



Impacts of product, store and retailer perceptions on consumers' relationship to terroir store brand



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ABSTRACT

This research shows that consumers' relationship to terroir store brand, measured through attachment and two facets of brand loyalty (attitudinal and behavioral) is respectively influenced by their perceptions of the product, retailer and store. More specifically, the perceived authenticity of the products of the terroir store brand and its perceived value have a positive and significant influence on the attachment and behavioral loyalty of the regular buyers of this store brand and a positive and significant influence on the attachment of its occasional buyers. Trust in the retailer has a positive and significant impact on the behavioral loyalty of the regular buyers of this terroir store brand while perceived image of the store has only a positive and significant impact on the attitudinal loyalty of its occasional buyers.

1. Introduction

In France, after more than a decade of growth, store brands' (SB) market share began to stagnate in 2009; a decline followed. According to Nielsen, between 2014 and 2015, the market value of store brands fell from 28.8% to 27.7%. This trend continued in 2016, with a 0.8% decrease for SBs, compared with a gain of + 2.2% for national brands (NB). However, this variation is not homogeneous regarding the different types of positioning strategies related to the concept of SB. Whereas so-called standard store brands declined (– 1.0%), economy store brands plunged much more sharply (– 9.9%), while third-generation SBs that integrate terroir and organic products rose by 4.4% and 11.5% respectively.¹

These differences in performance may be explained by the nature of the positionings adopted by SBs. Standard store brands undoubtedly suffer from their “me-too product” policy. Mirroring the quality level of national brands products, their price level has become much less attractive. The Loi de Modernization de l'Economie (Modernization of the Economy Act, or LME) contributed to significantly reduce the SB–NB price differential, by 10–15 points. Store brands labeled as terroir, organic or third-generation have not faced this handicap. Their niche positioning shelters them from direct comparison with national brands. Their ability to respond to prevailing consumption logics manifested by the authentic (return to sources: local, terroir and traditions) and

citizen consumption (organic, quality line) explains the growth of their market share.

To date, works on consumers' relationships with SBs have mainly examined standard store brands (Binnering, 2007; Diallo et al., 2013; Belaid and Laccœuilhe, 2015). This is partly explained by their weight and seniority on the market. Third-generation SBs are more recent, particular those designated as terroir. The first such product appeared only in 1996, with “Reflets de France.” Starting in the early 2000s, most food retailers developed this type of offer to highlight culinary traditions and authentic know-how (Beylier et al., 2012; Lenglet et al., 2015). Even if this type of brand is less prominent than standard SBs, it nonetheless contributes to sales at the stores, to recruiting customers and building customers' loyalty to the stores and the retailer while cultivating their images. In parallel, for over 10 years diverse marketing research has examined terroir products. Studies in this field have notably focused on consumers' perceptions of their characteristics (Aurier et al., 2004; Fort and Fort, 2006; Spielmann and Gélinas-Chebat, 2012) and on the interaction between attitude toward terroir products and consumers' relationships with the territory in terms of regional belonging, regional ethnocentrism and attachment to a place (Aurier and Fort, 2005; Debenedetti, 2014; Charton-Vachet and Lombart, 2015).

Despite this economic vigor and the keen interest in the theme of terroir products (Aurier et al., 2004; Fort and Fort, 2006; Spielmann and Gélinas-Chebat, 2012), few studies have explored the relationship

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¹ Nielsen Trends, P7, 2016.

that consumers maintain with terroir SBs. This topic indeed seems worth investigating. This relationship may be influenced not only by consumers' perceptions of this type of offer, but also by variables linked to their vision of the store and of the retailer. Contrary to other terroir products, this type of brand is endorsed directly (e.g., "U-Saveurs") or indirectly (e.g., "Reflets de France" for Carrefour, "Nos Régions ont du Talent" for Leclerc) by the retailer and its stores. Jara (2009) demonstrated that the brand equity of standard SBs integrates the image of the branded products, the image of in-store service and that of the retailer at the institutional level. Moreover, the relationship that consumers maintain with terroir SBs may be moderated by consumers' profile. Binninger (2007) showed that consumers' buying profile of standard SBs (i.e., uninitiated, captive, unstable and engaged) influences the level of three variables relating to the relationship between consumers and these brands: satisfaction, attitude and loyalty.

Consequently, the present study will focus specifically on terroir SBs and thus complete the literature on this topic (Beylier et al., 2012; Lenglet et al., 2015). It will examine the relationship between consumers and terroir SBs by considering the direct and indirect impacts (through mediation effects) of customers' perceptions of the product, of the store and of the retailer on consumers' attachment and brand loyalty (attitudinal and behavioral). This study will thus provide to academics and practitioners a model highlighting the determinants of the relationship between consumers and terroir store brands. It will also stress the relative importance of these determinants according to their buyers' profile of terroir store brands (i.e., occasional versus regular buyers of terroir SBs).

First, we describe the specific features of terroir SBs. Then, the nature of consumers' relationship with this specific type of SB will be discussed along with the direct and indirect effects of consumers' perceptions of the product, of the store and of the retailer on this relationship. The moderating effect of consumers' profile on the studied relationship will also be considered. Ensuing research hypotheses will be posited. Lastly, the research methodology and results will be presented and the managerial implications and limitations will be discussed.

2. Conceptual framework

2.1. Terroir SB: a very distinct SB!

In this section, we first introduce the concept of terroir, then we focus on the characteristics of terroir products and finally, we define the subject of this paper, terroir store brands.

The concept of 'terroir', which has no direct translation in English (Lenglet, 2014), has numerous attributes. From a physical point of view, the concept of terroir relies on geographical and geological attributes. From a social point of view, this concept relies on human attributes. From a philosophical point of view, the concept of terroir relies on hedonic and symbolic attributes (Vaudour, 2002; Barham, 2003; Charters, 2006). Charters et al. (2017) define terroir as "a resource based on unique physical origins and shared cultural personification that shape a product's benefits into a meaningful value proposition not possible for products lacking this specific origin".

Considering terroir products, these specific products have two main characteristics: the grounding of the product in a geographical place and the existence of specific representations in consumers' minds related to history, culture and know-how (Aurier et al., 2004; Fort and Fort, 2006). In their synthesis of the scientific literature and of the work of professional organizations on the concept of terroir, Aurier et al. (2004) describe several elements that affirm, to varying degrees, the "terroir" characteristics of a product: the origin of the raw materials, along with the regional or local origin of the recipe or of the expertise, and the history of the company in its terroir. They thus distinguish three main sources of terroir products: reference to the geographic area, time and culture, and know-how. Moreover, terroir products are perceived

by consumers as unique, having not reproducible qualities: artisanal, recognizable, qualitative, or different (Spielmann and Gélinas-Chebat, 2012). Consequently, consumers are willing to pay more for consuming such products (Cross et al., 2011).

Considering the works of Beylier et al. (2012) and Lenglet et al. (2015) we define in this research terroir store brands as brands proposed by retailers that encompass several products which refer to attributes like terroir, products' origin, culinary know-how, heritage, traditions and gastronomy. The positioning of terroir SBs is thus different from that of other brands endorsed by retailers. They clearly depart from the original objectives of SBs, which were notably to stand out from national brands in terms of price, and to restore power to retailers in their negotiations with manufacturers. Through their terroir image that conveys the values of quality and authenticity, terroir SBs can develop attachment to themselves while building customer loyalty (Spielmann and Charters, 2013).

2.2. The relationship between consumers and terroir SB: the role of attachment and loyalty

Attachment is now widely rooted in research on consumer-brand relationships (Thomson et al., 2005; Park et al., 2010). Consumers interact with thousands of objects or brands but only a few may generate attachment. The reference to the theory of attachment in psychology (Bowlby, 1979) indicates the value of this concept. Indeed, the attached individuals are more likely to be engaged, invested in their relationship with a person, an object or a brand and are willing to make sacrifices to maintain it. The works on attachment to people emphasize the emotional nature and strength of the bond that binds them (Bowlby, 1969; Fournier, 1998). This is due to the physical and psychological protection provided by the person to whom we are attached (for example, a young child attached to his mother).

People can also be attached to specific objects (Belk, 1988; Ball and Tasaki, 1992) with the desire to maintain proximity to them. The study of this phenomenon is part of the tradition of research on the expressive function of consumption. The goal of this field of research is to understand the behavior of an individual from the meaning he gives to his possessions (Wallendorf and Arnould, 1988; Belk, 1992; Richins, 1994).

Thomson et al. (2005) and Park et al. (2010) clearly distinguish the concept of attachment from the concept of attitude. Attachment grows over time and is characterized by different interactions with the object or the brand. These interactions create meanings and emotions. Consumers may have favorable attitudes toward a number of brands but these brand may not have significant meanings in their lives. Lasty, being attached to a brand can cause fear and anxiety when the consumer is separated from it. Considering these differences, Lacoëuilhe (2000) defines attachment to a brand as a lasting, unalterable affective relationship that expresses a close psychological relationship with it. This attachment is sustained by two main factors: nostalgic connections generated by the brand and congruence with the self-concept (Fournier, 1998). Through these temporal and symbolic elements, the brand plays a role in defining and maintaining individual identity.

The positioning of terroir SBs refers to attributes like terroir, products' origin, culinary know-how, heritage, traditions and gastronomy (Lenglet et al., 2015). These attributes can feed nostalgia and congruence. More generally, Lenglet et al. (2015) assert that consumption of terroir products corresponds more closely to hedonic and/or symbolic motivations than to utilitarian or functional ones. This seems to justify the importance placed on the affective dimension of the purchasing act and of the consumption of this type of products.

Attachment has very clear consequences on the quality of the stability and sustainability of a relationship because it notably translates individuals' fixation in the choice of brand (Julienne, 2013). Several studies (Lacoëuilhe, 2000; Thomson et al., 2005) foreground the "predictive" aspect of attachment in commitment and willingness to make financial sacrifices to obtain a particular brand. Commitment to a brand

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