming this product satisfies consumers’ desire for belonging. When the local product is of a lower quality than competing alternatives, the regional indication may even constrain consumers’ desire for high quality (i.e., *abstraction*).

The extent to which consumers incorporate certain goals into their decision-making processes is further influenced by situational factors, or the context in which consumption takes place (i.e., *adaptation*). When purchasing wine for a patriotic friend, the region of origin may be more important than for personal consumption. The effect of situational factors (curved arrow including ‘adaptation’) influences all six layers of consumers’ hierarchy of goals.

3.3.3 Classification of Consumer Goals

During the focus groups, an extensive list of consumer motives¹⁹ for purchasing regional products was identified. Most of these have been discussed in chapter 2. To classify these motives, Sheth, Newman and Gross' (1991) taxonomy of consumption values is used. Consumers' motives for purchasing regional products fit this classification well. Another reason for using this classification is that 'each consumption value ... is consistent with various components of models advanced by Maslow (1970), Katona (1953)...' (Sheth et al. 1991, p. 160). In their *book* Sheth et al. (1990) use more than 650 references to provide 'a flavor for the origins of the five values' (p. 160). The five values proposed are discussed as values *provided by product alternatives* (see Table 3.2). With 'benefits sought' being '*the desired consequences of product usage before, during and after consumption*', this level of the model proposed by Huffman et al. (2000), closely matches the definition of values proposed by Sheth et al. (1991). Note, that while Sheth et al. (1991) define values as provided by a product (cf., product orientation), Huffman et al. (2000) describe them as *benefits searched for by consumers* (cf., consumer orientation).

Table 3.2 Consumption Values

Consumption Values	Definition (from Sheth, Newman and Gross 1991)
Functional Value	the perceived utility acquired by an alternative as the result of: its ability to perform its functional, utilitarian, or physical purposes.
Social Value	its association with one or more specific social groups.
Conditional Value	the specific situation or the context faced by the choice maker.
Emotional Value	its ability to arouse feelings or affective states
Epistemic Value	its ability to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge.

Regional products have *functional value* whenever they provide consumers with attributes that match consumer goals such as a desire for high quality, good taste, and health. Regional products may provide *social value* to consumers based on the product's region of origin. The region of origin refers to a 'social group' with which consumers want to identify. In different usage situations, the perceived functional and social value may vary (i.e., conditional performance). For instance, when buying a bottle of wine as a present, the desire for a high quality product may be stronger compared to a situation in which the wine is purchased for personal consumption. Based on their ability to arouse affective feelings, regional products also may provide consumers with *emotional value*. These feelings may be based on the region of origin or past experiences with the regional product itself. Whenever these feelings match

¹⁹ A *motive* or motivation is '*the state of drive or arousal that impels behavior towards a goal-object*' (Sheth et al. 1999). A *drive*, or *need*, is an internal tension or felt deprivation from a desired state, which produces actions purported to reduce that tension. The '*internal representations of (the way to fulfill) desired states*' are referred to as *goals*.

consumer goals, the regional product is said to have an emotional value. Finally, depending on consumers' desire for stimulation and regional products' ability to arouse curiosity and provide novelty, regional products may provide consumers with *epistemic value*. (see also Appendix II).

3.3.4 Identification of Consumer Goals

Most purchase processes typically begin with goal determination at the more pragmatic or practical current-concern levels (e.g., preparing a breakfast) or consumption intention level (e.g., desire for cheese) (Huffman et al. 2000). Feeling hungry and an empty larder are two stimuli that may make a consumer realize s/he has a need that should be satisfied. These stimuli make consumers aware of an internal tension, or felt deprivation from a desired state and are referred to as problem-stimuli. A *problem-stimulus* is 'one in which the problem itself is the source of information' (Sheth et al. 1999, p. 520). This source of information may lie within (e.g., hunger) and outside the consumer (e.g., an empty larder). Next to the desires triggered by a problem-stimulus, other desires become salient. As mentioned, consumer goals, representing the core conceptions of self, are used as standards guiding actions, attitudes and evaluations. For example, patriotic consumers 'automatically' incorporate their desire of being a true patriot in the decision-making process. Whether regional products can fulfil those consumer goals depends on the consumer and situational variables.

When developing strategies aimed at triggering salient consumer desires that may be satisfied by a product's region of origin, solution-stimuli, defined as '*the information emanating from a solution itself; exposure to a potential solution arouses the recognition of the need or problem*' (Sheth et al. 1999, p. 521) come into play. An example concerns the displaying of local produce at recreational sites. Consumers, during their holiday, may encounter a local product and realize that it may be nice to purchase the product to experience the local culture. The region of origin (i.e., preferred feature) '*abstracts*' consumers' latent desire for belonging. This specific desire, next, is incorporated in the decision-making process, and then affects consumers' intention to purchase the regional product. The region-of-origin cue is referred to as a solution-stimulus.

Like a region-of-origin cue may trigger latent desires that *initiate* a purchase process, it may also trigger latent desires *during* a decision-making process. For instance, a consumer who has identified a desire for cheese (e.g., out-of-stock), during his or her search for alternatives may encounter a regional cheese.

P 1 The region-of-origin cue can trigger latent consumer goals which initiate a purchase process.

P 2 Consumer goals initiate, direct, and terminate decision-making processes and behavior regarding regional products.

P 3 Regional products provide value to consumers based on their ability to satisfy salient consumer goals.

3.4 Consumers' Prepurchase Search for Information

3.4.1 Introduction

To satisfy the desires identified during the need recognition stage, consumers, next, start searching for alternatives, information on alternatives, as well as criteria to determine whether these alternatives provide the benefits required to accomplish satisfaction (i.e., *prepurchase search for information*). As the likelihood that a regional product enters the purchase process largely depends on whether it is identified during the prepurchase search for information, this is a crucial stage in the decision-making process.

Two prepurchase search processes are distinguished: internal and external. During the *internal search*, consumers search for information within their own memory. *Availability* and *accessibility* of regional product information (e.g., product name, attributes, benefits) are necessary conditions for this information to be retrieved from memory. Regional product information is considered *available* when it is *somehow* retrievable from memory. Regional product information is considered *accessible* if it has a certain likelihood of being retrieved from memory when the region-of-origin and/or the product-category cue is triggered.

If the information, identified during the internal search, is perceived insufficient to come to a purchase decision, an *external search* for information may follow (Moore and Lehman 1980). The external search may consist of examining ads, or scanning the shelves inside a store. The information obtained during the external search leads to an internal search for *interpretation* and/or *elaboration* (Bettman 1977). The likelihood that consumers identify the regional product during the external search, and the speed with which they do so, again, depends on the *availability* and *accessibility* of product information in memory (cf., Alba et al. 1991, Ratneshwar et al. 1997).

The *availability* and *accessibility* of regional product information play an essential role during the entire *prepurchase* search for information and largely determine whether a regional product enters the purchase process (cf., Nedungadi 1990). As regional products are often marketed using the name of the region of origin as (part of) the name of the product, the name provides consumers with two stimuli, a region-of-origin cue and a product-category cue. The latter cue 'simply' states what product category the regional product belongs to, while the former cue signals the region of origin of the product. Consequently, regional products may benefit from both consumers' personal interest in the product's region of origin *and* the product category it belongs to. We propose that consumers' personal interest in a product's region of origin and involvement with the product category the regional product belongs to positively influence the availability and accessibility of regional product information (cf., Zaichkowsky 1985).

3.4.2 Determinants of Regional Product Information Accessibility in Consumers' Memory

Regional product information is assumed to be stored in consumers' memory by means of associative networks (Anderson and Bower 1973, Collins and Loftus 1975). An associative

network represents consumers' knowledge 'as associations among nodes that represent concepts'²⁰ (Anderson 1983) and is organized in a categorical way (e.g., Sujan 1985). Regional product information may be stored in 'taxonomic' and 'goal-derived categories'. *Taxonomic categories* are those categories 'commonly used by members of a culture to classify phenomena that share attributes with each other to a greater or lesser degree' (Barsalou 1983 1985). *Goal-derived categories* are 'categories fulfilling one and the same goal and are created *ad hoc* of items related to goal achievement that may be physically dissimilar and initially not associated with each other in memory' (e.g., Huffman and Houston 1993). When encountering new information on a regional product, consumers will try to integrate it in existing categories (Ross and Murphy 1999). These categories may be the taxonomic category of the product category the regional product belongs to and/or the taxonomic category consumers have construed to classify and store regional information. From a goal-derived perspective, consumers may integrate the regional product information into a category representing alternatives suited as a party snack or a category representing regions that are considered for a holiday. With the name of a regional product referring to both the region of origin and product category, regional product information encountered may be included in a variety of categories.

The factors influencing the availability and accessibility of regional product information are independent of the type of category in which this information is stored (e.g., Alba et al. 1991, Anderson 1983, Loken and Ward 1990). Taxonomic categories generally are more established than goal-derived categories (Barsalou and Ross 1986). When studying the factors influencing information availability and accessibility, the less established nature of goal-derived categories may bias the conclusions drawn. Therefore, we focus on regional product information stored in a *taxonomic product category*. Further, in the remainder of this section, the focus will be on *accessibility* of regional product information. The reason for this is that the effect of regional product information availability on the likelihood that the regional product is identified during the prepurchase search for information is mediated by the accessibility of that information. If regional product information is unavailable in consumers' memory, the regional product will not be identified based on either the region-of-origin cue or the product-category cue²¹. If information is available, it depends on the accessibility of that information whether the regional product is identified during the prepurchase search for information. Regional product information, stored in a taxonomic product category (e.g., cheese), is considered accessible when it has a certain likelihood of being retrieved from memory when the product-category cue is triggered. Spreading activation theory states that the accessibility of regional product information depends on the *strength of the association between the regional product information and the*

²⁰ Nodes may be product categories (cf., superordinate, subordinate categories), regional products and brands (cf., members of subordinate category), product attributes (e.g., taste), and, for instance, usage variables (Loken and Ward 1990).

²¹ If no regional product information is available in consumer's memory, the regional product may still be identified during the external search for information based on, for instance, collative properties related to the product (Berlyne 1960)

*product category label*²² (Collins and Loftus 1975). With the strength of the association, the accessibility of the regional product information increases when the product category is cued.

A second factor influencing accessibility concerns the *number of associations related to each piece of regional product information*. The more associations related to a piece of regional product information, the more accessible it becomes (e.g., Alba and Hutchinson 1987).

A third factor affecting accessibility has to do with *the uniqueness of the associations related to each piece of regional product information*. The more unique the associations and the larger the number of unique associations related to each piece of regional product information, the more accessible that information becomes (Alba and Hutchinson 1987, Krishnan 1996).

The strength of the association between a piece of regional product information and the product-category cue, as well as the number of (unique) associations related to each piece of information, is largely determined during past encounters with the regional product (ads, displays, usage). The frequency of encountering regional product information and consumers' motivation to process that information are two key aspects influencing the strength and the number of (unique) associations. Figure 3.3 shows a conceptual model enabling us to examine the role of the region-of-origin cue in determining the accessibility of regional product information.

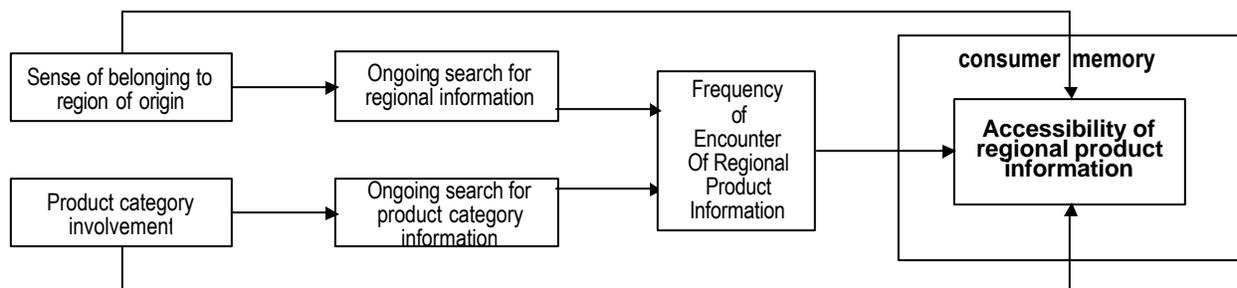


Figure 3.3 Model of the Determinants of the Accessibility of Regional Product Information in Memory

The central dependent variable is the accessibility of regional product information. The model states that the *accessibility of regional product information* is influenced by the *frequency of encountering* that information. The frequency of encountering regional product information is determined by the extent of consumer's *ongoing search for regional and product category information*. The extent of consumer's ongoing search for regional and product category

²² Note that we focus on regional product information stored in a taxonomic product category. However, the same reasoning holds for regional product information stored in other categories. For instance, the accessibility of regional product information stored in a goal-derived category related to 'party snacks' depends on the strength between the information and the 'party-snack' cue.

information is affected by their *sense of belonging to the region of origin*²³ and their *involvement with the product category* the regional product belongs to. These latter two consumer characteristics further have a *direct* influence on the accessibility of regional product information.

3.4.2.1 Frequency of Encountering

The *strength* of the association between a piece of regional product information, for instance the name of a regional product, and the product-category cue, is largely determined during past encounters with that information (cf., Alba et al. 1991, Loken and Ward 1990). The more frequently consumers have encountered a specific piece of regional product information in a product-category setting, the stronger the association between that piece of information and the product-category cue becomes (Alba and Hutchinson 1987, Anderson 1983, Loken and Ward 1990). Each time consumers encounter the piece of regional product information in a product-category setting, the association between that piece of information and the product-category cue is processed, memorized and consequently strengthened (Alba et al. 1991). In time, the association becomes so strong that, when the product-category cue is triggered, the piece of regional product information is ‘automatically’ retrieved from memory (Anderson 1983).

H1 The accessibility of regional product information in memory is positively influenced by the frequency of encountering that information.

With frequency of encountering being one of the key determinants of the accessibility of regional product information, gaining insights into its determinants allows us to obtain a better understanding of the role the region-of-origin cue plays in this process.

3.4.2.2 Ongoing Search for Information

Our specification on the determinants of the frequency of encountering regional product information in Figure 3.3 is based on the following premise; consumers who search more actively and persistently for *regional* (e.g., Parma) and for *product category* information (e.g., ham), are more likely to encounter *regional product* information (e.g., Parma ham) and encounter it more often²⁴ (cf., Mittal and Lee 1989). This active and persistent search is referred to as consumers’ *ongoing search for information* (Bloch et al. 1986). The ongoing search for information refers to ‘search activities that are *independent* of specific purchase needs or

²³ As will be elaborated upon in section 3.5.4, consumers may develop a sense of belonging to regions based on their general beliefs about the region and their general desire for belonging (e.g., Maslow 1970).

²⁴ We hereby assume that regional product information is somehow available to consumers, providing them with the ability to process it (cf., Petty et al. 1991).

decisions' (p. 120). It is an important source for information for consumers (Bloch 1981, Bloch and Richins 1983).

Different motives for conducting an ongoing search for regional and product category information can be identified. With respect to the own region of residence, being able to present him-/herself as a 'true' inhabitant of the region may be a central drive for gathering regional information (cf., Bloch et al. 1986). Regarding other regions, a more general interest in the region may be the central drive to gather regional information. Another motivation for conducting an ongoing search for regional information might be related to the intrinsic satisfaction that is experienced during the search (Hirschman 1980). Irrespective of the region, this motivated search for regional information will influence the likelihood and frequency of encountering products from that region (Alba and Hutchinson 1987). Likewise, consumers' motives for conducting an ongoing search for product category information may be based on a general interest in the product category and/or the intrinsic satisfaction that is experienced during that search.

With the names of regional products referring to both their region of origin and the product category they belong to, these products may profit from both consumers' ongoing search for regional information and their search for product category information. Consequently, the effectiveness of marketing communications related to regional product might be higher compared to brands and anonymous products (see Table 3.3).

Table 3.3 The Frequency of Encountering Regional Product Information as a Function of Consumers' Ongoing Search for Information on the Product Category and the Region of Origin

		Consumers' Ongoing Search for Regional Information	
		Limited	Extensive
Consumers' Ongoing Search for Product Category Information	Limited	-	+
	Extensive	+	++

H2a The frequency of encountering a regional product is positively influenced by consumers' ongoing search for information on a product's region of origin.

H2b The frequency of encountering a regional product is positively influenced by consumers' ongoing search for information on the product category a regional product belongs to.

3.4.2.3 Consumers' Sense of Belonging and Product Category Involvement

Different motives for conducting an ongoing search for information were identified in the previous section. Consumers' sense of belonging to the region (cf., Kahle et al. 1986, Maslow

1970) is considered a key factor, determining consumers' desire for gathering regional information. Consumers' sense of belonging to the region reflects the degree to which consumers identify with the region and the strength of their general desire for belonging (Maslow 1970). With consumers' desire for belonging and the degree to which they identify with the region, their sense of belonging to a region grows (see section 3.5.4). With consumers' sense of belonging, their interest in the region increases. The reason for this is that consumers' sense of belonging to the 'regional group' they identify with drives them to act in line with the values shared by the group (Kleine et al. 1993). Regional information helps them accomplish this. The stronger the consumers' sense of belonging to the region, the more s/he will try to stay informed about what goes on in the region. Likewise, consumers' interest in a product category stimulates them to gather product category information (Bloch et al. 1986).

H3a Consumers' sense of belonging to a region positively influences the ongoing search for information on that region.

H3b Consumers' involvement with a product category positively influences the ongoing search for information on that product category.

Consumers' sense of belonging to a region not only affects their motivation to *gather* regional information, it also affects their motivation to *process* the regional information encountered. We propose that consumers with a stronger sense of belonging to a region are more motivated to process regional product information than consumers with a weaker sense of belonging to that region (e.g., Park and Mittal 1985, Petty et al. 1983). The more motivated consumers are to process regional product information, the larger the number of associations consumers have with the regional product (Alba and Hutchinson 1987, Petty et al. 1991). With the number of associations, the accessibility increases. 'The associations among facts that result from elaboration are an internal source of retrieval cues' (Alba and Hutchinson 1987, p. 437). Consumers' motivation to process regional product information also influences the strength of the associations. Further, the number of *unique* associations increases with consumers' motivation to process regional product information. The more motivated consumers are, the more they elaborate on available information and create new and unique associations with the regional product (e.g., Schmitt and Dubé 1992). Unique associations provide strong internal cues that help retrieve other regional product information from memory (Alba et al. 1991). Consumers' sense of belonging thus affects the *number of unique and strong associations* with the regional product.

Consumers' involvement with the product category also affects their motivation to process regional product information. Like consumers' sense of belonging to the region, consumers' involvement with a product category influences the number of unique and strong associations.

The accessibility of regional product information thus not only depends on consumers' involvement with the product category the regional product belongs to, it also depends on consumers' sense of belonging to its region of origin. Consumers who are not involved with the product category a regional product belongs to, may still be motivated to process the regional

product information based on their sense of belonging. Table 3.4 gives an overview of the effects.

Table 3.4 The Hypothesized Accessibility of Information on a Regional Product in Memory as a Function of Consumers' Sense of Belonging to the Region of Origin & Product Category Involvement

		Consumers' Sense of Belonging to the Region of Origin	
		Low	High
Consumers' Involvement with the Product category	Low	-	+
	High	+	++

H4a The accessibility of regional product information in consumers' memory is directly and positively influenced by consumers' sense of belonging to the region of origin of that regional product.

H4b The accessibility of a regional product information in consumers' memory is directly and positively influenced by consumers' involvement with the product category a regional product belongs to.

3.5 Perception and Evaluation

3.5.1 Introduction

To evaluate the regional products identified during the prepurchase search for information, consumers use evaluative criteria, 'standards and specifications ... to compare [the product with other alternatives identified]' (Engel et al. 1993, p. 51). These standards and specifications concern the preferred outcomes from purchase and consumption and are determined by consumers' goals. To establish whether the regional products identified provide the benefits needed to satisfy consumers' goals, consumers use the region-of-origin and the product category cue. During the encoding stage, consumers interpret and provide meaning to both cues (cf., Olson and Jacoby 1972, Olson 1972, 1978, Schellinck 1983, Steenkamp 1989). This (coded) meaning is largely a function of 'previously acquired meanings contained in the activated knowledge structures' (Olson 1981, p. 74). By encoding and elaborating on this cue, using pre-existing knowledge, which is stored in memory in associative networks, consumers develop an associative network of the regional product. This network contains consumers' beliefs related to the regional product, it represents consumers' perceptions of that product. The match between consumers' (inferential) product beliefs and their abstract and concrete desires form the substrate for consumers' evaluative judgements.

3.5.2 Inference Processes

3.5.2.1 Automatic Inference Processes

Depending on their experience with a regional product, consumers infer its performance through either an *automatic* or a *strategic process* (Meyers-Levy and Malaviya 1999). Consumers who are highly familiar with a regional product ‘use’ an automatic process to infer its performance. This process is mostly subconscious, learned and changed very slowly, and is not subject to the capacity limitations of working memory (Grunert 1996, Murthi and Srinivasan 1999). Automatic processes govern the recognition of stimuli, the retrieval of information, and provide a *heuristic* for regional product evaluation (e.g., Meyers-Levy and Malaviya 1999). Consumers use their previously formatted overall attitude related to the regional-product cue (see [+] related to *Valais apricot* in Figure 3.4A).

For regional products with which consumers are less or not at all familiar (i.e., first-trial purchase), consumers do not have extensive prior knowledge and experience, let alone an associative network representing the product. To assess whether such a regional product provides the benefits needed to fulfil the goals pursued, consumers first need to *infer* and *elaborate* on the associations related to the region-of-origin cue and the product-category cue. We hereby assume consumers to have some preliminary knowledge about a product’s region of origin. Further, as indicated, we assume consumers to apply extended problem solving strategies when purchasing regional products (cf., first-trial purchase). Based on their knowledge about and experience with the region of origin and the product category, consumers compose an associative network for the regional product under consideration (i.e., strategic process). As mentioned, this associative network contains consumers’ (inferential) product beliefs. Each belief consists of a descriptive (e.g., Valais apricot) and an evaluative part [+/-] (see Figure 3.4). The associations between the beliefs vary in strength (The solid lines in Figure 3.4 represent stronger associations, while the dotted lines represent weaker associations. If no line is present, no association is present).

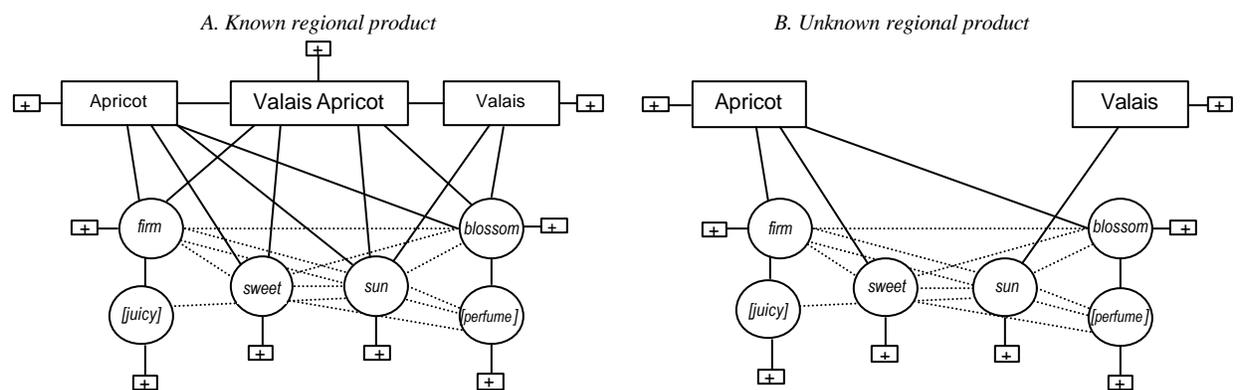


Figure 3.4 Associative Network of Known vs. Unknown Regional Product (Valais apricot - Switzerland)²⁵

²⁵ This associative network is an example and is constructed based on the results of the focus groups (on Valais apricots). The associations between brackets are added for descriptive purposes.

3.5.2.2 Strategic Inference Process

Strategic processes are conscious, subject to capacity limitations, and can easily be adapted to situational circumstances (Grunert 1996). The strategic process resembles what in categorization literature is referred to as *piecemeal processing*²⁶ (cf., Figure 3.4B). *Piecemeal processing* refers to the analytical judgement and evaluation of products on an attribute-by-attribute basis (Sujan 1985). This strategic process of inferring regional product attributes and beliefs can be described from the perspective of Brunswik's lens model (Steenkamp 1990). According to this theory, consumers, when confronted with a regional product with which they are less familiar or unfamiliar, utilize cues present to make inferences about the "true" state of product attributes. With experienced users of regional products, the need to elaborate on the beliefs evoked decreases and consumers increasingly infer the product's attributes through automatic processes²⁷.

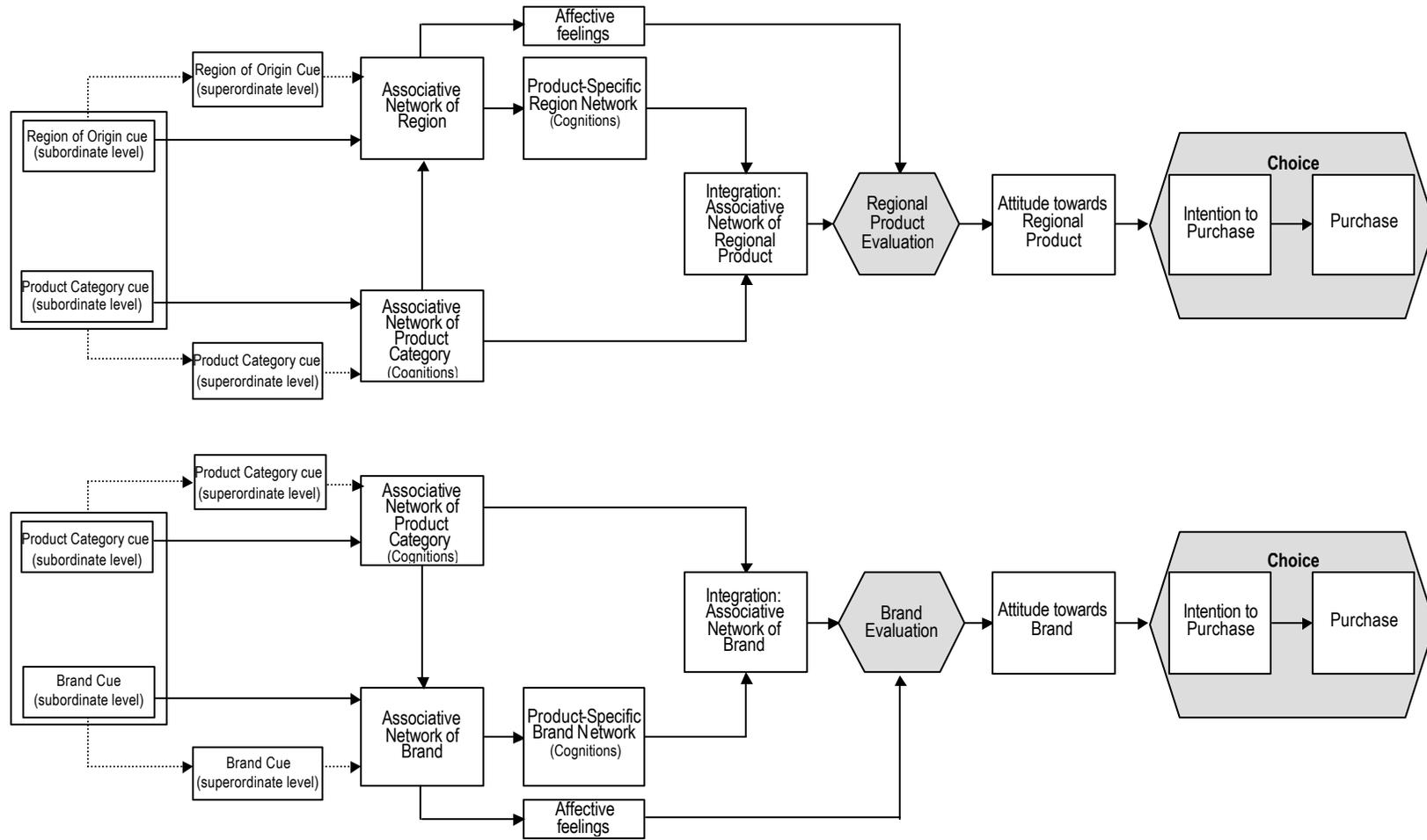
Figure 3.5 shows a model describing the strategic inference processes of a regional product. The judgement and evaluation process of the brand is included for comparison. We propose that the region-of-origin cue and the product-category cue, when triggered, evoke the related attributes and beliefs that consumers have for both entities. Both cues may first trigger a higher-level cue. For instance, the product-category cue (apricots) may trigger fruit in general, which in turn triggers associations present in the associative network of the superordinate category. As the product-category cue may trigger a different category on a higher level, the region-of-origin cue may trigger associations on different category levels. For instance, if the region of origin of a product is a region with which consumers are hardly familiar, the name of the area embracing this region may be triggered. If the consumer has never heard of the region of origin, and is unable to identify the larger area in which the region is situated (e.g., country), the region-of-origin cue will not trigger the associative network. Consequently, the consumer will rely on other cues present.

The same reasoning *may* hold regarding brands versus umbrella brands. Due to a lack of associations with a new brand name, consumers use their associations with the umbrella brand (Nestlé). If they are unfamiliar with the umbrella brand, they will rely on other cues present.

²⁶ Versus *category-based judgement and evaluation* (Fiske and Pavelchak 1986). When applied, consumers determine the extent to which an object fits the evoked category and, in case of a good fit, the affect related to the category is used to evaluate the specific object.

²⁷ Without being familiar with the region, based on direct personal and indirect experience with the regional product, this association between the region-of-origin cue and the product attributes may be established as well (cf., Keller 1998a). If consumers unfamiliar with a product's region of origin purchase a regional product (e.g., because of their desire for variety) and like it, the name of the region may become an indicator for the qualities of that product (cf., covariation principle, Kelley 1973). Consumers may also form an association between the region-of-origin cue and specific regional product attributes based on word-of-mouth information or ads (cf., information belief formation; Steenkamp 1990).

Figure 3.5 Evaluation Process of Regional Products (versus Brands)



Assuming consumers' familiarity with the region, when triggered, the region-of-origin cue evokes consumers' regional beliefs (e.g., mountains, nice people, fun, sun). The product-category cue evokes product-category beliefs. As mentioned, each belief consists of a descriptive part (e.g., juicy), i.e., perception, and an evaluative part [+/-] (Fiske and Pavelchak 1986). Consumers' evaluations can be represented on a continuum, ranging from negative to positive. Consumers also have an evaluative judgement about the product category as a whole (see Figure 3.6).

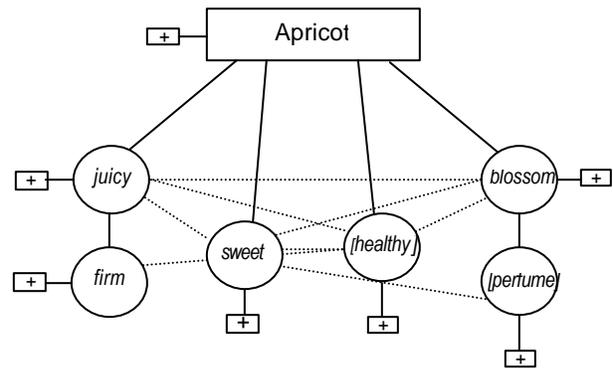


Figure 3.6 Associative Network of Apricots²⁸

Further, the associations between the beliefs and the object (product category, region of origin), as well as the associations among the beliefs, have a certain strength and direction (Anderson 1983). For instance, if an apricot is perceived as juicy, and a consumer likes juicy apricots [+], the association between 'juicy' and 'apricot' is positive.

When asked to give their associations with the product's region of origin, during the focus groups of Swiss citizens on Valais apricots, a broad range of beliefs was broad forward. 'Great mountains', and 'nice people' are *just a few* of those. Besides these *general regional beliefs*, more *product-specific regional beliefs* were evoked. Examples are the 'fertility' of the soil and the amount of 'sun' in the region (see Figure 3.7).

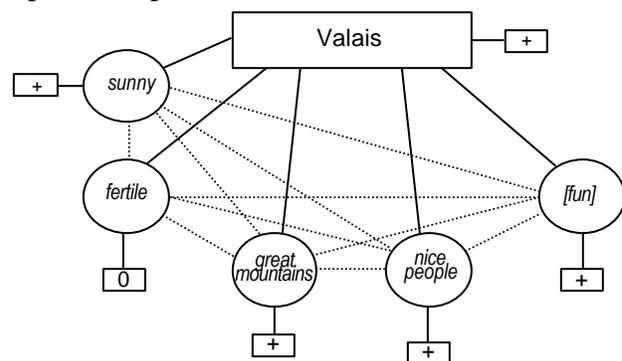


Figure 3.7 Associative Network of Valais²⁸

These product-specific regional beliefs were only mentioned when consumers were asked why they thought products made in different regions had different qualities. The product-category beliefs evoked by the product-category cue, thus partly influence the type of regional beliefs evoked by the region-of-origin (cf., Krishnan 1996). Schmitt and Dubé (1992) provide an explanation for this effect. They state that 'noun-noun compounds [e.g., Parma ham] are not simply composites of features that the complex concept inherited from its two simpler concepts [e.g., 'Parma' and 'ham']. Rather, when individuals try to understand the combined concept, the former concept [e.g., Parma] seems to modify and elaborate on the characteristics of the latter concept [ham]' (p. 117). In this process, features may be evoked that are unique to the complex concept and would not as soon appear in any of its constituents. This process explains the emergence of contextual and unique, product-specific regional beliefs related to regional products. For instance, 'fertile' seems a rather unlikely belief to be brought forward by consumers, when asked for their associations with the region of Valais. However, since the Valais *apricot* was the key object under consideration, this product-specific regional belief was

²⁸ This associative network is constructed based on the results of the focus groups (on Valais apricots). The associations between brackets are added for descriptive purposes. See also Appendix III.

evoked. Based on their knowledge, consumers thus not only ‘simply’ match beliefs related to different categories, they elaborate on it ‘operating on flexible cognitive structures’ (Schmitt and Dubé 1992, p. 116). ‘... individuals use their creativity and their world knowledge of products and the market place to link actual product offerings to new product information’ (p. 121).

In the following sections, the role of these associations in assessing the functional, social, emotional and epistemic performance of regional products is examined.

3.5.3 Perception and Evaluation of the Functional Performance of Regional Products²⁹

3.5.3.1 Product-Specific Regional Image

The use of product-specific regional beliefs to infer product attributes may provide an explanation for an important but still poorly understood finding of place-of-origin research. We refer to the product-specific effect of a product’s place of origin during the evaluation process (Nagashima 1970 1977, Wall et al. 1991). Those studies that have examined the role of the image of a product’s place of origin in the evaluation process (e.g., Cordell 1992, Wang and Lamb 1983) have difficulty explaining this product-specific effect. The main reason for this difficulty is that these studies measure the *general* image as opposed to the *product-specific* image of countries. Although the *general image* of a place of origin might be considered the ‘underlying causal driver of the perception of a geographical area as a producer’ (Johansson et al. 1994, p. 159), its predictive value with respect to product attributes *generally* is not high for a specific product group. For instance, the expertise needed for making a product is a product-specific regional characteristic. Although companies in a specific place have a tradition of producing high-quality beer, this does not mean they are also able to produce high-quality potatoes. Therefore, it would appear more relevant to measure the *product-specific* image of a place, which are ‘*the beliefs consumers have with respect to the suitability of a place for the production of a specific product*’. Examination of the role of the product-specific regional image in product evaluation is expected to yield important insights. First, our definition implies that the suitability of regions for making a product varies across products and regions.

H5 Consumers’ product-specific regional image varies across regions and product categories.

A product-specific regional image is expected to be a multi-dimensional construct consisting of two dimensions: a human dimension and a natural environment dimension. This is based on the focus groups (see Appendix III) and literature studies (e.g., Baker 1998, Shimp et al. 1993). During one of the focus groups, one respondent stated: “*The natural setting – pastures, temperature, cellar humidity –, as well as the procedures for making the product, determine its final quality. Therefore, it would seem difficult to make a “good” quality regional cheese outside of this region*”. The human dimension represents the expertise present in the region of origin for

²⁹ This section is largely based on Van Ittersum, K., Candel, M.J.J.M., and Meulenbergh, M.T.G. (2001), The Influence of the Image of a Product’s Region of Origin on Product Evaluation, forthcoming in *Journal of Business Research*.

making the product. Waldron (1978) and Shimp et al. (1993), for instance, consider craftsmanship an important factor differentiating places and their products. Based on the perceived expertise and skills necessary for making a high-quality product, consumers differentiate between products from different places (cf., Schweiger et al. 1999, Johansson 1989). A similar reasoning is expected to apply to the natural environment of a product's region of origin. The natural environment dimension represents the natural suitability of a region for making a product. Based on the perceived natural environment necessary for making a high-quality product, consumers differentiate between products from different places (cf., Baker 1998).

H6 The product-specific regional image is a two-dimensional construct consisting of a human and a natural environment dimension.

Consumers may perceive a region as either suitable or unsuitable for the production of a specific product on both the human and the natural environment dimension. Based on the perceived suitability of a product's region of origin, consumers infer the "true" state of product attributes. For instance, consumers may reason that the more natural a region is, the more healthy the products from that area are. Or, as an example from one of the focus groups: "The quality of the product is related to the air of the product's region of origin". Let us assume that in the case of Valais apricots the juiciness determines consumers' attitude towards the regional product. Consumers may reason (i.e., infer) that because of the large amount of Apricots sun in the Valais region, Valais apricots will be relatively juicy (i.e., perception). They thus form an inferential belief about the "true" state of the juiciness attribute by using their regional knowledge.

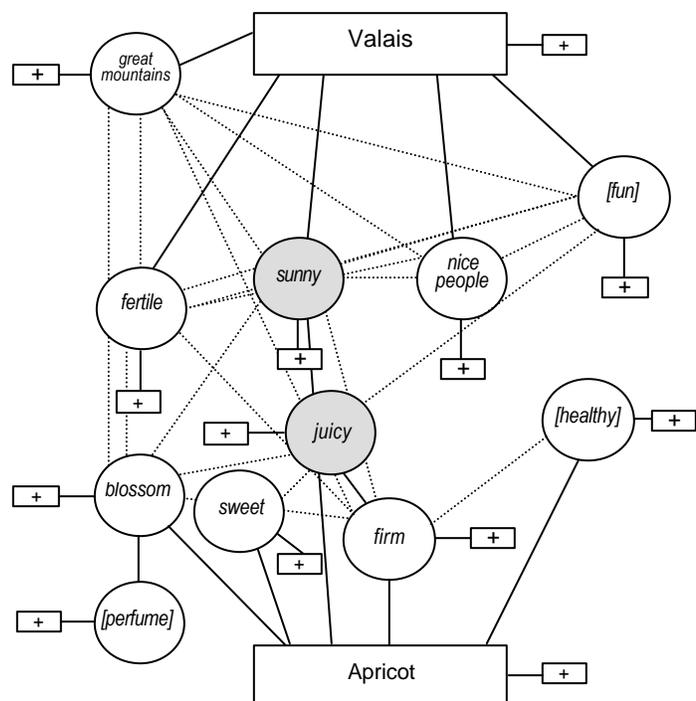


Figure 3.8 Associative Network of Valais Apricots

H7 The product-specific regional image influences consumers' perceptions of the attributes of a regional product.

Since the product-specific regional image is defined as the perceived *suitability* of a region for *making* a specific product, we only expect it to influence consumer's attitude towards the regional product indirectly, through consumer's perception of the attributes of a regional product. *No direct effect* on attitude towards the regional product is expected.

H8 The product-specific regional image influences consumers' attitude towards the regional product only indirectly through attribute perception.

The product-specific regional image is expected to influence consumers' attitude towards the regional product through product attribute perception in a product-dependent way. The effect of the product-specific regional image on consumers' attitude towards the regional product is expected to depend on the amount of value added to the raw materials present in a product. Adding value, in this context, refers to the process of enhancing the value of raw materials by processing them. We hereby assume the value of the processed product to be larger than the value of the raw materials from which it is made. The effect of the human factor is expected to be relatively larger for higher added-value products (compared to the effect of the natural environment factor, which is expected to be relatively larger for lower added-value products). The rationale for this notion is the following: The raw materials of food products generally are produced using natural resources, such as sun, soil and water (e.g., Adriani et al. 1945, Danfors and Gustafsson 1967). Although *expertise and skills* are needed to use these resources optimally, the *natural environment* influences the final quality of these products a great deal. If these raw materials are not processed (cf., fresh potatoes), the product-category cue is more likely to trigger natural environment beliefs than human beliefs in relation to the production of the product. If the raw materials (cf., milk) are processed to make higher added-value products (cf., cheese), they get out of sight. Consequently, the product-category cue is suspected to be more likely to trigger human-related than natural environment-related product-specific regional beliefs.

Some preliminary evidence for this notion was obtained in the focus groups. During the evaluation process of high added-value products (for example, cheese), relatively more human-related aspects of the product-specific regional image were mentioned than during the evaluation process of low added-value products (for example, potatoes). For instance, one respondent mentioned that “..., *the tradition of how the cheese is made ...and the existence of a “savoir-faire”, which is transmitted from generation to generation,...*” are important aspects determining the attributes of a regional cheese. Another respondent, talking about a regional potato, mentioned that “*the soil is very important for the special taste of the potato*”. Hence

H9 Relative to the influence of the natural environment dimension, the influence of the human dimension of the product-specific regional image on consumers' attitude towards the regional product is larger for products with high added value than for products with low added value.

3.5.3.2 Certificates of Origin

Some regional products are marketed with a certificate of origin. In 1992, the European Commission introduced legislation that enables companies to protect their regional product legally against counterfeiting (EEC Council 1992). Protected regional products can be marketed with a specifically designed certificate of origin, a PDO/PGI protection label. Besides being a

certificate of origin, consumers may infer different beliefs from a PDO/PGI protection label (cf., Boulding and Kirmani 1993). When encountering a PDO/PGI protection label, consumers' associations with the label are triggered.

Consumers' image of a PDO/PGI protection label is expected to be a multi-dimensional construct consisting of two dimensions: a quality warranty dimension and an economic support dimension. This is based on the focus groups (see Appendix IV) and literature studies (cf., Li and Monroe 1992, Van Trijp et al. 1997). In one of the focus groups, one respondent stated: *'The PDO label guarantees the product's region of origin, and a better quality. It guarantees organoleptic quality, hygiene, security from a sanitary point of view, and traditional production methods'*. Another consumer said: *'It is good for both producers and consumers. It guarantees quality'*. *"Protecting is a good thing.this regional product is very important for the income of market gardeners here. Most market gardeners cannot exist without the product"*.

The quality warranty dimension represents consumers' beliefs about the guarantees the PDO/PGI label provides regarding the qualities of the (protected) regional product. The economic support dimension captures consumers' beliefs about what the PDO/PGI protection label does for the economic performance of the producers of the (protected) regional product.

H10 Consumers' image of PDO/PGI labels is a two-dimensional construct consisting of a quality warranty dimension and an economic support dimension.

Consumers are proposed to use their beliefs with the PDO/PGI protection labels to make inferences about the true levels of the attributes related to the (protected) regional product. This process resembles the process applied when making inferences about the product attributes based on the product-specific regional image. These inferences will primarily be based on the quality warranty dimension, versus the economic support dimension.

H11 Consumers' image of PDO/PGI labels indirectly influences consumers' attitude towards the regional product through consumers' perception of the attributes of a (protected) regional product.

3.5.3.3 Consumers' Attitude towards the Regional Product

Since consumers' perception of the inferred attributes of a regional product determines consumers' attitude towards the regional product, this effect is also referred to as the *indirect* effect of a product's region of origin (Han and Terpstra 1988, Hong and Wyer 1989, 1990, Johansson and Nebenzahl 1986). Among others, Johansson and Nebenzahl (1986) show that, based on a product's place of origin, consumers infer its attributes, which are matched with their abstract and concrete desires. Depending on how well the inferred product attributes and beliefs match consumers' goals, consumers' attitude towards the regional product becomes more or less favorable (Huffman and Houston 1993). For instance, if consumers perceive a regional product to be healthy, and health is an important goal in life, this belief about the regional product

positively influences consumers' attitude towards the regional product. If, however, health is less important, the effect of this belief on the attitude towards the regional product is less apparent. Situational factors affect the salience of consumer goals (Graeff and Olson 1994, Ratneshwar et al. 1997, Reynolds and Rochon 1991, Sinha 1994, Van Kenhove et al. 1999). Consequently, consumers attach different importances to different product beliefs in different usage situations (functional conditional value) (e.g., Huffman et al. 2000, Miller and Ginter 1979, Quester and Smart 1998, Sheth et al. 1991). The match between consumers' attribute beliefs and their salient consumer goals influences consumers' attitude towards the regional product (cf., Fishbein and Ajzen 1975).

H12 Consumers' attitude towards the regional product is influenced by the match between consumers' perception of its attributes and salient related consumer goals³⁰.

Besides consumers' perception of the attributes of a regional product, their beliefs related to the PDO/PGI protection labels affect their attitude towards the (protected) regional product. The match between consumers' desire for authenticity and safety and the quality warranty dimension is expected to influence their attitude towards the (protected) regional product (e.g., Li and Monroe 1992). This also became apparent during the focus groups (see Appendix IV). One respondent mentioned "....., if it claims to be produced in Edam, I want to purchase a real Edam cheese". "The PDO/PGI label increases the reliability of the regional product. Else, you might be confronted with an Edam cheese produced in Greece". A second respondent mentioned "[The PDO/PGI label] enhances consumers' trust in the [protected] product. The consumer knows what s/he gets". "That you're guaranteed something, ... that it is genuine".

The match between consumers' desire for belonging (see also next section) and the economic support dimension will influence consumers' attitude towards the (protected) regional product³¹ (e.g., Shimp and Sharma 1987). One regional respondent mentioned 'I think [the protection label] is good for employability in the region. The production will remain in the region, and will not be taken over by others'. Another respondent said, "Protecting is a good thing. ..., this potato is very important for the income for market gardeners here".

H13a Consumers' attitude towards the (protected) regional product is influenced by the match between consumers' perception of the quality warranty dimension and their desire for authenticity and safety.

H13b Consumers' attitude towards the (protected) regional product is influenced by the match between consumers' perception of the economic support dimension and their desire for belonging.

³⁰ Because of the large number of product attributes involved, it is difficult to identify each goal related to each separate attribute.

³¹ Although the effect of the economic support dimension on consumers' attitude towards the regional product is not directly based on desires for 'functional performance', for the sake of completeness, this effect is included in this section.

Note that both the product-specific regional image (*H7*) and the image of PDO/PGI labels (*H11*) affect consumers' product attribute perception. However, while the product-specific regional image is *not* expected to influence consumers' attitude towards the regional product *directly* (*H8*), consumers' image of PDO/PGI labels is proposed to influence directly consumers' attitude towards the regional product (*H13a and H13b*).

3.5.4 Perception and Evaluation of the Social Performance of Regional Products

Next to triggering product-specific regional associations, the region-of-origin cue evokes general regional beliefs. Consumers' general beliefs about a product's region of origin are proposed to be an important source for their affective feelings related to the regional product. A specific 'class' of beliefs evoked are those related to the inhabitants of the product's region of origin, their characteristics, culture and traditions. If consumers' regional beliefs relate to and are consistent with their ideal self-images (i.e., identification), *and* consumers have a strong desire for belonging (consumers' desire to belong to *any* group, Maslow 1970), the region-of-origin cue provides them with social value (cf., Keller 1998b, Kleine et al. 1993).

In time, the match between consumers' beliefs about the regional inhabitants, their traditions and culture, and their general desire for belonging *may* result in a *sense of belonging to the region* (e.g., Kleine et al. 1993, Verlegh 2000). With consumers' desire for belonging and the degree to which they identify with the region, consumers' sense of belonging to a region strengthens. Consumers start feeling related to the region and its inhabitants. Note that consumers may have a strong desire for belonging, but feel no sense of belonging to a particular region (for instance because they think that (some of) the characteristics of the inhabitants are inconsistent with their ideal self-image).

3.5.4.1 Consumers' Sense of Belonging to the Product's Region of Origin

In sociology, the *relationship between people and places*, more specifically their place of residence, has been studied for decades. 'Sociologists have long been concerned with the effect of urbanization and industrialization on the social fabric of communities' (Kasarda and Janowitz 1974; p. 328). The '*systemic model*' of *community attachment* (Kasarda and Janowitz 1974) considers the length of residence as the primary exogenous factor influencing community sentiments. Factors, intervening in the relationship between the length of residence and community sentiments³², are the number of social bonds in the region as well as the degree of social participation (see Figure 3.9). Kasarda and Janowitz (1974) argue:

³² Community sentiments form the central dependent variable in social research on the relationship between people and places. Community sentiments 'address [the] perceptual attachment to community or[the] degree of satisfaction with community' (Stinner et al. 1990, p. 496, Beggs et al. 1996). Consumers' sense of belonging to a region is used to capture this feeling of attachment.

‘Since assimilation of newcomers into the social fabric of local communities is necessarily a temporal process, residential mobility operates as a barrier to development of extensive friendship and kinship bonds and widespread local associational ties. Once established, though, such bonds strengthen community sentiments’ (p. 330).

In their influential article, Kasarda and Janowitz (1974) provide strong empirical support for this systemic model. They show that length-of-residence is positive related to individual local friendships and participation in local affairs, which in turn significantly influence community sentiments (Beggs et al. 1996, Goudy 1990, Stinner and Van Loon 1990). Sampson (1988) extends the model somewhat and shows that the length of residence has a *direct* influence on community sentiments as well. Thus, in time, consumers’ general desire for belonging may result in a more specific sense of belonging. However, as discussed, this additionally depends on the degree to which consumers identify with the region and its inhabitants. It seems that if consumers do not identify with the region, the degree of social participation and number of social bonds as well as the length of residence will be limited.

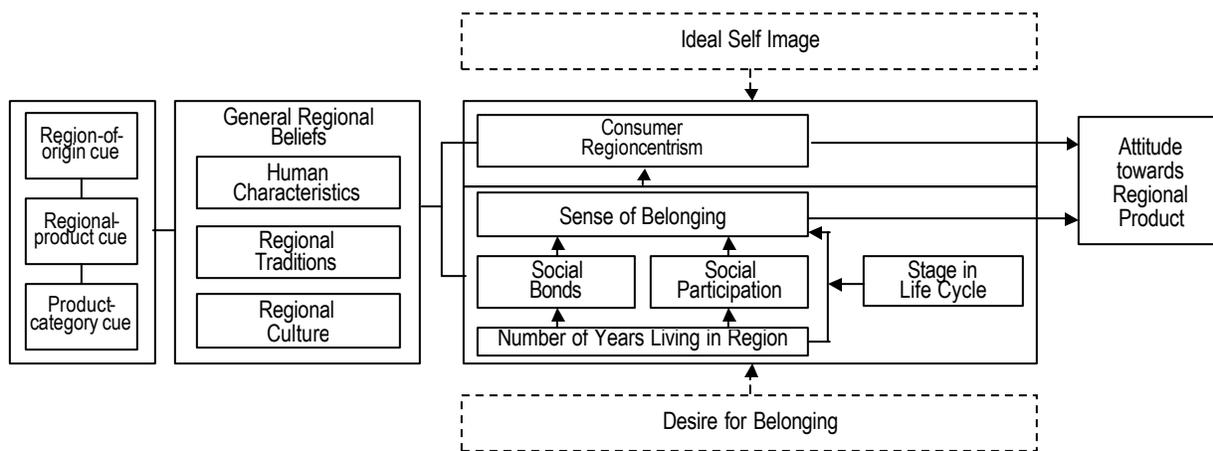


Figure 3.9 Model of the Social Value of Regional Products.

Besides feeling a sense of belonging to the current region of residence, consumers may feel a sense of belonging to other regions. First, consumers may (still) feel a sense of belonging to *former* regions of residence. The number of social bonds in the region will be an important determinant of consumers’ sense of belonging to that area. Further, the current degree of social participation is expected to influence consumers’ sense of belonging positively. Finally, the number of years of having lived in former regions of residence is proposed to influence consumers’ sense of belonging to that region. This effect, though, will diminish over time.

H14 The number of social bonds and the degree of social participation in a region positively influence consumers’ sense of belonging to that region.

H15 The number of years of having lived/living in a region has both a direct and an indirect positive influence on consumers' sense of belonging to that region, the latter through the number of social bonds and the degree of social participation in the region.

The direct effect of the number of years of living/having lived in a certain region on consumers' sense of belonging is expected to be moderated by the period in the lifecycle during which consumers lived in the region (Beggs et al. 1996, Stinner et al. 1990). Especially for consumers who have lived in the region since their childhood, the number of years having lived in the region is suspected to have a larger effect than for consumers who started living in the region after childhood (cf., Holbrook and Schindler 1994).

H16 The direct effect of the number of years of having lived/living in the region on consumers' sense of belonging is moderated by the stage of the life cycle in which consumers lived in the region

Next to the current and former regions of residence, consumers may feel a sense of belonging to other regions. One may think of regions where they spent a nice holiday, where they often have leisure activities (e.g., cycling), or regions where they often go to visit friends or relatives. A broad range of determinants may be considered. The number of social bonds and the degree of social participation are expected to influence consumers' sense of belonging to those regions as well (as hypothesized in *hypothesis H14*). Further, consumers' personal experience with a region is expected to influence their sense of belonging to that region (the effect of experiences with the region depends on the type and duration of the experiences one examines).

H17 The number of times consumers have been in a region increases consumers' sense of belonging to that region.

Consumers with a strong sense of belonging to a region identify themselves with the region and its inhabitants *and* have a strong desire for belonging. The stronger consumers' sense of belonging to the 'regional group', the more likely they are to act in line with the values shared by the group (cf., Deshpande et al. 1986, Fournier 1998, Laroche et al. 1998, Oliver 1999)³³.

H18 Consumers' sense of belonging to the region of origin positively influences their attitude towards the regional product.

3.5.4.2 Consumer RegionCentrism

Consumers with a strong sense of belonging to a region may develop ethnocentric feelings towards the region and its inhabitants (cf., Lantz and Loeb 1996). Ethnocentrism is 'the universal

³³ The effect of consumers' sense of belonging on the attitude towards the regional product depends on the salience of consumers' desire for belonging. In some situations, the effect of consumers' sense of belonging on consumers' attitude towards the regional product will also be positive, but larger (cf., conditional social value).

proclivity for people to view their own group as the center of the universe, to interpret other social units from the perspective of their own group, and reject persons who are culturally dissimilar while blindly accepting those who are culturally like themselves' (Shimp and Sharma 1987, p. 280). These ethnocentric feelings affect their general behavior.

Based on the concept of ethnocentrism, Shimp and Sharma (1987) introduce the concept of consumer ethnocentrism. *Consumer ethnocentrism* is defined as 'the beliefs consumers hold about the appropriateness, indeed morality, of purchasing foreign made products' (p. 280). Consumer ethnocentrism focuses on the effect of ethnocentric feelings on consumers' purchase behavior. With consumer ethnocentrism, consumers' intention to purchase domestic products increases and their intention to purchase foreign products decreases (e.g., Baumgartner and Jolibert 1977, Reiersen 1967). Mutatis mutandis, this probably will also be the case for regional products. We refer to this form of ethnocentrism as regioncentrism. Regioncentric feelings begin playing a role when consumers perceive themselves as members of the regional group and attach value to this membership (see Figure 3.9). Therefore, with consumers' sense of belonging, the probability that these regioncentric tendencies become salient increases³⁴.

Consumer regioncentrism has a positive influence on consumers' attitude towards the regional product for products made in the region of residence. Regarding products made in other regions, this construct is expected to have a negative influence on consumers' attitude.

H19 Consumer regioncentrism positively (negatively) influences consumers' attitude towards regional products from the own region of residence (from other regions).

3.5.5 Perception and Evaluation of the Emotional Performance of Regional Products

Next to social value, regional products cater emotional value to consumers, 'the subjective, affective experiences of arousal, pleasure or displeasure' (Bagozzi et al. 1999, p. 184). Regional products may acquire emotional value when associated with specific feelings or when they facilitate or perpetuate feelings (Sheth et al. 1991). Based on consumers' inferred emotional associations with a product's region of origin, the name of a regional product may elicit emotions. The associative network model of memory and emotion (Bower 1981) suggests that each emotion 'has its own specific node in memory, which is connected by associative links to other aspects of that emotion, as well as other proposition nodes.' 'Emotion nodes can be activated using physiological or *verbal methods*, and when activated, spread that excitation to nodes that are associated with it, creating excitation at the event nodes, and producing autonomic arousal.' (Erevelles 1998, p. 201). For instance, a product's place of origin may elicit feelings of *pleasure* and *happiness* based on consumers' experience with the region. Likewise, the name

³⁴ We consider sense of belonging and the degree of regioncentrism as related but distinct constructs. Although with consumers' sense of belonging the salience of consumers' regioncentrism increases, other motives for supporting locally produced products are identified. For instance, it is shown that consumers whose jobs depend directly on the product, disapprove more strongly of purchasing products produced in other areas than consumers whose jobs do not depend on it directly (e.g., Shimp and Sharma 1987).

may evoke feelings of *anger* and *frustrations* (e.g., South-African wines during the Apartheid period). When the name of the region is cued, through the associations in the associative regional network, such feelings are evoked. Emotions play an important role in consumer behavior (e.g., Cohen et al. 1991, Hirschman and Holbrook 1982, Holbrook and Hirschman 1982, Keller 1998a, Lee and Sternthal 1999, Richins 1997). Emotions evoked not only are a direct result of the judgement of a regional product; they also influence the cognitive perception (Isen et al. 1978, Srull 1983).

H20 Positive (negative) emotions elicited by a product's region of origin influence consumers' perception of the attributes of a regional product in a (un)favorable manner.

The effect of the emotions elicited on consumers' attitude towards the regional product depends on consumers' desire for pleasure or fantasy (or for instance on their desire of avoiding feelings of anger, fear or depression) (cf., Belk 1975, Donovan and Rossiter 1982, Sherman and Smith 1986). 'In general, a mood state (either positive or negative) biases judgements of products and services in that direction. Put simply, consumers like things better when they are in a good mood' (Solomon 1999, p. 311) (e.g., Curren and Harich 1994, Dawson et al. 1990, Gardner 1985). Depending on the match between the emotions elicited and the related desires, consumers' attitude towards the regional product is affected more or less severe.

H21 The match between positive (negative) emotions elicited by a product's region of origin and consumers' desire for happiness (desire for avoiding feelings of unhappiness), positively (negatively) influences consumers' attitude towards the regional product.

3.5.6 Perception and Evaluation of the Epistemic Performance of Regional Products

Consumers' curiosity plays a key role in determining the epistemic value of regional products (cf., Sheth et al. 1991). Curiosity can be interpreted as '*a form of cognitively induced deprivation that arises from the perception of a gap in knowledge or understanding*'³⁵ (Loewenstein 1994, p. 75). Consumers' curiosity is externally stimulated, and the curiosity drive is elicited by *collative properties of external stimuli*, such as surprise, novelty, complexity and incongruity (Berlyne 1960). Several of these aspects may well influence the likelihood of regional products to elicit consumers' curiosity. A specific regional product characteristic that is able to elicit consumers' curiosity is the *perceived incongruity* between the region of origin and the product category the regional product belongs to (Berlyne 1960, Fiske and Maddi 1961, Lee and Mason 1999). Consider wine made in Norway. Most consumers will perceive this combination as incongruent,

³⁵ Two types of curiosity can be distinguished; perceptual and epistemic curiosity. *Perceptual curiosity* is defined as a drive which is aroused by novel stimuli and reduced by continued exposure to these stimuli (Berlyne 1954, p. 180). *Epistemic curiosity*, on the contrary, is referred to as a desire for knowledge. One might say that in this latter approach curiosity behavior is considered more passive and guiding. In this research, we focus on perceptual curiosity. In line with Sheth et al. (1991), we define epistemic value as the utility acquired by an alternative as a result of its ability to arouse (perceptual) curiosity and provide novelty.

and surprising, as it is hard to imagine how in such a cold, northern area wine can be produced. Consumers' perception of a gap in their understanding produces an (un)pleasant sensation, usually labeled arousal (Berlyne 1960). The larger the gap in their understanding, the more arousal is felt. When the perceived incongruity is too large, disbelief arises. In this situation, the consumer most likely rejects the information (e.g., Meyers-Levy and Tybout 1989).

Consumers, driven by a desire for understanding, encountering an incongruent regional product, will try to reduce the amount of arousal felt. Let us assume that consumers perceive a low or moderate amount of incongruity. To reduce this surge of arousal, consumers gather and process additional regional product-related information. They want to understand 'if and how it is possible that wine is produced in this cold country'. This behavior is referred to as exploratory behavior (Berlyne 1960). Exploration refers to all activities concerned with gathering information about the environment. Concerning the Norwegian wine, the consumer may read the label to find out what the wine is made of (e.g., berries). The degree of exploration, though, depends on consumers' Optimal Stimulation Level. A person's need for stimulation is *the discrepancy between an individual's optimal stimulation level and his/her current stimulation level at the time of exposure to the stimulus*'. The amount of stimulation that a person prefers is assumed to be uniquely determined and homeostatic; the so-called Optimal Stimulation Level (OSL). Consumers differ in the amount of stimulation considered optimal (e.g., Steenkamp and Baumgartner 1992). In general, individuals with high OSLs are more likely to examine new (surprising) stimuli and situations because of a higher need for environmental stimulation. Individuals with low OSLs are likely to feel more comfortable with familiar (less surprising) situations and stimuli, and withdraw from new or unusual ones. Depending on consumers' optimal stimulation level, more or less effort is endowed to reduce the tension felt. If they do (not) succeed in managing the tension felt, they feel positive (negative) affect, which in turn influences consumers' attitude towards the regional product (Fiske and Maddi 1961, Howard and Sheth 1969).

H22 The perceived incongruity of a product-region combination influences the amount of arousal evoked.

H23 The match between the amount of arousal evoked by the perceived incongruity of a product-region combination and consumers' optimal stimulation level influences consumers' attitude towards the regional product.

Encountering a regional product with which they are unfamiliar (i.e., novelty) elicits consumers' curiosity as well. The stronger consumers' curiosity, the larger the tension felt. Again, depending on their OSL, more or less exploratory behavior is conducted. Based on the information gathered, consumers become more familiar with the regional product, which in turn reduces the arousal felt and results in affect.

H24 The perceived novelty of a regional product influences the amount of arousal evoked.

H25 The match between the amount of arousal evoked by the novelty of a regional product and consumers' optimal stimulation level influences consumers' attitude towards the regional product.

3.6 Choice

3.6.1 Introduction

Consumers' attitude towards the regional product largely determines their intention to purchase the product (see Figure 3.10). Based on their intention to purchase, one of the alternatives is purchased. Assuming there are no unexpected circumstances (Engel et al. 1993), consumers purchase that alternative for which they have the largest intention to purchase.

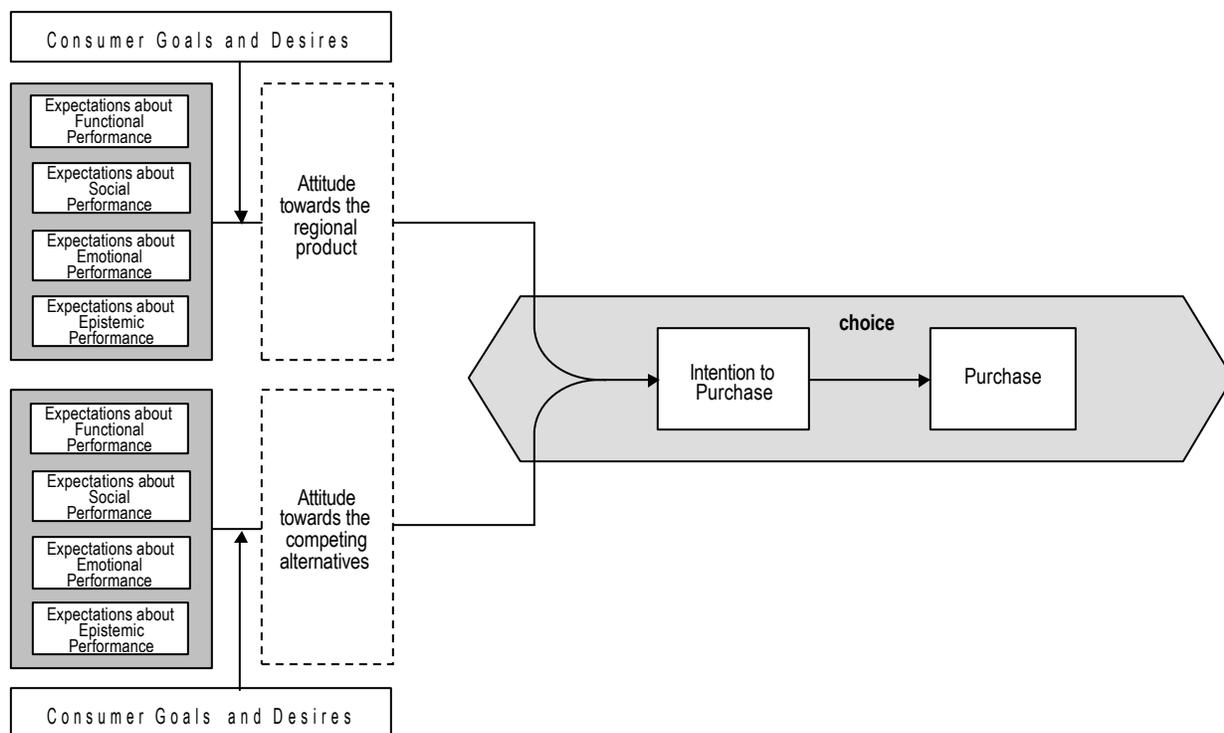


Figure 3.10 Choice Process of Regional Products (versus Competing Alternatives)

3.6.2 Consumers' Intention to Purchase

Consumers' intention to purchase a regional product largely depends on the inferred expectations regarding the performance of the regional product, relative to competing alternatives, as represented in their attitude towards the regional product. By comparing their performance

expectations of the regional product with those of competing alternatives, consumers develop an intention to purchase the regional product. Consumers' attitude towards the regional product, representing how well the regional product is able to satisfy consumers' desires, largely determines consumers' intention to purchase. The better the regional product is able to satisfy consumers' desires, relative to competing alternatives, the stronger consumers' intention to purchase the regional product.

H26 The more favorable consumers' attitude towards the regional product, relative to competing alternatives, the stronger consumers' intention to purchase the regional product.

As described, the alternative for which consumers have the strongest intention to purchase is purchased.

3.7 Consumers' Intention to Repurchase and Regional Product Loyalty

The key determinant of the realization of *repeat purchases* for regional products resembles the one related to the creation of repeat purchases for brands; a match between consumers' expectations and the actual experience. Consumers' intention to repurchase increases if the actual consumption experience with a regional product matches or exceeds consumers' inferred performance expectations. If so, satisfaction is experienced (Oliver 1999). For instance, the match between the anticipated and actual appreciation of local peers related to the purchase of local products (cf., social performance) affects the satisfaction experienced by the purchase of the regional product. The *perceived satisfaction and the (updated) expectations* determine consumers' postpurchase attitude towards the regional product, which influences future decision processes. The more favorable consumers' postpurchase attitude, the higher consumers' intention to repurchase. Figure 3.11 shows this process³⁶.

H27 Consumers' intention to repurchase a regional product is determined by their (updated) expectations of and attitude towards the regional product.

³⁶ Note, the framework assumes that the regional product is chosen.

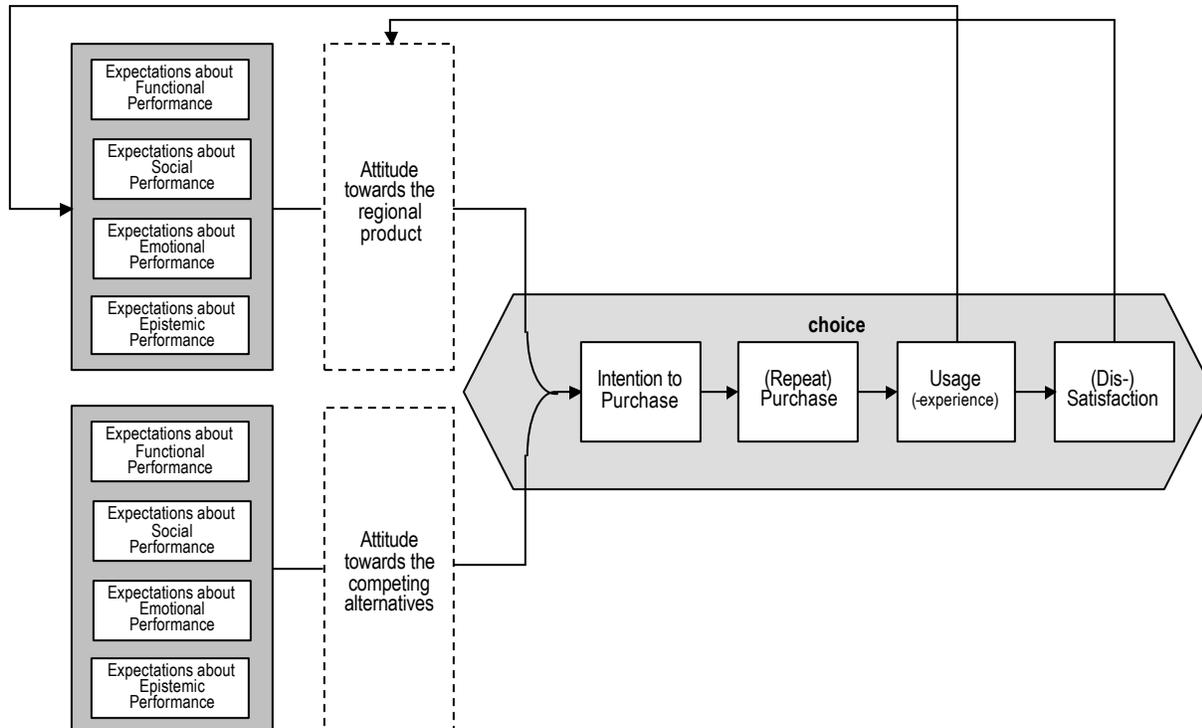


Figure 3.11 The Effect of Consumers' Perceived Satisfaction and Usage Experience on Repeat Purchases

Depending on the actual performance of the regional product, and with the presence of switching barriers, in time, repeat purchase behavior may evolve into actual consumer loyalty towards the regional product. For this to occur, the actual performance of the regional product needs to be *favorable* and *consistent*. Based on their experience with the regional product's performance and the satisfaction experienced, consumers develop a strong, favorable and enduring attitude towards the regional product (Dick and Basu 1994, Oliver 1999). Consumers' knowledge about and experience with the regional product, as reflected in consumers' postpurchase attitude towards the regional product, is driving consumers' future purchase behavior regarding the product (Oliver 1999). Therefore, we define consumer loyalty towards a regional product as the *consistent repurchase of the regional product prompted by a strong and favorable attitude* (cf., Jacoby and Chestnut 1978).

Often loyalty is defined based on consistent repurchase of an alternative (Keller 1998b). However, what appears to be loyalty may also be a result of inertia (Dick and Basu 1994, Jacoby and Chestnut 1978). This kind of behavior is considered habitually and less deep-rooted. It occurs often when consumers' involvement with the product is limited and the perceived switching barriers are low. To determine whether consumers are actually loyal towards regional products, besides examining the effect of consumers' relative attitude towards regional product on a proxy measure for repeat purchases (i.e., consumption share), its effect on two other behavioral intention measures is investigated (e.g., Oliver 1999, Keller 1998b, Krishnamurthi

and Raj 1991). In this research we focus on the effect of consumers' attitude towards the regional product on:

- the consumption share of the regional product in the total consumption of the product category the regional product belongs to (cf., repurchases);
- the price premium consumers are willing to pay for the regional product;
- consumers' response to relative price increases.

Following Jacoby and Chestnut (1978), we expect that loyal consumers of a PDO-protected regional product have a larger consumption share of that regional product. If consumers are actually loyal towards the regional product, versus repurchasing the product out of inertia, we should also find that loyal consumers are willing to pay a (higher) price premium for the regional product (cf., Keller 1998b). Likewise, consumers' response to relative price increases for the regional product is expected to be smaller for loyal consumers than for less loyal consumers (cf., Jarvis and Wilcox 1976). Note that we do not consider consumers' willingness to pay a price premium and a smaller response to relative price increases indicators of regional product loyalty. They are considered additional consequences of a strong and favorable attitude towards the PDO-protected regional product, which forms the basis for repeat purchases (e.g., Krishnamurthi and Raj 1991, Narayandas 1996, Raju et al. 1990, Zeithaml et al. 1996).

H28a Consumers' attitude towards the regional product positively influences the consumption share of the product in the product category the regional product belongs to.

H28b Consumers' attitude towards the regional product positively influences the price premium consumers are willing to pay for the regional product.

H28c Consumers' attitude towards the regional product positively influences consumers' response to relative price increases of the regional product.

3.8 Summary and Introduction to Subsequent Empirical Studies

The *objective of this thesis* is to gain a deeper understanding of the role of the region of origin in decision-making processes and in consumers' goal satisfaction. To accomplish this, in this chapter, a research framework for studying the effect of the region-of-origin cue during the decision-making process was proposed. The basic structure of our framework is well-accepted in consumer behavior literature and enables us to examine at what stage of the decision-making process the region of origin is active and which variables of the decision-making process are influenced by the region of origin.

Based on the proposed framework, the theoretical foundation was laid for examining the potential role of the region-of-origin cue in each stage of the purchase process. Hypotheses on the effect of the region-of-origin cue in each of the stages were formulated. In the next four chapters, most of these hypotheses will be subjected to empirical testing. In Chapter 4, Determinants of the Accessibility of Region Product Information, the hypotheses on the effect of the region-of-origin cue during the prepurchase search for information are tested. In Chapter 5,

Perception and Evaluation, it is examined if and how the region-of-origin cue and the related product-specific regional image influence consumers' perception and evaluation of regional products. In Chapter 6, First-Trial Purchases and Consumption Values, the hypotheses on the effect of consumers' expectations regarding functional, social, emotional and epistemic performance of regional products on consumers' intention to purchase are tested for first-trial purchases. Finally, in chapter 7, Regional Product Loyalty, the role of the region-of-origin cue in the development of consumer loyalty towards regional products is examined. Further, it is investigated if and how certificates of origin (PDO protection labels) enhance consumer loyalty towards regional products.

CHAPTER 4

DETERMINANTS OF THE ACCESSIBILITY OF REGIONAL PRODUCT INFORMATION

4.1 Introduction

The likelihood that a regional product enters the purchase process largely depends on whether it is identified during the *prepurchase search for information* (cf., Nedungadi 1990). The *likelihood* that and *speed* with which consumers identify the regional product during the prepurchase search for information is determined by the *availability* and *accessibility* of regional product information in consumers' memory (Alba et al. 1991, Ratneshwar et al. 1997) (see also Figure 3.1). Regional product information is considered *available* when it is *somehow* retrievable from memory. It is considered *accessible* if it has a certain likelihood of being retrieved from memory when the region-of-origin and/or the product-category cue are triggered. The availability and accessibility of regional product information are determined during previous encounters with that information. To understand the role of the region-of-origin cue during the prepurchase search for information, insights into the determinants of the availability and accessibility of regional product information should be obtained.

The effect of regional product information availability on the likelihood that the regional product is identified during the prepurchase search for information is mediated by the accessibility of that information. If regional product information is unavailable in consumers' memory, the regional product will not be identified during the prepurchase search for information based on either the region-of-origin cue or the product-category cue. If information is available, it depends on the accessibility of that information whether the regional product is identified during the prepurchase search for information. Therefore, in this chapter, the relationship between consumers' personal interest in a product's region of origin and the *accessibility* of regional product information in memory is investigated. In this context, particular attention is paid to the role of consumers' sense of belonging to the product's region of origin. Further, the role of consumers' involvement with the product category the regional product belongs to, is analyzed.

4.2 Conceptual Model and Hypotheses

Under the assumption that regional product information is stored in consumers' memory by means of associative networks (Anderson 1983), three determinants of the accessibility of regional product information can be distinguished; the *strength of the association* between each piece of regional product information and the region-of-origin and the product-category cue (Collins and Loftus 1975), the *number of associations* related to each piece of regional product

information (Alba and Hutchinson 1987) and the *uniqueness* of associations related to each piece of regional product information (Keller 1998b, Krishnan 1996) (Alba et al. 1991). The strength, number and uniqueness of associations are largely determined *during previous encounters* with the regional product. The frequency of encountering regional product information and consumers' motivation to process that information are assumed to be two key aspects influencing the strength and the number of (unique) associations. In Figure 4.1, the model, proposed to examine the determinants of the accessibility of regional product information, is presented.

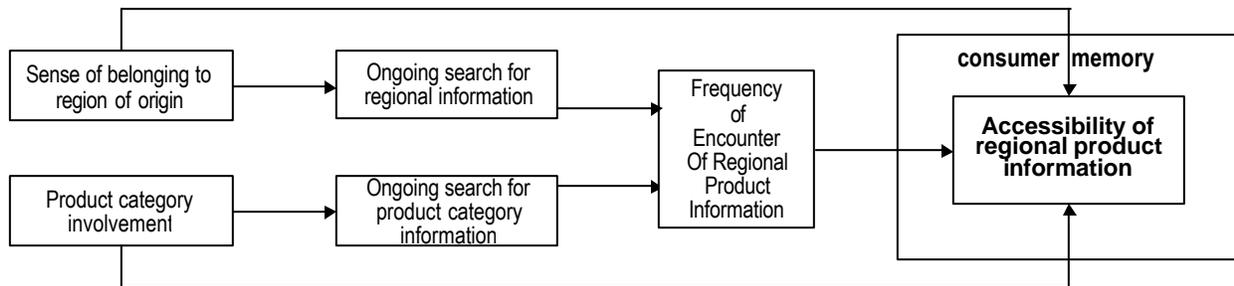


Figure 4.1 Determinants of the Accessibility of Regional Product Information in Consumer Memory

4.2.1 Frequency of Encountering

An important determinant of the strength of the association between regional product information and a cue is the *frequency of encounter* (Alba and Hutchinson 1987, Alba et al. 1991, Anderson 1983, Loken and Ward 1990). For instance, the more often consumers encounter a specific piece of regional product information in a product-category setting, the stronger the association between that piece of information and the product-category cue becomes. With the strength of that association, the accessibility of that information increases (Anderson 1983).

H1 The accessibility of regional product information in memory is positively influenced by the frequency of encountering that information.

4.2.2 Ongoing Search for Information

Consumers who search more actively and persistently for *regional* (e.g., Parma) and for *product category* information (e.g., ham) are more likely to encounter *regional product* information (e.g., Parma ham) and encounter it more often than consumers who search less actively and persistently (cf., Mittal and Lee 1989). This active and persistent search is referred to as consumers' *ongoing search for information* (Bloch et al. 1986).

Consumers may have different motives for conducting an ongoing search for regional and/or product category information. Being able to present themselves as ‘true’ inhabitants of the region may be a central drive for gathering information on the own region of residence (cf., Bloch et al. 1986). A more general interest in a region, other than the own region of residence, may drive consumers to gather regional information on that region. Consumers’ motivated search for regional information will influence the likelihood and frequency of encountering products from that region.

A similar reasoning holds for consumers who, based on a general interest in a product category, conduct an ongoing search for product category information. This motivated search for product category information will affect the likelihood and frequency of encountering regional product information as well.

H2a The frequency of encountering a regional product is positively influenced by consumers’ ongoing search for information on a product’s region of origin.

H2b The frequency of encountering a regional product is positively influenced by consumers’ ongoing search for information on the product category a regional product belongs to.

4.2.3 Consumers’ Sense of Belonging and Product Category Involvement

Consumers’ sense of belonging to the region (cf., Kahle et al. 1986, Maslow 1970) is expected to be a key consumer factor, influencing consumers’ motivation for gathering regional information. Consumers’ sense of belonging to the ‘regional group’ they identify with drives them to act in line with the values shared by the group. Regional information might help them to accomplish this.

Likewise, consumers’ involvement with a product category, the personal relevance of a product category, stimulates them to gather product category information (Bloch et al. 1986).

H3a Consumers’ sense of belonging to a region positively influences the ongoing search for information on that region.

H3b Consumers’ involvement with a product category positively influences the ongoing search for information on that product category.

Consumers’ sense of belonging also affects their motivation to *process* the regional information encountered. The stronger consumers’ sense of belonging to a region, the more motivated they are to process regional product information (e.g., Park and Mittal 1985, Petty et al. 1983). Consumers who are more motivated to process regional product information have more associations with the regional product than consumers who are less motivated to process this information (Alba and Hutchinson 1987, Petty et al. 1991). With the number of associations related to a piece of regional product information, the accessibility of that information increases (Alba and Hutchinson 1987).

Further, the more motivated consumers are to process regional product information, the stronger the associations with the regional product become. The number of *unique* associations increases as well (e.g., Schmitt and Dubé 1992). Consumers' sense of belonging thus affects the *number of unique and strong associations* with the regional product, hence the accessibility of regional product information.

Consumers' involvement with the product category also affects their motivation to process regional product information. Like consumers' sense of belonging to the region, consumers' involvement with a product category influences the strength and number of (unique) associations.

H4a The accessibility of regional product information in consumers' memory is directly and positively influenced by consumers' sense of belonging to the region of origin of that regional product.

H4b The accessibility of a regional product information in consumers' memory is directly and positively influenced by consumers' involvement with the product category a regional product belongs to.

To test the hypotheses, three studies were conducted. First, two studies were executed to develop and validate scales required for testing the hypotheses. The validated scales, next, were used to test the hypotheses.

Both scale development studies will be described first. Next, the research methodologies and measures employed to examine the effect of consumers' sense of belonging and product category involvement on the accessibility of regional product information are investigated. All studies were conducted in the Netherlands.

4.3 Scale Development

4.3.1 Consumers' Sense of Belonging

The first study aimed at the development and testing of a scale for measuring consumers' sense of belonging to regions. In first instance, we focused on consumers' sense of belonging to the own region of residence.

4.3.1.1 Sample Selection

A self-administered questionnaire was developed and distributed to a sample of adult consumers by the drop-off/send-back method. The questionnaires were distributed on four different weekdays in different types of supermarkets in four regions. Consumers responsible for purchasing the products studied were asked to fill out the questionnaire. A postage paid return envelope was given to the respondents. A total of 600 questionnaires was distributed and 159

useful questionnaires were obtained (response rate: 21.7%). No differences in average age, household size and education were found between the respondents from the four regions.

4.3.1.2 Measures

Based on a literature review and qualitative interviews with a convenience sample of consumers, a list of 13 items measuring *consumers' sense of belonging to the own region of residence* was generated (see Table 4.1). These were measured on 7-point Likert scales with the end poles labeled 'totally disagree' – 'totally agree'. In this study, consumers' sense of belonging to *one region*, the own region of residence, was measured.

Table 4.1 Scale for Measuring Consumers' Sense of Belonging to a Region

1. I love [region].
2. My heart belongs to [region].
3. I feel especially attached to [region].
4. I am a true inhabitant of [region].
5. I very much like to keep on living in [region] in the future.
6. No matter what happens, I will always keep on living in [region].
7. If I no longer had any contacts with [region], I would miss it a lot.
8. Obviously, my roots are in [region].
9. No matter where I am or what I do, I will always feel attached to [region].
10. [Region] has some very specific characteristics
11. [Region] has its own typical dialect.
12. [Region] has its own typical culture.
13. I like those typical [region] customs.

4.3.1.3 Analyses and Results

The scale was examined using structural equation modeling, LISREL (Jöreskog and Sörbom 1993). First, the factor loading structure and the dimensionality were examined. In Figure 4.2, the measurement model is presented. The one-factor model yielded a dissatisfactory model fit ($\chi^2(65) = 323.11$, $p < .001$, RMSEA = .16, GFI = .74, CFI = .87, TLI = .85) (Baumgartner and Homburg 1996, Diamantopoulos 1994). Based on the modification indices, four items were deleted from further analysis. It concerned the last four items shown in Table 4.1. After examination of these items, it was concluded that these represent specific, more objective characteristics related to a region, as opposed to consumers' sense of belonging to a region. With $\chi^2(27) = 88.82$, $p < .001$, RMSEA = .12, GFI = .89, CFI = .96, TLI = .95, the final scale, consisting of 9 items, fitted the data reasonably well. The composite reliability of this scale was .96.

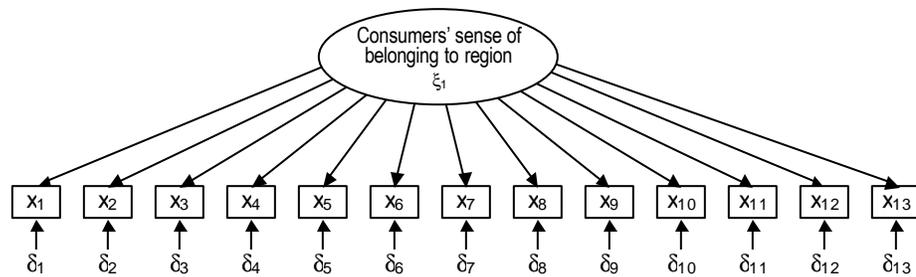


Figure 4.2 Measurement Model for Consumers' Sense of Belonging to the Own Region of Residence

Although this scale was considered appropriate for measuring consumers' sense of belonging to the *own* region of residence, some of the items seemed inappropriate for measuring consumers' sense of belonging to *other* regions. Moreover, since in our questionnaire consumers' sense of belonging should be investigated for six regions, a shorter scale was desirable. The first three items presented in Table 4.1 were deemed appropriate to measure consumers' sense of belonging to *any* region. Further, these three items had the highest factor loadings ($> .70$). The composite reliability of these items was .93. The average score of these three items highly correlated with the average of the total scale of nine items ($r = .97, p < .01$).

4.3.2 Ongoing Search for Regional and Product Category Information

In this second pre-study, two scales measuring consumers' ongoing search for regional and product category information were developed and tested. Further, the short scale for measuring consumers' sense of belonging was studied in more detail. Additionally, a validated scale for measuring product category involvement was examined.

4.3.2.1 Sample Selection

This study was part of a larger survey on regional products, conducted by the author. The data were acquired through a convenience sample of people who were primarily responsible for the purchases of food in the household. The sample consisted of 96 respondents. They were approached in the street, in supermarkets and in students' apartments in two cities in Gelderland, a province situated in eastern part of the Netherlands. On average, it took the respondents 15 minutes to fill out the questionnaire.

4.3.2.2 Measures

The scale measuring *consumers' sense of belonging* (see Table 4.2) was measured on 7-point Likert scales with the end poles labeled 'totally disagree' - 'totally agree'. Consumers' sense of belonging to three regions was measured. These regions were the current region of residence (Gelderland), Gouda and the Wadden region.

Table 4.2 Scale for Measuring Consumers' Sense of Belonging to a Region (short version)

-
1. I love [region].
 2. My heart belongs to [region].
 3. I feel especially attached to [region].
-

Product category involvement was measured based on a scale proposed by Mittal and Lee (1989). Their validated scale consists of three items (see Table 4.3) (composite reliability: .78, p. 374). Product category involvement was measured for cheese on 7-point Likert scales with the end poles labeled 'totally disagree' - 'totally agree'.

Table 4.3 Scale for Measuring Product Category Involvement (Mittal and Lee 1989)

-
1. [Product category] is very important to me.
 2. I have a strong interest in [product category].
 3. For me, [product category] does not matter. [r]
-

[r] Reversed scale item

Since no instruments for measuring consumers' *ongoing search for information* on regions and product categories were available, two scales were constructed. Based on, among others, Bloch et al. (1986), six items measuring consumers' ongoing search for information on product categories were generated. To measure consumers' ongoing search for information on regions, five items were generated (see Table 4.4). The scales were measured on 7-point Likert scales with the end poles labeled 'totally disagree' - 'totally agree'.

Consumers' ongoing search for regional information was measured for three regions, the current region of residence (Gelderland), Gouda and the Wadden region. Consumers' ongoing search for product category information was measured for cheese.

Table 4.4 Scales for Measuring Consumers' Ongoing Search for Regional Information and Product Category Information

Ongoing Search for Regional Information

1. I am always searching for information about [region].
2. I always try to read as much as possible about [region].
3. I always listen to and look at radio- and television programs about [region].
4. When I encounter an article on [region], I read it.
5. I often talk to friends about [region], in order to learn more about [region].

Ongoing Search for Product Category Information

1. I am always searching for information about [product category].
 2. I always read the articles and ads on [product category].
 3. Often, I read the ads on [product category] just out of curiosity.
 4. When I am in the supermarket, I often examine the [product category] counter without buying [product category].
 5. I often talk to friends about [product category], in order to learn more about [product category].
 6. I always carefully listen to and look at the [product category] commercials on radio and television.
-

Further, some actual media behavior data were gathered to examine the *external validity* of the scale measuring the ongoing search for regional information. The focus was on consumers' ongoing search for information on consumers' current region of residence (Gelderland). Consumers were asked how many hours per week they spend on national and regional television, national and regional radio and on national and regional newspapers. A significant positive relation between the ongoing search for regional information and the amount of time spent on regional media was expected. No or even a small negative effect on the amount of time spent on national media was anticipated.

4.3.2.3 Analyses and Results

The scales were examined using structural equation modeling³⁷, LISREL (Bagozzi 1994, Jöreskog and Sörbom 1993). First, the factor loading structure and the composite reliabilities were examined. These were examined separately for consumers' sense of belonging and product category involvement and both scales for measuring the ongoing search for regional and product category information. The reason for this is that sense of belonging and ongoing search for regional information and product category involvement and ongoing search for product category

³⁷ Because of the relatively small sample size, the results of the structural equation analyses should be interpreted with some caution. (e.g., Hair et al. 1995).

information are hypothesized to be related. The loadings for the items measuring consumers' sense of belonging were fixed based on the first pre-study (Steenkamp and Van Trijp 1991).

The measurement model for consumers' sense of belonging and product category involvement across the three products yielded a satisfactory fit ($\chi^2(10) = 8.58, p = .573, RMSEA = .001, GFI = .99, CFI = 1.00, TLI = 1.00$)³⁸. The composite reliability of the scales was .93 for consumers' sense of belonging and .72 for product category involvement.

The measurement model for consumers' ongoing search for regional and product category information yielded a dissatisfactory fit ($\chi^2(43) = 186.46, p < .001, RMSEA = .109, GFI = .90, CFI = .92, TLI = .89$) (e.g., Bagozzi and Yi 1988). Based on the modification indices, the last three items of the scale measuring the ongoing search for regional information were deleted. The last three items of the scale measuring the ongoing search for product category information were also deleted based on the modification indices. The remaining model fitted the data well ($\chi^2(4) = 10.84, p < .001, RMSEA = .078, GFI = .99, CFI = .99, TLI = .97$). The composite reliability of the scales was .88 for the ongoing search for regional information and .82 for the ongoing search for product category information.

Next, the dimensionality was examined by estimating the measurement model including all four multi-item scales and fixing the factor loadings based on the previous analyses. The model fitted the data well ($\chi^2(45) = 98.61, p < .001, RMSEA = .065, GFI = .94, CFI = .96, TLI = .95$). Fixing the correlation between each pair of constructs to unity, resulted in significant $\Delta\chi^2$'s ($p < .01$). The model with all items loading on one dimension also resulted in significant $\Delta\chi^2$'s ($p < .01$). This provided support for the *discriminant validity* of the scales used.

Further, in line with our expectations, it was found that our scale for measuring the ongoing search for regional information positively correlated with the amount of time spent on regional television ($r = .48, p < .01$), with the amount of time spent on regional radio ($r = .36, p < .01$) and with the amount of time spent on regional newspapers ($r = .34, p < .01$). No correlation between the ongoing search for regional information and the amount of time spent on *national* television ($r = -.04, p = .35$) was found. Additionally, no relationship with the amount of time spent on national radio ($r = -.00, p = .31$) was found. Contrary to our expectations, a positive relationship ($r = .34, p < .01$) between the ongoing search for regional information and the amount of time spent on national newspapers was found. Overall, these results supported the external validity of the scale for measuring consumers' ongoing search for regional information.

³⁸ The high fit indices for this specific measurement model made us examine some other fit indices provided by LISREL. Since all other fit indices also indicated a good fit, it is assumed that the high fit indices are due to a good model fit, as opposed to measurement-related factors, such as sample size and the number of degrees of freedom (cf., Hair et al. 1995). Further, by rotating the fixed factor loadings, it was examined if the results might have been a result of an artifact of the model. Since the fit of the model became unacceptable (significant $\Delta\chi^2, p < .01$), this possible explanation was rejected. This strengthened our confidence about the high fit indices being due to a good model fit.

4.4 Hypotheses Testing - Determinants of the Accessibility of Regional Product Information

To test our hypotheses on the effect of consumers' sense of belonging and product category involvement on *regional product* information accessibility, a survey was conducted in the Netherlands. Next to studying specific regional products, data were gathered on *generic regional products and brands*. Regional products are produced only within the area referred to by the name. Generic regional products, however, are products marketed with a regional reference although they are produced both within *and* outside that specific region. The results of the analyses of the data for the generic regional products and brands will be used as a benchmark for the results of the specific regional products. Due to their generic nature, generic regional products will not be considered a strong part of the culture and 'inheritance' of the region. Consequently, it is expected that the total effect of consumers' sense of belonging on information accessibility will be less profound for generic regional products than for specific regional products.

Since no regional influence is present for cheese brands, only the effect of product category involvement on information accessibility was studied.

4.4.1 Product and Sample Selection

Our hypotheses on the determinants of regional product information accessibility were tested for cheese. Most consumers are familiar with this product category and buy cheese on a regular basis. Further, cheeses often are marketed referring to the product's region of origin. To test our hypotheses, four regional products were examined. As a benchmark, further three generic regional products and three cheese brands were selected (see Table 4.5).

Table 4.5 (Generic) Regional Product and Cheese Brands Examined³⁹

Category	Name
Regional Products (a.m.p. < 5.0%)	Boeren-Leidse cumin cheese Veenweide cheese Wadden cheese Kempische cheese
Generic Regional Products (a.m.p. 50%)	Gouda cheese Leidse cumin cheese Edam cheese
Cheese Brands (a.m.p. 14%)	Milner Maaslander Cantenaar

³⁹ a.m.p. = average market penetration

The selected products varied in degree of market penetration on the Dutch cheese market (% of consumers who purchased the product during the year prior to the moment of data gathering: 1998-1999). The generic regional products had the highest market penetration (average across the three generic regional products studied is $\pm 50\%$)⁴⁰. The three cheese brands had an average market penetration of $\pm 14\%$. Regarding the regional products, no exact figures were available. The average market penetration across the four regional products was $< 5\%$.

Data were acquired through a computerized panel of the market research agency NIPO, composed of a representative sample of Dutch households. 761 Dutch consumers who are primarily responsible for the purchases of food in their household were included in the research.

To gain insights into the role of the region-of-origin cue related to the regional products studied, the percentage of consumers sampled in the four regions the (generic) regional products are produced in, was overrepresented. The rest of the respondents were randomly sampled from the consumers living in the other Dutch regions. In Table 4.6, an overview of the number of respondents interviewed per region is given.

Table 4.6 Number of Respondents Sampled per Region

Region	Related Regional Product	# Respondents
Zuid-Holland	Boeren-Leidse cumin cheese	202 (26.5%)
	Veenweide cheese	
	Gouda cheese	
	Leidse cumin cheese	
Noord-Brabant	Kempische cheese	181 (23.8%)
Wadden region (Groningen, Friesland, Noord-Holland)	Wadden cheese	100 (13.1%)
Noord-Holland	Edam cheese	129 (17.0%)
Rest of the Netherlands		149 (19.6%)

All respondents answered all questions on all regional products. First, accessibility was measured. Next, for those products of which consumers were aware, frequency of encounter was determined. Subsequently, per regional product, consumers' sense of belonging to the product's region of origin and consumers' search for information on that region were measured. Finally, consumers' involvement with the product category (cheese) and consumers' search for product category (cheese) information was determined. On average, it took the respondents 35 minutes to fill out the questionnaire⁴¹. All respondents received fl.10.00 (4.54 Euro) as a gift for participation.

⁴⁰ The author thanks GfK for providing the available market penetration figures. Due to confidentiality of the data, the exact figures cannot be reported.

⁴¹ The data gathered for this part of the research represent only a part of the data gathered by means of this survey.

4.4.2 Measures

Accessibility of regional product information was measured by means of *aided* recall (Alba and Hutchinson 1987). Consumers were asked whether they had ever heard of the name of the regional products under consideration. The regional products of which a consumer was aware were coded 1. The regional products of which a consumer was unaware were coded 0.

Frequency of encounter was measured by asking consumers how often they encounter the name of an alternative. The frequency of encounter was measured on a 7-point scale with the end poles labeled ‘hardly ever’ - ‘very often’. For those products of which consumers were unaware, frequency of encounter was set to zero. This way of measuring accessibility and frequency of encounter implies that our measure frequency of encounter ‘embraces’ our measure for accessibility of information. This is an unfortunate but unavoidable problem when examining the accessibility through a field survey.

Table 4.7 Scales for Measuring Sense of Belonging, Product Category Involvement and Ongoing Search for Regional and Product Category Information

Consumers’ Sense of Belonging to a Region

1. I love [region].
2. My heart belongs to [region].
3. I feel especially attached to [region].

Product Category Involvement

1. [Product category] is very important to me.
2. I have a strong interest in [product category].
3. For me, [product category] does not matter. [r]

Ongoing Search for Regional Information

1. I am always searching for information about [region].
2. I always try to read as much as possible about [region].

Ongoing Search for Product Category Information

1. I am always searching for information about [product category].
 2. I always read the articles and ads on [product category].
 3. Often, I read the ads on [product category] just out of curiosity.
-

[r] Reversed scale item

Consumers’ sense of belonging to the regions of origin of the regional products examined was measured using the three-item scale, developed, tested and validated in the previous section. *Product category involvement* (cheese) was measured with a three-item scale (Mittal and Lee 1989). The *ongoing search for information* on the product’s region of origin and the product category was measured using the two multi-item scales proposed in the previous section. All scales (see Table 4.7) were measured on 7-point Likert scales with the end poles labeled ‘totally disagree’ - ‘totally agree’.

4.4.3 Scale Analyses

A measurement model, including consumers' sense of belonging to a product's region, consumers' product category involvement and both scales measuring the ongoing search for regional and product category information, was estimated across the specific regional products, the generic regional products and branded cheese separately. The correlations between all constructs as tapped by these scales were set free and the factor loadings were fixed. The model for regional products fitted the data well ($\chi^2(45) = 482.06$, $p < .001$, RMSEA = .058, GFI = .98, CFI = .98, TLI = .98) (e.g., Bagozzi 1994, Bagozzi and Yi 1988). Similar results were found for the generic regional products and the cheese brands (excluding the ongoing search for regional information and consumers' sense of belonging). The data were also analyzed separately per product. The fit of the model was found to be satisfactory for each individual product as well.

The reliability of the scales was satisfactory. For consumers' sense of belonging and the ongoing search for regional information, the composite reliabilities were respectively .93 and .88. The scales measuring product category involvement and consumers' ongoing search for product category information had a composite reliability of respectively .77 and .82. Similar results were found for each individual product.

Setting the correlation to unity for each pair of constructs separately yielded significant chi-square increases for all products ($p < .01$). The same held for loading the items of each combination of constructs on one dimension. This provided support for the discriminant validity of the scales used. Since all factor loadings exceeded .7, convergent validity was supported as well (Steenkamp and Van Trijp 1991). The same results were found for the individual products.

4.4.4 Analyses and Results

First, hypotheses $H2a$ (β_{12}) and $H2b$ (β_{13}) and $H3a$ (γ_{12}) and $H3b$ (γ_{23}) were tested. To test these hypotheses, the entire model was estimated (see Figure 4.3) both across as well as per regional product (see Table 4.8).

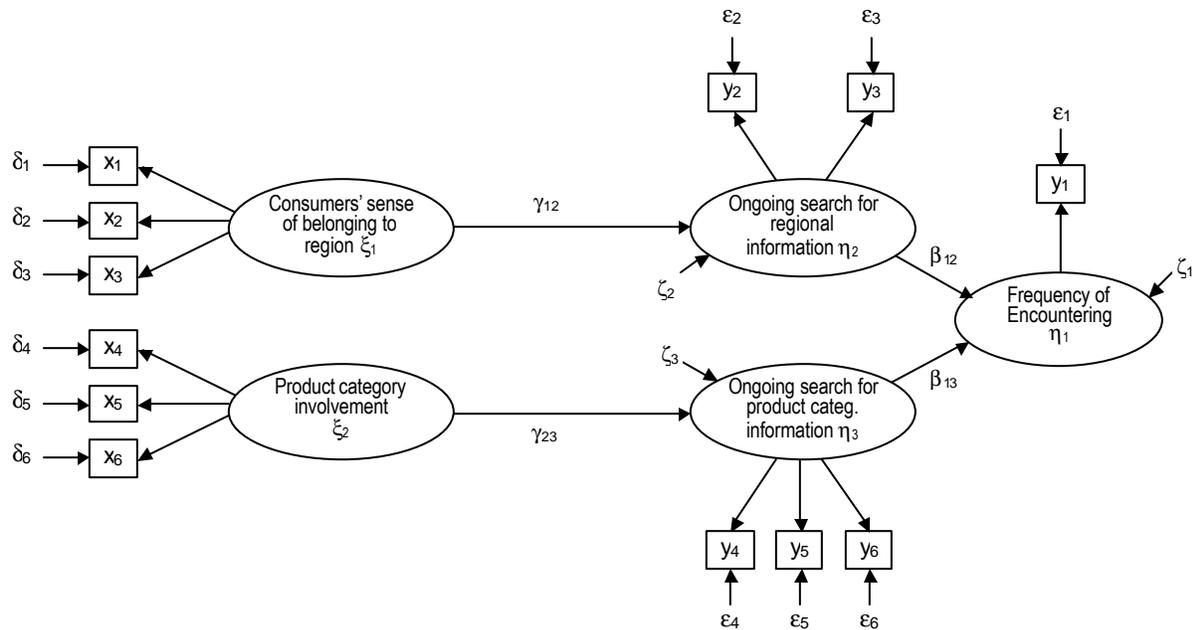


Figure 4.3 Effect of Consumers' Sense of Belonging and Product Category Involvement on Frequency of Encounter

Table 4.8 Effect of Sense of Belonging and Product Category Involvement on the Frequency of Encountering Regional Product Information (The corresponding t-values are shown in parentheses)⁴²

	Path Estimates				Fit Indices				
	Sense of belonging	Cheese involvem.	Regional search	Cheese search	c^2 (57)	RMSEA	GFI	CFI	TLI
Regional Products	g_{12}	g_{23}	b_{12}	b_{13}					
Boeren-Leidse cheese	.42 (11.23)	.64 (13.09)	.25 (6.87)	.04 (1.12)	173.56	.057	.96	.98	.97
Veenweide cheese	.31 (8.54)	.64 (13.01)	.15 (4.05)	.07 (1.68)	167.05	.054	.97	.98	.97
Wadden cheese	.48 (12.78)	.63 (12.96)	.13 (3.64)	.03 (0.72)	151.57	.051	.97	.98	.97
Kempische cheese	.47 (12.89)	.63 (12.95)	.11 (2.99)	.02 (0.52)	147.28	.050	.97	.98	.98
Total	.47 (25.32)	.63 (25.99)	.17 (9.13)	.04 (1.88)	498.06	.054	.97	.98	.97
Generic Regional Products									
Gouda cheese	.40 (10.61)	.65 (13.25)	.05 (1.36)	.12 (2.89)	216.71	.067	.95	.97	.96
Leidse cumin cheese	.42 (11.23)	.64 (13.20)	.10 (2.72)	.20 (5.66)	174.96	.058	.96	.97	.97
Edam cheese	.33 (8.85)	.64 (13.06)	.15 (4.13)	.01 (0.33)	202.45	.063	.96	.97	.96
Total	.39 (17.78)	.64 (22.89)	.08 (3.94)	.10 (4.44)	506.68	.064	.96	.97	.96
Cheese Brands									
Milner		.63 (12.91)		.16 (3.94)	75.59	.080	.97	.96	.93
Maaslander		.64 (12.96)		.19 (4.61)	79.03	.084	.97	.96	.93
Cantenaar		.63 (12.90)		.20 (4.93)	70.46	.078	.97	.96	.94
Total		.63 (22.48)		.17 (7.18)	216.89	.015	.97	.95	.93

$t_{crit \alpha = .01} = 2.33$, $t_{crit \alpha = .05} = 1.64$

⁴² The path estimates for the generic regional products and the branded cheeses are included as well. These will be compared to the path estimates for the regional products in section 4.4.5.

As stated by *hypothesis H2a*, it was found that consumers' ongoing search for regional information positively influences the frequency with which consumers encounter regional product information (standardized effect: $\beta_{12} = .17, p < .01$). Second, in line with *hypothesis H2b*, it was found that consumers' ongoing search for product category information positively influences the frequency of encountering regional product information (standardized effect: $\beta_{13} = .04, p < .05$). Note that the effect is limited and only marginally significant. The effect is not replicated for each of the individual regional products; only for Veenweide cheese, the effect is found to be significant. *Hypothesis H2b* is thus partly confirmed.

Consistent with *hypothesis H3a*, it was found that consumers' sense of belonging to a region positively influences the amount of ongoing search for regional information (standardized effect: $\beta_{12} = .47, p < .01$). The effect is found both across the regional products, and for each product separately.

In line with *hypothesis H3b*, it was further found that consumers' involvement with a product category positively affects the amount of ongoing search for product category information (standardized effect: $\beta_{23} = .63, p < .01$) for regional products. Since product category involvement and consumers' ongoing search for product category information do not vary between regional products, the path estimates are about the same for each regional product.

Since our measure for accessibility is nested in our measure of frequency of encounter, we cannot directly determine the effect of frequency of encounter on the accessibility of information (*Hypothesis H1*). Therefore, information accessibility is directly regressed on the consumers' ongoing search for regional and product category information (see Figure 4.4).

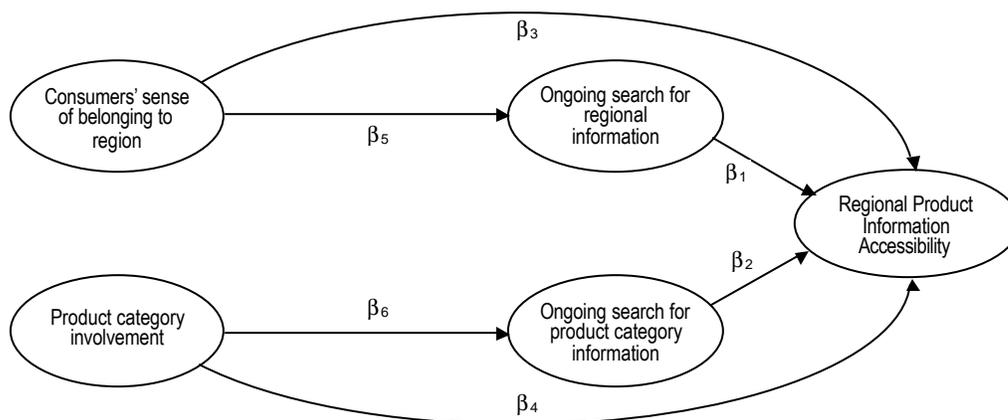


Figure 4.4 Effect of Consumers' Sense of Belonging and Product Category Involvement on Regional Product Information Accessibility

As our dependent variable is dichotomous, logistic regression analyses were used to test our hypotheses. Using the factor loadings from the structural equation analyses, for each construct, the weighted average was calculated. These weighted averages, next, were used as input for

analyzing the model⁴³. The results are presented in Table 4.9. As β_5 and β_6 have already been analyzed and discussed in the previous section, these will not be discussed again.

Table 4.9 Effect of Sense of Belonging and Product Category Involvement on Regional Product Information Accessibility⁴⁴ (odds ratios) (The corresponding Wald statistics are shown in parentheses)

	Path Estimates				Fit Indices	
	Regional search (b ₁)	Cheese search (b ₂)	Sense of belonging (b ₃)	Cheese involvement (b ₄)	c ²	R ² Nagelkerke
Regional Products						
Boeren-Leidse cheese	1.44*** (22.26)	1.00 ^{ns} (.00)	1.04 ^{ns} (.29)	1.24** (5.22)	42.54	.091
Veenweide cheese	1.63*** (9.64)	1.02 ^{ns} (.02)	1.10 ^{ns} (.39)	1.38 ^{ns} (2.43)	18.80	.095
Wadden cheese	1.12* (2.68)	.98 ^{ns} (.07)	1.45*** (17.14)	1.11 ^{ns} (1.06)	41.93	.101
Kempische cheese	1.12 ^{ns} (1.30)	1.15 ^{ns} (1.70)	1.04 ^{ns} (.16)	1.10 ^{ns} (.57)	7.95	.023
Total	1.28*** (33.71)	1.03 ^{ns} (.34)	1.12** (6.72)	1.18** (8.15)	96.71	.064
Generic Regional Products						
Gouda cheese	0.92 ^{ns} (.03)	1.02 ^{ns} (.00)	1.18 ^{ns} (.14)	1.30 ^{ns} (.31)	.67 ^{ns}	.018
Leidse cumin cheese	1.13 ^{ns} (1.58)	1.24** (5.94)	0.96 ^{ns} (.25)	1.38*** (14.71)	41.57	.089
Edam cheese	1.02 ^{ns} (.01)	1.31 ^{ns} (.12)	1.36 ^{ns} (.16)	0.59 ^{ns} (.32)	1.26 ^{ns}	.083
Total	1.09 ^{ns} (.80)	1.21** (5.49)	0.98 ^{ns} (.08)	1.30*** (12.49)	35.52	.043
Cheese Brands						
Milner		1.19* (2.76)		1.06 ^{ns} (.29)	4.92	.014
Maaslander		2.02 ^{ns} (1.43)		0.46 ^{ns} (1.25)	2.20 ^{ns}	.081
Cantenaar		1.37** (7.63)		1.08 ^{ns} (.52)	12.66	.038
Total		1.27*** (10.17)		1.05 ^{ns} (.50)	16.16	.019

* $p < .05$, ** $p < .01$, *** $p < .001$

Consistent with hypotheses *H4a* and *H4b*, it was found that consumers' sense of belonging and their product category involvement have a direct positive influence on the accessibility of regional product information. However, for each individual regional product, the effects were less profound; consumers' sense of belonging primarily exerts an indirect effect on accessibility, through the ongoing search for regional information.

⁴³ Tests were conducted to examine whether the ongoing search for regional and product category information mediates the relationship between consumers' sense of belonging and product category involvement and accessibility. Following the procedure as proposed by Baron and Kenny (1986), it was found that the effect of consumers' sense of belonging on regional product information accessibility is *partly* mediated by the ongoing search for regional information. However, a significant direct effect of both consumer's sense of belonging and product category involvement on regional product information accessibility remained.

⁴⁴ Interaction effects were tested but were not found to be significant.

Further, to test whether geographic variance in information availability influenced the results, additional tests were conducted. Including a dummy variable, indicating whether the consumer's residence was the same as the region of origin of the product, did not change the results. The dummy variable did not significantly influence consumers' awareness of the regional products examined.

Further, consumers' ongoing search for regional information positively influenced the accessibility of regional product information. The effect of the ongoing search for product category information on the accessibility of regional product information was not significant.

4.4.5 Generic Regional Products and Branded Cheeses

As mentioned, next to studying specific regional products, data were gathered on *generic regional products and branded cheese*. The results are shown in Table 4.8 and 4.9.

Because of their generic character, consumers will not perceive the generic regional product to be a strong part of the culture and 'inheritance' of the region. Consequently, the effect of consumers' sense of belonging on generic regional product information accessibility was expected to be less profound. As can be seen in Table 4.8, although significant, the effect of consumers' sense of belonging on the ongoing search for regional information is lower for the generic regional products than for specific regional products ($z = 2.63, p < .05$). Further, the effect of consumers' ongoing search for regional information on the frequency of encountering that information is lower ($z = 2.46, p < .05$). As shown in Table 4.9, consumers' sense of belonging and the ongoing search for regional information have no significant effect on generic regional product information accessibility. These results suggest that, due their generic nature, the effect of consumers' sense of belonging on information accessibility is lower for generic regional products than for specific regional products.

Since branded cheeses do not refer to a region, these products merely depend on consumers' involvement with the product category. As shown in Table 4.8, the effect of consumers' ongoing search for product category information on frequency of encountering information is larger for branded cheeses than for regional products ($z = 3.53, p < .05$). Likewise, Table 4.9 shows that the effect of consumers' ongoing search for product category information on information accessibility is larger for branded cheeses than for regional products ($z = 5.70, p < .05$). Further, the difference in effect-size is less profound when comparing the generic regional products and branded cheeses ($z = 1.19, p > .05$). Therefore, the smaller effect of consumers' ongoing search for product category information found for regional products is expected to be due to a less extensive promotion strategy for the regional products, which results in a lower availability of regional product information in a product-category context.

4.5 Conclusions and Implications

The likelihood that a regional product enters the purchase process during the prepurchase search for information largely depends on the accessibility of regional product information in consumers' memory. The accessibility of regional product information has shown to be enhanced by consumers' sense of belonging to the product's region of origin and product category involvement.

Consumers' sense of belonging influences regional product information accessibility both directly and indirectly through the ongoing search for regional information and frequency of encountering regional product information. The information encountered relates to the region and as such satisfies consumers' interest in the region. However, the results suggest that if the perceived link between the regional product and the region is weak, consumers will be less interested to process the regional product information. Marketers thus must prevent the name of the regional product from becoming a generic brand name with no apparent link to the region of origin. If consumers perceive the regional product name as a generic brand name, they will no longer consider it part of the culture and 'inheritance' of the region. Consequently, they will 'ignore' information on the product when encountering it. If marketers, however, are able to preserve the perceived link between the product and the region, they can profit from consumers' interest in the region and their motivation to process regional product information.

Consumers' product category involvement increases regional product information accessibility as well. Product category involvement merely influences regional product information accessibility directly as a result of consumers' increased motivation to process the information. No indirect effect of product category involvement, through the ongoing search for product category information and frequency of encountering regional product information was found. A possible explanation for this finding may be that the amount of promotion on regional products is limited. Consequently, the frequency of encountering regional product information will be limited, and the accessibility of that information thus will remain small. By providing consumers with regional product information in a product-category context (the regional cheese as a cheese), and at places that are deemed appropriate for obtaining information on the product category (ads, store displays), the effect of product category involvement on regional product accessibility can be heightened.

CHAPTER 5

PERCEPTION AND EVALUATION⁴⁵

5.1 Introduction

To evaluate the alternatives identified during the earlier stages of a purchase process, consumers use evaluative criteria, ‘standards and specifications ... to compare different [alternatives]’ (Engel et al. 1993, p. 51). These standards and specifications concern the preferred outcomes from purchase and consumption and are determined by consumers’ goals. As described in chapter 3, these goals are stored in consumers’ hierarchy of goals and activated during the need recognition stage (see Figure 3.1). To establish whether these alternatives provide the benefits needed to satisfy consumers’ goals, consumers use stimuli or cues (e.g., brand name, region of origin) available. In this chapter, the role of the region-of-origin cue in the perception and evaluation of regional products is examined.

5.2 Conceptual Model and Hypotheses

5.2.1 Perception

The name of a regional product (e.g., Parma ham) provides consumers with two stimuli, a region-of-origin cue and a product-category cue. During the encoding stage, consumers interpret and provide meaning to both cues. This (encoded) meaning is largely a function of ‘previously acquired meanings contained in the activated knowledge structures’ which are stored in consumers’ memory (see Figure 3.1) (Olson 1981, p. 74). The product-category cue ‘simply’ states what product category the regional product belongs to, while the region-of-origin cue signals the region of origin of the product. When triggered, the region-of-origin cue activates two types of regional beliefs; *general regional beliefs* and *product-specific regional beliefs*. Consumers’ general regional beliefs reflect consumers’ perception of general regional characteristics, such as the inhabitants, traditions, and culture. Consumers’ product-specific regional beliefs reflect consumers’ perception of the suitability of the region for the production of the specific product. Based on the product-specific regional image, consumers infer the “true” state of the attributes of a regional product. To understand this process, it is important to understand what components make up the product-specific regional image, and how these determine consumers’ *perception* of products originating from that region. Based on the results

⁴⁵ This chapter is largely based on: Van Ittersum, K., Candel, M.J.J.M., and Meulenbergh, M.T.G. (2001) The Influence of the Image of a Product’s Region of Origin on Product Evaluation, *Journal of Business Research*. forthcoming.

obtained during a series of focus groups (see Appendix III) and a literature study (see, Baker 1998, Shimp et al. 1993), we hypothesize⁴⁶

H1 The product-specific regional image is a two-dimensional construct consisting of a human and a natural environment dimension.

Consumers may judge a region either suitable or unsuitable for the production of a specific product on both the human and the natural environment dimension.

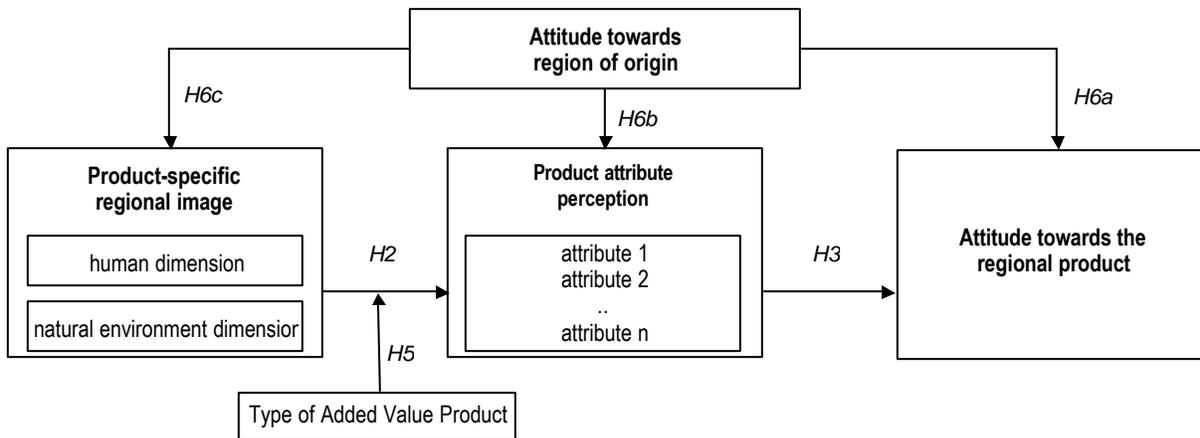


Figure 5.1 Conceptual Model for the Evaluation of Regional Products

Depending on their experience with a regional product, consumers infer a regional product's attributes through an automatic process or a strategic process (Meyers-Levy and Malaviya 1999). The strategic process of inferring regional product associations can be described from the perspective of Brunswik's lens model (Steenkamp 1990). Figure 5.1 shows how consumers, based on the product-specific regional image, infer the "true" state of the attributes of regional product (product attribute perception) (Figure 5.1). Consumers, for instance, may reason that the more natural a region is, the healthier products from that area are. Or, as an example from one of the focus groups: *'The quality of the product is related to the air of the product's region of origin'* (Van Ittersum and Candel 1998). Hence, we hypothesize that

H2 The product-specific regional image influences consumers' perception of the attributes of a regional product.

⁴⁶ Consumer beliefs regarding, for instance, the economic development and political environment in a region are not considered to be part of the *product-specific regional image*. Aspects like these are part of the *general image* consumers have of regions.

5.2.2 Evaluation

The match between consumers' (inferential) product beliefs and their abstract and concrete desires form the substrate for consumers' evaluative judgements (Huffman and Houston 1993, Sheth et al. 1999). Among others, Johansson and Nebenzahl (1986) show that, based on a product's place of origin, consumers infer its attributes, which are matched with their desires. Depending on how well the inferred product attributes and beliefs match consumers' goals, consumers' attitude towards the regional product becomes more or less favorable (Huffman and Houston 1993). Since consumers' perception of the attributes of a regional product determines consumers' attitude towards the regional product, this effect is also referred to as the *indirect* effect of a product's region of origin (Han and Terpstra 1988, Hong and Wyer 1989 1990, Johansson and Nebenzahl 1986). Taking a generally accepted multi-attribute approach (e.g., Sheth et al. 1999), we hypothesize⁴⁷

H3 Consumers' attitude towards the regional product is influenced by the perception of its attributes.

Since the product-specific regional image is defined as the perceived *suitability* of a region for *making* a specific product, we expect it to influence consumers' attitude towards the regional product only indirectly, through consumers' perception of the attributes of a regional product. No direct effect on consumers' attitude towards the regional product is expected. Hence

H4 The product-specific regional image influences consumers' attitude towards the regional product only indirectly through attribute perception.

It is expected that the way the product-specific regional image influences consumers' attitude towards the regional product depends on the amount of value added to the raw materials present in a product. During the focus groups, it appeared that when evaluating high added-value products (e.g., cheese), relatively more human-related aspects of the product-specific regional image were mentioned than during the evaluation process of low added-value products (e.g., potatoes). For instance, one respondent mentioned that "..., *the tradition of how the cheese is made ...and the existence of a "savoir-faire", which is transmitted from generation to generation,...*" (Van Ittersum and Candel 1998) are important aspects determining the quality of a regional cheese. Another respondent, talking about a regional potato, mentioned that "*the soil is very important for the special taste of the potato*". To examine this proposition in more detail, the following hypothesis is formulated:

H5 Relative to the influence of the natural environment dimension, the influence of the human dimension of the product-specific regional image on consumers' attitude towards the

⁴⁷ Actually, the match between consumers' attribute beliefs and their salient consumer goals determines consumers' attitude towards the regional product. In this study, the salience and importance of consumer goals is implicitly assumed.

regional product is larger for products with high added value than for products with low added value.

To address the potential role of general regional associations (as opposed to the product-specific regional associations), the effect of consumers' attitude towards a product's region of origin is examined. Consumers' attitude towards the region of origin is defined as 'a learned predisposition to respond to the region of origin in a consistently favorable or unfavorable way' (Sheth et al. 1999; p. 388). The attitude towards the region of origin is considered a measure for the *general* image consumers hold of that region. As the attitude towards a region is based on a broad spectrum of beliefs and experiences, it is assumed that the attitude towards the region of origin influences consumers' attitude towards the regional product both directly and indirectly, both through product attribute perception (Hong and Wyer 1989, 1990) and through the product-specific regional image. Obermiller and Spangenberg (1989) state that the direct influence of a product's place of origin results from 'an emotional response that bypasses the purely cognitive inferential evaluation' (p. 455). Consumers' attitude towards the region of origin is positively related to consumers' sense of belonging to the region, as well as the emotions elicited by the product's region of origin⁴⁸. Therefore, the direct and indirect effects of consumers' attitude towards the region of origin on consumers' attitude towards the regional product partly reflect the social and emotional value of regional products.

H6a The attitude towards the region of origin has a direct influence on consumers' attitude towards the regional product.

H6b The attitude towards the region of origin has an indirect influence on consumers' attitude towards the regional product through consumers' perception of the attributes of a regional product.

H6c The attitude towards the region of origin has an indirect influence on consumers' attitude towards the regional product through the product-specific regional image and product attribute perception.

5.3 Method

5.3.1 Product, Region and Attribute Selection

The model, developed in the previous section and presented in Figure 5.1, was tested for beer and potatoes. The products were selected for different reasons. First, most consumers are familiar with these products and buy them on a regular basis. Second, the products differ in terms of value added to the raw materials. The difference in the value of beer and potatoes and the raw

⁴⁸ In another study, it is found that consumers' sense of belonging to a region of origin ($r = .565, p < .001$) and the emotions elicited by the name of a regional product ($r = .175, p < .001$) both correlate with consumers' attitude towards the region of origin.

materials used to produce these products is larger for beer than for potatoes. Seven Dutch regions of origin were included in the study; Friesland, Limburg, Zeeland, Noord-Holland, Achterhoek, Noord-Brabant and the Veluwe. These areas were selected because they are geographically dispersed and represent a substantial part of the variation in suitability across Dutch regions for making these two products.

5.3.2 *Sample Selection*

A self-administered questionnaire was developed and distributed to a sample of adult consumers by the drop-off/send-back method. The questionnaires were distributed on four different weekdays in different types of supermarkets in four of the seven regions under consideration. Consumers responsible for purchasing the products studied were asked to fill out the questionnaire. A postage paid return envelope was given to the respondents. A total of 600 questionnaires was distributed and 132 useful questionnaires were obtained (response rate: 21.7%). Of these, 29 came from Friesland, 44 from Limburg, 34 from Noord-Holland and 23 from the Achterhoek. No differences in average age, household size and education between the respondents from the four regions were found ($p > .10$).

Regarding the overall representativeness of our sample, small deviations were found. The average age and household size were not significantly different from the population figures. The distribution, though, differed slightly. Averagely-aged people were somewhat overrepresented at the cost of younger people. Two-person households were somewhat overrepresented at the cost of single-person households. Regarding education, we found that higher educated people were somewhat overrepresented at the cost of lower educated consumers. Based on these results, we conclude that there may be bias in our study, probably a non-response bias. The nature of the bias, however, is similar to the bias that is common to a large number of survey-based consumer studies (e.g., De Maio 1980).

5.3.3 *Measures*

A specific questionnaire was developed for each product. The main difference between the questionnaires consisted of the product attributes. The regions were kept the same. The structure of the questionnaire was as follows.

First, the *product-specific regional image* was measured. As mentioned, two dimensions of the *product-specific regional image* were expected; a human dimension and a natural environment dimension (Adriani et al. 1945, Depoele 1996, Hughes and Evans 1967, Li and Monroe 1992, Marquis and Haskell 1965, Shimp et al. 1993, Waldron 1978). The human dimension refers to human expertise with respect to the production process needed for making the product and is described in the literature by means of words such as 'expertise', 'tradition', 'knowledge', and 'experience'. The natural environment dimension refers to the physical conditions of a region that influence the qualities of the raw materials a product is made of. In

existing literature, words such as ‘clean’, ‘right type of soil’, and ‘good climate’ are often used. In the focus groups, consumers, when asked whether they expected differences in quality between potatoes produced in different regions, answered: “*Yes, because of differences in climate between regions*”. For products such as wine, cheese, and potatoes, all these aspects appear to influence a product’s qualities (e.g., Fischer et al. 1999, Hughes and Evans 1967, Marquis and Haskell 1965). A selection of items was made for each dimension. Items were phrased such that they can be applied to different types of products. The selected items are shown in Table 5.1.

Table 5.1 Items Representing the Product-Specific Regional Image, Grouped by Dimension

Human Dimension	Natural Environment Dimension
1. Enough quality	8. A suitable natural environment
2. Enough knowledge	9. A sufficiently clean environment
3. The right people	10. The appropriate type of soil
4. Enough expertise	11. The appropriate amount of sun
5. Enough tradition	12. The appropriate amount of precipitation
6. A suitable culture	
7. The right atmosphere	

The *product-specific regional image items* were measured on 5-point Likert scales with the end poles labeled ‘agree’ - ‘disagree’. Subjects, for instance, were asked to indicate to what extent they agree with the statement: “For the production of beer, Limburg has enough tradition”. The same question was posed for all regions. Since seven regions were included, the number of questions was rather large. To correct for potential differences in response styles among the respondents, the data were standardized per respondent (Dillon et al. 1985). Consumers’ response tendencies depend on the scale used. Since the scales used to measure the product-specific regional image and the product attribute perception differ (Likert versus semantic differential), the data were standardized per respondent and per scale type (and thus across all regions and attributes).

Perceptual attributes were selected from previous studies on beer and potatoes (Van der Poll and Van Trijp 1984, Van Ittersum 1996). A total of twenty-one attributes were selected for beer and twenty for potatoes (see Appendix V for the list of attributes). *Product attribute perception* was measured, using 5-point semantic differential scales (see Appendix V for an overview). The data were standardized per respondent, across the product attributes and regions, as described.

The *attitude towards the region* was measured on 5-point semantic differential scales with the end poles labeled by respectively ‘positive’ - ‘negative’, ‘attractive’ - ‘unattractive’ and ‘good’ - ‘bad’ (e.g., Kardes 1999). The questions to be answered were: “What is your opinion about [region]?”, “How attractive do you think [region] is? and “What is your overall attitude towards [region]?”.

Consumers’ *attitude towards the regional products* was measured on an 11-point scale, anchored by ‘unfavorable’ and ‘favorable’.

5.4 Scale Analyses

Product-Specific Regional Image

A factor analysis of the standardized item scores for the product-specific regional image for beer revealed a three-, instead of the expected two-factor solution (see Table 5.2). The scree test criterion, the interpretability of the dimensions, the percentage of variance criterion, and the latent root criterion (Hair et al. 1995) were used to determine the number of dimensions. The amount of variance explained was 71.9%. The first dimension was interpreted as a *human dimension*. Items loading high on this dimension include ‘enough qualities’ and ‘enough knowledge’. The second dimension was construed as a *natural environment dimension*. Items such as ‘suitable natural environment’, and ‘sufficiently clean area’ loaded high on this dimension. The last dimension, which included such items as ‘the appropriate amount of sun’ and ‘the appropriate amount of precipitation’, was interpreted as a *climatic dimension*. So, instead of considering the amount of sun and precipitation as part of the natural environment, consumers perceived them as a separate dimension. An identical factor solution was found for potatoes. Although the third eigenvalue is somewhat smaller than one, based on interpretation, it was decided to use the three-factor solution for potatoes as well (Hair et al. 1995). The total amount of variance explained was 72.9%.

Table 5.2 Factor Loadings for Product-Specific Regional Image

	Beer			Potatoes		
	Human	Natural Environment	Climate	Human	Natural Environment	Climate
Enough quality	0.884	0.059	-0.053	0.898	0.142	0.116
Enough knowledge	0.878	0.036	-0.036	0.882	0.126	0.050
The right people	0.847	0.102	0.034	0.838	0.178	0.191
Enough expertise	0.838	0.112	0.030	0.735	0.329	0.127
Enough tradition	0.800	0.254	0.097	0.728	0.450	0.056
The right atmosphere	0.772	0.225	0.125	0.727	0.266	0.178
A suitable culture	0.623	0.290	0.384	0.799	0.364	0.100
A suitable natural environment	0.282	0.830	0.070	0.030	0.687	0.336
A sufficiently clean environment	-0.047	0.829	0.137	0.477	0.649	0.264
The appropriate type of soil	0.370	0.609	0.220	0.593	0.612	0.004
The appropriate amount of sun	0.048	0.129	0.877	0.159	0.115	0.846
The appropriate amount of precipitation	0.010	0.145	0.856	0.108	0.230	0.823

Consumers' Perception of the Attributes of a Regional Product

A factor analysis of the standardized perceptual scores for beer revealed a three-factor solution. The amount of variance explained was 43.2%. The attribute ‘bitterness’ was deleted from further analysis based on a MSA value < 0.60 (Hair et al. 1995). Based on attributes such as ‘high quality’ and ‘long tradition’, the first dimension was construed as a *quality dimension* (see Table 5.3). The second dimension was interpreted as a *health dimension*. Attributes loading high on

this dimension included ‘few preservatives’ and ‘healthy’. The last dimension was interpreted as an *exclusivity* dimension. Attributes such as ‘sweet’, ‘fruity’ and ‘high price’ loaded on this dimension.

Table 5.3 Factor Loadings for Product Attribute Perception of Beer

	Quality Dimension	Health Dimension	Exclusivity Dimension
Produced on a small scale	0.764	-0.022	-0.211
Long tradition	0.741	0.169	0.063
Nice	0.715	0.312	0.114
High quality	0.698	0.373	0.175
Cozy to drink	0.623	0.373	0.190
Strong taste	0.608	0.293	0.315
High alcohol percentage	0.567	-0.156	0.191
Few calories	0.376	-0.284	0.214
For modern people	0.367	0.059	-0.232
Many preservatives	-0.081	-0.604	-0.135
Healthy	0.093	0.524	-0.229
Constant quality	0.470	0.521	-0.195
Many additives	-0.006	-0.461	-0.165
Craft production	0.247	0.460	0.451
Natural	0.339	0.454	0.372
Sweet	0.190	-0.051	0.586
Fruity	0.147	0.159	0.541
Turbid	-0.070	-0.253	0.535
For everyday use	0.403	-0.144	-0.498
High price	0.023	0.130	0.388

The factor analysis of the standardized perceptual scores for potatoes revealed a three-factor solution as well. The total amount of variance explained is 39.6%. The attributes ‘variety’ and ‘production method’ were deleted because of low MSA values (< 0.60). The first dimension was interpreted as a *quality* dimension (see Table 5.4). Attributes such as ‘constant quality’ and ‘high quality’ loaded on this dimension. The second dimension was interpreted as a *health* dimension. Attributes loading high on this dimension included ‘healthy’, ‘many vitamins’ and ‘natural’. Based on attributes such as ‘high price’, ‘strong taste’ and ‘difficult to peel’, the third dimension was interpreted as an *experience* dimension. This dimension represented a mixture of product(-related) characteristics that are being ‘experienced’ and considered during the purchase and consumption of this product.

Table 5.4 Factor Loadings for Product Attribute Perception of Potatoes

	Quality Dimension	Health Dimension	Experience Dimension
Constant quality	0.736	0.172	0.051
Produced on a small scale	-0.622	0.049	0.030
For everyday use	0.615	0.040	0.008
High quality	0.602	0.309	0.410
Long tradition	-0.487	0.218	-0.146
Nice	0.485	0.410	0.306
Easy to prepare	0.379	0.259	0.110
Fresh	0.363	0.082	0.249
Healthy	0.215	0.736	-0.088
Many vitamins	-0.110	0.683	0.081
Natural	0.182	0.594	0.157
Many preservatives	-0.220	-0.332	0.310
Dark yellow pulp	0.115	0.251	0.633
High price	-0.217	0.131	0.578
Strong taste	0.237	0.376	0.551
Difficult to peel	-0.423	-0.075	0.457
Firm structure	0.153	-0.053	0.421
For modern people	0.121	-0.235	0.385

The factor scores of the respondents on the dimensions for both the product-specific regional image and the product perception were used as input for analyzing the model.

Attitude towards Region of Origin and Attitude Towards the Regional Product

The factor analyses of the three attitude items revealed a one-factor solution for both products. Next, reliability analyses were carried out on these items, which showed high inter-item correlations (Cronbach's α of 0.89 for beer and 0.86 for potatoes). Lisrel analyses confirmed this interpretation. The high inter-item correlations allowed us to combine the three items into one overall measure of attitude towards the region, which was calculated by averaging the scores on the three items per respondent. These average scores were subsequently standardized and used as input for the model test. Standardized scores were also used for consumers' attitude towards the regional product.

Model Fit

The adjusted (recursive) model, as presented in Figure 5.1, was estimated using path analysis (Dillon and Goldstein 1984, Pedhazur 1982). Under the assumption that each of the residuals in the model is not correlated with the explanatory variables in the equation in which it appears, nor with any of the variables preceding it in the model, the path-analytic model can be estimated with standard OLS procedures and the effects of variables can be represented by their standardized regression coefficients or path coefficients (Pedhazur 1982). The total association

between two variables consists of a direct and an indirect effect, which together form the total effect, and a 'non-causal' part of the correlation (Pedhazur 1982). In this study, we focused on the total effect of the attitude towards the region, the product-specific regional image and the product attribute perception on consumers' attitude towards products from different regions.

Within path analysis, one is able to determine how well the recursive model fits the data. The proposed model is an overidentified model, which means that some path coefficients were hypothesized to be equal to zero (direct effect of product-specific regional image on consumers' attitude towards the regional product). An overidentified model contains more equations than coefficients to be estimated and can be tested for significance using the test as described by Pedhazur (1982). Tests of these types of models are based on the comparison of an observed and an expected correlation matrix. The determinants of these matrices are used to calculate χ^2 with as many degrees of freedom as the number of overidentified restrictions. Rejecting the null hypothesis means that the model does not fit the data. Based on the multiple R-squares from the regression analyses, the following 'measure of goodness of fit' can be calculated:

$$Q = \frac{1 - R_m^2}{1 - M} \quad \begin{array}{l} R_m^2 = 1 - (1 - R_1^2)(1 - R_2^2)\dots(1 - R_p^2) \\ M = 1 - (1 - R_1^2)(1 - R_2^2)\dots(1 - R_p^2) \end{array} \quad (5.1)$$

The $R_{1,p}^2$ 's⁴⁹ used for calculating R_m^2 , are based on the fully recursive model. R_m^2 can take on values between zero and one. The $R_{1,p}^2$'s used for calculating M are based on the overidentified model. M can take values between zero and R_m^2 . The closer Q is to one, the better the model fits the data. It is suggested that Q should exceed 0.90 (Dillon and Goldstein 1984). The significance of Q can be examined using the following formula:

$$W = - (N - d) \ln Q \quad (5.2)$$

N = sample size

d = number of overidentified restrictions

W has an approximate χ^2 distribution with degrees of freedom (df) equal to d . One important consideration using W as a measure concerns the large influence of the number of observations. Increasingly large numbers of observations will lead to increasingly larger W 's for the same value of Q . In case of a large number of observations, it is suggested to focus more strongly on the value of Q than on the significance of W (Pedhazur 1982).

The fit of the path analytical models of beer and potatoes was examined using formulas (5.1) and (5.2). The measure of goodness of fit for beer was $Q = 0.959$. The result of the significance test was: $W = 18.83$ ($N = 449$, $d = 3$), $p < 0.01$. The model was rejected based on statistical significance. However, since Q was close to one and W is sensitive to large numbers of observations, we accepted the model as an adequate fit to the data. The measure of goodness of fit for potatoes was $Q = 0.910$. The result of the significance test was: $W = 40.98$ ($N = 439$, $d = 3$), $p < 0.01$. This model was also rejected on statistical significance. However, as Q was larger

⁴⁹ $R_{1,p}^2$ are the ordinary squared multiple correlation coefficients for equations 1 to p .

than 0.90 this model was accepted as well, although we acknowledge that this model does not fit the data as well as the model for beer.

As both models fitted the data to a satisfactory degree, the hypotheses were tested using path analyses. Figure 5.2 shows the structural path diagram for beer. A similar path diagram can be drawn for potatoes, in which the exclusivity dimension is replaced by the experience dimension.

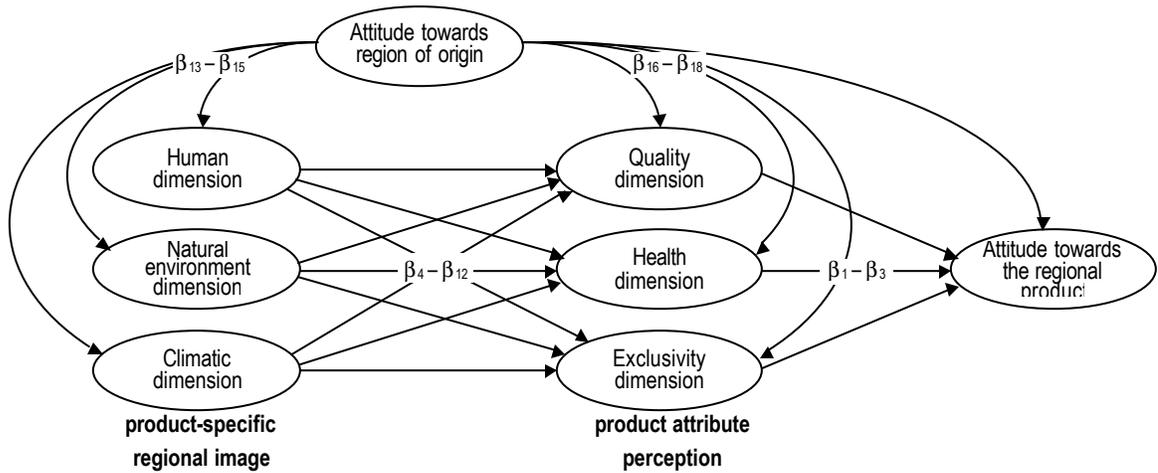


Figure 5.2 Path Model for Beer

5.5 Results

Contrary to *hypotheses H1*, it was found that the product-specific regional image consists of three, as opposed to two dimensions (see previous sections). *Hypothesis H1* was not confirmed, neither for beer nor for potatoes. The hypothesized natural environment dimension is perceived on two dimensions, an actual natural environment dimension and a climatic dimension.

In Table 5.5, the standardized solutions are presented for both beer and potatoes.

Table 5.5 The Effect of the Product-Specific Regional Image and Consumers' Attitude towards the Region of Origin on Consumers' Attitude towards the Regional Product

Independent Variables	Dependent Variables						
	Attitude towards regional product	Product Attribute Perception			Product-Specific Regional Image		
		Quality	Health	Exclusivity	Human	Natural Environment	Climate
BEER							
Product-Specific Regional Image							
Human		.644**	.177**	.075			
Natural Environment		.142**	.191**	.295**			
Climate		.144**	.021	-.026			
Product Attribute Perception							
Quality	.760**						
Health	.197**						
Exclusivity	.102**						
Attitude tow. the Region	.092**	.059	.072	-.008	.268**	.313**	.083
	$R^2 = .686$	$R^2 = .490$	$R^2 = .089$	$R^2 = .090$	$R^2 = .072$	$R^2 = .098$	$R^2 = .007$
	F**	F**	F**	F**	F**	F**	F
	n=449	n=442	n=442	n=442	n=491	n=491	n=491
POTATOES							
Product-Specific Regional Image							
Human		.356**	.288**	.211**			
Natural Environment		.309**	.186**	.155**			
Climate		.061	.049	.170**			
Product Attribute Perception							
Quality	.409**						
Health	.358**						
Experience	.312**						
Attitude tow. the Region	.129**	.061	.074	-.038	.135**	.117**	.097*
	$R^2 = .438$	$R^2 = .239$	$R^2 = .134$	$R^2 = .093$	$R^2 = .018$	$R^2 = .014$	$R^2 = .009$
	F**	F**	F**	F**	F**	F**	F*
	n=439	n=420	n=420	n=420	n=497	n=497	n=497

** = significant at $p < 0.01$, * = significant at $p < 0.05$

In line with *hypothesis H2*, it was found that the product-specific regional image influences consumers' attribute perception for beer ($\beta_4 - \beta_{12}$) ($R^2 = 0.490, 0.089, 0.09$; $p < 0.01$). Likewise, *hypothesis H2* was confirmed for potatoes ($R^2 = 0.239, 0.134, 0.093$; $p < 0.01$). *Hypothesis H2* is confirmed for both products.

Consistent with *hypothesis H3*, for both beer ($R^2 = 0.686$, $p < 0.01$) and potatoes ($R^2 = 0.438$, $p < 0.01$) it was found that product attribute perception influences consumers' attitude towards the regional product.

Hypotheses H4 states that the product-specific-regional image only influences consumers' attitude towards the regional product indirectly through attribute perception. To test this hypothesis, the R^2 of the regression of consumers' attitude towards the regional product on product attribute perception was compared with the R^2 of the regression of consumers' attitude towards the regional product on both product attribute perception and the product-specific regional image. Contrary to *hypothesis H4*, for beer it was found that ΔR^2 was significant ($p <$

.05). For potatoes, the restricted model could not be rejected against the unrestricted model ($p > .10$). Hence, for potatoes, it was found that the product-specific regional image only influences consumers' attitude towards the regional product indirectly through attribute perception. Overall, we found partial support for *hypothesis H4*.

In line with *hypothesis H5*, it was found that the relative effect of the human dimension was larger for products of higher added value and that the relative effect of the natural environment dimension was larger for products of lower added value. Table 5.6 shows the absolute and relative effects of the human, natural environment and climatic dimension on consumers' attitude towards the regional product. To determine the total effect of the regional image dimensions on consumers' attitude towards the regional product, one should add the multiplied path coefficients corresponding to each of the arrows along the paths of the product-specific regional image dimensions to consumers' attitude towards the regional product (including the direct effect of the product-specific regional image on consumers' attitude towards the regional product). For instance, the total effect of the human dimension for beer is calculated as follows (see Table 5.5 for details): $(0.644 \cdot 0.760) + (0.177 \cdot 0.197) + (0.075 \cdot 0.102) + 0.001 = 0.532$

Table 5.6 The Relative Effect of the Product-Specific Regional Image Dimensions on Consumers' Attitude towards the Regional Product⁵⁰

	Beer			Potatoes		
	total effect	(total effect) ²	%	total effect	(total effect) ²	%
Human	0.532	0.283	86%	0.314	0.099	60%
Natural Environment	0.176	0.031	10%	0.241	0.058	35%
Climate	0.116	0.013	4%	0.096	0.009	5%
Total		0.305	100%		0.172	100%

Table 5.6 shows that the amount of variance explained by the human dimension was 26% higher for beer than for potatoes. The contribution of the natural environment dimension, in turn, was 25% higher for potatoes than for beer. The relative influence of the climatic dimension is small and hardly differs between both products⁵¹. So, one can conclude that the relative influence of the natural environment dimension is larger for potatoes than for beer.

⁵⁰ As factor analysis yields an orthogonal factor solution, and both the product-specific regional image dimensions and the perceptual dimensions are determined by means of a factor analysis, allowance has been made for the interpretation of the sum of the squared total effects of the three regional dimensions as the total amount of variance of consumers' attitude towards the regional product explained by these three dimensions. By dividing the squared total effect of each regional image dimension by the total amount of variance, one is able to determine the relative contribution of each dimension.

⁵¹ After Fisher's z transformation (Ferguson 1976; p. 184), the absolute differences in correlations were examined as well. It was found that the effect of the human dimension was larger for beer ($z = 3.92, p < .01$). The difference in the effect of the natural environment ($z = 0.99, p > .05$) nor the climatic dimension ($z = -.31, p > .05$) were significant, neither for beer or for potatoes. Also, for beer, the effect of human dimension on consumers' attitude towards the regional product was found to be larger than the effect of the natural environment and the climatic dimension ($p < .01$). For potatoes, the effect of the human dimension was not found to be larger than the natural environment and climatic dimension ($p > .05$).

As stated by *hypothesis H6a*, it was found that consumers' attitude towards the region significantly ($p < 0.01$) influenced consumers' attitude towards the regional product for both beer and potatoes (see Table 5.5).

Contrary to *hypothesis H6b*, consumers' product attribute perception for beer and potatoes was not significantly ($p > .10$) influenced by consumers' attitude towards the region. Hence, *hypothesis H6b* was rejected.

Finally, in line with *hypothesis H6c*, it was found that consumers' attitude towards the region significantly ($p < 0.01$) influenced the human and the natural environment dimension of the product-specific regional image for both products. Consumers' attitude towards the region did not influence the climatic dimension for beer. Taking into account the Bonferroni correction factor, the effect of the attitude towards the region on the climatic dimension for potatoes was not significant either. Hence, *hypothesis H6c* is partly supported.

5.6 Conclusions and Implications

Overall, our results provide strong support for the hypothesized effects of the product-specific regional image. The product-specific regional image is a multidimensional phenomenon (human, natural environment, climatic) that has substantial effect on consumers' attitude towards the regional product. It exerts its effect primarily through product attribute perception. Marketing a product using the name of the region of origin thus helps consumers to determine the performance of the product, and compare it with competing alternatives to come up with a purchase decision (i.e., choice, see Figure 3.1). However, to successfully market products based on their region of origin, consumers' beliefs about the capabilities of a region for making that product should be favorable (i.e., the region and product should match).

The effect of the product-specific regional image on consumers' attitude towards the regional product, through product attribute perception, depends on the added value of the regional product. Understanding the dimensions of the product-specific regional image and how they relate to consumers' perception of regional products, enables marketers to promote regional products more effectively. By explicitly stating why this region is able to produce a good product, the effect of the region of origin on product perception and evaluation might be magnified. Promoting a high added-value regional product based on the human expertise present in the region seems more valuable than emphasizing local natural environment factors. Low added-value products benefit relatively more from being promoted based on local natural environment factors.

Both the product-specific regional image and consumers' attitude towards the regional product are affected by consumers' attitude towards the region of origin. Product attribute perception, though, is not affected. In line with what is stated by Obermiller and Spangenberg (1989), we expect the direct influence of the attitude towards the region on consumers' attitude towards the regional product to be primarily based on affective feelings towards the region of origin that 'bypasses the purely cognitive inferential evaluation' (p. 455).

CHAPTER 6

FIRST-TRIAL PURCHASES AND CONSUMPTION VALUES

6.1 Introduction

Consumers' intention to purchase a regional product is largely determined by consumers' attitude towards the product, relative to competing alternatives, which in turn is based on consumers' beliefs and expectations about the performance of the regional product (Fishbein and Ajzen 1975). These beliefs and expectations are largely determined based on consumers' product-specific and general image of the region and their associations with the product category the regional product belongs to. By encoding and elaborating on the associations triggered by the region-of-origin cue and the product-category cue, consumers try to establish whether the regional product provides those benefits needed to satisfy their desires (see Figure 3.1). The match between consumers' regional product beliefs and related consumer goals influences consumers' attitude towards the regional product (e.g., Fishbein and Ajzen 1975). Regional products thus should offer benefits that satisfy consumer goals.

In this chapter, the effect of match between consumers' beliefs about a regional product and related consumer goals during *first-trial purchases* is investigated. The focus is on the effect of this match on the intention to purchase the regional product.

6.2 Conceptual Model and Hypotheses

To classify the vast number of consumer goals that influence decision-making processes and behavior, Sheth, Newman and Gross' (1991) classification of consumption values is used (see Table 6.1). These consumption values are determined by the match between consumers' beliefs about the regional product performance and their related consumer goals.

Table 6.1 Consumption Values

Consumption Values	Definition (from Sheth, Newman and Gross 1991)
Functional Value	the perceived utility acquired by an alternative as the result of:
Social Value	its ability to perform its functional, utilitarian, or physical purposes.
Conditional Value	its association with one or more specific social groups.
Emotional Value	the specific situation or the context faced by the choice maker.
Epistemic Value	its ability to arouse feelings or affective states
	its ability to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge.

Figure 6.1 shows the conceptual framework used to examine the effect of consumers' beliefs and expectations on intentions to purchase. For comparison reasons, both a *regional product* and a *competing alternative* have been included in the model. Consumers' attitude towards the regional product is included in the model to show how consumers' beliefs influence consumers' attitude. However, to gain insights into how consumers' beliefs influence intention to purchase, through consumers' regional product attitude, the direct effect of consumers' beliefs on intention to purchase is examined.

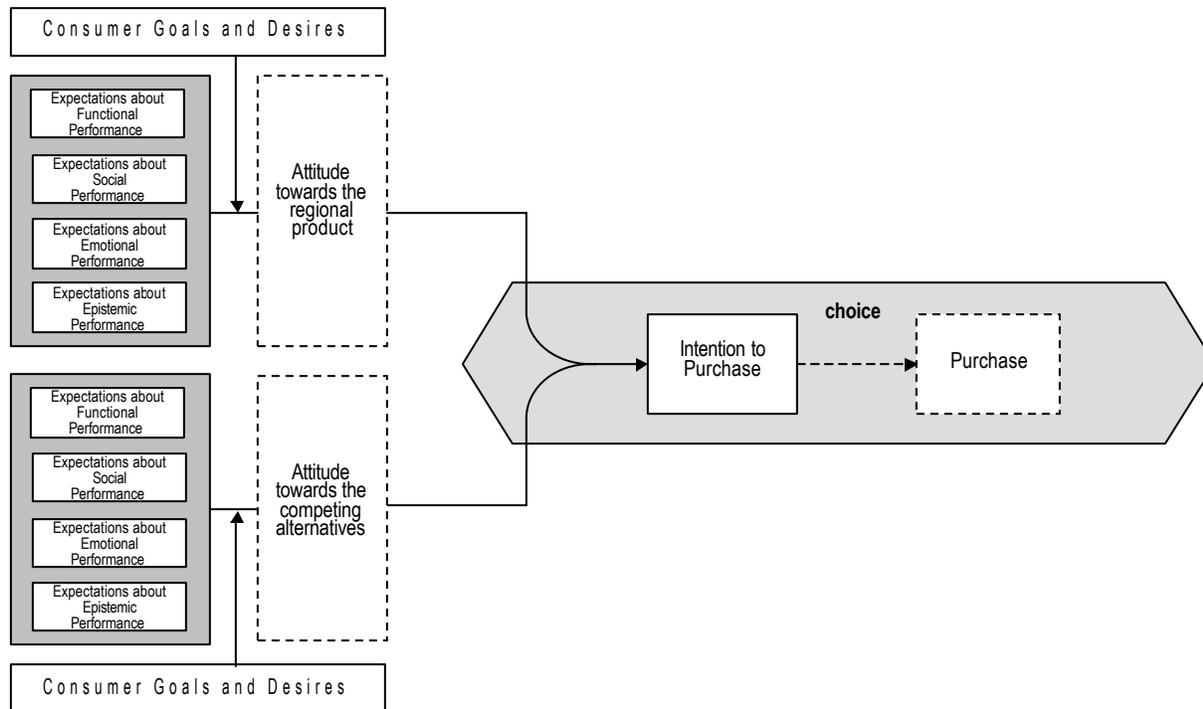


Figure 6.1 The Influence of the Regional Product Performance on Consumers' Intention to Purchase⁵²

Using the classification proposed by Sheth et al. (1991), in this chapter a selection of consumer beliefs and constructs affecting their intention to purchase regional products is made. For each class of values distinguished, one or more beliefs and/or constructs and their related consumer goals were selected. Beliefs and constructs were selected such as to represent the core meaning of each of the classes distinguished by Sheth et al. (1991). Regarding the functional performance, the effect of the match between *perceived quality* of the regional product and consumers' *desire for quality* is examined. Further, with respect to social performance, the effect of consumers' *sense of belonging* to the product's region of origin and related *regioncentric* feelings on intention to purchase is investigated. The perceived emotional performance of

⁵² To keep the Figure feasible, consumers' goals were not further classified, based on Sheth et al's (1991) classification.

regional products is operationalized by the *emotions* elicited by the name of the regional product. Finally, regarding the epistemic performance, the match between the effect of the *perceived incongruity* and *novelty* and consumers' *optimal stimulation level* is analyzed. The *conditional*, *functional*, and *social performance* are not examined in this research. For qualitative insights, and a more thorough discussion, we refer to Appendix II.

6.2.1 Functional Performance: Consumers' Beliefs about Regional Products Fulfilling Utilitarian Goals

As described in chapter 5, consumers infer the "true" level of the attributes of regional products based on the product-specific regional image. If consumers' beliefs about the attributes of a regional product match their utilitarian goals, such as a desire for high quality (Steenkamp 1989), the product is said to have functional value.

The favorability of the attribute beliefs about the regional product can be represented by the *perceived quality* of the regional product (Aaker 1991, Steenkamp 1989, Van Trijp et al. 1997). As shown in the previous chapter, the perceived quality of a regional product has a large effect on consumers' attitude towards the regional product. Perceived regional product quality is defined as 'consumers' belief about the overall fitness of use of the regional product with respect to its intended purpose' (Steenkamp 1989). The more favorable consumers' perception of the quality of the regional product, and the stronger consumers' desire for quality (Steenkamp 1989), the higher consumers' intention to purchase.

H1 The match between the perceived quality of a regional product and consumers' desire for quality positively influences consumers' intention to purchase the regional product.

6.2.2 Social Performance: Consumers' Beliefs about Regional Products Fulfilling Social Goals

Next to triggering product-specific regional associations, the region-of-origin cue evokes general regional beliefs. A specific 'class' of beliefs evoked are those related to the inhabitants of the product's region of origin, their characteristics, culture and traditions. If consumers' regional beliefs relate to and are consistent with their ideal self-images (i.e., identification), and consumers have a strong *general desire* for belonging (Maslow 1970), the region-of-origin cue provides them with social value (cf., Keller 1998b, Kleine et al. 1993).

In time, the match between consumers' beliefs about the regional inhabitants, their traditions and culture, and their *general desire for belonging* may result in a *sense of belonging to the region* (e.g., Kleine et al. 1993, Verlegh 2000). Consumers' general desire for belonging refers to consumers' *desire to belong to any group*. Consumers' sense of belonging is the *degree* to which consumers feel they *do belong to the product's region of origin*. Consumers with a strong sense

of belonging to a region identify themselves with the region and its inhabitants *and* have a strong general desire for belonging. Consumers with a weak sense of belonging to a region may either not identify with the region, or have a weak desire for belonging (or both). Consumers' general desire for belonging thus (partly) determines their sense of belonging to a region. Consumers' sense of belonging to the product's region of origin embodies the match between the degree to which consumers identify with the region and their general desire for belonging. The stronger consumers' sense of belonging to the 'regional group', the more likely they are to act in line with the values shared by the group (cf., Deshpande et al. 1986, Fournier 1998, Kleine et al. 1993, Laroche et al. 1998, Oliver 1999). The purchase of regional products is proposed to be one of the outcomes of this process.

H2 Consumers' sense of belonging to the region of origin positively influences consumers' intention to purchase the regional product.

Consumers with a strong sense of belonging to a region may develop ethnocentric feelings towards the region and its inhabitants. Ethnocentric feelings affect general behavior (e.g., Shimp and Sharma 1987). Based on the concept of ethnocentrism, Shimp and Sharma (1987) introduce the concept of consumer ethnocentrism. With consumer ethnocentrism, consumers' intention to purchase domestic products increases and their intention to purchase foreign products decreases (e.g., Baumgartner and Jolibert 1977, Reiersen 1967). We expect this to be the case for regional products as well. We refer to this form of ethnocentrism as regioncentrism. Consumer regioncentrism has a positive influence on consumers' intention to purchase a regional product made in the region of residence. Regarding products made in other regions, this construct is expected to have a negative influence on consumers' attitude towards these regional products.

H3 Consumer regioncentrism positively influences consumers' intention to purchase regional products from the own region of residence and negatively influences consumers' intention to purchase regional products from other regions.

6.2.3 Emotional Performance: Consumers' Beliefs about Regional Products Fulfilling Emotional Goals

Based on consumers' emotional associations with a product's region of origin, the name of a regional product may elicit emotions. The associative network model of memory and emotion (Bower 1981) suggests that each emotion 'has its own specific node in memory, which is connected by associative links to other aspects of that emotion, as well as other proposition nodes'. For instance, a product's place of origin may elicit feelings of *pleasure* and *happiness* based on consumers' experience with the region. Likewise, the name may evoke feelings of *anger* and *frustrations* (e.g., South-African wines during the Apartheid period). When the name of the region is cued, through the associations in the associative regional network, such feelings are evoked.

Emotions play an important role in consumer behavior (e.g., Desai and Mahajan 1998, Erevelles 1998, Hirschman and Holbrook 1982, Holbrook and Hirschman 1982, Keller 1998a, Lee and Sternthal 1999, Richins 1997). Emotions evoked influence the cognitive product attribute perception (Isen et al. 1978, Srull 1983), which causes consumers to perceive the regional product quality more (un)favorably.

H4 Positive (negative) emotions elicited by a product's region of origin positively (negatively) influence consumers' perception of the quality of a regional product.

The effect of the emotions elicited on consumers' intention to purchase the regional product depends on consumers' desire for happiness, pleasure or fantasy (or for instance on their desire of avoiding feelings of anger, fear or depression) (cf., Belk 1975, Donovan and Rossiter 1982, Sherman and Smith 1986). 'In general, a mood state (either positive or negative) biases judgements of products and services in that direction. Put simply, consumers like things better when they are in a good mood' (Solomon 1999, p. 311) (e.g., Curren and Harich 1994, Dawson et al. 1990, Gardner 1985). Assuming that most people have a desire for happiness and pleasure, it is hypothesized that

H5 The positive (negative) emotions elicited by a product's region of origin positively (negatively) influence consumers' intention to purchase the regional product.

6.2.4 Epistemic Performance: Consumers' Beliefs about Regional Products Fulfilling Stimulation Goals

Consumers' curiosity plays a key role in consumers' beliefs about the epistemic performance of regional products (cf., Sheth et al. 1991). Curiosity can be interpreted as '*a form of cognitively induced deprivation that arises from the perception of a gap in knowledge or understanding*' (Loewenstein 1994, p. 75) which is externally stimulated by *collative properties of external stimuli*, such as surprise, novelty, complexity and incongruity (Berlyne 1960).

A specific regional product characteristic that is able to elicit consumers' curiosity is the *perceived incongruity* between the region of origin and the product category the regional product belongs to (Berlyne 1960, Fiske and Maddi 1961, Lee and Mason 1999). Encountering an incongruent product-region combination elicits consumers' curiosity (e.g., wine made in Norway). Consumers' perception of a gap in their understanding produces an (un)pleasant sensation, usually labeled arousal (Berlyne 1960). The larger the gap in their understanding, the more arousal is felt. When the perceived incongruity is too large, disbelief arises. In this situation, the consumer will most likely reject the information (e.g., Meyers-Levy and Tybout 1989). In case of low and moderate incongruity, consumers will try to reduce the amount of arousal felt. To reduce this surge of arousal, consumers gather and process additional regional product-related information. They want to understand the 'incongruity'. This behavior is referred to as exploratory behavior (Berlyne 1960). The degree of exploration, though, depends on

consumers' Optimal Stimulation Level, which varies between consumers (e.g., Steenkamp and Baumgartner 1992). Depending on consumers' OSL, more or less effort is made to reduce the tension felt. If consumers do (not) succeed in reducing the tension felt, they will feel a positive (negative) affect, which in turn influences their attitude towards the regional product (Fiske and Maddi 1961).

H6a The perceived incongruity between the region and the product category the regional product belongs to influences consumers' intention to purchase in an inverted U-way.

H6b The match between the amount of arousal evoked by the perceived incongruity of a product-region combination and consumers' optimal stimulation level influences consumers' intention to purchase the regional product.

Encountering a regional product with which they are unfamiliar (i.e., novelty) elicits consumers' curiosity as well. The stronger consumers' curiosity, the larger the tension felt. Again, depending on their OSL, more or less exploratory behavior is conducted. Based on the information gathered, consumers become more familiar with the regional product, which in turn reduces the arousal felt and results in affect.

H7a The novelty related to a regional product influences consumers' intention to purchase in an inverted U-way.

H7b The match between the amount of arousal evoked by the novelty of a regional product and consumers' optimal stimulation level influences consumers' intention to purchase the regional product.

6.3 Method⁵³

6.3.1 Procedure

To test our hypotheses, a survey was conducted in the Netherlands. The main objective of the survey was to identify consumers who never purchased a set of pre-selected regional products, and identify if and how the different aspects, discussed before, influenced their intention to purchase these products. A representative sample of Dutch households filled out a questionnaire including the different measurement instruments.

Next to studying specific regional products, data were gathered on *generic regional products and brands*. The results of the analyses of the data for the generic regional products and brands will be used as a benchmark for the results of the specific regional products. As described in chapter 4, regional products are produced only within the area referred to by the name. Generic regional products are products marketed with a regional reference although they are produced both within *and* outside that specific region (e.g., Edam cheese). Due to their generic nature,

⁵³ This research was supported by a grant from the Dutch Ministry of Agriculture, Nature Preservation and Fishery, Direction Industry and Trade.

generic regional products will not be considered part of the culture and ‘inheritance’ of the region. Consequently, the effect of consumers’ sense of belonging and consumer regioncentrism on consumers’ intention to purchase is expected to be less profound for these products than for regional products.

Since no regional influence is present for branded cheeses, we only studied the effect of the perceived quality, the emotions elicited by the name of the branded cheeses and the novelty on consumers’ intention to purchase these products.

6.3.2 Product and Sample Selection

The model was tested for cheese as most consumers are familiar with this product category and buy cheese on a regular basis. Further, cheeses are often marketed referring to the product’s region of origin. To examine first-trial purchases four rather new, *existing* regional products were selected (average market penetration across the three regional products studied is < 5%). Further, three well known generic regional products were selected (average market penetration > 50%)⁵⁴. Finally, four cheese brands were selected (average market penetration of ±14%).

Because of the limited market penetration of some of the regional products examined in the survey, a short product description of each product examined was given to the respondents at the beginning of the questionnaire. The cheeses studied⁵⁵ are presented in Table 6.2.

⁵⁴ The author thanks GfK for providing the market penetration figures. Due to confidentiality of the data, no exact figures can be reported.

⁵⁵ Boeren-Leidse cumin cheese is a cheese produced by 25 farmers in the area surrounding Leiden (southwest of the Netherlands). The product is marketed throughout the Netherlands using a limited distribution strategy. The average price per kilo is about fl. 5,00 higher than that of competing alternatives. The average production per year is about 425.000 kilograms. Veenweide cheese is produced by 10 farmers in the Veenweide region (in the western part of the Netherlands). The product is primarily sold within the own region. The average price per kilo is about fl. 2,00 – 3,00 higher than that of competing alternatives. Wadden cheese is one of the regional dairy products produced by 10 farmers in the Wadden region (northwest of the Netherlands). The product, together with other regional dairy products, is being sold throughout the Netherlands as well as in Belgium. The average price per kilo is about fl. 2,00 – 3,00 higher than that of competing alternatives. The average production per year is about one million units (including other dairy products). Kempische cheese, finally, is produced by one farmer in the region known as ‘De Kempen’ (south of the Netherlands). The product is only sold within the region. The average price of the product per kilo is about fl. 2,00 higher than that of competing alternatives. The total production per year is unknown.

Table 6.2 Products Studied

Category	Name	Type of cheese	Taste	Production method
Regional Products	Boeren-Leidse cheese	Leidse	Full-flavored	Handicraft
	Veenweide cheese	Goudse	Mild	Environmentally friendly
	Wadden cheese	Goudse	Mild	Environmentally friendly
	Kempische cheese	Goudse	Mild	Handicraft
Generic Regional Products	Gouda cheese	Goudse	Mild	Industrial
	Edam cheese	Edammer	Full-flavored	Industrial
	Leidse cumin cheese	Leidse	Full-flavored	Handicraft
Cheese brands	Cantenaar	Cantenaar	Full-flavored	Handicraft
	Milner	Milner	Full-flavored	Industrial
	Maaslander	Maaslander	Mild	Industrial

Data were acquired through a computerized panel of the market research agency NIPO, composed of a representative sample of Dutch households (see Chapter 4, section 4.4). To gain insights into the role of the region-of-origin cue related to the regional products studied, the percentage of consumers sampled in the four regions in which the (generic) regional products are produced, was overrepresented (see Chapter 4, section 4.4).

To examine first-trial purchases, only those (generic) regional products and cheese brands were included in the analyses that consumers had *never purchased before*. Table 6.3 shows the number of respondents included in the analyses.

Table 6.3 Number of Respondents included in the Study

Name	# Respondents
Regional Products	
Boeren-Leidse cumin cheese	728 (95.7%)
Veenweide cheese	757 (99.5%)
Wadden cheese	748 (98.3%)
Kempische cheese	757 (99.5%)
Generic Regional Products	
Gouda cheese	90 (11.8%)
Edam cheese	234 (30.7%)
Leidse cumin cheese	368 (48.8%)
Cheese Brands	
Milner	475 (62.4%)
Maaslander	254 (96.6%)
Cantenaar	598 (78.6%)

6.3.3 Measures

To reduce the task of our respondents and avoid the negative consequences of fatigue, the scales used in the survey were shortened versions of the original longer versions. Based on pre-studies these original scales were shortened such that the shortened scale highly correlated with the original scale, while the negative effects of shortening were minimized.

Perceived quality was measured by asking consumers to judge to the quality on a 7-point scale with the end-poles labeled ‘very low quality’ – very high quality’.

Consumers’ *desire for quality* was measured using a shortened version of Steenkamp’s (1989) scale for measuring consumers’ quality orientation. Consumers’ quality orientation reflects the importance consumers attach to the quality of the products they purchase (Steenkamp 1989). This scale was examined in a pre-study using structural equation modeling. The three items with the highest loadings (λ ’s) were selected for the shorter version of the scale (see Table 6.4). The shortened scale highly correlated with the original version ($r = 0.94$, $p < .001$) and had a composite reliability of .89. The items were measured on 7-point Likert scales with the end poles labeled ‘totally disagree’ - ‘totally agree’.

Table 6.4 Scale for Measuring Consumers’ Quality Orientation

-
1. For me, quality is decisive when purchasing food products
 2. I am willing to pay more for higher quality products.
 3. I always go for the highest quality.
-

Consumers’ *sense of belonging* to a product’s region of origin was measured using the pre-tested and validated three-item scale (see chapter 4). The items were measured on 7-point Likert scales with the end poles labeled ‘totally disagree’ - ‘totally agree’ (see Table 6.5). Consumers’ sense of belonging was measured for all regions examined in this research.

Table 6.5 Scale for Measuring Consumers’ Sense of Belonging to [region]

-
1. I love [region].
 2. My heart belongs to [region].
 3. I feel especially attached to [region]
-

To measure consumer *regioncentrism*, during a pre-study, a short scale was developed based on the scale for measuring consumer *ethnocentrism* (CETSCALE, Shimp and Sharma 1987, Sharma et al. 1995). Since some of the items of the original CETSCALE were less appropriate to measure regioncentrism, six items were selected and examined. The measurement model fitted the data well ($\chi^2(9) = 20.62$, $p < .01$, RMSEA = .096, GFI = .96, CFI = .98, TLI = .97). The three

items with the highest loadings were selected (see Table 6.6). These three items had a high composite reliability (.91) and correlated highly with the longer version of the scale ($r = .96, p < .01$). The items were measured on 7-point Likert scales with the end poles labeled ‘totally disagree’ - ‘totally agree’. Consumer regioncentrism was *only measured* regarding the *own* region of residence.

Table 6.6 Scale for Measuring Consumer Regioncentrism

-
1. Real [regional] inhabitants should not purchase products made outside [region], because it hurts the local economy and causes unemployment.
 2. A real [regional inhabitant] should buy only [regional] products.
 3. We should purchase products made in [region] instead of letting other regions get rich off us.
-

To measure the emotions elicited by the name of regional product, a four-item scale was used. The scale is based on the PAD-scale (pleasure dimension) (Mehabrian and Russell 1974). During a pre-study, the original six-item scale was examined. The measurement model fitted the data well ($\chi^2(9) = 25.66, p < .01, RMSEA = .080, GFI = .97, CFI = .98, TLI = .96$). The four items with the highest loadings were selected (see Table 6.7). These items had a high composite reliability (.85) and correlated highly with the longer version of the scale ($r = .97, p < .001$).

Consumers were asked what feelings were evoked by thinking about the name of regional product. The scale was measured using a 7-point semantic differential scale with the end poles labeled with the feelings presented in Table 6.7.

Table 6.7 Scale for Measuring Consumers’ Emotions

-
1. Unhappy – Happy
 2. Melancholic – Contented
 3. Annoyed – Pleased
 4. Unsatisfied – Satisfied
-

Perceived incongruity between a regional product’s region of origin and the product category the product belongs to was operationalized using a one-item scale. For each regional product, consumers were asked to indicate to what extent they thought the region-product combination was surprising. Consumers’ response was measured on a 7-point semantic differential scale with the end-poles labeled ‘not surprising’ - ‘very surprising’.

Novelty was operationalized by means of a one-item 3-point scale. Products of which consumers were unaware were coded 3. Products of which consumers were aware but which they had never eaten were coded 2. Finally, products of which consumers were aware and had eaten before (though never purchased), were coded 1.

Consumers' *optimal stimulation level* was measured with a shortened version of Steenkamp and Baumgartner's (1992) validated scale (see Table 6.8). The items loading highest on the scale were selected. This shorter scale significantly correlated with the longer version of the scale ($r = .85, p < .001$). The composite reliability was acceptable (.77). Consumers' optimal stimulation level was measured on a 7-point Likert scale with the end-poles labeled 'totally disagree' - 'totally agree'.

Table 6.8 Scale for Measuring Consumers' Optimal Stimulation Level

1. I like a life full of changes
2. When things are going to be annoying, I will look for new unknown things
3. I prefer a lifestyle with steady habits instead of a capricious life full of changes [r]

[r] Reversed scale item

Consumers' *intention to purchase* was measured on a 7-point scale with the end-poles labeled 'very unlikely' – 'very likely'.

6.4 Scale Analyses

First, the multi-item scales were examined using structural equation modeling, LISREL (Jöreskog and Sörbom 1993). The correlations between all constructs as tapped by the scales were set free and the factor loadings were fixed. The measurement model, including all multi-item scales, yielded a satisfactory fit ($\chi^2(105) = 1382.52, p < .001, RMSEA = .063, GFI = .95, CFI = .94, TLI = .94$) (Diamantopoulos 1994). Table 6.9 shows the composite reliabilities.

Table 6.9 Composite Reliabilities of Scales

Scale	Composite Reliability
Quality Orientation	.72
Sense of Belonging	.92
Consumer Regioncentrism	.78
Emotions	.91
Optimal Stimulation Level	.62

Subsequently, the scales were examined regarding their discriminant validity. Fixing the correlation between all combinations of constructs to unity, resulted in significant $\Delta\chi^2$'s ($p < .01$). The models with the items of two constructs loading on one dimension resulted in

significant $\Delta\chi^2$ ($p < .01$), for all combinations. This provided support for the discriminant validity of the scales.

Based on these results, it is concluded that the scales included in our study were valid instruments for measuring the constructs we were interested in. Therefore, next, the model was estimated using multiple regression analyses. The model was examined both across products and for each product individually. Using the factor loadings from the structural equation analyses, for each multi-item construct, the weighted average was calculated. These weighted averages, next, were used as input for analyzing the model. The other constructs were measured with a single item. Quadratic terms were included for perceived incongruity and novelty. Further, the interactions between consumers' optimal stimulation levels and the perceived incongruity and novelty were included. The interaction terms were calculated by multiplying the average score for consumers' OSL with respectively the perceived incongruity and novelty measures. The scores of variables involved in the quadratic and interaction terms were mean-centered to reduce multicollinearity (Ferguson 1976). To test the effect of consumer regioncentrism, the average score for this construct was multiplied by -1 when the regional product originated from a different region than the consumer's region of residence and by $+1$ when the product originated from the consumer's region of residence. Below, the equation to be estimated is given.

$$C_{ij} = \mathbf{a}_0 + \mathbf{a}_1 QP_{ij} \times QO + \mathbf{a}_2 SOB_j + \mathbf{a}_3 REGCEN_j \times OR + \mathbf{a}_4 E_{ij} + \mathbf{a}_5 INC_{ij} + \mathbf{a}_6 INC_{ij}^2 + \mathbf{a}_7 INC_{ij} \times OSL + \mathbf{a}_8 INC_{ij}^2 \times OSL + \mathbf{a}_9 N_{ij} + \mathbf{a}_{10} N_{ij}^2 + \mathbf{a}_{11} N_{ij} \times OSL + \mathbf{a}_{12} N_{ij}^2 \times OSL \quad (6.1)$$

C_{ij} = Intention to purchase product i from region j (i.e., regional product ij)
 QP_{ij} = Perceived quality of product i from region j
 QO = Consumers' Quality Orientation
 SOB_j = Consumers' Sense of Belonging to region j
 $REGCEN_j$ = Degree of Consumer Regioncentrism regarding region j
 OR = Dummy variable, $+1$ for 'own region of residence', -1 for 'other regions'
 E_{ij} = Emotions elicited by product i from region j
 INC_{ij} = Incongruity between product i and region j
 N_{ij} = Novelty of product i from region j
 OSL = Consumers' Optimal Stimulation Level

To examine the effect of emotions elicited by the name of the regional product on the perceived quality, separate regression analyses were conducted.

6.5 Results

Table 6.10 shows the results. In line with *hypothesis H1*, it was found that the match between the perceived quality of regional products and consumers' desire for quality influenced consumers' intention to purchase. The more favorable consumers' perception of the quality of a regional product, and the higher their desire for quality, the higher the intention to purchase the regional product.

As stated by *hypothesis H2*, consumers' sense of belonging to a product's region of origin was found to influence positively consumers' intention to purchase the regional product.

Table 6.10 Effect of Selected Determinants on Consumers' Intention to Purchase Regional Products during First-Trial Purchases

Regional Products	Functional Performance	Social Performance		Emotional Performance	Epistemic Performance								R ²	F
	QP _{ij} x QO	SOB _j	REGCEN _j x OR	E _{ij}	INC _j	INC _j ²	INC _{ij} xOSL	INC _{ij} ² xOSL	N _{ij}	N _j ²	N _{ij} xOSL	N _{ij} ² xOSL		
Boeren-Leidse cheese	.174***	.060*	.073*	.211***	.011	-.036	.011	.053	-.110***	.004	.101	-.057	.139	9.63***
Veenweide cheese ^a	.148***	.110***	.062*	.179***	-.094*	-.017	-.026	-.094	.063	-.155*	-1.186*	1.443**	.186	14.17***
Wadden cheese	.185***	.214***	.125***	.160***	-.106***	.035	-.101*	.054	-.035	-.028	-.083	.066	.235	18.82***
Kempische cheese	.124***	.228***	.046	.109***	-.021	-.035	.005	-.059	-.065*	-.069*	-.145*	.300***	.156	11.49***
Overall	.157***	.183**	.078***	.169***	-.014	-.031*	-.019	-.020	-.078***	-.020	.060	.087*	.167	49.71***
Generic Regional Products														
Gouda cheese	.212*	.068	.050	.335***	.232*	.140	-.207	-.459***	.069	.120	-.279	-.251	.302	2.77***
Edam cheese	.094	.074	.000	.398***	.093	-.022	.020	.049	.703**	.710**	.353	.327	.211	4.94***
Leidse cumin cheese	.049	.097*	.072	.349***	.011	-.011	.047	.104*	.077	.037	.061	-.037	.159	5.59***
Overall	.081*	.074*	.027	.389***	.017	-.015	.050	.058	-.058	.025	.047	.004	.198	13.96***
Cheese Brands														
Cantenaar	.156***			.253***					-.084	-.006	.039	.047	.136	15.68***
Milner	.181***			.348***					-.070	-.055	.041	.033	.227	22.65***
Maaslander	.104*			.337***					-.012	.012	-.008	.035	.142	6.97***
Overall	.153***			.315***					-.071*	-.039	.020	.052	.177	47.72***

*** = significant at $p < 0.001$, ** = significant at $p < 0.01$, * = significant at $p < 0.05$

^a The multicollinearity between the interactions of novelty and consumers' optimal stimulation level (Novel x OSL) and novelty² and consumers' optimal stimulation level (Novel² x OSL) was large for Veenweide cheese (VIF > 10, Hair et al. 1995). This explains why the related standardized path estimates are larger than 1. Additional (step-wise regression) analyses, however, showed that adding both interactions improved the fit of the model significantly ($p < .001$).

Multicollinearity was not found to be a problem in the regression analyses for the other products (VIF < 10).

As expected, the effect of consumer regioncentrism on intention to purchase depended on the region of origin (*hypothesis H3*). It was found that consumer regioncentrism negatively influenced consumers' intention to purchase products from other regions and positively affected their intention to purchase from the own region of residence. *Hypothesis H3* thus is confirmed.

In line with *hypothesis H4*, it was found that positive (negative) emotions elicited by a product's region of origin positively (negatively) influence consumers' perception of the quality of regional products (see Table 6.11).

Table 6.11 The Effect of Emotions Elicited by a Regional Product Name on Perceived Quality.

	Emotions ® Perceived Quality	R ²
Boeren-Leidse cheese	.341***	.116***
Veenweide cheese	.414***	.171***
Wadden cheese	.396***	.136***
Kempische cheese	.314***	.099***
Overall	.369***	.136***
Gouda cheese	.517***	.267***
Edam cheese	.294***	.086***
Leidse cumin cheese	.293***	.086***
Overall	.359***	.129***
Cantenaar	.394***	.155***
Milner	.486***	.236***
Maaslander	.477***	.228***
Overall	.482***	.232***

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

Consistent with *hypothesis H5*, it was found that the positive (negative) emotions elicited by the region of origin positively (negatively) influence consumers' intention to purchase regional products (see Table 6.10).

Since *hypothesis H6a*, on the effect of the perceived incongruity on consumers' intention to purchase, was only confirmed for the analyses across the four regional products, it was only partly confirmed. Only a negative linear effect was found for Veenweide and Wadden cheese.

Contrary to *hypothesis H6b*, the effect of the perceived incongruity on consumers' intention to purchase was not found to be moderated by consumers' optimal stimulation level. Only a small effect was found for Wadden cheese. *Hypothesis H6b* thus is rejected.

Very little support was found for *hypothesis H7a*, which states that novelty influences consumers' intention to purchase regional products in an inverted U-way. The effect is merely found for Veenweide and Kempische cheese. *Hypothesis H7a* thus is rejected.

Finally, as stated by *hypothesis H7b*, the effect of novelty on intention to purchase was found to be moderated by consumers' optimal stimulation level. The effect is found across all regional products and for Veenweide and Kempische cheese separately. Hence, *hypothesis H7b* was confirmed.

6.6 Generic Regional Products and Branded Cheeses

As mentioned, next to studying specific regional products, data were gathered on *generic regional products and branded cheeses*. The results are shown in Table 6.10.

The effect of consumers' sense of belonging and consumer regioncentrism on intention to purchase was expected to be less profound for generic regional product than for specific regional products. As can be seen in Table 6.10, although significant, the effect of consumers' sense of belonging on intention to purchase was lower for the generic regional products than the specific regional products ($z = 4.14, p < .05$). The effect of consumer regioncentrism on intention to purchase also was smaller for generic regional products than for specific regional products.

The effect of the match between the perceived quality and consumers' desire for quality is lower for the generic regional product than for the specific regional products ($z = 2.21, p < .05$) (and than for the branded cheeses, $z = 2.01, p < .05$). The reason for this may be the uncertainty of consumers' perception of the quality of generic regional products (Fazio and Zanna 1978, Howard 1994, Smith and Swinyard 1983). Since these products are produced by a larger group of different producers than regional products and throughout the entire world, quality differences are likely to be present. Because of this uncertainty, consumers may have relied less on their quality perception and more on other factors, such as their emotions. Actually, the results seem to confirm this latter notion. The effect of consumers' emotions with the name of product was larger for generic regional products than for specific regional products ($z = 7.64, p < .05$).

Regarding the effect of novelty and incongruity, no large differences appeared to be present between the regional and the generic regional products. This is merely due to the fact that these factors hardly influence intention to purchase. Regarding the effect of incongruity, for the generic regional products some strange and inconsistent effects were found. It seems though that the effect of novelty is somewhat more profound for the specific regional products than for the generic regional products. This may be due to a higher familiarity, hence lower novelty, of these latter products. However, since novelty and incongruity have hardly any influence on intention to purchase, a clear comparison of their influence for regional products and generic regional products and brands is not possible.

The effect of the perceived quality on intention to purchase branded cheeses is almost the same as the one found for regional products ($z = .14, p > .05$). The effect of consumers' emotions on intention to purchase is larger for the branded cheeses than for the regional products ($z = 6.89, p < .05$). This is probably due to the fact that consumers have fewer criteria to select a branded product than a regional product, the latter for instance also providing them with social value. Consequently, they depend more heavily on those aspects that can be used to differentiate branded cheeses from regional products. Regarding the effect of novelty, only a small effect across the branded cheeses is found.

6.7 Conclusions and Implications

From this research, it has become clear that during first-trial purchases, consumers' intention to purchase regional products is influenced by more than just the perceived quality of the regional product. First, consumers' sense of belonging significantly enhances consumers' intention to purchase regional products. Likewise, consumer regioncentrism increases the intention to purchase regional products from the own region of residence. The effect of consumers' sense of belonging and regioncentrism on consumers' intention to purchase was found to be larger for specific regional products than for generic regional products. A possible explanation for this finding may be the difference in perceived link between the product and the region of origin, which is stronger for specific regional products than for generic regional products. If the link between the region and the regional product is apparent, both consumers' sense of belonging and regioncentrism enhance their intention to purchase regional products. The name of the regional product is perceived as providing social value. However, if the link between the product and the region is weak, as is the case for generic regional products, the products are perceived to provide less or no social value. Marketers thus must prevent the name of the regional product from becoming a generic brand name with no apparent link to the region of origin.

The results, further, seem to suggest that, because of their generic nature, consumers' perception of the quality of generic regional products is more uncertain than that of specific regional products. Consequently, consumers tend to rely less on their quality perception in deciding whether to purchase these products. This may also explain the larger effect of consumers' emotions on intention to purchase for the generic regional product, versus the specific regional products. Creating a high and consistent quality image for regional products thus may enhance consumers' intention to purchase these products versus generic regional products.

The effect of the emotions does not seem to depend on the strength of the link between the region and the product. Even though consumers may perceive a weak link between the region and the product, if the emotions elicited are (dis)liked and perceived (un)desirable, the source of the emotions elicited becomes less important. Thus, even if the regional product is not produced in the region to which the name of product refers, the emotions elicited by the regional name still influence consumers' intention to purchase that product.

The results on the effect of the perceived incongruity are somewhat less consistent with our hypotheses than the effects of the perceived quality and consumers' sense of belonging and regioncentrism. Our results do not allow firm conclusions on the effects of the perceived novelty and incongruity on consumers' intention to purchase regional products during first-trial purchase processes.

CHAPTER 7

REGIONAL PRODUCT LOYALTY;

THE ROLE OF “PROTECTED DESIGNATION OF ORIGIN” LABELS⁵⁶

No, you should not allow Edam cheese to come from Limburg. Doesburger potatoes, which do not origin from Doesburg, are not real Doesburger potatoes. I would feel cheated if Edam cheese did not originate in Noord-Holland

7.1 Introduction

A range of factors influence consumers' *intention to purchase* a regional product during *first-trial purchase processes*. As shown in the previous chapter, based on the inferred expectations regarding the performance of the regional product, consumers decide whether to purchase the product. If the actual usage experience with a regional product matches or exceeds consumers' inferred performance expectations (*positive disconfirmation*), satisfaction is experienced (Oliver 1980). The *perceived satisfaction and the (updated) expectations* determine consumers' *postpurchase attitude towards* the regional product, which influences consumers' *intention to repurchase* the regional product (see Figure 3.1). Repeat purchase behavior may evolve into actual *consumer loyalty* towards the regional product. For this to occur, the actual performance of the regional product needs to be *favorable and consistent* (Dick and Basu 1994). Based on their experience with the regional product performance and satisfaction experienced, consumers develop a strong, favorable and enduring attitude towards the regional product. Consumers' knowledge about and experience with the regional product, as reflected in consumers' postpurchase attitude towards the regional product, is driving consumers' future purchase behavior regarding the product (Oliver 1999). Therefore, we define consumer loyalty towards a regional product as the *consistent repurchase of the regional product prompted by a strong and favorable attitude* (cf., Dick and Basu 1994, Jacoby and Chestnut 1978).

An important condition for consumers to become loyal to the regional product is the product's consistency of performance. Copycat or imitation products can easily destroy loyalty, since unfavorable and inconsistent experiences with what seems to be the authentic regional product decrease the strength and favorability of consumers' attitude towards the regional product. Because of this, in 1992, the European Commission introduced legislation to enable companies to protect their regional product legally against counterfeiting (EEC Council 1992). The protection legislation guarantees that the product is produced in the region denoted by the name, is produced according the specific production specifications and allows marketers to market their product with a 'Protected Designation of Origin'⁵⁷ or PDO label (Brouwer 1991).

⁵⁶ This chapter is based on a paper that has been accepted for the ACR-Conference in Texas, USA, 2001: Van Ittersum, Koert, Meulenberg, M.T.G., Van Trijp, J.C.M., and Candel, M.J.J.M. (2002) Certificates of Origin and Regional Product Loyalty - abstract, *Advances in Consumer Research XXIX*, forthcoming.

⁵⁷ There are actually two types of legislation. In this research, we focus on the most restrictive legislation.

In this chapter, the role of the region-of-origin cue in the development of consumer loyalty towards (PDO-protected) regional products is examined. Further, it is investigated if and how certificates of origin (PDO protection labels) enhance regional product loyalty.

7.2 Conceptual Framework and Hypotheses

The central construct in our conceptual model is consumer's *overall attitude towards the PDO-protected regional product*. This construct is defined as a learned predisposition to respond to the PDO-protected regional product in a consistently favorable or unfavorable way (cf., Sheth et al. 1999). Consumers who have had more favorable and consistent experiences with the PDO-protected regional product compared to competing alternatives without a PDO protection, will have a more favorable attitude towards the PDO-protected regional product (cf., Ahluwalia et al. 2000). To examine the effect of those factors that differentiate PDO-protected regional products from competing alternatives without a PDO protection label, consumers' *relative attitude* towards PDO-protected regional products is examined (Dick and Basu 1994). Consumers' attitude towards the PDO-protected regional product is compared with their attitude towards all competing alternatives in the *same product category* that are not protected by a PDO label: generic regional products, brands and unbranded products, all *without* a PDO protection label. Once a regional product is PDO protected (e.g., PDO-protected Parma ham), it can no longer be marketed without a PDO protection label (e.g., Parma ham). Furthermore, no other unprotected regional variants from the same product category and region can be marketed. Hence, no competing regional products, without a PDO label, from the respective region have to be taken into account as competing alternatives. Consumers' relative attitude towards the PDO-protected regional product thus captures the effect of both the region of origin and the PDO label.

In this research, the effects of three variables on consumers' relative attitude towards the PDO-protected regional products are examined. *First*, the effect of the perceived quality of the PDO-protected regional product, relative to competing alternatives without a PDO protection label, on consumers' relative attitude towards the PDO-protected regional product is examined. *Second*, the influence of consumers' attitude towards the region of origin on consumers' relative attitude towards the PDO-protected regional product is studied. *Third*, it is investigated whether and how a PDO protection label contributes to the development of a strong and favorable relative attitude towards a PDO-protected regional product.

Consumers' relative attitude towards the PDO-protected regional product influences future purchase decisions (Keller 1998b). Consumers may become loyal towards the PDO-protected regional product. To examine this notion, the effect of consumers' relative attitude towards the PDO-protected regional product on three (self-reported) behavioral intention measures is examined. These concern respectively; 1) the consumption share of the PDO-protected regional product (cf., repeat purchases), 2) the price premium consumers are willing to pay for the PDO-protected regional product and 3) consumers' response to relative price increases for the PDO-protected regional product (e.g., Keller 1998b, Krishnamurthi and Raj 1991).

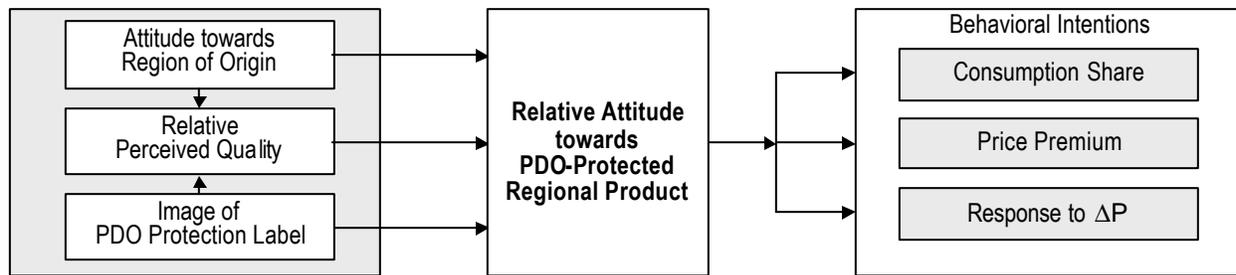


Figure 7.1 Conceptual Model of the Determinants and Consequences of the Consumers' Relative Attitude towards PDO-Protected Regional Products

7.2.1 The Effect of Perceived Quality on the Relative Attitude towards the PDO-Protected Regional Product

The perceived quality of a PDO-protected regional product is 'consumer's belief about the overall fitness of use of the PDO-protected regional product with respect to its intended purpose' (cf., Steenkamp 1989). *Consumers' beliefs about the quality* of the PDO-protected regional product may be inferred based on the product-specific regional image or learned through product-trial and word-of-mouth (see section 3.5). Each time the regional product is consumed, the evoked quality expectations are matched against the actual performance of the product. If the quality performance of the regional product *exceeds* that of competing alternatives and matches consumers' expectations *consistently*, it becomes an important determinant of consumers' relative attitude towards the PDO-protected regional product (e.g., Aaker 1996). In time, the perceived quality of the PDO-protected regional product, relative to competing alternatives, becomes an important reason for consumers to respond in a consistently more favorable way to the PDO-protected regional product than to competing alternatives (e.g., Engel et al. 1993, Giese and Cote 2000, Krishnan 1996, Porter 1980, Sheth et al. 1999). Therefore, following Fishbein and Ajzen (1975), we hypothesize that

H1 Consumers' perception of the quality of a PDO-protected regional product, relative to that of competing alternatives, positively influences consumers' relative attitude towards the PDO-protected regional product.

7.2.2 The Effect of PDO Protection Labels on the Relative Attitude towards the PDO-Protected Regional Product

Besides being a certificate of origin, consumers may infer different beliefs from a PDO protection label (cf., Boulding and Kirmani 1993). When encountering a PDO protection label, consumers' associations with the label are triggered. Next to the product-specific regional image, consumers use their image of a PDO label to infer the "true" state of the attributes of a PDO-protected regional product. To understand this process, it is important to understand what

components make up consumers' image of a PDO label, and how these determine consumers' *perception* of products originating from that region.

Consumers' image of a PDO protection label is expected to be a multi-dimensional construct consisting of two dimensions: a quality warranty dimension and an economic support dimension. This we base on the focus groups (see Appendix IV) and literature studies (cf., Li and Monroe 1992). The quality warranty dimension represents consumers' beliefs about the guarantees the PDO protection label provides regarding the qualities of the (PDO-protected) regional product (cf., Van Trijp et al. 1997). The economic support dimension captures consumers' beliefs about what the PDO protection label does for the economic performance of the producers and region of origin of the (PDO-protected) regional product.

H2 Consumers' image of a PDO protection label is a two-dimensional construct consisting of a quality warranty dimension and an economic support dimension.

It is expected that consumers' image of the PDO protection label directly affects consumers' relative attitude towards the PDO-protected regional product. For instance, based on consumers' beliefs that the PDO protection label protects the regional product and as such helps to preserve the exclusivity of the regional product and to stimulate the local economy, consumers' relative attitude towards the PDO-protected regional product may be enhanced. Hence

H3 Consumers' relative attitude towards the PDO-protected regional product is influenced directly by consumers' image of PDO protection labels.

Next to the direct effect of consumers' image of PDO protection labels, an indirect effect is expected. Consumers are hypothesized to use their image of the PDO protection label to make inferences about the true levels of the attributes related to the (PDO-protected) regional product. For instance, one respondent stated during one of the focus groups: "*The PDO label guarantees a better quality*". Consumers thus believe that regional products that are protected by a PDO protection label have a higher quality than regional products that are not PDO protected. The nature of consumers' beliefs, related to the PDO protection label, makes us believe that inferences made will be primarily based on the quality warranty dimension. It is expected that the economic support dimension merely influences consumers' attitude towards the PDO-protected regional product directly (cf., McIntyre 2001, Shimp and Sharma 1987).

H4 Consumers' image of PDO protection labels indirectly influences consumers' relative attitude towards the PDO-protected regional product through consumers' perception of the relative quality of a PDO-protected regional product.

7.2.3 The Effect of Attitude towards Region of Origin on the Relative Attitude towards the PDO-Protected Regional Product

Consumers' attitude towards the region of origin is a result of consumers' cognitive and affective associations with and beliefs about a product's region of origin (e.g., Fishbein and Ajzen 1975). These associations and beliefs may relate to the inhabitants of the regions, local traditions and personal experiences. As described in chapter 5, consumers' attitude towards the region of origin is positively related to consumers' sense of belonging to the region as well as the emotions elicited by the product's region of origin. Therefore, the direct and indirect effect of consumers' attitude towards the region of origin on consumers' relative attitude towards the PDO-protected regional product partly reflects the social and emotional value of regional products. The stronger and more favorable consumers' attitude towards a product's region of origin, the stronger its impact on decision-making processes related to the PDO-protected regional product (cf., Belk 1975, Dawson et al. 1990, Donovan and Rossiter 1982, Hirschman and Holbrook 1982). Consumers' attitude towards the region of origin has a positive direct influence consumers' attitude towards the PDO-protected regional product (see chapter 5). As such, it positively affects consumers' *relative* attitude towards the PDO-protected regional product. .

H5 Consumers' attitude towards the region of origin directly and positively influences the relative attitude towards the PDO-protected regional product.

As mentioned, it is assumed that consumers' attitude towards the region of origin, among others, reflects their emotional associations with the region. Therefore, consumers' attitude towards the region of origin is expected to affect consumers' perception of the quality of the PDO-protected regional product relative to competing alternatives without a PDO protection label. The emotions reflected in consumers' attitudes towards the region of origin cause consumers to perceive the regional product's quality more (un)favorably (e.g., Isen et al. 1978, Srull 1983).

H6 Consumers' attitude towards the region of origin has an indirect influence on consumers' relative attitude towards the PDO-protected regional product through the perception of the quality of the PDO-protected regional product relative to competing alternatives without a PDO protection label.

7.2.4 Behavioral Consequences of the Relative Attitude towards PDO-Protected Regional Products

To determine whether consumers are actually loyal towards regional products, we examine the effect of consumers' relative attitude towards regional products on:

- the consumption share of the PDO-protected regional product in the total consumption of the product category the regional product belongs to, a proxy variable for repeat purchase;
- the price premium consumers are willing to pay for the PDO-protected regional product;
- consumers' response to relative price increases.

Following Jacoby and Chestnut (1978), we expect loyal consumers of a PDO-protected regional product to have a larger consumption share of that regional product, compared to other consumers⁵⁸. If consumers actually are loyal towards the regional product, as opposed to repurchasing the product out of inertia, we should also find that loyal consumers are willing to make a bigger sacrifice for the regional product in the form of a price premium (cf., Keller 1998b, Narayandas 1996, Odin et al. 2001, Zeithaml et al. 1996). Likewise, consumers' response to relative price increases for the regional product is expected to be smaller for loyal consumers than for less loyal consumers (e.g., Jarvis and Wilcox 1976, Krishnamurthi and Raj 1991, Raju et al. 1990).

H7a Consumers' relative attitude towards the PDO-protected regional product positively influences the consumption share of the product in the product category it belongs to.

H7b Consumers' relative attitude towards the PDO-protected regional product positively influences the price premium consumers are willing to pay for the regional product.

H7c Consumers' relative attitude towards the PDO-protected regional product positively influences consumers' response to relative price increases of the regional product.

Confirmation of only *hypothesis H7a* may be a result of PDO-protected regional product loyalty or inertia. Confirmation of *hypothesis H7a and hypotheses H7b and H7c* would be considered evidence for the presence of PDO-protected regional product loyalty (cf., Jacoby and Chestnut 1978, Krishnamurthi and Raj 1991, Odin et al. 2001).

7.3 Method

7.3.1 Product and Sample Selection

To test the hypotheses, one study was conducted in three European countries. In each country two PDO-protected regional products from two different product categories were selected. The product categories examined are cheese, potatoes, dried ham and apples. These product categories were selected because most consumers are familiar with them and buy alternatives from these categories on a regular basis. Table 7.1 shows the PDO-protected regional products studied.

⁵⁸ Since this is a self-reported behavioral intention measure and a proxy measure for repeat purchases, it should not be considered a definitive test of loyalty.

Table 7.1 Products Studied (PDO = Protected Designation of Origin)

Product type	Italy	Greece	The Netherlands
Cheese	Parmigiano Reggiano (PDO)	Ipiros Feta cheese (PDO)	Noord-Hollandse Edam cheese (PDO)
Dried ham	Parma ham (PDO)		
Fruit		Zagora apple (PDO)	
Potato			Opperdoezer Ronde potato (PDO)

For each PDO-protected regional product, 200 *domestic* consumers⁵⁹ were randomly selected. Each consumer was interviewed on one product only. During the sample selection, two criteria were used. First, the respondents should be primarily responsible for most food purchases in their household. Second, the respondents should have purchased the product at least once during the year prior to our research. To identify consumers complying with these criteria, consumer panels were used. Consumers in these panels were approached and it was determined whether they met the two criteria. If consumers purchased both PDO-protected regional products examined in a country, one of the products was selected randomly.

7.3.2 Procedure

Since data were gathered in different countries, great care was taken in developing the questionnaires. First, an English version of the questionnaire was developed, which next, by means of the ‘back-translation’ method, was translated (e.g., Brislin 1986, Brislin et al. 1973). All questionnaires were identical except for the name of the regional product and its region of origin.

Subsequently, the translated questionnaires were pre-tested. Pre-tests were conducted in the Netherlands and in Italy. Based on these tests, some questions were adapted. The final version of the questionnaire was tested in all three countries. In each country, 10 respondents were interviewed per product. Since no problems were encountered, next, professional marketing research agencies gathered the data.

⁵⁹ Thus, only *Italian* consumers were interviewed on either *Parmigiano Reggiano cheese* (N=200) or *Parma ham* (N=200). Likewise, only Greek consumers were interviewed either on *Zagora apples* (N=200) or *Ipiros Feta cheese* (N=200) and only Dutch consumers were interviewed on either *Noord-Hollandse Edam cheese* (N=200) or *Opperdoezer Ronde potatoes* (N=200).

7.3.3 Measures

The perceived quality of a PDO-protected regional product, relative to competing alternatives without a PDO protection label, was measured on a 5-point semantic differential scale, anchored by ‘much poorer quality’ - ‘much better quality’. Consumers were asked to respond to the question: ‘Compared to other types of [*product category*], [*PDO-protected regional product*] has a [.....] quality’ (Peter et al. 1993). Consumers’ perceived quality of the PDO-protected regional product was compared to their perception of the quality of all competing alternatives in the same product category without a PDO label. As mentioned, these include competing generic regional products, brands and unbranded products, all without a protection label. Prior to each set of questions, consumers were made aware of our interest in their opinion about the PDO-protected regional product relative to competing alternatives that are not protected by a PDO label⁶⁰. During the pre-tests, it was found that consumers clearly understood that they were supposed to compare the PDO-protected regional product with all competing alternatives from the same product category without a PDO protection label.

Consumers’ *attitude towards the region of origin* was measured by means of three 5-point semantic differential scales with the end poles labeled by respectively ‘very unattractive’ - ‘very attractive’, ‘really dislike it’ - ‘really like it’, and ‘very bad’ - ‘very good’⁶¹. The questions to be answered are presented in Table 7.2.

Table 7.2 Scale for Measuring Consumers’ Attitude towards Region of Origin

1. ‘How attractive do you find [the region]?’
2. ‘How do you feel about [the region]?’
3. ‘What is your overall opinion about [the region]?’

Consumer’s beliefs about the PDO protection label were gathered during a series of focus groups⁶². In Table 7.3, an overview of the beliefs for both the quality warranty and economic support dimension are shown.

⁶⁰ ‘The following questions are concerned with your opinion about [Opperdoezer Ronde potatoes] (which are protected by a PDO protection label) compared to other types of [potatoes], which are not protected by a PDO protection label.’

⁶¹ To capture consumers’ affective feelings about a product’s region of origin, our attitude measurement included items that have been identified as aspects measuring affections (e.g., Batra and Ahtola 1990)

⁶² Consumer’s beliefs about the PDO label were gathered during a series of focus groups, involving over 450 consumers in six European countries. Consumers were explained the meaning of these labels and asked for their positive and negative associations with such a label. The associations mentioned most often, next, were included in the survey.

Table 7.3 Items Representing the Beliefs Regarding the PDO Protection Label

Quality Warranty Dimension	Economic Support Dimension
1. Preserves a higher product quality	9. Leads to more employment in the region of origin
2. Guarantees a constant product quality	10. Leads to higher farmer incomes
3. Reduces the likelihood of fraudulent copycat products	11. Leads to higher product prices
4. Preserves the exclusivity of the product	
5. Guarantees a hand-crafted product	
6. Protects the authenticity of the product	
7. Fully guarantees the region of origin of the product	
8. Guarantees the product is produced in a traditional way	

Consumers' *beliefs about the PDO label* were measured on a 5-point Likert scale with the end poles labeled 'totally disagree' – 'totally agree'. Consumers were asked to indicate to what extent they associated each belief with a PDO protection label.

Consumers' relative *attitude towards the PDO-protected regional product* was measured on three 5-point semantic differential scales with the end poles labeled by respectively 'much more unattractive' - 'much more attractive', 'much more unpleasant' - 'much more pleasant' and 'much worse' - 'much better'. The questions to be answered are presented in Table 7.4.

Table 7.4 Scale for Measuring Consumers' Attitude towards a PDO-Protected Regional Product

1. 'How attractive do you find [PDO-protected regional product] compared to other types of [product category]?'
2. 'How pleasant do you find [PDO-protected regional product] compared to other types of [product category]?'
3. 'What is your overall opinion about [PDO-protected regional product] compared to other types of [product category]?'

The *consumption share of the PDO-protected regional product* in the total consumption of the product category to which the product belongs was measured by asking consumers for the consumption share of the PDO-protected regional product if it were sold at the same average price they normally have to pay for competing alternatives without a PDO protection label (cf., Jacoby and Chestnut 1978, Keller 1998b). For instance, consumers were asked: "What would be the consumption share of PDO-protected Opperdoezer Ronde potatoes in your total consumption of potatoes if PDO-protected Opperdoezer Ronde potatoes were sold at the same price as competing alternatives without a PDO protection in the same product category?". Consumers' response ranged from 0 to 100 percent.

The maximum *price premium* consumers were willing to pay for the PDO-protected regional product was measured by asking consumer directly: How much more are you willing to pay maximally for PDO-protected Opperdoezer Ronde potatoes [example], relative to competing potatoes without a PDO protection label (cf., Jarvis and Wilcox 1976). Before posing this question, consumers were asked how much they thought they normally paid for alternatives from the product category without a PDO protection label (i.e., internal reference price). Based on the price premium consumers were willing to pay and the internal reference price, the percentage that consumers were willing to pay more for the PDO-protected regional product was calculated.

Consumers' response to relative increases in the price of the PDO-protected regional product was determined based on three questions (e.g., Dekimpe et al. 1997, Krishnamurthi and Raj 1991). Consumers first were asked what they thought the average price was of competing alternatives from the product category the PDO-protected regional product belongs to (see before). Next, consumers were asked to indicate what the share of the PDO-protected regional product would be in their total consumption of the product category if the PDO-protected regional product were sold at this average price. Subsequently, consumers were asked to indicate what the share of the PDO-protected regional product would be in their total consumption of the product category if the product were sold at an above average price. For instance, consumers were asked: "What would be the total consumption share of PDO-protected Opperdoezer Ronde potatoes in your total consumption of potatoes if PDO-protected Opperdoezer Ronde potatoes were sold at price x per kilo?". The price premium was determined based on actual market prices. The percentage change in the consumption share of the PDO-protected regional product per percentage perceived price increase was used as a response measure ($R_{\Delta P}$):

$$R_{\Delta P} = (Q_2 - Q_1) / (P_2 - P_1) / ((P_1 + P_2) / 2) \quad (7.1)$$

with P_1 being the internal reference price of the competing products without a PDO protection label, P_2 being the price for the PDO-protected regional product⁶³, Q_1 being the share of the PDO-protected regional product in the total consumption of the product category at P_1 and Q_2 being the consumption share of the PDO-protected regional product at P_2 .

7.4 Scale Analyses

First, the scale for measuring consumers' image of PDO protection labels was examined using structural equation modeling (e.g., Jöreskog and Sörbom 1993). The measurement model did not fit the data well ($\chi^2(43) = 388.46$, $p < .001$, RMSEA = .081, GFI = .94, CFI = .93, TLI = .91) (e.g., Bagozzi 1994, Bagozzi and Yi 1988). Based on high modification indices and low factor loadings, five items were deleted from further analyses. These included: the PDO label "protects

⁶³ P_2 is calculated based on the internal reference price and a price premium [$2x$ (average market price of the PDO-protected regional product – average market price of competing products from the same product category that have no PDO protection label)]

the authenticity of the product”, “guarantees a hand-crafted product”, “fully guarantees the region of origin of the product”, “guarantees the product is produced in a traditional way” and “leads to higher product prices”. It was checked whether (some of) these items represented a different separate dimension. No evidence for this notion was found (Steenkamp and Van Trijp 1991). The final measurement model, including a quality warranty and an economic support dimension, yielded a satisfactory fit ($\chi^2(8) = 21.87, p < .01, RMSEA = .038, GFI = .99, CFI = .99, TLI = .99$). The composite reliability for the quality warranty dimension was .79, and .68 for the economic support dimension. Similar results were found for each product separately.

Next, the scales for measuring consumers’ attitude towards the region of origin and the relative attitude towards the PDO-protected regional product were examined separately. Since both scales were measured with three items, their measurement models were exactly identified. The composite reliabilities for both scales were .90. Similar results were found for each product separately.

Finally, the measurement model including all *multi-item scales* was examined. It concerned respectively the scales for measuring *attitude towards the region of origin* (3 items), the *quality warranty* and *economic support dimension* of consumers’ image of the PDO protection label (4 and 2 items) and consumers *attitude towards the PDO-protected regional product* (3 items). The measurement model (across products), including all multi-item scales, yielded a satisfactory fit ($\chi^2(48) = 65.05, p = .051, RMSEA = .017, GFI = .99, CFI = 1.00, TLI = .99$) (e.g., Bagozzi and Yi 1988, Baumgartner and Homburg 1996, Diamantopoulos 1994). Again, these results were replicated for each individual product examined. Next, the scales were examined regarding their discriminant validity. Fixing the correlation between all combinations of constructs to unity, resulted in significant $\Delta\chi^2$'s ($p < .01$). These results were found for each product separately and across products. The models with the items of two constructs loading on one dimension resulted in significant $\Delta\chi^2$'s ($p < .01$), for all combinations. This provided evidence for the discriminant validity of the scales used.

Next, the hypotheses were tested. The structural model, shown in Figure 7.2, was estimated across regional products and for each product separately.

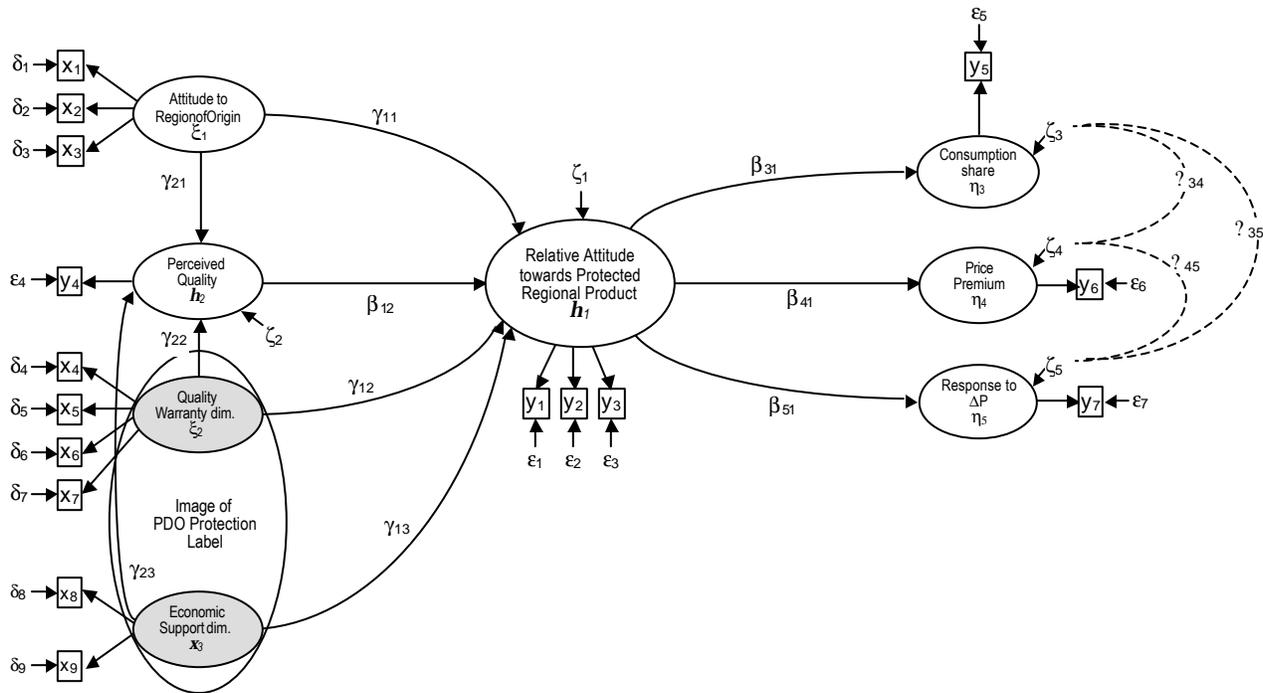


Figure 7.2 Structural Model with Determinants and Consequences of Consumers' Relative Attitude towards PDO-Protected Regional Products

7.5 Results

The results are shown in Table 7.5. As stated by *hypothesis H1*, consumers' perception of the quality of the PDO-protected regional product, relative to competing alternatives, was found to significantly influence consumers' relative attitude towards the PDO-protected regional product ($b_{12} = .608, p < .01$). The effect was found for all six regional products examined. Hence, *hypothesis H1* is confirmed.

In agreement with *hypothesis H2*, it was found that consumers' image of PDO protection labels is a two-dimensional construct consisting of a quality warranty and an economic support dimension. This we base on the results of the analyses of the scales for measuring consumers' image of PDO protection labels, as described in the previous section.

Table 7.5 Standardized Path Estimates for Determinants and Consequences of Consumers' Relative Attitude towards the PDO-Protected Regional Product⁶⁴ (t-values between parentheses)

	Attitude towards the Region		Perceived Quality & Quality Warranty & Economic Support Dimension					Behavioral Intentions			Fit Indices				
	γ_{11}	γ_{21}	β_{12}	γ_{12}	γ_{13}	γ_{22}	γ_{23}	β_{31}	β_{41}	β_{51}	$\chi^2 (92)$	RMSEA	GFI	CFI	TLI
Ipiros Feta cheese	.146 (2.59)	.141 (1.92)	.709 (12.02)	-.060 (-.58)	.021 (.19)	-.019 (-.14)	.267 (1.81)	.528 (8.07)	.123 (1.68)	.126 (1.73)	126.36	.043	.93	.98	.97
Zagora apples	.134 (1.86)	.206 (2.86)	.427 (5.57)	.062 (.54)	.100 (.89)	.394 (3.16)	-.269 (-2.17)	.403 (5.70)	.129 (1.74)	.180 (2.44)	145.92	.053	.92	.96	.95
Parmigiano Reggiano	.287 (3.78)	.021 (.27)	.472 (6.56)	-.013 (-.16)	-.013 (-.14)	.136 (1.57)	.135 (1.36)	.326 (4.43)	.095 (1.28)	.092 (1.24)	126.54	.042	.93	.97	.96
Parma ham	.094 (1.41)	.037 (.51)	.484 (7.22)	.156 (1.83)	.160 (1.86)	.385 (4.27)	.031 (.44)	.457 (6.71)	.241 (3.36)	.051 (.70)	133.25	.046	.93	.96	.95
Opperdo ezer Ronde	.087 (1.41)	.103 (1.29)	.684 (10.56)	.102 (.92)	.109 (.98)	.393 (2.80)	-.123 (-.87)	.432 (6.08)	.254 (3.46)	.115 (1.54)	127.74	.044	.93	.96	.95
NH-Edam cheese	.062 (.97)	.003 (.04)	.626 (9.04)	.049 (.67)	.201 (2.12)	.213 (2.35)	.161 (1.52)	.253 (7.19)	.331 (4.49)	.220 (2.96)	108.61	.030	.94	.99	.98
Overall	.135 (5.42)	.134 (4.38)	.608 (24.07)	.046 (1.27)	.152 (3.98)	.294 (6.57)	.100 (2.17)	.440 (15.82)	.212 (7.23)	.236 (8.08)	160.32	.025	.98	.99	.99

$t_{crit \alpha = .01} = 2.33$, $t_{crit \alpha = .05} = 1.64$

⁶⁴ The data were checked with respect to the assumption of the multivariate normality of the indicators. Although this assumption was violated by some of the variables, bootstrap analyses revealed that the significance of the path estimates was not affected by this violation, neither across ($p < .05$) and per product ($p < .05$). For all significant path estimates (determined assuming normality), both percentile-corrected and bias-corrected confidence intervals were found to be significant. At $p < .05$, small differences between the percentile-corrected and the bias-corrected confidence intervals were found.

In line with *hypothesis H3*, the analysis across all products showed that consumers' image of PDO protection labels directly influences the relative attitude towards the PDO-protected regional product. This effect was due to the effect of the economic support dimension ($g_{13} = .152$, $p < .05$). However, the effect was only replicated for two of the six products examined. Except for Parma ham, no direct effect of the quality warranty dimension on consumers' relative attitude towards the PDO-protected regional product was found ($g_{12} = .046$, $p > .10$). Overall, we conclude that *hypothesis H3* is only partly confirmed.

In agreement with *hypothesis H4*, overall the quality warranty dimension was found significantly to influence consumers' perception of the quality of the PDO-protected regional product ($g_{22} = .294$, $p < .01$). The effect was found for four of the six products examined separately. Contrary to what we expected, further, a small, but significant effect of the economic support dimension was found ($g_{23} = .100$, $p < .05$). However, the effect is small and inconsistent (positive and negative) and merely found for both Greek regional products. With consumers' perception of the quality of the PDO-protected regional product influencing the relative attitude towards the PDO-protected regional product ($b_{12} = .608$, $p < .01$), we conclude that, overall, *hypothesis H4* is confirmed.

As stated by *hypothesis H5*, overall consumers' attitude towards the region of origin was found significantly to influence consumers' relative attitude towards the PDO-protected regional product ($g_{11} = 0.135$, $p < .05$). However, the effect was found for three of the six regional products examined only. Hence, *hypothesis H5* is only partly confirmed.

Consistent with *hypothesis H6*, overall it was found that consumers' attitude towards the region of origin influenced consumers' perception of the quality of the PDO-protected regional product relative to competing alternatives ($g_{21} = .134$, $p < .05$). However, the effect was found for only two of the six products examined. With consumers' perception of the quality of the PDO-protected regional product influencing the relative attitude towards the PDO-protected regional product ($b_{12} = .608$, $p < .01$), we conclude that *hypothesis H6* is only partly confirmed.

In line with *hypothesis H7a*, consumers' relative attitude towards the PDO-protected regional product was found to significantly influence the consumption share of the product in the total consumption of the product category ($b_{31} = .440$, $p < .01$). The effect was found for all six regional products examined. Hence, *hypothesis H7a* is confirmed.

Further, as stated by *hypothesis H7b*, consumers' relative attitude towards the PDO-protected regional product was found to significantly influence the price premium consumers are willing to pay for the regional product relative to competing products ($b_{41} = .212$, $p < .01$). The effect was replicated for five of the six regional products studied. Hence, *hypothesis H7b* is confirmed.

Finally, in line with *hypothesis H7c*, it was found that consumers' relative attitude towards the PDO-protected regional product significantly influences consumers' response to relative price increases of the regional product ($b_{51} = .236$, $p < .01$). The more favorable consumers' relative attitude towards the PDO-protected regional product, the smaller their negative response to relative price increases. The effect was replicated for three of the six products examined. Hence, *hypothesis H7c* is only partly confirmed.

7.6 Conclusions and Implications

This research has shown that consumers' relative attitude towards PDO-protected regional products strongly influences repeat purchases. Since this research was conducted among consumers who had experiences with the PDO-protected regional product, this finding suggests that if consumers' experiences with a PDO-protected regional product are favorable (and consistent), they become loyal towards the product (cf., Jacoby and Chestnut 1978, Keller 1998b). As the relative attitude towards the PDO-protected regional product also strongly influences the price premium consumers are willing to pay for the PDO-protected regional product (cf., Keller 1998b) and their response to relative price increases of the PDO-protected regional product (cf. Krishnamurthi and Raj 1991), we conclude that the effect of consumers' relative attitude towards the PDO-protected regional product on repeat purchases is based on actual loyalty, as opposed to inertia.

Since it was further found that the perceived quality of PDO-protected regional products, relative to competing alternatives, directly influences the relative attitude towards PDO-protected regional products, it is concluded that the perceived quality is an important determinant of consumer loyalty towards PDO-protected regional products. This is in line with Oliver (1999), among others, and resembles the effect of the perceived quality on consumer loyalty towards brands in general (cf., Aaker 1996, Keller 1998b). Part of the effect of the perceived quality on consumer loyalty is due to those characteristics that differentiate PDO-protected regional products from other competing alternatives without a PDO protection label. First, consumers' *attitude towards the region of origin* indirectly influences regional product loyalty, through the relative perceived quality of the product. Second, consumers' loyalty towards PDO-protected regional product is indirectly influenced, through the perceived quality, by consumers' image of the PDO-protected label.

Next to the indirect effect of both consumers' *attitude towards the region of origin* and their *image of PDO protection labels*, a direct effect of both constructs on consumer loyalty towards the PDO-protected regional product was found. This suggests that besides the functional performance of PDO-protected regional products, the social and emotional performance remain an influence on decision-making processes among consumers who have experience with purchasing these products (cf., Oliver 1999).

This research has several implications. First, like with any brand, a favorable quality performance is crucial for the realization of consumer loyalty towards PDO-protected regional products. Since the production of PDO-protected regional products is generally in the hands of many organizations, increasing the likelihood of regional products with varying product quality, the development of strict production guidelines is recommended. We elaborate on this matter in chapter 8.

Second, we found that the effect of consumers' attitude towards the region of origin on consumers' relative attitude towards the PDO-protected regional product was significant but limited. This suggests that a strong link between the regional product and the region may not be sufficient to benefit from consumers' sense of belonging related to the region. This may be due to a lack of salience of consumers' associations with and beliefs regarding the region of origin

(e.g., Kleine et al. 1993). Consequently, the effect of consumers' attitude towards the region of origin will remain limited.

Third, the protection of regional products does not only provide legal benefits. Besides reducing the probability of inconsistent and unfavorable experiences, consumers' image of PDO protection labels influences their loyalty towards the PDO-protected regional product by influencing their relative attitude towards the PDO-protected regional product. Protecting regional products and *communicating* this to consumers is beneficial.

Fourth, the results of chapters 6 and 7 suggest that the effect of the perceived quality on consumers' attitude towards the regional product is larger during repeat purchases than during first-trial purchase processes. The effect of consumers' sense of belonging to and the emotions related to the region of origin, as reflected in consumers' attitude towards the region of origin, seems to be larger during first-trial purchases. For market success, the importance of the functional performance seems to increase throughout the life cycle of regional products, relative to that of the emotional and social performance. However, also in the later stages of the life cycle the emotional and social performance remain unique features of regional products, which might even create the competitive edge in the market (cf., Oliver 1999).

CHAPTER 8

CONCLUSIONS, IMPLICATIONS AND DISCUSSION

8.1 Introduction

The central objective of this research was to gain a deeper understanding of the role of the region of origin in decision-making processes and its role in consumers' goal satisfaction. With this objective in mind, a research framework was developed and tested through a series of empirical studies. General insights into the validity and applicability of our framework and detailed insights into the role of the region-of-origin cue in the different stages of the purchase process of new and existing regional products were obtained.

8.2 Conclusions

8.2.1 *Research Framework*

To examine the role of the region-of-origin cue in the different stages of the decision-making process, a research framework is proposed in chapter 3. The basic structure of the research framework reflects the different stages of the purchase process as a problem-solving process (e.g., Engel et al. 1993). Special features of the proposed framework are the inclusion of Huffman et al's (2000) hierarchy of goals and a goal classification in accordance with the consumption values suggested by Sheth et al. (1991). Building on Anderson's (1983) work, we further assumed that consumers' knowledge about product categories, regions and certificates of origin is stored in associative networks in consumers' memory. Knowing consumers' goals and the role of consumers' memory enables marketers to examine and understand consumers' motivation to conduct certain behavior. It helps marketers to optimize marketing policies.

Consistent with Johansson et al's (1994) conclusions on the role of the country of origin in decision-making processes, we found that our research framework was helpful in examining decision-making processes when a regional product is a potential alternative in satisfying consumer goals. We tested the framework for food products. Since the different components of our framework are widely accepted in consumer behavior literature and examined for a broad variety of products and in many countries (e.g., Engel et al. 1993, Sheth et al. 1990), we trust that our framework allows for examining decision-making processes regarding regional products among different consumer segments, in different countries and for both food and non-food products.

Our comprehensive approach to the decision-making process regarding regional products seems helpful in the analysis of consumer behavior regarding regional products. Throughout this research it has proven its value both for newly introduced regional products, existing regional products that are introduced into new markets or market segments, as well as for the analysis of

established behaviors for well known regional products. (cf., Grunert 1996). Both cases become more relevant because of the increased interest of policy makers, at least in the EU, in regional products as a means of strengthening the market position of SMEs (De Vlieger et al. 1999, EEC Council 1992).

8.2.2 The Role of the Region-of-Origin Cue in the Decision-Making Process

To gain a better understanding of the role of the region-of-origin cue in decision-making processes, in this thesis the following key research questions were addressed:

1. which consumer goals can be satisfied by regional products?
2. in which stages of the purchase process does the region-of-origin cue manifest itself?
3. how does the region-of-origin cue manifest itself in each stage of the purchase process?
4. what are the sustainable effects of the use of the region-of-origin cue as a marketing tool?

These research questions, next, will be answered based on the results of our research.

Which Consumer Goals Are Involved and How?

We have shown that regional products are able to satisfy consumers' desire for quality. Further, the effects found for consumers' sense of belonging and the emotions elicited by the region of origin on intention to purchase suggest that regional products are able to satisfy consumers' desire for belonging and happiness. Finally, only modest evidence was found with respect to the ability of regional products to satisfy consumers' desire for stimulation.

Building on research on decision-making processes regarding brands and product categories (e.g., Austin and Vancouver 1996, Engel et al. 1993, Ford 1992, Huffman et al. 2000), we have also shown that consumers' desires related to regional products play an important role in the *entire* decision-making process regarding regional products. For instance, our research demonstrated that the desire for belonging affects the likelihood that the regional product is identified during the prepurchase search for information, and also influences consumers' intention to purchase the regional product. Further, it appears from our research results that the importance of consumer goals varies with regional product experience. It is shown that during first-trial purchases, consumers attach more importance to their desires for belonging and happiness, while during repeat purchases more importance is attached to their desire for quality.

Consumers' desire for quality, belonging, and happiness are universal desires, which have shown to influence decision-making processes regarding different product categories, for different consumer segments and across a variety of countries (see Sheth et al. 1990 for an overview). This suggests that our conclusions regarding the types of consumer goals that play a role in decision-making processes regarding regional products are generalizable across consumer segments, product categories and countries. The variety of products in our analyses and the similarities between our research findings and those on consumer decision-making related to

country of origin (e.g., Laroche et al. 1998, Li and Monroe 1992, Shimp and Sharma 1987, Verlegh 2000), strengthen this confidence. With respect to the importance of specific desires in different stages of the regional-product's life cycle, variations between consumer groups and products can be present.

In Which Stages of the Purchase Process Does the ROO Cue Manifest Itself and How?

Building on Johansson et al.'s (1994) research on the role of the country-of-origin cue in different stages of the decision-making process, we have shown that the region-of-origin cue manifests itself in all stages of the decision-making process. Further, it was shown that the way the region-of-origin cue manifests itself in the different stages varies.

During the *need recognition stage*, the region-of-origin cue triggers consumer goals that initiate and/or direct the subsequent decision-making process. While in some instances the encounter of a regional product may trigger or initiate and direct a purchase decision process (solution stimulus), the encounter may also take place at a later stage of the purchase decision process. In the latter case, it merely provides direction to consumer's motivation (problem stimulus). Such type of process is generally accepted in consumer behavior literature (e.g., Sheth et al. 1999) and applies to many different cues related to different types of product categories (cf., Austin and Vancouver 1996, Huffman et al. 2000).

During the *prepurchase search for information*, the accessibility of regional product information, related to the region-of-origin cue, influences the likelihood that the product enters the decision-making process (e.g., Nedungadi 1990, Ratheshwar et al. 1997). In extension of the literature on the effect of product category involvement on the accessibility of product category information (e.g., Alba and Hutchinson 1991, Bloch et al. 1986), we have shown that the accessibility of regional product information is enhanced by consumers' sense of belonging to the region of origin and their involvement with the product category the regional product belongs to. Consumers' sense of belonging and their involvement with the product category enhance the information accessibility directly and indirectly through the frequency of encountering that information. Our research further suggests that the effect of consumers' sense of belonging depends on the degree to which consumers perceive the regional product to be a part of the regional culture and is larger when the product is perceived to be more strongly related to the regional culture. The various processes, which explain the effects of sense of belonging and product category involvement on information accessibility, are widely accepted (see Alba et al. 1991 and Bloch et al. 1989 for an overview).

During the *evaluation stage*, the region-of-origin cue triggers consumers' general and product-specific regional beliefs. The match between consumers' general regional beliefs and related desire influence attitude both directly and indirectly, through attribute perception. The product-specific regional beliefs, however, exert their effect primarily through product attribute perception. Building on research on the use of cues (e.g., country-of-origin cue, brand-name cue) in inferring the true levels of attributes for a variety of product categories (e.g., Johansson and Nebenzahl 1986, Reynolds and Gutman 1988, Steenkamp 1989), it is shown that consumers use

the product-specific regional image to make inferences about the “true” state of the regional product attributes. The product-specific regional image is shown to be a multidimensional construct consisting of a human, natural environment and climatic dimension. Our research further suggests that the relative effect of the human dimension is larger for higher-added value products and the relative effect of the natural environment dimension is larger for lower added-value products. The match between the inferred product attributes and related desires influences consumers’ attitude towards the regional product (e.g., Fishbein and Ajzen 1975). The nature of the product-specific regional image examined in this research and its effect on attribute perception might be influenced by the type of products we examined; food products. While research has suggested that the human dimension forms an important dimension in inferring the attributes of a variety of products (e.g. Aaker and Keller 1990, Shimp et al. 1993, Waldron 1978), this is not generally accepted with respect to the natural environment and climatic dimension. We expect, though, that the influence of the product-specific regional image applies to a broader category of natural products than ‘just’ food products. The reason for this is that, like the identity of food products, the identity of natural, nonfood products (e.g., tobacco, wooden furniture) is closely related to the natural conditions and craftsmanship in the region of origin (cf., Baker 1998, EEC Council 1992, Tregear et al. 1998).

During the *choice stage*, the region-of-origin cue influences consumers’ intention to purchase the regional product, through consumers’ beliefs regarding the regional product. We have shown that regional products are able to provide consumers with functional, social, and emotional value. Regional products provide only limited epistemic value. The functional, social and emotional value have shown to influence consumers’ intention to purchase. These results resemble those found in country-of-origin research, conducted in a variety of countries for different consumer segments and for different products (e.g., Cordell 1992, Friedman 1996, Laroche et al. 1998, Li and Monroe 1992, Shimp and Sharma 1987, Verlegh 2000, Verlegh and Steenkamp 1999, Wang and Lamb 1983). Therefore, we expect that our findings on the effect of the region-of-origin cue in choice processes can be generalized across product categories and regions. As the importance of consumers’ desires varies during the life cycle of the regional product (see previous section), the importance of the values in the choice process varies during the product life cycle. For instance, our research suggests that the relative importance of the social value is larger during first-trial purchases, while the relative importance of the functional value increases during repeat purchases.

What are the Sustainable Effects of the Use of the ROO Cue as a Marketing Tool?

In line with earlier work on the effect of quality on consumer attitudes towards brands and products marketed based on their country of origin (e.g., Steenkamp 1989, Verlegh and Steenkamp 1999), we have shown that the perceived quality of regional products is an important determinant of consumers’ attitude towards regional products. Consistent with Jacoby and Chestnut’s (1978) definition of loyalty, we too have shown that consumers’ attitude toward regional products influences the consumption share of the regional product in the consumption of

the product category (cf., repeat purchases). Additionally, it was found that consumers' attitude towards regional products positively influences the price premium consumers are willing to pay for the regional product. This is in line with Odin et al's (2001) and Keller's (1998b) suggestions on the effects of brand attitudes. Additionally, consumers' attitude towards regional products was shown to reduce consumers' negative response to relative price increases of the regional product. Consumer loyalty towards the regional product thus seems to be a potentially sustainable effect of the use of the region of origin as a marketing tool.

With the success of the regional product, the likelihood of free-rider behavior increases. Copycat and imitator products can easily destroy the success of the product. Protecting the name of the regional product is an effective way of avoiding imitation products to affect the performance of the regional product (e.g., Keller 1998b). In extension of earlier research on the effect of warranties (e.g., Boulding and Kirmani 1993), we have shown that consumers' beliefs related to PDO protection labels strengthen consumers' attitude towards the regional product, both directly and indirectly, through the perceived quality of the PDO-protected regional product. As such, PDO protection labels enhance consumer loyalty towards the PDO-protected regional product.

8.2.3 To Use the Region of Origin or Not?

As argued in chapter 1, because of their more profound regional basis, marketing products based on the region of origin is proposed to be especially suited for small- and medium-sized enterprises, as opposed to multinationals. Small- and medium-sized enterprises (SMEs) are assumed to be in a better position and more inclined to use their local identity. The regional production basis will limit production volumes, making multinationals less inclined to apply a regional marketing strategy. Further, the strategy of marketing products based on their region of origin is expected to be especially suited for products that are produced under particular natural conditions and by unique handicraft (cf., Baker 1998, Tregear et al. 1998). By stressing unique local characteristics, enabling them to produce a product that has specific characteristics, SMEs may provide their products with a unique identity, using limited means.

A necessary condition for SMEs to successfully market their products based on their region of origin is that consumers are *aware* of the region and have *accessible* regional associations. If consumers are unaware of the region of origin and do not have regional associations, marketing products based on the region of origin resembles that of marketing the product based on a new fictitious brand name. In that case, however, it is unlikely that SMEs can bear the costs involved in creating the necessary awareness and building a strong regional image. Consumer awareness of the region and having accessible regional associations are insufficient conditions for SMEs to provide their product with an identity. Consumers' regional associations also should be *favorable* and *relevant* (cf., Keller 1998b). This holds for both the general and the product-specific regional associations. Marketing products based on the region of origin is a feasible strategy only when consumers are aware of the region *and* have favorable and relevant, accessible regional associations. In this situation, SMEs planning to market a product produced under particular

natural conditions and by unique handicraft, are able to provide their product with a rich image using limited means. All things equal, for SMEs to build a comparably rich *brand* image, satisfying the same number and type of desires, costs more time and effort (cf., Nisbett and Ross 1980), and, to put it even more strongly, is often not possible at all.

Overall, we conclude that if consumers are aware of the region, and have favorable and relevant, accessible associations with the region, the marketing of products based on their region of origin is especially beneficial for SMEs that want to market a product produced under particular natural conditions and by unique handicraft.

8.3 Marketing Implications

In this section, the marketing implications of our research results will be discussed with a focus on the marketing strategy and the marketing organization for regional products. We will not develop a complete marketing strategy, but confine our exposition to the implications of our research results for marketing policies.

8.3.1 Marketing Strategy for Regional Products

We have shown that the functional and social performance of regional products play an important role in consumers' purchase decisions. The following research results seem of great importance to the marketing strategy for regional products in general. Perceived quality appears to influence consumers' intention to purchase and has a substantial impact on consumers' loyalty towards a regional product. Consumers judge the suitability of regions for making specific products based on the human expertise present in the region, as well as the region's natural and climatic conditions and use that as a basis for inferring the regional product's qualities. Further, it is shown that consumers' sense of belonging influences the accessibility of the regional product information, and, as such, the likelihood that the product is considered during the decision-making process. It also influences consumers' intention to (re)purchase. These research results suggest that marketers of regional products should particularly target quality-conscious consumers, who appreciate naturalness and craftsmanship and have a strong sense of belonging to the region. Basically, this implies a competitive marketing policy of focus and differentiation and not of low cost (Porter 1980). This strategy has to be programmed into a coherent policy with respect to the marketing instruments product, place, price, and promotion. We will discuss policies for these marketing instruments as they evolve from our research results.

Product In selecting a product-region combination, marketers should consider the favorability and relevance of consumers' product-specific regional associations (see Chapter 5), which need to be favorable and relevant for the product at hand. If marketers want to market a product using the region of origin, they should first examine consumers' product-specific

regional associations. Using our model (see Chapter 5), marketers can gain insights into the effects of (dimensions of) the product-specific regional image on consumers' perception of the regional product. The product for which the region of origin is most favorable and relevant should subsequently be selected.

Our model (see Chapter 5) enables marketers to determine the relative impact of dimension(s) of the product-specific regional image in product evaluation, allowing them to effectively enhance the credibility of the regional product. Such credibility may find its substantiation in traditional craftsmanship (cf., human dimension), the application of environmentally friendly production methods (cf., natural environment) or, for instance, by limiting the production and availability of the regional product to a specific period of the year (cf., climatic dimension) and positioning the regional product accordingly.

Next to considering consumers' product-specific regional image, the regional product's quality needs to be taken into account. The importance of quality in consumers' attitude towards the regional product, the intention to purchase and its role in creating regional product loyalty (see Chapters 5, 6 and 7), all dictate that the regional product should be of high and consistent quality. Finally, because of its effect on quality perception, it is recommended to protect the regional product legally against imitation products and use the certificate of origin in positioning the regional product.

Place In view of the importance of the regional product quality in decision-making processes, regional products should be distributed through retail outlets that support and strengthen the high-quality image of these products and, if possible, enhance the perceived relevance of specific dimensions of the product-specific regional image (cf., Kunkel and Berry 1968, Lindquist 1974, Louviere and Gaeth 1987). Further, the retail outlets should accentuate the regional character of regional products. Such a distribution strategy increases the probability and frequency of encountering and identifying the regional product during the prepurchase search for information (cf., James et al. 1976, Lumpkin and Greenberg 1982, Lumpkin 1985, Miller 1997, Miller and Kean 1997a, 1997b, Miller et al. 1998). Both are found to influence the likelihood that the product is considered during the decision-making process (see Chapter 4).

The quality and regional considerations in selecting retail outlets, allow for different distribution strategies, partly dependent on production volumes, retailers' possibilities to customize the assortment with local products and, for instance, the stage of the life cycle of the regional product. For example, during the earlier stages of the regional product's life cycle, the strategy is best served by local, regional retail outlets and chains with a high-quality image. If production volumes are sufficient, during later stages of the life cycle, the distribution can be extended to (inter)national retail chains associated with high quality.

Promotion During the introduction stage of the regional product, the promotion should focus on strengthening consumers' awareness of the regional product by increasing the likelihood and frequency of consumers encountering regional product information. To benefit from the effect of consumers' sense of belonging to the region and their involvement with the product category on information accessibility (see Chapter 4), regional product information can best be made

available at places where consumers expect to find *regional* and *product category information* (e.g., ads in regional media, displays in regional retail outlets).

It is further recommended that the promotion strategy supports the high-quality image of regional products, increases the credibility of the importance of the dimensions of the product-specific regional image, and stresses its regional character. Marketers should communicate the high quality of the regional product to consumers and explain how the human expertise and natural and climatic conditions in the region contribute to the product's quality. The regional character of the product can best be emphasized by providing consumers with information about the social and emotional value of the regional product. Marketers need to convey how the purchase of the regional product enables consumers to communicate their sense of belonging to the region and supports the local economy (cf., Levin et al. 1996, Moon 1996, Zinkhan and Hong 1991). It is recommended that during later stages of the life cycle, the promotion aims at retaining and strengthening the regional product's market share by maintaining and reinforcing consumers' attitude and loyalty towards the regional product.

Price The role of regional product prices in decision-making processes received only modest attention in our research. Nevertheless, some price recommendations can be inferred from the general marketing strategy. Next to economic and competitive considerations (Dubois 2000), the overall positioning strategy should be used as a guideline for setting prices of regional products (e.g., Mowen and Minor 2001). In positioning regional products based on their high quality, and unique regional characteristics, the price setting should be such that it strengthens the high-quality image of the regional product (Dickinson and Sawyer 1990, Gabor and Granger 1964). We have shown that the perceived quality influences consumers' attitude towards the regional product, which subsequently positively influences the price premium consumers are willing to pay for the regional product and positively influences consumers' response to relative price increases of the regional product (see Chapter 7). Further, an above-average price level may contribute to the creation of an exclusive regional product with a unique identity. Finally, an above-average price level may strengthen consumers' conviction that the purchase of a regional product helps to support the regional economy. Overall, we recommend that the price of the regional product be set at an above-average level within the product category.

8.3.2 *Organization of Marketing*

To achieve economies of scale, most regional products are produced by *multiple* SMEs (Barjolle et al. 2000, Barjolle and Sylvander 2000, Raynaud and Sauvee 2000). The success of the proposed marketing strategy strongly depends on the consistency with which the regional product is positioned using the marketing mix. The involvement of multiple SMEs in the regional product makes it more difficult to achieve this consistency. If different companies market the same regional product based on different product characteristics, through different distribution channels, using different promotion strategies and at different prices, the total market

performance of the regional product will remain limited. Therefore, it is recommended that the marketing of the regional product is centrally organized and coordinated.

First, to ensure a high and consistent product quality, it is recommended that the production process of the regional product is standardized as much as possible to reduce inconsistencies in the regional product's quality, produced by different producers (cf., EEC Council 1992, Rosa 2000, Wilson et al. 2000). Production guidelines need to be developed and a quality inspection system should be established. Second, even if total production volumes are limited, all products should to be centrally collected, inspected and graded before they are marketed. Collecting all products also provides better opportunities to coordinate the distribution of the regional product. Further, the market power of the collective is larger than that of the individual SMEs involved, which increases the chances of entering larger retail stores and chains. Third, the promotion of the regional product should preferably be centrally organized and executed. Besides increasing the consistency, a more efficient and effective promotion strategy can be developed, compared to every individual company promoting its own product.

8.4 Discussion and Future Research

Although our research framework seems applicable to a broad range of product categories, more research on this matter is desirable. Our empirical research is conducted on food products, because we anticipated a stronger relationship between specific regional characteristics and the identity of regional products for natural products than for industrial products. Nevertheless, the examination of our research framework in other (non-food) product categories might increase the generalizability of our conclusions. Further, it would extend our insights in the product-specific effect of the region-of-origin cue (cf., Nagashima 1970 1977, Wall et al. 1991). More research needs to be conducted on the effect of the dimensions of the product-specific regional image for other natural, but non-food products. We have shown that the effect of the product-specific regional image depends on the added value of products. It would be interesting to examine whether the same effect is present for non-food products. Further, more research is required on the dimensions of the product-specific regional image of industrial products. As argued, it seems unlikely that the product-specific regional image of industrial products contains a natural environment or a climatic dimension. Investigating the effect of the region-of-origin cue for industrial products may also reveal the boundaries of the use of this cue. For instance, does the region-of-origin cue still work for computers (e.g., Silicon Valley)?

We have suggested that the product-specific regional image may be applicable to a variety of product categories. Aaker and Keller (1990) identified the perceived applicability of the skills and assets of the manufacturer of the original product as one of the dimensions of fit between the original and the extension product. It would be worthwhile to examine the extent to which a product-specific regional image can be used to market other products and product categories. One question that may be examined is if and how the fit between the original and the extension product depends on the added value of the product.

Our research is mainly based on data from the Netherlands. The replication and extension of our research in other countries may reveal stronger/weaker effects of some of our explanatory variables. For instance, consumer ethnocentric tendencies vary significantly between countries (Verlegh and Van Ittersum 2001). Likewise, regioncentric feelings may vary. Further, cross-country research is desirable. By investigating the effect of regional labels in foreign countries, more detailed insights into the effect of consumer awareness of and associations with the region of origin will be obtained.

Finally, we suggest that future research address the effect of PDO protection labels in more detail. First, additional research on the effect of PDO-protected labels may provide more insight into the separate effect of the quality warranty and economic support dimension in decision-making processes. Second, in this research, the effect of PDO protection labels was examined among *experienced* consumers. Although this provided interesting and useful insights, examination of the effect of these kinds of protection labels during first-trial purchases is desirable. For instance, PDO protection labels may increase consumers' trust in the unknown regional product (cf., Boulding and Kirmani 1993) and reinforce perceived product values (i.e., functional, social, emotional and epistemic values), which in turn will stimulate consumers' intention to purchase the product.

REFERENCES

- Aaker, D.A. (1996) *Building Strong Brands*, New York: Free Press.
- _____ (1991) *Managing Brand Equity: Capitalizing on the Value of a Brand Name*. New York: Free Press.
- _____ & Keller, K.L. (1990) Consumer Evaluations of Brand Extensions. *Journal of Marketing* 54 (January). 27-41.
- Adriani, W., Tamsma, A.F., Vogel, M.P. & Groot, J. (1945) *Onderzoek naar de Factoren die de Samenstelling van Melkvet Beïnvloeden (Research of the Factors that Influence the Content of the Milk Fat)*. J.B. Wolters, Groningen.
- Ahluwalia, R., Burnkrant, R.E. & Rao, H. (2000) Consumer Response to Negative Publicity: The Moderating Role of Commitment, *Journal of Marketing Research* 37. 203-214.
- Alba, J., Hutchinson, J.W., & Lynch Jr., J.G. (1991) Memory and Decision Making, in: Robertson, T.S. & Kassarian, H.H. (eds.). *Handbook of Consumer Behavior*, Prentice-Hall, New Jersey.
- _____, _____ (1987) Dimensions of Consumer Expertise, *Journal of Consumer Research* 13 (March). 411-453.
- Anderson, J.R. (1983) A Spreading Activation Theory of Memory, *Journal of Verbal Learning and Verbal Behavior* 22. 261-295.
- _____ & Bower, G.H. (1973) *Human Associative Memory*, Washington D.C.: V.H. Winston & Sons.
- Antonello, S., De Roest, K. & Corradini, E. (1997) *Production, Marketing and Supply Chain of Parmigiano-Reggiano Cheese*, FAIR n° 1-CT95-306: PDO/PGI Products: Market, Supply Chain and Institutions.
- Applegate, C. (1999) A Europe of Regions: Reflections on the Historiography of Sub-National Places in Modern Times, *The American Historical Overview* 104 (4). [online] <http://www.historycooperative.org/ahr/>
- Austin, J.T. & Vancouver, J.B. (1996) Goal Constructs in Psychology: Structure, Process and Content, *Psychological Bulletin* 120 (3). 338-375.
- Bagozzi, R.P. (1994) Structural Equation Models in Marketing Research: Basic Principles, in: R.P. Bagozzi (ed.). *Principles of Marketing Research*, Cambridge, MA, Blackwell.
- _____, Gopinath, M. & Nyer, P.U. (1999) The Role of Emotions in Marketing. *The Journal of the Academy of Marketing Science* 27, 184-206.
- _____ & Yi, Y. (1988) On the Evaluation of Structural Equation Models, *Journal of the Academy of Marketing Science* 16 (Spring). 74-94.
- Baker, M. (1998) Scotland the Brand, *European Advances in Consumer Research* 3. 147-148.
- Balling, R. (1995) Der Herkunftsaspekt als Erfolgsfaktor für das Lebensmittelmarketing, *Berichte-ueber-Landwirtschaft* 73. 83-106.
- Barjolle, D., Chappuis, J-M. & Dufour, M. (2000) Competitive Position of Some PDO Cheeses on their Own Reference Market: Identification of Key Success Factors, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products in Agri-Food*

- Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA–ESR, Actes et Communications n° 17-2. 13-33.
- _____ & Sylvander, B. (2000) Some Factors of Success for Origin Labelled Products in Agrifood Supply Chains in Europe, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products in Agri-Food Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA–ESR, Actes et Communications n° 17-1. 45-71.
- Baron, R.M. & Kenny, D.A. (1986) The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual and Statistical Considerations, *Journal of Personality and Social Psychology* 51. 1173-1182.
- Barsalou, L.W. (1983) Ad Hoc Categories, *Memory and Cognition* 11 (May). 211-227.
- _____ (1985) Ideas, Central Tendency, and Frequency of Instantiation as Determinants of Graded Structure, *Journal of Experimental Psychology: Learning, Memory, and Cognition* 11 (October). 629-654.
- _____ & Ross, B.H. (1986) The Roles of Automatic and Strategic Processing in Sensitivity to Superordinate and Property Frequency, *Journal of Experimental Psychology: Learning, Memory and Cognition* 12. 116-134.
- Batra, R. & Ahtola, O.T. (1990) Measuring the Hedonic and Utilitarian Sources of Consumer Attitudes, *Marketing Letters* 2 (2). 159-170.
- Baumgartner, H. & Jolibert, A. (1977) The Perception of Foreign Products in France, *Advances in Consumer Research* 16. 603-605.
- _____ & Homburg, C. (1996) Applications of Structural Equation Modeling in Marketing and Consumer Research: A Review, *International Journal of Research in Marketing* 13. 139-161.
- Beggs, J.J., Hurlbert, J.S. & Haines, V.A. (1996) Community Attachment in A Rural Setting: A Refinement and Empirical Test of the Systemic Model, *Rural Sociology* 61 (3). 407-426.
- Belk, R.W. (1975) Situational Variables and Consumer Behavior, *Journal of Consumer Research* 2. 157-163.
- _____ (1996). Hyperreality and Globalization: Culture in the Age of Ronald McDonald, *Journal of International Consumer Marketing* 8 (3/4). 23-37.
- Berhey, J. (1811) *Natuurlijke Historie van Holland*.
- Berlyne, D.E. (1954) A Theory of Human Curiosity, *British Journal of Psychology* 45, 180-191.
- Berlyne, D.E. (1960) *Conflict, Arousal and Curiosity*, New York NY: McGraw-Hill.
- Besch, M., (1999). Regionalisierung versus Globalisierung, *Agrarwirtschaft* 48 (11). 393 – 394.
- Bettman, J.R. (1977) Consumer Information Acquisition and Search Strategies, in: A.A. Mitchell (ed.) *American Marketing Association Proceeding Series*. 35-48.
- Bloch, P.H. (1981) An Exploration into the Scaling of Consumers' Involvement with a Product Class, *Advances of Consumer Research* 9. 61-65.
- _____ & Richins, M.L. (1983) Shopping without Purchase: An Investigation of Consumer Browsing Behavior, *Advances in Consumer Research* 10. 389-393.
- _____, Sherrell, D.L. & Ridgway, N.M. (1986) Consumer Search: An Extended Framework, *Journal of Consumer Research* 13 (1). 119-126.

- Bonser, C. (2000) *Globalization and Regionalization; A Paradoxical Challenge of Public Policy*, Program for Institute of Development Strategies.
- Boulding, W. & Kirmani, A. (1993) A Consumer-Side Experimental Examination of Signaling Theory: Do Consumers Perceived Warranties as Signals Of Quality?, *Journal of Consumer Research* 20 (June). 111-123.
- Bower, G.H. (1981) Mood and Memory, *American Psychologist* 36 (2). 129-148.
- Bowler, I. (1999) Modelling Farm Diversification in Regions Using Expert and Decision Support Systems, *Journal of Rural Studies* 15 (3). 297-305.
- Brislin, R.W., Lonner, W.J. & Thorndike, R.M. (1973) *Cross-Cultural Research Methods*. New York: Wiley.
- _____ (1986) The Wording and Translation of Research Instruments. in: W.J. Lonner & J.W. Berry (eds.). *Field Methods in Cross-Cultural Research*. Beverly Hills: Sage.
- Brouwer, O. (1991) Community Protection of Geographic Indications and Specific Character as a Means of Enhancing Foodstuff Quality, *Law Review* 28 (3). 615-646.
- Centner, T.J., Turner, S.C., Bryan, J.T. & Mizelle, W.O. (1989) *Product Differentiation Protection: Vidalia Onions as a Case Study of Regional Specialty Crops*, The Georgia Agricultural Experiment Stations, Research Report 576.
- Coates, C. (1998). Businesses Add Local Flavor to Car, Beer Ads, Poking Fun at a Region's Accents, Landmarks, Teams can Win Points with Consumers, *Corpus Christi Caller Times*, [Online], 18 February, Available: <http://caller.com/busarch/bus3547.html>.
- Cohen, J.B & Areni, C.S. (1991) Affect and Consumer Behaviour, in: A. Robertson & H. Kassarian (eds.), *Handbook of Consumer Behaviour*, Prentice-Hall, Englewood Cliffs, NJ. 183-240.
- Collins, A.M. & Loftus, E.F. (1975) A Spreading-Activation Theory of Semantic Processing, *Psychological Review* 82 (6). 407-428.
- Cordell, V.V. (1992) Effects of Consumer Preferences for Foreign Sourced Products. *Journal of International Business Studies* 23 (Fall). 251-296.
- Curren, M.T. & Harich, K.R. (1994) Consumers' Mood States: The Mitigating Influence of Personal Relevance on Product Evaluation, *Psychology and Marketing* 11 (March/April). 91-107.
- Danfors, L.E. & Gustafsson N. (1967) Tuber Formation in Potatoes as Affected by Soil Moisture, *Isotope and Radiation Techniques in Soil Physics and Irrigation Studies*, Proc, Symp. AO/IAEA Istanbul. 379-390.
- Davies, A. (1995) *Local Economies and Globalisation, Leed Notebook No. 20*, OECD Working Papers III (89).
- Dawar, N. & Frost, T. (1999) Competing with Giants; Survival Strategies for Local Companies in Emerging Markets, *Harvard Business Review* March-April. 119-129.
- Dawson, S., Bloch, P.H. & Ridgway, N.M. (1990) Shopping Motives, Emotional States, and Retail Outcomes, *Journal of Retailing* 66 (4) (Winter). 408-427.
- Dekimpe, M.G., Steenkamp, J-B.E.M., Mellens, M. & Vanden Abeele, P. (1997) Decline and Variability of Brand Loyalty, *International Journal of Research in Marketing* 14, 405-420.

- De Maio, T. (1980) Refusals: Who, Where, and Why, *Public Opinion Quarterly* 44 (Summer). 223-233.
- Depoele, L. van (1996) European Rural Development Policy. in: A.A. Dijkhuizen (chairman). *Rural Reconstruction in a Market Economy 1996*, Wageningen, The Netherlands. Wageningen Agricultural University, Mansholt Studies 5, Mansholt Institute. 7-14.
- De Roest, K. & Dufour, M. (2000). The Interrelationships Between the PDO Product's Specification, Its Link to the Terroir and its Technological Development, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products in Agri-Food Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA-ESR, Actes et Communications n° 17-2. 295-307.
- Desai, K.K. & Mahajan, V. (1998) Strategic Role of Affect-Based Attitudes in the Acquisition, Development, and Retention of Customers. *Journal of Business Research* 42 (July). 309-324.
- Deshpande, R., Hoyer, W.D. & Donthu, N. (1986) The Intensity of Ethnic Affiliation: A Study of the Sociology of Hispanic Consumption, *Journal of Consumer Research* 13 (2). 214-220.
- De Vlieger, K.J., Van Ittersum, K. & Van der Meulen, H.S. (1999) *Streekproducten: Van Consument tot Producent*. (Regional Products: From Consumer to Producer) Ministry of Agriculture. October, rep. 3.99.13, LEI, The Hague.
- Diamantopoulos, A. (1994) Modelling with LISREL: A Guide for the Uninitiated. in: G.J. Hooley & M.K. Hussey (eds.). *Quantitative Methods in Marketing*, Publisher: London [etc.]: Dryden.
- Dick, A.S. & Basu, K. (1994) Customer Loyalty: Toward an Integrated Conceptual Framework, *Journal of the Academy of Marketing Science* 22 (2). 99-113.
- Dickinson, P.R. & Sawyer, A.G. (1990) The Price Knowledge and Search of Supermarket Shoppers, *Journal of Marketing* (July). 42-53.
- Dillon, W.R., Frederick, D.G. & Tangpanichdee V. (1985) Decision Issues in Building Perceptual Product Spaces with Multi-Attribute Rating Data. *Journal of Consumer Research* 12 (June). 47-63.
- _____, Goldstein, M. (1984) *Multivariate Analysis; Methods and Applications*, John Wiley & Sons, New York.
- Donovan, R.J. & Rossiter, J.R. (1982) Store Atmosphere: An Environmental Psychological Approach, *Journal of Retailing* 58 (Spring). 34-57.
- Dubois, B. (2000) *Understanding the Consumer: A European Perspective*, Prentice Hall. Essex
- EEC Council (1992) Council Regulation (EEC) No. 2081/92: on the Protection of Geographical Indications and Designations of Origin for Agricultural Products and Foodstuff, *Official Journal of the European Community*, No. L 208/1-208/8, 24-7-1992.
- Engel, J.E., Blackwell, R.D. & Miniard, P.W. (1993) *Consumer Behavior*, Seventh edition, The Dryden Press, Orlando.
- Erevelles, S. (1998) The Role of Affect in Marketing, *Journal of Business Research* 42. 199-215.
- Erickson, G.M., J.K. Johansson, & Chao, P. (1984) Image Variables in Multi-Attribute Product Evaluations: Country-of-Origin Effects, *Journal of Consumer Research* 11 (September). 694-699.
- Farquhar, P.H. (1989) Managing Brand Equity, *Marketing Research* 1 (September). 24-33.

- Fazio, R.H. & Zanna, M.P. (1978) On the Predictive Validity of Attitudes: The Role of Direct Experience and Confidence, *Journal of Personality* 46 (June). 228-243.
- Ferguson, G.A. (1976) *Statistical Analysis in Psychology & Education*, fourth edition, McGraw-Hill Kogakusha, Tokyo.
- Fishbein, M. & Ajzen, I. (1975) *Beliefs, Attitude, Intention, and Behavior: An Introduction to Theory and Research*. Addison-Wesley Publishing, Reading, MA.
- Fischer, U., Roth, D. & Christmann, M. (1999) The Impact of Geographic Origin, Vintage and Wine Estate on Sensory Properties of Vitis Vinifera cv. Riesling Wines, *Food Quality and Preference* 10. 281-288.
- Fiske, D.W. & Maddi, S.R. (1961) A Conceptual Framework, in: D.W. Fiske & S.R. Maddi (eds.). *Functions of Varied Experience*, The Dorsey Press, Homewood, Illinois.
- _____ & Pavelchak, M.A. (1986) Category-Based versus Piece-Meal-Based Affective Responses: Development in Schema-Triggered Affect, in: R.M. Sorrentino & T.E. Higgins (eds.). *The Handbook of Motivation and Cognition: Foundations of Social Behavior*, New-York: Guilford Press. 167-203.
- Ford, M.E. (1992) *Motivating Humans, Goals, Emotions, and Personal Agency Beliefs*, Sage Publications: Newbury Park.
- Fournier, S. (1998) Consumers and Their Brands: Developing Relationship Theory in Consumer Research, *Journal of Consumer Research* 24, 343-373.
- Friedman, M. (1996) A Positive Approach to Organized Consumer Action: The "Buycott" as an Alternative to the Boycott. *Journal of Consumer Policy* 19, 439-451.
- Fürst, D. (2001) Regional Governance, New Modes of Self Government in the European Community, *Announcement for Euroconference*, Hanover/Germany.
- Gabor, A. & Granger, C.W.J. (1964) Price Sensitivity of the Consumer, *Journal of Advertising Research* (December). 40-44.
- Gaedeke, R. (1973) Consumer Attitudes Toward Products "Made in" Developing Countries. *Journal of Retailing* 49 (2) (Summer). 13-24.
- Gardner, M.P. (1985) Mood States and Consumer Behavior: A Critical Review, *Journal of Consumer Research* 12 (December). 281-300.
- Geerts, G., Den Boon, T., Geeraerts, D., Vos, E. & Van der Sijs, N. (1999) *Van Dale; Groot Woordenboek der Nederlandse Taal*, 13e herz.dr, Van Dale Lexicografie, Utrecht.
- Gerschau, M. (1990). Die Herkunft von Lebensmitteln als Mittel zur Productdifferenzierung, *Agrarwirtschaft* 39, 273-276.
- Giddens, A. (1990a) *Modernity and Self Identity*, Cambridge, Polity Press
- _____ (1990b) *The Consequences of Modernity*, Cambridge, Polity Press
- Giese, J.L. & Cote, J.A. (2000) Defining Consumer Satisfaction, *Academy of Marketing Science Review* [Online] 00 (01) Available: <http://www.amsreview.org/amsrev/theory/giese00-01.html>.
- Goudy, W. (1990) Community Attachment in a Rural Region, *Rural Sociology* 55. 178-198.
- Graeff, T.R. & Olson, J.C. (1994) Consumer Inference as Part of Product Comprehension, *Advances in Consumer Research* 21. 201-207.

- Grunert, K.G. (1996) Automatic and strategic processes in advertising effects, *Journal of Marketing* 60 (4). 88-101.
- Gutman, J. (1982) A Means-End Chain Model Based on Consumer Categorization Processes, *Journal of Marketing* 46 (1). 60-72.
- Hair Jr., J.H., Anderson, R.E., Tatham, R.L. & Black, W.C. (1995) *Multivariate Data Analysis with Readings*, fourth edition, Macmillan Publishing Company, New York.
- Han, C.M. (1988) The Role of Consumer Patriotism in the Choice of Domestic versus Foreign Products, *Journal of Advertising Research* 28 (June/July). 25-32.
- _____ & Terpstra, V. (1988) Country-of-Origin Effects for Uni-National and Bi-National Products, *Journal of International Business Studies* Summer. 235-255.
- Hauser, A. (1993) *Verbraucherpräferenzen für Nahrungsmittel aus der näheren Umgebung; Analyse einer Repräsentativenbefragung bei nordrhein-westfälischen Verbrauchern*, in: *Agrarwirtschaft, Zeitschrift für Betriebswirtschaft, Marktforschung und Agrarpolitik, Sonderheft* 141.
- Hirschman, E.C. (1980) Innovativeness, Novelty Seeking, and Consumer Creativity, *Journal of Consumer Research* 7 (December). 283-295.
- _____ & Holbrook, M.B. (1982) Hedonic Consumption: Emerging Concepts, Methods, and Propositions, *Journal of Marketing* 46 (Summer). 92-101.
- Holbrook, M.B. & Hirschman, E.C. (1982) The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun, *Journal of Consumer Research* 9 (September). 132-140.
- _____, & Schindler, R.M. (1994) Age, Sex, and Attitude Toward the Past as Predictors of Consumers' Aesthetic Tastes for Cultural Products, *Journal of Marketing Research* XXXI. 412-422.
- Hong, S-T. & Wyer, R.S. (1989) Effects of Country-of-Origin and Product-Attribute Information on Product Evaluation: An Information Processing Perspective, *Journal of Consumer Research* 16 (September). 175-187.
- _____ & _____ (1990). Determinants of Product Evaluation: Effects of the Time Interval Between Knowledge of a Product's Country of Origin and Information about Its Specific Attributes, *Journal of Consumer Research* 17 (December). 277-288.
- Howard, J.A. (1994) *Buyer Behavior in Marketing Strategy*, New Jersey, Prentice Hall.
- _____ & Sheth, J.N. (1969) *The Theory of Buyer Behavior*, New York: John Wiley and Sons.
- Hoyer, W.D. & Brown, S.P. (1990) Effects of Brand Awareness on Choice for a Common, Repeat-Purchase Product, *Journal of Consumer Research*, 17 (2) (September). 141-148.
- Huffman, C. & Houston, M.J. (1993) Goal-Oriented Experiences and the Development of Knowledge, *Journal of Consumer Research*, 20 (2) September. 190-207.
- _____, Ratneshwar, S. & Mick, D.G. (2000) Consumer Goal Structures and Goal Determination Processes: An Integrative Framework, in: S. Ratneshwar, D.G. Mick & C. Huffman (eds.) *The Why of Consumer Behavior: Perspectives on Consumer Motives, Goals, and Desires*, London:Routledge Publishers.
- Hughes, J.C. & Evans, J.L. (1967) Studies on After-Cooking Blackening in Potatoes, IV. Field Experiments, *European Potato Journal* 10. 16-36.

- Ilbery, B. & Kneafsey, M. (2000) Producer Constructions of Quality in Regional Specialty Food Production: A Case Study from South West England, *Journal of Rural Studies* 16. 217-230.
- Institute of Intergovernmental Relations (1999) The Future of Global and Regional Integration: Scenarios, [Online] <http://qsilver.queensu.ca/iigr/globalization/scenarios.html>.
- Isen, A.M., Shalke, T.E., Clark, M. & Kap, L. (1978) Affect, Accessibility of Material in Memory, and Behavior: A Cognitive Loop?, *Journal of Personality and Social Psychology* 48 (6). 1-14.
- Jacoby, J. & Chestnut, R.W. (1978) *Brand loyalty: Measurement and Management*, Wiley, Chichester, New York.
- James, D.L., Durand, R.M. & Dreves, R.A. (1976) The Use of a Multi-Attribute Attitude Model in a Store Image Study, *Journal of Retailing* 52, 23-32.
- Jarvis, L.P. & Wilcox, J.B. (1976) Repeat Purchase Behavior and Attitudinal Brand Loyalty: Additional Evidence, *Proceedings*, Fall American Marketing Association, Memphis.
- Johansson, J.K. (1989) Determinants and Effects of the Use of 'Made in' Labels, *International Marketing Review* 6 (1). 47-58.
- _____, & Nebenzahl, I.D. (1986) Multinational Production: Effect on Brand Value, *Journal of International Business Studies* 17 (Fall). 101-126.
- _____, Ronkainen, I.A. & Czinkota, M.R. (1994) Negative Country-Of-Origin Effects: The Case of the New Russia, *Journal of International Business Studies*, First Quarter, 157-176.
- _____, Douglas, S.P. & Nonaka, I. (1985) Assessing the Impact of Country of Origin on Product Evaluations: A New Methodological Perspective, *Journal of Marketing Research* 22 (November). 388-396.
- Jöreskog, K.G. & Sörbom, D. (1993) *Lisrel 8: User's Reference Guide*, Scientific Software International, Inc., Chicago, IL.
- Kahle, L.R., Beatty, S.E. & Homer, P. (1986) Alternative Measurement Approaches to Consumer Values: The List of Values (LOV) and Values and Lifestyle (VALS). *Journal of Consumer Research* 13 (December). 405-409.
- Kapferer, J.N. (1992) *Strategic Brand Management: New Approaches to Creating and Evaluating Brand Equity*, London: Kogan Page.
- Kardes, F.R. (1999) *Consumer Behavior and Managerial Decision Making*, Addison-Wesley Longman, Inc., New York.
- Kasarda, J.D. & Janowitz, M. (1974) Community Attachment in Mass Society, *American Sociological Review* 39 (June). 328-339.
- Katona, G.C. (1953) Rational Behavior and Economic Behavior, *Psychological Review* 60 (September). 307-318.
- Keller, K.L. (1998a) Conceptualizing, Measuring, and Managing Customer-Based Brand Equity. *Journal of Marketing* 57. 1-22.
- _____. (1998b) *Strategic Brand Management; Building, Measuring, and Managing Brand Equity*, Prentice Hall, New Jersey.
- Kelley, H.H. (1973) The Process of Causal Attribution, *American Psychologist* 28. 107-128.
- Kim, S. (1999) Region, Resources, and Economic Geography: Sources of U.S. Regional Competitive Advantage, 1880 – 1987, *Regional Science and Urban Economic* 29. 1-32.

- Kleine, R.E., Kleine, S.S. & Kernan, J.B. (1993) Mundane Consumption and the Self: A Social-Identity Perspective, *Journal of Consumer Psychology* 2 (3). 209-235.
- Koenen, M.J., Drewes, J.B. & De Boer, W.T. (1992) *Wolters' Woordenboek, Nederlands Koenen*, 29e dr., Wolters-Noordhoff, Groningen.
- Kotler, P., Haidar, D.H. & Rein, I. (1993) *Marketing Places: Attracting Investment, Industry, and Tourism to Cities, States, and Nations*, Free Press, New York.
- Krishnamurthi, L. & Raj, S.P. (1991) An Empirical Analysis of the Relationship Between Brand Loyalty and Consumer Price Elasticity, *Marketing Science* 10 (2). 172-183.
- Krishnan, H.S. (1996) Characteristics of Memory Associations: A Consumer-Based Brand Equity Perspective, *International Journal of Research in Marketing* 13. 389-405.
- Kunkel, J.H. & Berry, L.L. (1968) A Behavioral Conception of Retail Image, *Journal of Marketing* 32. 21-27.
- Lambooy, J.G. (1999) Regionale Identiteit als Waarde en als 'Belang', *OSMOSE* no. 4. 12-17.
- Lantz, G. & Loeb, S. (1996) Country of Origin and Ethnocentrism: An Analysis of Canadian and American Preferences Using Social Identity Theory, *Advances in Consumer Research* 23. 374-378.
- Laroche, M., Kim, C. & Tomiuk, M.A. (1998) Italian Ethnic Identity and Its Relative Impact on the Consumption of Convenience and Traditional Foods, *Journal of Consumer Marketing*, 15 (2). 127-147.
- Lee, A.Y. & Sternthal, B. (1999) The Effect of Positive Mood on Memory, *Journal of Consumer Research* 26 (September). 321-326.
- Lee, Y.H. & Mason, C. (1999) Responses to Information Incongruity in Advertising: The Role of Expectancy, Relevancy, and Humor, *Journal of Consumer Research* 26 (September). 156-169.
- Levin, I.P., Jasper, J. D. & Gaeth, G.J. (1996) Measuring the Effects of Framing Country-of-Origin Information: A Process Tracing Approach, *Advances in Consumer Research* 23. 385-389.
- Lindquist, J.D. (1974) Meaning of Image, *Journal of Retailing*, 50 (4). 29-38.
- Li, W-K & Monroe, K.B. (1992) The Role of Country of Origin Information on Buyers' Product Evaluation: An In-Depth Interview Approach, *American Marketing Association* (Summer), 274-280.
- Loewenstein, G. (1994) The Psychology of Curiosity: A Review and Reinterpretation. *Psychological Bulletin* 116 (1). 75-98.
- Loken, B. & Ward, J. (1990) Alternative Approaches to Understanding the Determinants of Typicality, *Journal of Consumer Research* 17 (2) (September). 111-126.
- Louviere, J.J. & Gaeth, G.J. (1987) Decomposing the Determinants of Retail Facility Choice using the Method of Hierarchical Integration, *Journal of Retailing* 63 (1). 25-48.
- Lumpkin, J.R. & Greenberg, B.A. (1982) Apparel-Shopping Patterns of the Elderly Consumer, *Journal of Retailing*, 58 (4) (Winter). 68-89.
- _____ (1985) Shopping Orientation Segmentation of the Elderly Consumer, *Journal of the Academy of Marketing Science* 13 (2) (Spring). 271-289.

- Marceau, J. (1994) Clusters, Chains and Complexes: Three Approaches to innovation with a Public Policy Perspective, in: M. Dodgson & R. Rothwell (eds.). *The Handbook of Industrial Innovation*, Edward Elgar, Cheltenham
- Marquis, V. & Haskell, P. (1965) *The Cheese Book*, Simon and Schuster, New York.
- Martin, I.M. & Eroglu, S. (1993) Measuring a Multi-Dimensional Construct: Country Image, *Journal of Business Research* 28. 191-210.
- Martineau, P. (1958) The Personality of a Retail Store, *Harvard Business Review*, Vol. 36 (January-February). 47-55.
- Maskell, P. & Malmberg, A. (1999) Localised Learning and Industrial Competitiveness, *Cambridge Journal of Economics* 23. 167-185.
- Maslow, A.H. (1970). *Motivation and Personality*, 2nd ed. New York: Harper and Row Publishers, Inc.
- Mazursky, D. & Jacoby, J. (1986) Exploring the Development of Store Images, *Journal of Retailing* 62 (2). 145-165.
- McIntyre, B., Henchion, M. & Pitts, E. (2001) *Regional Images and The Promotion Of Quality Food Product*, The National Food Centre, Dunsinea, Castleknock, Dublin.
- Mehrabian, A. & Russell, J.A. (1974) *An Approach to Environmental Psychology*. M.I.T. Press, Cambridge, MA.
- Meyers-Levy, J. & Malaviya, P. (1999) Consumers' Processing of Persuasive Advertisements: An Integrated Framework of Persuasion Theories, *Journal of Marketing* 63 (Special Issue): 45-60
- _____ (1989) The Influence of a Brand Name's Association Set Size and Word Frequency on Brand Memory, *Journal of Consumer Research* 16 (2). 197-207.
- _____ & Tybout, A.M. (1989) Schema Congruity as a Basis for Product Evaluation, *Journal of Consumer Research* 16 (1). 39-54.
- Miller, K.E. & Ginter, J.L. (1979) An Investigation of Situational Variation in Brand Choice Behavior and Attitude, *Journal of Marketing Research* 6. 111-123.
- Miller, N.J. & Kean, R.C. (1997a) Factors Contributing to Inshopping Behavior in Rural Trade Area: Implications for Local Retailers, *Journal of Small Business Management* 35 (2). 80-94.
- _____ & _____ (1997b) Reciprocal Exchange in Rural Communities: Consumers' Inducements to Inshop, *Psychology and Marketing* 14 (7). 637-661.
- _____ (1997) Probing Exchange Theory: A Comparison of Consumers in Three Rural Communities, *Advances in Consumer Research* 24. 19.
- _____, Kim, S. & Schofield-Tomschin, S. (1998) The Effect of Activity and Aging on Rural Community Living and Consuming, *Journal of Consumer Affairs* 32 (2) (Winter). 343-368.
- Mittal, B. & Lee, M-S. (1989) A Causal Model of Consumer Involvement, *Journal of Economic Psychology* 10. 363-389.
- Moon, B-J. (1996) The Roles of Consumer Ethnocentricity and Attitude toward a Foreign Culture in Processing Foreign Country-of-Origin Advertisements, *Advances in Consumer Research* 23. 436-439.
- Moore, W.L. & Lehman, D.R. (1980) Individual Differences in Search Behavior for a Nondurable, *Journal of Consumer Research* 7 (3). 296-307.

- Mowen, J.C. & Minor, M.S. (2001) *Consumer Behavior: A Framework*, Prentice Hall New Jersey.
- Murthi, B.P.S. & Srinivasan, K. (1999) Consumers' Extent of Evaluation in Brand Choice, *Journal of Business* 72 (2). 229-256.
- Nagashima, A. (1970) A Comparison of Japanese and U.S. Attitudes Toward Foreign Products, *Journal of Marketing* 34. 68-74.
- _____ (1977) A Comparative "Made In" Product Image Survey Among Japanese Businessmen, *Journal of Marketing* 41. 95-100.
- Narayandas, N. (1996) The Link Between Customer Satisfaction and Customer Loyalty: An Empirical Investigation, *Working Paper: 97-017*, Harvard Business School.
- Nedungadi, P. (1990) Recall and Consumer Consideration Sets: Influencing Choice without Altering Brand Evaluations, *Journal of Consumer Research* 3 (December). 263-276.
- Nevett, T.R. & Nevett, L. (1994) The Origins of Marketing: Evidence from Classical and Early Hellenistic Greece (500-30 B.C.). in: J.N. Sheth & R.A. Fullerton (eds.), *Research in Marketing*, Supplement 6, JAI Press INC., London, 3-12.
- Nisbett, R. & Ross, L. (1980) *Human Inference: Strategies and Shortcomings of Social Judgment*. Englewood Cliffs, NJ: Prentice-Hall,
- Obermiller, C. & Spangenberg, E. (1989) Exploring the Effects of Origin Labels: An Information Processing Framework, *Advances in Consumer Research* 16. 454-459.
- Odin, Y., Odin, N. & Valette-Florence, P. (2001) Conceptual and Operational Aspects of Brand Loyalty; An Empirical Investigation, *Journal of Business Research* 53. 75-84.
- Oliver, R.L. (1980) A Cognitive model of the Antecedents and Consequences of Satisfaction Decisions, *Journal of Marketing Research* 17 (November). 460-469.
- Oliver R.L. (1999) Whence Consumer Loyalty?, *Journal of Marketing* 63. 33-44.
- Olson, J.C. (1972). Cue Utilization of the Quality Perception Process: A Cognitive model and an Empirical Test, Unpublished Doctoral Dissertation, Purdue University.
- _____ (1978). Inferential Belief Formation in the Cue Utilization Process, *Advances in Consumer Research* V. 706-713.
- _____ & J. Jacoby (1972) Cue Utilization in the Quality Perception Process, in: M. Venkatesan (ed.). *Proceedings of the Third Annual Conference of the Association for Consumer Research*, Iowa City: Association for Consumer Research., 169-179.
- _____, (1981) The Importance of Cognitive Processes and Existing Knowledge Structure for Understanding Food Acceptance, in: J. Solms & R.L. Hall (eds.). *Criteria of Food Acceptance*, Zurich, Switzerland, Forster. 69-80.
- _____, Reynolds, T.J. (1983) Understanding Consumers' Cognitive Structures: Implications for Advertising Strategy, in: L. Percy & A. Woodside (eds.). *Advertising and Consumer Psychology*. Lexington, Mass: Lexington Books.
- Papadopoulos, N. (1993) What Product and Country Images Are and Are Not, in: N. Papadopoulos & L.A. Heslop (eds.). *Product-Country Images: Impact and Role in International Marketing*, New York: The Haworth Press. 3-38.
- Park, C.W. & Mittal, B. (1985) A Theory of Involvement in Consumer Behavior; Problems and Issues, *Research in Consumer Behavior* 1. 201-231.

- Pedhazur, E.J. (1982) *Multiple Regression in Behavioral Research; Explanation and Prediction*, second edition, Holt, Rinehart and Winston, New York.
- Peter, J.P., Churchill Jr., G.A. & Brown, T.J. (1993) Caution in the Use of Difference Scores in Consumer Research, *Journal of Consumer Research* 19. 655-662.
- Petty, R.E., Cacioppo, J.T. & Schumann, D. (1983) Central and Peripheral Routes to Advertising Effectiveness: The Moderating Role of Involvement, *Journal of Consumer Research* 10. 135-146.
- _____, Unnava, R.H. & Strathman, A.J. (1991) Theories of Attitude Change, in: T.S. Robertson & H.H. Kassarian (eds.). *Handbook of Consumer Behavior*, Prentice-Hall, New Jersey.
- Porter, M.E. (1998) Clusters and the New Economics of Competition, *Harvard Business Review*, November. 77-90.
- _____. (1980) *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Free Press, New York.
- Quester, P.G. & Smart, J. (1998) The Influence of Consumption Situation and Product Involvement over Consumers' Use of Product Attributes, *Journal of Consumer Marketing* 15 (3). 1-15.
- Raju, J.S., Srinivasan, V. & Lal, R. (1990) The Effects of Brand Loyalty on Competitive Price Promotional Strategies, *Management Science* 36 (3). 276-304.
- Ratneshwar S., Warlop, L., Mick, D.G. & Seeger, G. (1997) Benefit Salience and Consumers' Selective Attention to Product Features, *International Journal Of Research in Marketing* 14. 245-259.
- Raynaud, E. & Sauvee, L. (2000) Common Labelling and Producer Organisations: A Transaction Cost Economics Approach, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products in Agri-Food Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA-ESR, Actes et Communications n° 17-2, 133-142.
- Reiersen, C. (1967) Attitude Change Towards Foreign Products, *Journal of Marketing Research* 4 (November). 385-387.
- Reich, S. (1998) What is Globalization? Four Possible Answers, in: D. Caroline (ed.). *Working Paper Series, The Helen Kellogg Institute for International Studies*, Working Paper #261.
- Reynolds, T.J. & Gutman, J. (1988) Laddering Theory, Method, Analysis, and Interpretation, *Journal of Advertising Research* 28 (1). 11-31.
- _____. & Rochon, J.P. (1991) Means-end Based Advertising Research: Copy Testing Is Not Strategy Assessment, *Journal of Business Research* (22) 2. 131-142.
- Richins, M.L. (1997) Measuring Emotions in the Consumption Experience, *Journal of Consumer Research* 24 (September). 127-146.
- Ridner, W.J. (1999) De Identiteit van Nederland, *OSMOSE* no. 4. 5-11.
- Rokeach, M. (1968) A Theory of Organization and Change within Value-Attitude Systems, *Journal of Social Issues* 24, 13-33.
- Rosa, F. (2000) Total Quality Management of the PDO Prosciutto San Daniele, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products in Agri-*

- Food Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA–ESR, Actes et Communications n° 17-2, 35-49.
- Ross, B.H. & Murphy, G.L. (1999) Food for Thought: Cross-Classification and Category Organization in a Complex Real-World Domain, *Cognitive Psychology* 28. 495-553.
- Samiee, S. (1994) Customer Evaluation of Product in a Global Market, *Journal of International Business Studies* Third Quarter. 579-604.
- Sampson. R.J. (1988) Local Friendship Ties and Community Attachment in Mass Society: A Multilevel Systemic Model, *American Sociological Review* 53 (October). 766-779.
- Sanitch, B. (1999) Location, Location, Location, *The Age*, [online]
<http://www.theage/daily/990622/food/food1.html>.
- Schaffer, W.A. (1997) Regionalists, Regional Science, and Love, *Papers in Regional Science* 76 (2). i-vii.
- Schellinck, D.A. (1983) Cue Choice as a Function of Time Pressure and Perceived Risk, *Advances in Consumer Research* 10. 470-475.
- Schmitt, B.H. & Dubé, L. (1992) Contextualized Representations of Brand Extensions: Are Feature Lists or Frames the Basic Components of Consumer Cognition, *Marketing Letters* 3 (2). 115-126.
- Schooler, R.D. (1965) Product Bias in the Central American Common Market, *Journal of Marketing Research* II (November). 394-397.
- _____, Wildt, A.R. & Jones, J.M. (1987) Strategy Development for Manufactured Exports of Third World Countries to Developed Countries. *Journal of Global Marketing* 1 (1/2) (Fall/Winter). 53-68.
- Schuddeboom, B. (1999) Kaas, *Volkscrant*, 16 October.
- Schweiger, G., Häubl, G. & Friederes, G. (1999) Consumers' Evaluation of Products Labelled 'Made in Europe', in: G. Antonides & W.F. van Raaij (eds.). *Cases in Consumer Behavior*, Wiley, Chichester, United Kingdom.
- Scott, A.J. (1998) *Regions and the World Economy, The Coming Shape of Global Production, Competition, and Political Order*, Oxford University Press.
- Sharma, S., Shimp, T.A. & Shin, J. (1995) Consumer Ethnocentrism: A Test of Antecedents and Moderators, *Journal of Academy of Marketing Sciences* 23 (1). 26-37.
- Sheth, J.N., Newman, B.I. & Gross, B.L. (1991) Why We Buy What We Buy: A Theory of Consumption Values, *Journal of Business Research* 22. 159-170.
- _____, Newman, B.I. & Gross, B.L. (1990) *Why We Buy What We Buy: A Theory of Consumption Values*, South-Western Publishing Co., Cincinnati, Ohio.
- _____, Mittal, B. & Newman, B.I. (1999) *Customer Behavior; Consumer Behaviour and Beyond*, The Dryden Press, Orlando.
- Shimp, T.A., Samiee, S. & Madden, T.J. (1993) Countries and Their Products: A Cognitive Structure Perspective, *Journal of the Academy of Marketing Science* 21 (4) (Fall). 323-330.
- _____ & Sharma, S. (1987) Consumer Ethnocentrism: Construction and Validation of the CETSCALE, *Journal of Marketing Research* 24 (August). 280-289.
- Sinha, I. (1994) A Conceptual Model of the Role of Situational Type on Consumer Choice Behavior and Consideration Sets, *Advances in Consumer Research* XXI. 477-482

- Smith Jr., W.R. (1993) Country-of-Origin Bias: A Regional Labelling Solution, *International Marketing Review* 10 (6). 4-12.
- Smith, R.E. & Swinyard, W.R. (1983) Attitude-Behavior Consistency: The Impact of Product Trial versus Advertising, *Journal of Marketing Research* 20 (August). 257-267.
- Solomon, M.R. (1999) *Consumer Behavior*, 4th edition, Prentice Hall, New Jersey.
- Srull, T.K. (1983) Affect and Memory: The Impact of Affective Reactions to Advertising on the Representations of Product Information in Memory, *Advances in Consumer Research* 10. 520-525.
- Steenkamp, J.B.E.M. & Baumgartner, H. (1992) The Role of Optimum Stimulation Level in Exploratory Consumer Behavior. *Journal of Consumer Research* 19. 434-448
- _____, _____ & Van der Wulp, E. (1996) The Relationships among Arousal Potential, Arousal and Stimulus Evaluation, and the Moderating Role of Need for Stimulation, *International Journal of Research in Marketing* 13. 319-329.
- _____. (1990) Conceptual Model of the Quality Perception Process, *Journal of Business Research* 21 (August). 309-333.
- _____. (1989) *Product Quality; An Investigation into the Concept and How It is Perceived by Consumers*, Assen, The Netherlands: Van Gorcum.
- _____ & Van Trijp, H.J.C.M. (1991) The Use of Lisrel in Validating Marketing Constructs, *International Journal of Research in Marketing* 8. 283-299.
- Stinner, W.F. & Van Loon, M. (1990) Community Size, Individual Social Position, and Community Attachment, *Rural Sociology* 55 (4). 494-521.
- Sujan, M. (1985) Consumer Knowledge: Effects of Evaluation Strategies Mediating Consumer Judgments, *Journal of Consumer Research* 12 (June). 31-46.
- Sylvander, B. & Lassaut, B. (1994). Enjeu Economique de la Qualité sur les Marchés des Produits Agroalimentaires. in : J.L. Multon (ed.). *La Qualité des Produits Alimentaires ; Politique, Incitations, Gestion et Contrôle*, Lavoisier, Paris. 30-59.
- Ter Hofstede, F., Steenkamp, J-B.E.M. & Wedel, M. (1999) International Market Segmentation Based on Consumer-Product Relations, *Journal of Marketing Research* 36 (February). 1-17.
- Thrift, N. (1994) Inhuman Geographies: Speed, Light and Power. in: Cloke et al. (eds.), *Writing the Rural: Five Cultural Geographies*.
- Tregear, A., Kuznesof, S. & Moxey, A. (1998) Policy Initiatives for Regional Foods: Some Insights from Consumer Research. *Food Policy* 23 (5). 383-395.
- Tsurumi, K. (1997) MAFF Ministers Meets EU Agriculture Commissioner, *MAPP Update*, no. 204, [online] <http://www.maff.go.jp/mud/204.html>.
- Usunier, J-C. (1996) *Marketing across Cultures*, Prentice Hall Europe.
- _____. (1994) Social Status and Country-of-Origin Preferences, *Journal of Marketing Management* 10. 765-783.
- Van der Meulen, H. (1998) *Traditionele Streekproducten: Gastronomisch Erfgoed van Nederland*, Elsevier.
- Van der Poll, M.L.M. & Van Trijp, H.J.C.M. (1984) De Perceptie en Preferentie van Bier, Wageningen Universiteit, Wageningen, The Netherlands.

- Van Ittersum, K., Candel, M.J.J.M. & Meulenberg, M.T.G. (2001) The Influence of the Image of a Product's Region of Origin on Product Evaluation, *Journal of Business Research* 55, 1-12.
- _____, _____ (1998) Qualitative Consumer Survey Report, FAIR n° 1-CT95-306: PDO/PGI Products: Market, Supply Chain and Institutions. Wageningen University, The Netherlands.
- _____. (1996). *Situationele Determinanten van het Gebruik van Producten*, Wageningen Universiteit, The Netherlands.
- Van Kenhove, P., De Wulf, K. & Van Waterschoot, W. (1999) The Impact of Task Definition on Store-Attribute Saliences and Store Choice, *Journal of Retailing* 75 (1). 125-137.
- Van Trijp, H.J.C.M. (1995) *Variety-Seeking in Product Choice Behavior; Theory with Applications in the Food Domain*, Den Haag, The Netherlands.
- _____, Steenkamp, J-B.E.M. & Candel, M.J.J.M. (1997). Quality Labeling as Instrument to Create Product Equity; The Case of IKB in the Netherlands, in: B. Wierenga, K. Grunert, J-B.E.M. Steenkamp, M. Wedel, & A. Van Tilburg (eds.). *Agricultural Marketing and Consumer Behavior in a Changing World*, Proceedings of 47th seminar of the European Association of Agricultural Economists (EAAE). Wageningen, The Netherlands. 201-215.
- Verlegh, P.W.J. (2000) National Identity and the Evaluation of Countries and Their Products. *Proceedings of the Society for Consumer Psychology 2000 Winter Conference*. 37.
- _____. & Steenkamp, J-B.E.M. (1999) A Review and Meta-Analysis of Country-of-Origin Research. *Journal of Economic Psychology* 20 (5). 521-546.
- _____. & Van Ittersum, K. (2001) The Origin of Spices: The Impact of Geographic Product Origin on Consumer Decision Making. in: L.J. Frewer et al. (eds.). *Food, people and society: A European perspective*. Heidelberg: Springer Verlag.
- Waldron, D.G. (1978) The Image of Craftsmanship; A Predictor Variable Influencing the Purchase of European Automobiles by Americans?, *European Journal of Marketing* 12, 555-561.
- Wall, M., Liefeld, J. & Heslop, L.A. (1991) Impact of Country-of-Origin Cues on Consumer Judgments in Multi-Cue Situations: A Covariance Analysis. *Journal of the Academy of Marketing Science* 19 (2). 105-113.
- Wang, C-K. & Lamb Jr., C.W. (1983) The Impact of Selected Environmental Forces Upon Consumers' Willingness to Buy Foreign Products, *Academy of Marketing Science* 11 (2). 71-84.
- Washington, S. (1995) *Globalization: What Challenges and Opportunities for Governments?*, Organization for Economic Co-operation and Development, [Online], <http://www.oecd.org/puma>. 1-11.
- Wilson, N. & Fearne, A. (2000) A Link between Modernity and Tradition – The Case of Several Regional Food Products, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products in Agri-Food Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA-ESR, Actes et Communications n° 17-2. 277-294.
- _____, Van Ittersum, K., Fearne, A. (2000) Co-operation and Co-ordination in the Supply Chain - A Comparison Between the Jersey Royal and the Opperdoezer Ronde Potato, in: B. Sylvander, D. Barjolle & F. Arfini (eds.). *The Socio-Economics of Origin Labelled Products*

- in Agri-Food Supply Chains: Spatial, Institutional and Co-ordination Aspects*, INRA-ESR, Actes et Communications n° 17-2, 95-102.
- Yip, George S. (1995). *Total Global Strategy*, Englewood Cliffs: Prentice Hall.
- Zaichkowsky, J.L. (1985) Measuring the Involvement Construct. *Journal of Consumer Research* 12 (December). 341-352.
- Zeithaml, V.A., Berry, L.L. & Parasuraman, A. (1996) The Behavioral Consequences of Service Quality, *Journal of Marketing* 60 (April). 31-46.
- Zinkhan, G.M. & Hong, J.W. (1991) Self Concept and Advertising Effectiveness: A Conceptual Model of Congruence Conspicuousness, and Response Model, *Advances in Consumer Research* 18, 348-354.

SUMMARY

Globalization is considered one of the most important and challenging market characteristics of this time. The ‘disappearance’ of national borders increases the accessibility of markets, intensifying competition. Consequently, it becomes increasingly difficult for small- and medium-sized enterprises (SMEs) to be successful, locally, nationally, or in the international arena. This forces them to think out creative strategies to survive. We propose that marketing products using their *region of origin* is a viable and valuable strategy. By stressing unique local characteristics, enabling them to produce a product that has specific characteristics, SMEs may provide their products with a unique identity. These products may further address consumers’ demand for quality, distinctiveness, and products with which they can identify. A product marketed with a regional indication, a *regional product*, is defined as ‘*a product whose quality and/or fame can be attributed to its region of origin and which is marketed using the name of the region of origin*’.

Despite the increasing interest in regions and the related marketing opportunities, the amount of research on the region-of-origin cue remains relatively scarce. Gaining fundamental insights into consumers’ motives to purchase regional products and the processes underlying the purchase decision of these products, would enable marketers to develop, position and market regional products more effectively. The *objective of this research* is to gain a deeper understanding of the role of the region of origin as a product cue in decision-making processes and its role in consumers’ goal satisfaction. More specifically, we want to gain insights into the processes underlying the relationship between the region-of-origin cue and consumers’ goals and how they initiate, direct and terminate decision-making processes and behavior. To accomplish this, a comprehensive research framework is proposed. The basic structure of the research framework reflects the different stages of the purchase process as a problem-solving process. Based on this framework, the theoretical foundation is laid for the potential role that a region-of-origin cue plays in each stage of the purchase process. Using the framework, we examine the role of the region-of-origin cue during the entire decision-making process, which provides us with insights about at what stage of the decision-making process the region of origin is active and which variables of the decision-making process are influenced by the region of origin. Hypotheses are formulated, which are subjected to empirical testing in the subsequent chapters. Throughout this research, the framework has proven its value both for newly introduced regional products, existing regional products that are introduced into new markets or market segments as well as for the analysis of established behaviors for well known regional products.

Need Recognition Stage

During the *need recognition stage*, the region-of-origin cue triggers consumer goals that initiate and/or direct the subsequent decision-making process. While in some instances the encounter of a regional product may trigger or initiate and direct a purchase decision process, the encounter may also take place at a later stage of the purchase decision process. In the latter case, it merely

provides direction to consumers' motivation. During the need recognition stage, consumers compose a bundle of goals that initiate, direct and terminate a purchase process of a regional product.

During a series of focus groups, an extensive list of consumer motives for purchasing regional products was identified. To classify these motives, Sheth, Newman and Gross' (1991) taxonomy of consumption values was used. Regional products were found to have *functional value* by providing consumers with attributes that match consumer goals such as a *desire for high quality* and healthiness. Regional products provided *social value* to consumers based on the product's region of origin. The region of origin refers to a 'social group' to which consumers *want to belong* and with which consumers *identify*. In different usage situations, the perceived functional and social value vary (i.e., conditional performance). For instance, when buying a bottle of wine as a present for a patriotic friend, the social value of regional wine might be higher than when purchased for personal consumption. Based on their ability to arouse affective feelings that match consumers' *desire for pleasure and happiness*, among others, regional products were found to provide consumers with *emotional value*. Finally, modest evidence for the ability of regional products to satisfy consumers' *desire for stimulation*, providing consumers with *epistemic value*, was found.

Prepurchase Search for Information

The likelihood that a regional product enters the decision-making process largely depends on whether it is identified during the *prepurchase search for information*.

Regional product information may be retrieved from memory when confronted with a consumption problem (internal search), or the product may be considered when encountered during a purchase process in progress (external search). Accessibility of regional product information in memory is a key determinant of the likelihood that and the speed with which consumers identify the regional product during the prepurchase search for information. In this research, it was shown that the accessibility of regional product information increased with consumers' sense of belonging to the product's region of origin and product category involvement. Consumers' interest in the region, as reflected by their sense of belonging, stimulates consumers to search for regional information as a means to stay informed about what goes on in the region. Because of their increased search for regional information, the probability and frequency of encountering regional product information increases, which in turn enhances the accessibility of that information. Additionally, consumers' interest in the region increases the motivation to process encountered regional product information, which enhances the accessibility of that information as well. The effect of sense of belonging depends, however, on the degree to which consumers perceive the regional product to be a part of the regional culture and is larger when the product is perceived to be more closely related to the regional culture.

Consumers' product category involvement increases the accessibility of regional product information too, because of consumers' increased motivation to process the information. If marketers are able to preserve the link between the product and the regional culture and provide

consumers with regional product information at the right places, they can benefit from consumers' sense of belonging and product category involvement. This increases the probability of identification of the regional product during the prepurchase search for information.

Perception and Evaluation

To establish whether regional products provide the benefits needed to satisfy consumers' goals, consumers use stimuli or cues available. The name of a regional product (e.g., Parma ham) provides consumers with two stimuli, a region-of-origin cue and a product-category cue. During the encoding stage, consumers interpret and provide meaning to both cues. This (encoded) meaning largely is a function of previously acquired meanings contained in the activated knowledge structures, which are stored in consumers' memory. The product-category cue 'simply' states what product category the regional product belongs to, while the region-of-origin cue signals the region of origin of the product.

When triggered, the region-of-origin cue activates consumers' *product-specific regional beliefs*, among others. The product-specific regional beliefs reflect consumers' beliefs about the suitability of the region for making the product. In this research, we have shown that the product-specific regional image is a multidimensional phenomenon (consisting of human, natural environment and a climatic dimension) that has substantial effect on consumers' attitude towards the regional product. It exerts its effect primarily through product attribute perception. Based on the product-specific regional beliefs, consumers infer the "true" state of the attributes of the regional product. The match between the inferred product attributes and consumers' desires form the substrate for consumers' evaluative judgements about the regional product. Further, it was shown that the effect of the product-specific regional image on consumers' attitude towards the regional product depends on the added value of the regional product. The relative effect of the human, versus the natural environment factor, on consumers' attitude towards the regional product is larger for higher added-value products compared to lower added-value products.

Also, the match between consumers' general regional beliefs and related desires, such as desire for belonging, was found to influence consumers' attitude towards the regional product.

Choice

Consumers' intention to purchase a regional product is influenced by consumers' attitude towards the regional product, relative to competing alternatives, which in turn is based on consumers' beliefs and expectations about the functional, social and emotional performance of the regional product. These beliefs and expectations largely originate from consumers' product-specific and general image of the region and their associations with the product category the regional product belongs to. By encoding and elaborating on the associations triggered by the region-of-origin cue and the product-category cue, consumers try to establish whether the regional product provides those benefits needed to satisfy their desires. The match between

consumers' regional product beliefs and related consumer goals influences consumers' attitude towards the regional product, and hence their intention to purchase the regional product.

In this research, it was shown that during first-trial purchases, consumers' intention to purchase regional products is influenced by more than just the perceived regional product quality. Consumers' intention to purchase the regional product is positively influenced by their sense of belonging to the product's region of origin. It increases with consumer regioncentrism, if the product originates from the own region of residence. Further, if the regional product is perceived to be a more significant part of the regional culture and inheritance, the effect of both consumers' sense of belonging and regioncentrism is larger. Additionally, it appeared that the emotions elicited by the region-of-origin cue had a strong influence on the intention to purchase regional products. Finally, only limited effects were found for the effect of the perceived novelty and the incongruity between the region and the product on consumers' intention to purchase.

Regional Product Loyalty

When the regional product performs in line with consumers' inferred expectations, satisfaction occurs. The perceived satisfaction and the (updated) expectations determine consumers' postpurchase attitude towards the regional product. If the regional product continues to satisfy consumers, in time, consumers may develop a strong and favorable attitude towards the regional product. This attitude affects future purchase decisions and consumer behavior. Consumers may become loyal to the regional product. We define consumer loyalty towards a regional product as *the consistent repurchase of the regional product prompted by a strong and favorable attitude*.

For loyalty to develop, it is important that the regional product consistently performs against expectations. Copycat or imitation products can easily destroy loyalty. By protecting the regional product, the probability of inconsistent and unfavorable experiences is reduced. In 1992, the European Commission introduced legislation that enables companies to protect their regional product legally against counterfeiting. Protected regional products can be marketed with a certificate of origin, a PDO/PGI protection label.

In this research, it was shown that the consumption share of a PDO-protected regional product increases (cf., repeat purchases) if consumers' attitude towards the PDO-protected regional product is more favorable. Further, a positive consumer attitude towards a PDO-protected regional product increases the price premium consumers are willing to pay for the PDO-protected regional product, relative to competing alternatives. Finally, consumers' negative response to relative price increases of a PDO-protected regional product decreases with the favorability of consumers' attitude towards the PDO-protected regional product. Since these behavioral intentions capture important aspects of consumer loyalty, the consistent results found suggest that consumer loyalty towards PDO-protected regional products was actually ascertained in this research.

Also, it was found that the perceived quality of PDO-protected regional products is an important determinant of consumer loyalty towards PDO-protected regional products. Further, consumers' relative attitude towards a PDO-protected regional product was shown to be

influenced by consumers' attitude towards the region of origin and their image of PDO protection labels. As such, they enhance consumers' loyalty towards the regional product.

Based on the results of our research conclusions were drawn, marketing implications discussed and limitations addressed. Overall, it is concluded that if consumers are aware of the region, and have favorable and relevant, accessible associations with the region, the marketing of products based on their region of origin is especially beneficial for SMEs that want to market a product produced under particular natural conditions and by unique handicraft. It is recommended that marketers of regional products target quality-conscious consumers in particular, who appreciate naturalness and craftsmanship and have a strong sense of belonging to the region. This basically implies a competitive marketing policy of focus and differentiation and not of low cost. Finally, it is suggested that future research examine if and how the marketing use of the region of origin can be extended beyond food products into industrial products (e.g., computers from Silicon Valley).

SAMENVATTING (SUMMARY)

Globalisering is één van de meest uitdagende karakteristieken van deze tijd. Het belang van landsgrenzen wordt kleiner en mede als gevolg hiervan neemt niet alleen de bereikbaarheid van markten, maar ook de concurrentie toe. De toenemende concurrentie maakt het met name voor kleine en middelgrote bedrijven steeds moeilijker om te kunnen overleven. Ze worden gedwongen creatief te zijn, en zich met beperkte middelen toch te onderscheiden in de markt. Een mogelijke strategie kan zijn om de regio van herkomst in de marketing te benutten. Door gebruik te maken van unieke lokale karakteristieken en deze te relateren aan specifieke producteigenschappen, kunnen kleine en middelgrote bedrijven hun producten voorzien van een eigen identiteit. Men kan bijvoorbeeld unieke lokale kennis of een uniek klimaat gebruiken om een product voort te brengen dat specifieke eigenschappen heeft. Behalve dat deze producten kunnen voorzien in de vraag naar kwaliteit en onderscheidende producteigenschappen, stellen zij consumenten in staat een product te kopen waarmee ze zich kunnen identificeren.

Producten die op de markt worden gebracht op basis van de regio van herkomst, regionale producten, zijn gedefinieerd als ‘producten waarvan de kwaliteit of bekendheid kan worden toegeschreven aan de regio van herkomst en die op de markt worden gebracht met gebruikmaking van de naam van de regio van herkomst’. Ondanks de toenemende interesse in regio’s en de kansen die hieruit voortvloeien, is er nog weinig onderzoek gedaan naar de rol van de regio van herkomst in het aankoopproces van regionale producten. Gezien het toenemende belang van regionale producten is het belangrijk dat we begrijpen waarom consumenten regionale producten kopen en hoe consumenten tot deze beslissing komen. Op basis van deze kennis zijn kleine en middelgrote bedrijven beter in staat regionale producten te ontwikkelen en op de markt te brengen. Om deze kennis te verkrijgen is in dit onderzoek de rol van de regio van herkomst tijdens het hele aankoopproces onderzocht.

Op basis van bestaande literatuur over aankoopprocessen, consumentenbehoeften en de wijze waarop consumenten informatie verwerken en onthouden, is een onderzoeksraamwerk ontwikkeld. Het raamwerk gaat er vanuit dat consumenten verschillende fasen doorlopen om een bepaald consumptieprobleem op te lossen. Aan de hand van dit raamwerk is het theoretische fundament gelegd voor de potentiële rol van de regio van herkomst in elke fase van het aankoopproces en zijn hypothesen geformuleerd. Deze hypothesen zijn vervolgens getoetst aan een aantal empirische studies. We hebben aangetoond dat het voorgestelde onderzoeksraamwerk van grote waarde is voor het analyseren van de rol van de regio van herkomst in het aankoopproces. Dit geldt voor zowel nieuwe regionale producten, voor bestaande regionale producten die geïntroduceerd worden in nieuwe markten, als voor bestaande regionale producten in bestaande markten.

We zullen nu de rol van de regio van herkomst in elke fase van het aankoopproces bespreken.

Fase van Behoeftes-herkenning

Wanneer consumenten worden geconfronteerd met een regionaal product, kunnen de behoeften die worden opgeroepen door de regio van herkomst, een aankoopproces op gang brengen. Zo kan het zijn dat consumenten die de naam van de regio zien, de behoefte voelen om hun betrokkenheid bij die regio te uiten en daarom het regionale product kopen, ook als men niet van plan was iets te kopen. Het kan ook gebeuren dat een consument tijdens latere fasen van een aankoopproces voor een bepaald product een regionaal product als mogelijk alternatief tegenkomt. In deze situatie kunnen de behoeften die worden opgeroepen door de regio van herkomst ook een sturende werking hebben en er toe leiden dat de consument in plaats van het merk dat hij altijd koopt, besluit om het regionale product te kopen.

De behoeften die consumenten tijdens de behoefte-herkenningsfase activeren, spelen een belangrijke rol tijdens het aankoopproces. In een aantal groepsdiscussies is een uitgebreide lijst van aankoopmotieven voor regionale producten vastgesteld. Op basis van Sheth, Newrnan and Gross' (1991) classificatie van consumptiewaarden van producten zijn deze motieven geclassificeerd. Een belangrijke reden van consumenten om regionale producten te kopen is de hoge kwaliteit van deze producten. Door te voorzien in de behoefte aan kwaliteit, hebben regionale producten een hoge functionele waarde. Een andere belangrijke reden voor het kopen van regionale producten betreft de sociale waarde van deze producten. Deze waarde wordt ontleent aan het feit dat de regio van herkomst verwijst naar een 'sociale groep' waarmee de consument zich identificeert. Afhankelijk van de mate waarin een consument bij een 'groep' wil horen, en de mate waarin hij zich identificeert met de betreffende regio, wordt de sociale waarde van het regionale product groter. De functionele en sociale waarden van regionale producten kunnen variëren in verschillende gebruikssituaties (conditionele waarden). Wanneer een consument een fles wijn koopt als cadeau voor een "patriotische" vriend kan de sociale waarde van regionale wijn bijvoorbeeld van meer betekenis zijn dan wanneer de fles wijn wordt gekocht voor persoonlijke consumptie. Door affectieve gevoelens op te wekken die de behoefte aan geluk en blijdschap kunnen bevredigen, zijn regionale producten ook in staat consumenten te voorzien van emotionele waarde. De zogenaamde epistemische waarde van regionale producten, de mate waarin regionale producten voorzien in de behoefte aan stimulatie en prikkeling, is beperkt.

Zoeken naar informatie vóór de aankoop

Wil een regionaal product kans maken gekocht te worden, dan moet de consument zich het product herinneren of het herkennen tijdens het zoeken naar productinformatie vóór de aankoop. De kans dat het regionale product wordt herinnerd dan wel herkend, hangt sterk af van de toegankelijkheid van regionale productinformatie in het geheugen van consumenten. In dit onderzoek hebben we laten zien dat de toegankelijkheid van regionale-productinformatie in het geheugen van consumenten toeneemt, als de betrokkenheid van consumenten bij de regio van herkomst groter wordt. We hebben laten zien dat de regionale betrokkenheid consumenten stimuleert in het zoeken naar regionale informatie. Doordat consumenten meer intensief zoeken

naar regionale informatie, neemt de kans dat men informatie over regionale producten tegenkomt toe. Hoe vaker consumenten regionale productinformatie tegenkomen, hoe toegankelijker deze informatie wordt. De regionale betrokkenheid van consumenten vergroot ook hun motivatie om regionale-productinformatie te verwerken. We hebben vastgesteld dat hoe meer gemotiveerd consumenten zijn om deze informatie te verwerken, hoe toegankelijker deze informatie wordt. Het effect van de regionale betrokkenheid op de toegankelijkheid van regionale-productinformatie hangt af van de relatie tussen het product en de regio. Als consumenten van mening zijn dat het product een belangrijk onderdeel uitmaakt van de regionale cultuur, dan is het effect groter dan wanneer consumenten deze relatie niet zo sterk zien.

We hebben eveneens vastgesteld dat de betrokkenheid bij de productcategorie waartoe het regionale product behoort, de toegankelijkheid van regionale-productinformatie bevordert. Deze betrokkenheid beïnvloedt de toegankelijkheid van regionale-productinformatie met name als gevolg van een grotere motivatie om deze informatie te verwerken. Als marketeers in staat zijn een relatie tussen het regionale product en de regionale cultuur te leggen en consumenten op de juiste plaatsen van regionale-productinformatie te voorzien, dan kunnen zij profiteren van zowel de regionale betrokkenheid als de betrokkenheid bij de productcategorie en zo kans dat het regionale product tijdens het aankoopproces in overweging wordt genomen, vergroten.

Perceptie en Evaluatie

Om te bepalen of een regionaal product in staat is in bepaalde behoeften te voorzien, gebruiken consumenten hun kennis over de regio van herkomst en de productcategorie waartoe het product behoort. Die kennis wordt automatisch opgeroepen wanneer men de naam van het regionale product tegenkomt. We hebben vastgesteld dat wanneer de regio van herkomst wordt geactiveerd, ondermeer het product-specifieke, regionale imago wordt opgeroepen. Dit imago is het beeld dat consumenten hebben van de geschiktheid van de regio voor het produceren van het product. We hebben laten zien dat het product-specifieke, regionale imago een meer-dimensionaal fenomeen is, bestaande uit een menselijke, natuurlijke, en een klimatologische dimensie. Op basis van dit imago vormen consumenten zich een beeld van de karakteristieken van het regionale product. Het natuurlijke van de regio van herkomst heeft bijvoorbeeld invloed op de beleving van hoe gezond het regionale product is. Als consumenten denken dat er veel kennis en ervaring in de regio bestaat voor het maken van een specifiek product, versterkt dit het kwaliteitsoordeel over het product. De mate waarin deze karakteristieken voorzien in bepaalde behoeften, bijvoorbeeld de behoefte aan kwaliteit, bepaalt de consumentenhouding ten aanzien van het regionale product. We hebben vastgesteld dat de relatieve invloed van de menselijke dimensie groter is voor producten met een hogere toegevoegde waarde (bijvoorbeeld bier), en de relatieve invloed van de natuurlijke dimensie groter is voor producten met een lagere toegevoegde waarde (bijvoorbeeld aardappelen). Het product-specifieke, regionale imago wordt met name door consumenten gebruikt in de beeldvorming over de product karakteristieken en werkt zo in op de houding ten aanzien van het product. Het algemene imago van de regio daarentegen, werkt ook direct in op de houding ten aanzien van het regionale product.

Keuze

De aankoopintentie van consumenten met betrekking tot het regionale product wordt beïnvloed door hun houding ten aanzien van het product, in vergelijking met concurrerende alternatieven. Deze relatieve houding is gebaseerd op de verwachtingen die consumenten hebben met betrekking tot de functionele, sociale en emotionele eigenschappen van het regionale product. Deze verwachtingen zijn grotendeels gebaseerd op het product-specifieke en algemene regionale imago. De houding ten aanzien van het regionale product wordt met name bepaald door de mate waarin de verwachte functionele, sociale en emotionele kwaliteiten voorzien in consumentenbehoeften.

In dit onderzoek hebben we laten zien dat gedurende de eerste aankoop, de aankoopintentie van consumenten met betrekking tot het regionale product positief wordt beïnvloed door het kwaliteitsbeeld dat consumenten hebben van het regionale product en door de mate van regionale betrokkenheid. Verder is aangetoond dat de aankoopintentie van het regionale product uit de eigen regio toeneemt naarmate consumenten zich meer moreel verplicht voelen om het lokale regionale product te steunen (regiocentrisme). De positieve invloed van zowel de mate van regionale betrokkenheid als de morele drang het lokale product te ondersteunen, hangt af van de mate waarin het regionale product wordt beschouwd als onderdeel van de regionale cultuur en het regionale erfgoed. Hoe sterker de relatie tussen het regionale product en de regio van herkomst in de beleving van de consument is, des te groter bleek de invloed van de regionale betrokkenheid en van de morele drang om het product te ondersteunen. Ook wezen de resultaten er op dat de emoties die worden opgeroepen door de regio van herkomst, een grote invloed hebben op de aankoopintentie van het regionale product.

Consumententrouw met betrekking tot Regionale Producten

Wanneer het regionale product voldoet aan de verwachtingen van de consument, zal een gevoel van bevrediging worden ervaren. Dit gevoel, alsmede de (aangepaste) productverwachtingen, beïnvloeden de houding ten aanzien van het regionale product na aankoop. Wanneer het regionale product blijft voldoen aan de verwachtingen en de consument tevreden blijft over het product, kan de consument na verloop van tijd een sterke en positieve houding ten aanzien van het regionale product ontwikkelen. Deze houding beïnvloedt toekomstige aankoopbeslissingen alsmede het gedrag van de consumenten omtrent het regionale product. De consument kan een trouwe klant van het regionale product worden. Een belangrijke voorwaarde voor het realiseren van consumententrouw ten aanzien van het regionale product is dat de productkwaliteit consistent is en blijft. Imitatieproducten kunnen consumententrouw ondermijnen. Door het regionale product wettelijk te beschermen, kan de kans op inconsistente en ongewenste productervaringen worden gereduceerd. In 1992 heeft de Europese Commissie regelgeving geïntroduceerd die bedrijven in staat stellen, hun regionale product wettelijk te beschermen tegen imitatieproducten. Beschermd regionale producten kunnen thans op de markt worden gebracht met een certificaat van oorsprong, een PDO/PGI-beschermingslabel.

In dit onderzoek is aangetoond dat het consumptie-aandeel van het PDO-beschermde regionale product (herhalingsaankopen) samenhangt met de houding ten aanzien van het product. Een positieve houding ten aanzien van het PDO product vergroot ook de extra marge die consumenten bereid zijn te betalen voor het product in vergelijking met concurrerende producten die niet worden beschermd. Verder is aangetoond dat een positieve houding ten aanzien van het PDO product negatieve consumentenreacties op relatieve prijsstijgingen van het product verkleint. Op basis van deze resultaten is geconcludeerd dat consumenten trouwe klanten kunnen worden van het PDO product.

Een belangrijke factor voor het realiseren van consumententrouw is de kwaliteit van het PDO product. We hebben laten zien dat het kwaliteitsbeeld dat consumenten hebben van het PDO product een belangrijke determinant is van de trouw aan het regionale product. Daarnaast hebben we laten zien dat de consumentenhouding ten aanzien van het PDO product wordt beïnvloed door de houding ten aanzien van de regio van herkomst en het imago van PDO-labels. Als zodanig vergroten beide de consumententrouw aan het product.

Op basis van de resultaten van dit onderzoek zijn implicaties voor marketeers besproken. Verder is een aantal beperkingen van dit onderzoek besproken. We concluderen dat als consumenten bekend zijn met de regio en positieve en relevante, toegankelijke associaties hebben met het gebied, het op de markt brengen van producten op basis van de regio van herkomst in het bijzonder interessant is voor kleine en middelgrote bedrijven, met name als het product onder specifieke, natuurlijke omstandigheden en of met uniek vakmanschap is geproduceerd. Marketeers van regionale producten zouden zich vooral moeten richten op kwaliteitsbewuste consumenten, die natuurlijkheid en ambacht waarderen, en zich sterk betrokken voelen bij de regio.

CURRICULUM VITAE

Koert van Ittersum was born on July 29, 1972 in Leiderdorp (The Netherlands). He grew up in Apeldoorn. After he finished his secondary education (HAVO), in 1989 he went to the Agricultural College Larenstein in Deventer. The first two years of his study focussed on agricultural production. During these two years Koert got increasingly interested into economics and decided to specialize in International Agricultural Trade during the second half of this study. During this part of the study, he learned about the basics of marketing and consumer behavior as well as marketing research. Although only the basics were taught, Koert got so enthusiastic about this research field that he decided to go to Wageningen University after he had finished his BSc in Deventer (1993). In Wageningen, Koert studied Economics for three years. He did one master thesis entitled "Situational Determinants of the Use of Products". Dr. Math J.J.M. Candel supervised his thesis. In August 1996, Koert received his MSc, with honors. Since that time, he has worked as a Doctoral Candidate at Wageningen University, Marketing and Consumer Behaviour Group. Since the academic year 2000, he has been a visiting scholar at the University of Illinois at Urbana-Champaign, Department of Business Administration.

His research interests are place-of-origin effects, branding, brand equity, the effect of usage situations, and consumer decision-making processes.

APPENDIX I

FOCUS GROUPS – METHODOLOGY

Introduction

The focus groups were conducted as part of a European research on regional products (paid contract no. FAIR1-CT95-0306). In this research, researchers from six European countries were involved (France, Greece, Italy, Netherlands, Switzerland, United Kingdom). Twenty regional products were examined.

The focus groups on these products were conducted to obtain some preliminary insights in consumers' motives for purchasing these products, among others. In the next sections, the methodology used is described.

Product Selection

Focus groups were conducted on twenty regional products. Table 1 gives an overview of the regional products examined. All products were food products, because we anticipated a stronger relationship between specific regional characteristics and the identity of regional products for natural products, vis-à-vis industrial products.

The regional products examined belong to different product categories. These are cheese, meat, fruit, potatoes and olive oils. For each product category, at least two regional products from different countries were selected. For each product, a series of focus groups were conducted.

Sampling of Respondents

For each regional product, three focus groups were conducted. One group of respondents was recruited from the region of origin of the product. A second group of respondents was recruited from a medium sized city outside the product's region of origin. Finally, a third group of respondent was recruited from a large city outside the product's region of origin. On average, eight respondents participated per focus group. In total, 60 focus groups were conducted involving over 470 respondents. Table 2 gives a schematic overview.

Table 1: Regional Products

Product	France	Greece	Italy	Netherlands	Switzerland	United Kingdom
Cheese	Cantal cheese Comté cheese	Feta cheese	Parmigiano Reggiano Fontina cheese	Noord-Hollandse Edam cheese Noord-Hollandse Gouda cheese Boeren-Leidse met Sleutels cheese	Gruyère cheese	West-Country farmhouse Cheddar
Meat	Quercy lamb		Parma ham			Scotch lamb
Fruit		Zagora apples			Valais Apricots	
Potatoes	Merville Potatoes			Opperdoezer Ronde potatoes		Jersey Royal potatoes
Olive Oil	Nyons olive oil	Peza Olive oil				

Table 2 Respondent Selection Method

	Inside the region		Outside the region	
			Medium sized city	Large city
Cantal cheese	Group 1		Group 2	Group 3
Comté cheese	Group 4		Group 5	Group 6
.....	Group ...		Group ...	Group ...
.....	Group ...		Group ...	Group ...
Scotch lamb	Group 55		Group 56	Group 57
Jersey Royal potatoes	Group 58		Group 59	Group 60

As group discussions do not provide quantifiable results that can be generalized to the population, convenience samples were used. Rather, richness of the information was an important criterion: we were interested in the diversity of motives for purchasing regional products, regional product associations, and in the diversity of relations between concepts as mentioned by consumers. This implied that there should be some conditions leading to heterogeneity among the respondents taking part in the group discussions. Hence, different criteria for respondent selection were used.

First, as mentioned, we interviewed regional residents, non-regional residents living in a medium-sized city and non-regional residents living in a large city. Next, we selected only respondents who are responsible for most of the purchases of food products for their household. Also, a selection took place based on the use of the product under consideration. In each group, at least some of the respondents were regular users of the product. Respondents that knew the product but did not use it very frequently, or did never use it, were also included in the group. Including both “heavy”, “light” and non-users in the group assured maximum richness of information gathered.

Methodology

Since focus groups were conducted in different countries, care was taken with the preparation of the focus groups. In order to assure that the same methodology was applied with regard to the selection of the respondents and the execution of the group discussions, a guideline was developed. To structure the focus groups and their outcome it was decided to use a fixed guideline during the discussions. Although all questions included in the guideline had to be discussed, consumers were allowed and stimulated to address other aspects as well. The fixed guideline, though, enabled us to compare consumer responses across the countries and products examined.

All group discussions were recorded. The focus groups lead to an inventory of consumer motives for (not) purchasing these products, associations with the product, and for instance, associations with the product’s region of origin. The taped material, next, was transcribed literally and the responses classified using the guideline.

APPENDIX II

THE CONSUMPTION VALUES OF REGIONAL PRODUCTS

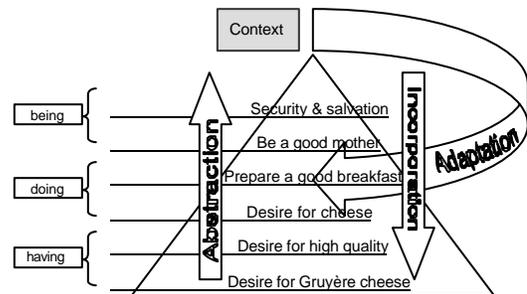
Introduction

In this appendix, we combine Huffman et al.’s (2000) model for examining goal determination processes with Sheth et al.’s (1991) classification of consumption goals, and apply this combination to some consumer motives for purchasing regional products, as identified during the focus groups. As such, a better understanding can be obtained of how combining Huffman et al.’s model and Sheth et al.’s classification yields insights into the sources of the different consumption values of regional products.

Functional Value

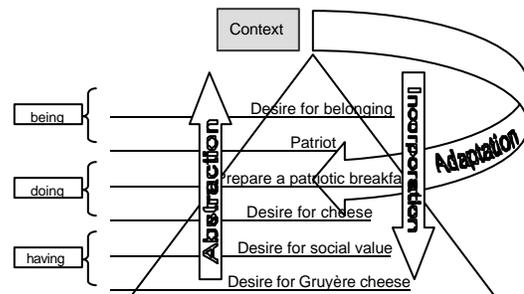
As shown in chapter 2, during all focus groups the importance of specific intrinsic product qualities, such as taste and color, was apparent. Consumers purchase regional products because of the intrinsic qualities (and the higher-level goals they satisfy) and not only because of their associations with the region of origin. Or, as one consumer described it: *‘Regional products must have something extra. It can’t be that you don’t taste any difference’*. Sheth et al. (1991) refer to this desired value as the *functional value*, which is defined as ‘the perceived utility acquired by an alternative as the result of its ability to perform its functional, utilitarian, or physical purposes’.

Consumers’ desire for functional value may be determined by different higher-level goals (i.e., incorporation), such as being a good mother (i.e., life projects) and striving for security and salvation (i.e., life themes and values). Having identified a desire for cheese (i.e., consumption intention) while preparing a good breakfast (i.e., current concern), consumer’s desire for high quality (i.e., benefits sought) will guide his or her search for the alternative (e.g., Gruyère cheese) in the product category. Or, as one respondent mentioned during the focus groups: *“If, however, I decided to have new potatoes, and there were Jersey’s there, regardless of price, I would go for them”*. The perceived quality of an alternative is inferred (i.e., abstraction) based on perceived functional, utilitarian or physical features (i.e., feature preferences).



Social Value

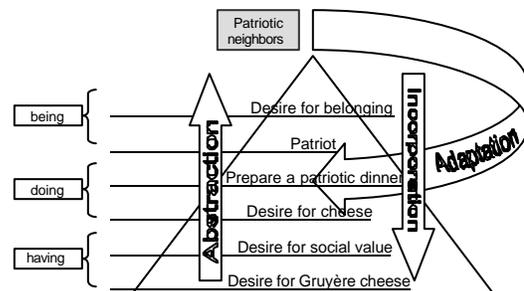
Regional products have shown to cater social value as well. During the focus groups several consumers indicated that they purchase regional products to support local producers (i.e., life project), to express their sense of belonging with the product's region of origin (i.e., life themes and values), or to preserve their identity in a globalizing world (i.e., life themes & values). One respondent (an inhabitant of Gruyère), when asked what she thought of Gruyère cheese, said: *'We identify with [the region] Gruyère. We must defend the product [Gruyère cheese]. In Switzerland, we let everything be stolen'. From a cultural point of view, having something that belongs to you is quite important'*. Consumers thus perceive regional products to have the ability to satisfy their desire to belong to the regional groups and communicate their sense of belonging. This desire guides consumers during the purchase process of products. For instance, a consumer who has to go to the store to purchase cheese (i.e., consumption intention) for daily use (i.e., current concern), driven by his or her desire for belonging (i.e., life themes and values) may search for a *locally* produced cheese (i.e., feature preference). Or, as one consumer mentioned: *'Even if I have to choose between two cheeses, say one from Friesland and one from Noord-Holland, and the Friesian cheese tasted better, I would choose the cheese from Noord-Holland, my own region of residence. Yes, I am that fanatic'*. In all instances, the region-of-origin cue exposes the product's place of origin with which consumers identify themselves to a larger or lesser extent.



Consumers thus perceive regional products to have the ability to satisfy their desire to belong to the regional groups and communicate their sense of belonging. This desire guides consumers during the purchase process of products. For instance, a consumer who has to go to the store to purchase cheese (i.e., consumption intention) for daily use (i.e., current concern), driven by his or her desire for belonging (i.e., life themes and values) may search for a *locally* produced cheese (i.e., feature preference). Or, as one consumer mentioned: *'Even if I have to choose between two cheeses, say one from Friesland and one from Noord-Holland, and the Friesian cheese tasted better, I would choose the cheese from Noord-Holland, my own region of residence. Yes, I am that fanatic'*. In all instances, the region-of-origin cue exposes the product's place of origin with which consumers identify themselves to a larger or lesser extent.

Conditional Value

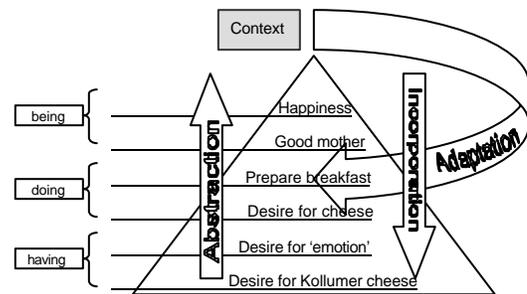
Some situations are more suited for the consumption of specific regional products than others. Opperdoezer Ronde potatoes, for instance, due to their perceived quality, are considered especially suited for a dinner with family and friends. During the focus groups on Opperdoezer Ronde potatoes, one of the respondents mentioned: *'When we are having people over for dinner, I want to serve a good potato [Opperdoezer Ronde]'*. Sheth et al. (1991) consider two values that may vary in perceived importance across usage situations, namely the functional (*conditional functional value*) and social value (*conditional social value*) of a product. Thus, consumers may have more or less desire for functional and/or social value, and hence attach more or less value to the functional and/or social value of a product in different usage situations. These values are not internalized in the product. With respect to the Opperdoezer Ronde example, consumer's higher-level goal of being a good host (i.e., life projects) may persuade him/her, while shopping for potatoes



(i.e., current concern) to be served at a dinner with friends (i.e., consumption intention) to purchase Opperdoezer Ronde potatoes (i.e. feature preference) instead of the lower-quality potato s/he always purchases for personal consumption (*conditional functional value*). When having his/her *patriotic neighbors* over for dinner, his/her desire to express his/her association with the own region of residence may also result in the purchase of a locally produced potato. The product is said to provide *conditional social value* to the consumer. During the focus groups, some consumers stated that they find it fun to be able to purchase a typically local product when they are in a region. *“If you are in the region, you can really purchase something from the area”*. In this context, regional products may only have value for a consumer on holidays in the region of origin of that regional product.

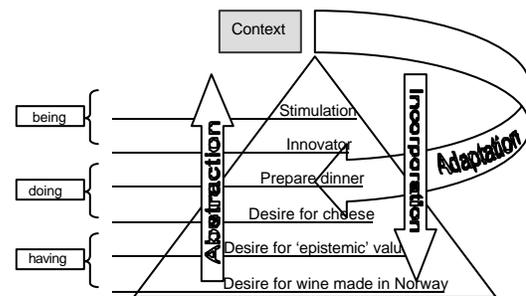
Emotional Value

During the focus groups, several remarks indicated that regional products arouse positive feelings that influence the decision-making process. For instance, when asked what she appreciated in Gruyère cheese, one consumer said: *‘It origins from the mountain pastures, it may not be the best, but it’s manufactured with the most of love’*. Sheth et al. (1991) define this capacity as the emotional value of an alternative. Regional products acquire emotional value when associated with specific feelings or when they facilitate or perpetuate feelings (Sheth et al. 1991). Different emotional feelings can be distinguished, ranging from happiness, sadness, anger, guilt, to, for example, fun. Regional products may arouse feelings of happiness through their memories of pleasant holiday experiences in the product’s region of origin or feelings of anger based on their memories of people’s behavior in the product’s region of origin. For instance, a consumer of Kollumer cheese decided to stop purchasing this cheese because the product’s place of origin evoked feelings of anger (Schuddeboom 1999). These feelings of anger were due to discriminatory behavior of some local inhabitants of Kollum (a small village in the north of the Netherlands) towards persons seeking political asylum, after a local child had been murdered. Thus, although the functional value of Kollummer cheese satisfied the consumer’s desire for perceived quality, the emotional value provided by the product was such that she decided not to purchase the product anymore.



Epistemic Value

Although transient, and not specifically addressed during the focus groups, regional products are also able to provide consumers with something new and different, hence arousing curiosity and providing novelty. One respondent, for instance, mentioned that *'although I did not really like the taste of a certain regional cheese, I bought it because it is different'*. This is referred to as the epistemic value of a product. Sheth et al. (1991) define epistemic value as 'the perceived utility acquired by an alternative as a result of its ability to arouse curiosity, provide novelty, and/or satisfy a desire for knowledge-seeking aspirations'. The epistemic value relates to consumer's higher-level goals of stimulation. Although regional products do not directly seem to differ from other new or different products in providing consumers with epistemic value, one aspect may provide a regional product with more epistemic value than other new product. We refer to the perceived match or congruity between a product category and the product's region of origin. For instance, a wine from Norway may cause more arousal than a wine from France.



Both entirely new products, and products with, for example, minor changes, have epistemic values. As long as consumers perceive the product to be different during the first acquaintance, some epistemic value is expected.

APPENDIX III

CONSUMERS' ASSOCIATIONS WITH REGIONAL PRODUCTS (FROM FOCUS GROUPS)

Introduction

In this appendix, we give an overview of a selection of consumer associations with regional products, brought forward during the focus groups. These are classified into regional, product category and regional product associations. Further, extensive qualitative insights are given into the use of product-specific regional associations in inferring the attributes of regional products.

Associations with Regional Products⁶⁵

- I: What associations do you have with Apricot Valais?
 R.: Sensual, delicate, juicy, firm.
 R.: Good fruit, sun, summer, tree, blossoms of trees, perfume.
 I: What associations do you have with Parma ham?
 R.: Sweetness, ham firmness, melons, the fresh air of the production area.
 I: What associations do you have with Fontina cheese?
 R.: The quality of the Fontina relates to the local hay quality, and the air of the Valle d'Aosta

Associations with Region of Origin and Product Category

- I: What does *Valais* mean to you?
 R.: Sun, mountains, fertile.
 I: What does the word *Gruyère* mean to you?
 R.: Pasture land, cows, cream, the primary cheese, sun, skiing, wine-cheese, going up and down the mountain.
 R.: Pastures, mountain, cheese, region, cattle drive up the alps.
 I: What associations do you have with *Parma*?
 R.: Parmigiano Reggiano cheese, milk, hills.
 I: What associations do you have with *Valle d'Aosta*?
 R.: Beauty of view, green pastures, fresh air, clean, no pollution.
 I: What does the word *apricot* mean to you?
 R.: Sun, summer, heat, and soil.

Inferring Product Attributes Using Product-Specific Regional Associations

- R.: The potatoes in Opperdoes have a difference taste depending on whether they are grown at the north or south side of the village. The soil is important for the special taste of the potato. The best soil is a little rich.
 R.: Yes, soil with light sandy clay is the best for growing Opperdoezer Ronde.
 I: Do you think it matters where the milk for Edam cheese comes from? Would it matter if the milk came from a different region than Noord-Holland?
 R.: Yes, sure, the cheese would taste entirely different.
 R.: It is just like when the cows go outside for the first time in spring. The milk has a different taste then.

⁶⁵ 'R' stands for 'Respondent'. 'I' stands for 'Interviewer'

- R.: Yes, the milk is different. When the cows enter the pastures again for the first time in spring, and have eaten fresh grass, cheeses have a different taste. This “proves” that differences in fodder can cause a difference in the taste of cheese.
- R.: The way of production in different regions may be the same, but the raw materials differ. The fodder is different as well.
- I.: Do you think cheeses made in Leiden and, for instance, Groningen differ? Or, are they all the same?
- R.: I don’t know.
- R.: I think they differ due to the raw materials, the water.
- R.: There will be differences. Depends for instance on how clean the ground is
- R.: Differs. Depends on the grass, the type of soil, the variety, and the climate.
- R.: The best cheesemakers live in mountainous regions [Greek respondent talking about differences in feta cheese made in different regions, red.].
- R.: Differences in olive oil quality are due to differences in regional characteristics of producing olive oil and the olives used.
- I.: It was mentioned that they know the region of origin of Peza olive oil and that it has a very good climate and soil for producing this product.
- R.: They [Zagora apples] are harder with a full flavor, since they are produced in mountainous areas.
- I.: What is it about Jersey Royal potatoes that make them different?
- R.: Got a mild climate. Like Southern France.
- R.: Its like grapes in different areas of France.
- R.: The earth gives them different flavors too.
- R.: Jersey has got a unique island and soil... it is a volcanic island. There are pockets of minerality that are different. It affects the soil. They are more southerly and westerly and get different rain and wind, climate. They have mild winters. I do not think they ever have any snow, the Channel Islands... that’s why you get the flowers and vegetables. You cannot really compare it. It’s like saying you can grow grapes here... well you can but...
- I.: However, the tradition of how it is made and eaten is affirmed, as well as the existence of a “savoir-faire”, which is transmitted from generation to generation. Cantal is like a recipe that has its historical origin in Auvergne somewhat like buckwheat pancakes in Brittany.
- R.: The natural setting – pastures, temperature, cellar humidity – as well as the type of cheese-making determine the product’s final quality. Therefore, it would seem difficult to make a “good” quality Cantal outside of its own region.
- R.: There are natural limitations. Cantal cannot be made in another region, because the weather conditions are not favorable. It has been given the name Cantal. It is to remind us that it is made there.
- R.: Three factors contribute to the quality of the product; the geographic origin, the race of the cow, and technical expertise.
- R.: Much sunshine is needed for the production of olives, as well as hills and poor, rocky soils.
- R.: The soil must be important. Olives tastes different wherever you are.
- R.:Products coming from the hills and mountain areas have a better taste.

APPENDIX IV

RESULTS OF FOCUS GROUPS REGARDING PDO/PGI BELIEFS

Introduction

In this appendix, we give an overview of the definition of the PDO/PGI regulation used in the focus groups. Additionally, a selection of consumer beliefs, related to the PDO/PGI protection labels, is given, which formed the basis for developing a scale for measuring consumers' image of the PDO/PGI protection labels.

Definition of Protected Designation of Origin/Protected Geographic Indication

Protected Designation of Origin:

On the basis of a recent EC regulation, it is possible to classify certain [product] as products with a protected designation of origin. Products with a protected designation of origin are products of which the name refers to the area where the production, processing *and* preparation occur. Only these products are allowed to carry this name, since the quality of these products can be attributed to the region denoted by the name. Specialized institutes will regularly check whether the products satisfy the criteria for receiving this protection.

Protected Geographical Indication:

On the basis of a recent EC regulation, it is possible to classify certain [product] as products with a protected geographic indication. Products with a protected geographical indication are products of which the name refers to the area where the production, processing, *or* preparation occur. Only these products are allowed to carry this name because the fame or some other quality of the product may be attributed to the region denoted by the name. Specialized institutes will regularly check whether the products satisfy the criteria for receiving this protection.

Importance of Origin⁶⁶:

- I.: Is it important that, for instance, Noord-Hollandse Edam cheese originates in Noord-Holland, or can it also originate in Limburg?
- R.: One should not produce Noord-Hollandse cheese in Limburg.
- R.: I do not consider Doesburger potatoes that do not originate in Doesburg as true Doesburg potatoes
- R.: It depends, if the cheese were made with the same procedures...
- R.: In first instance, I would feel cheated if I found out that the Noord-Hollandse Edam cheese I bought had not been produced in Noord-Holland.
- R.: I do not really mind. I always taste the product prior to purchase. Independent of whether the product is made in Edam or Purmerend, I do not mind. However, if it claims to be produced in Edam, I want to purchase a real Edam cheese.
- R.: If I want to purchase Leidse cheese, than the cheese I purchase should be Leidse cheese. I think there should be label on the product guaranteeing this.

Beliefs about PDO/PGI Protection Labels

- I.: What is your opinion about a PDO/PGI protection label?
- R.: I think it is a good thing.

⁶⁶ 'R' stands for 'Respondent'. 'I' stands for 'Interviewer'

- I: Why?
- R.: It protects the characteristics of the Opperdoezer Ronde. It protects the regional identity of the product.
- R.: Otherwise, you get a shallowing of the taste and perhaps the price you get for the protected product is somewhat higher. You make the market more eager.
Yes, that is why you can't produce the product everywhere.
- R: Protecting is a good thing. Maybe I am a little selfish, but this potato is very important for the income for market gardeners here. Most market gardeners cannot exist without the Opperdoezer Ronde.
- R.: They would ruin the reputation of the potato, if they grew it in places not suited like Opperdoes.
- R.: The price will be going down if you grow this potato everywhere. It will not be a speciality anymore.
- R.: I think it is fine that I, as a consumer, know what I buy, and that I can rely on that.
- R.: I think it is a good thing. By doing this, the product maintains its regional character. I think the milk in Noord-Holland tastes different from the milk produced in, for instance, Limburg
- R.: The authenticity of the product is guaranteed.
- R.: This protection regulation avoids that producers produce imitation products.
- R.: It increases the reliability. Otherwise, you might be confronted with an Edam cheese produced in Greece
- R.: I think it is good for employability in the region. The production will remain in the region, and will not be taken over by others.
- R.: You get a better quality. It protects and guarantees the product quality
- R.: It enhances consumers' trust in the products. The consumer knows what s/he gets.
- R.: It is good for both producers and consumers. It guarantees quality.
- R.: That you're guaranteed something, ... that it is genuine.
- R.: The product has got to come from where they say it does.
- R.: You can trust this product because of its origin.
- R.: If it were not protected and someone else called it Scottish, it would not be as good and it would give the product a bad name.
- R.: Is it trying to protect a niche market? It is a price differential, does that lie behind the thinking of this? I do not see why anyone would want to apply for it if it did not have some economic benefit to it. For the producers it would offer a niche if they could get a market differentiated from other types of lamb. Maybe able to market it abroad ... images of Scotland in Italy.
- R.: I think it's consumer protection. We are going to have to pay for it. But it is considerable protection. currently you can walk in ... and get some scummy product. If we have a standard that you know when you buy will be
- R.: I would support that as an idea.... if someone were to produce a product that you don't want is a daft idea though. If you can create a genuine market for a product, with a price differential, which is produced in a fragile rural area, than it should have European support. Much better than saying were going to pay people to produce sheep because we want them to live there.
- R.: It is to protect the origin, to help identify quality.
- R.: To support producers.
- R.: Maybe I am naïve. I would buy them if they had an AOC (cf., PDO) because there are criteria for producing it.
- R.: Quality control.
- R.: It guarantees the product's region of origin, and a better quality.
- R.: It guarantees high quality, provenance from determined area and healthy product.
- R.: It guarantees organoleptic quality, hygiene, security from a sanitary point of view, and traditional production methods.
- R.: PDO guarantees the provenance from a determined production area, and is something that gives trust to consumers.
- R.: PDO guarantees a group of factors: provenance, quality health and respect for production processes.
- R.: PDO is an origin guarantee, a non-complete guarantee, a particular provenance does not necessarily correspond to a good quality.
- I: Are there any negative aspects related to the protection legislation?
- R.: I'm not aware of any negative aspects.
- R.: The price will increase and remain high.
- R.: The producers more or less become monopolists.

APPENDIX V**LIST OF PRODUCT ATTRIBUTES (DISPLAYED ARE THE LABELS OF THE END-POLES)**

Beer	
1. Low quality	High quality
2. Not nice	Nice
3. Weak taste	Strong taste
4. No a constant quality	Constant quality
5. No long tradition	Long tradition
6. For everyday use	For special occasions
7. For old-fashioned people	For modern people
8. Low alcohol percentage	High alcohol percentage
9. Unhealthy	Healthy
10. Unnatural	Natural
11. Produced on a large scale	Produced on a small scale
12. Many preservatives	No preservatives
13. Many calories	Few calories
14. Many additives	No additives
15. Industrial production	Craft production
16. Not sweet	Sweet
17. Not fruity	Fruity
18. Low price	High price
19. Clear	Turbid
20. Cheerless to drink	Cozy to drink
21. Not bitter	Bitter

Potatoes	
1. Low quality	High quality
2. No constant quality	Constant quality
3. For everyday use	For special occasions
4. No long tradition	Long tradition
5. Difficult to prepare	Easy to prepare
6. Not nice	Nice
7. Produced on a large scale	Produced on a small scale
8. Unhealthy	Healthy
9. Not fresh	Fresh
10. Few vitamins	A lot of vitamins
11. Many preservatives	No preservatives
12. Unnatural	Natural
13. Industrial production	Craft production
14. Late variety	Early variety
15. Weak taste	Strong taste
16. White pulp	Dark yellow pulp
17. Low price	High price
18. For old-fashioned people	For modern people
19. Weak structure	Firm structure
20. Easy to peel	Difficult to peel

The following titles have appeared in The Mansholt Studies:

Variety-seeking in product choice behavior:

Theory with applications in the food domain

J.C.M. van Trijp, 1995, paperback, Mansholt Studies 1

ISBN 90-6754-391-8

Simulation studies on the potential role of national identification and recording systems in the control of Classical Swine Fever

H.W. Saatkamp, 1996, paperback, Mansholt Studies 2

ISBN 90-6754-441-8

The price of soil erosion.

An economic evaluation of soil conservation and watershed development

J. de Graaff, 1996, paperback, Mansholt Studies 3

ISBN 90-6754-460-4

Economic modelling of pork production-marketing chains

M. den Ouden, 1996, paperback, Mansholt Studies 4

ISBN 90-6754-462-0

Rural reconstruction in a market economy

W. Heijman, H. Hetsen, J. Frouws, editors, 1996, paperback, Mansholt Studies 5

ISBN 90-6754-466-3

Quantifying farming systems: a multiple optimization approach

A case study in the Limestone area of East Java.

T. van Rheenen, 1996, paperback, Mansholt Studies 6

ISBN 90-6754-477-9

Risk management strategies in agriculture;

State of the art and future perspectives

R. Huirne, J. Hardaker and A. Dijkhuizen, editors, 1997, paperback Mansholt Studies 7

ISBN 90-6754-479-3

Political economy models and agricultural policy formation:

empirical applicability and relevance for the CAP.

F.A. van der Zee, 1997, paperback, Mansholt Studies 8

ISBN 90-6754-484-1

**Case studies in economics of renewable resources:
optimal management of trees, fish and mammals.**

E.H. Bulte, 1997, paperback, Mansholt Studies 9
ISBN 90-6754-485-X

**Rethinking rural human resource management;
the impact of globalisation and rural restructuring on rural education and training in
Western Europe**

W. van den Bor, J.M. Bryden and A.M. Fuller, 1997, paperback, Mansholt Studies 10
ISBN 90-6754-517-1

Risk and economic consequences of contagious animal disease introduction

H.S. Horst, 1998, paperback, Mansholt Studies 11
ISBN 90-6754-516-3

**The Market for Hedging Services: A Marketing – Finance Approach
with special reference to rights futures contracts**

J.M.E. Pennings, 1998, paperback, Mansholt Studies 12
ISBN 90-6754-524-2

**Agricultural Marketing in a Country in Transition
Case of sweetpotato products in Sichuan, P.R. China.**

X. Zhang, 1999, paperback, Mansholt Studies 13
ISBN 90-5808-081-1

**The Economics of Soil Conservation in Developing Countries:
The case of crop residue mulching**

O.C.A. Erenstein, 1999, paperback, Mansholt Studies 14.
ISBN 90-5808-089-7

Integral design: innovation in agricultural and resource management

C. Leeuwis, 1999, paperback, Mansholt Studies 15
ISBN 90-6754-585-6

**The EU's Grains, Oilseeds, Livestock and Feed Related Markets Complex:
Welfare Measurement, Modelling, and Policy Analysis**

R.A. Jongeneel, 2000, paperback, Mansholt Studies 16
ISBN 906754-586-4

**Risk attitude and risk perception in agroforestry decisions:
The case of Babati, Tanzania**

E.M.M. Senkondo, 2000, paperback, Mansholt Studies 17
ISBN 90-6754-587-2

**Economic analysis and policy implications of farm and off-farm employment:
a case study in the Tigray Region of Northern Ethiopia**

T. Woldehanna, 2000, paperback, Mansholt Studies 18
ISBN 90-6754-601-1

Distribution Service: Competition Within and Among Retail Formats

K. Koelemeijer, 2000, paperback, Mansholt Studies 19
ISBN 90-6754-599-6

Bio-economic household modelling for agricultural intensification

G. Kruseman, 2000, paperback, Mansholt Studies 20
ISBN 90-6754-618-6

Typical Tourists

Research into the theoretical and methodological foundations of a typology of tourism and recreation experiences

B. Elands and J. Lengkeek, 2000, paperback, Mansholt Studies 21
ISBN 90-6754-628-3

**Agricultural Marketing Systems and Sustainability
Study of Small Scale Andean Hillside Farms**

J. Castaño, 2002, paperback, Mansholt Studies 22
ISBN 90- 6754-669-0

