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COMMUNICATION POLICIES ON ORGANIC PRODUCTS MARKET

The main objective of this article is to analyze the promotional communication on OP (organic products) market, considering some aspects of the announcement, eco-label, message, advertising, sales promotion, public relations and participation in fairs and exhibitions. It is based on the investigation of secondary sources of specialized literature regarding promotional communication techniques used in the market of organic food products. The paper highlights that implementation of several promotional communication strategies is vital in terms of raising people awareness in OP market. It explores factors that determine the success or failure of a promotional communication campaign in OP market as well.

Keywords: ecological food products (organic), promotional communication, message, eco-label, promotional communication techniques.

Setting the task in general form. The most important barriers for the development of OP (organic products) market are lack of information for potential consumers, high prices which are practiced on the market and limited availability of these products. Effective communication strategy directed at producers, intermediaries, processors and consumers is important on OP market.

OP market in the EU has grown greatly in recent years and the growth potential is still great. A lot of potential consumers are not aware of the existence of these products on the market. Awareness level is lower among people who are not educated and have lower incomes but even this category may provide a basis for selection of future customers given that is investing in shares to increase awareness about OP but with the condition that the prices of these products to decrease because in the early stages of market development, prices are very high.

Analysis of recent research and publications. Aspects regarding the initiator of the promotional communication have been shown in the works of such scientists as Michelsen J., Hamm U., Wynen E., Roth E. [12], Richter T., Hempfling J. [14]. Problems related to eco-labels are shown in the work of scientist as Zander K [19]. The message for the promotional communication is investigated in the works of such scientists as Kihlberg I., Risvik E. [9], Pellegrini G., Farinello F. [15], de Magistris T., Gracia A. [11], Garibay S., Richter T. [7], Cook G. [4]. OP market advertising is presented in the works of such scientists as Bahadir S., Bharadwaj S., Parzen M. [2], Thompson G.[17], Altman A., J. [1], Woods T. [18], Jones P., et al. [8]. The use of sales promotion on this market is shown in the works of such scientists as Kortbech-Olesen R., et al. [10], Doležalová H., et al. [5], Reicks M., et al. [13], Briz T., Ward R.W. [3] The effect of public relation is analyzed in the works of Zander K., et al. [19], Theaker A. [16]. The participation at fairs and specialized exhibition is showed in the work of van Elzakker B., Eyhorn F. [6].

The aim of the article. We intend to analyze aspects regarding promotional communication on the OP market because there are big problems with communication, especially on the markets that are underdeveloped. We consider that if these communication problems are solved, the market will develop faster.

Main material. *Initiator of promotional communication.* Along with a direct promotion from farmers and retailers we can talk about an indirect promotion through the media debates about food safety issues, environmental pollution and degradation of the population health. This type of promotion can be very effective in capture the public attention on organic farming. State may engage in raising awareness by sponsorship advertising campaigns and organization of special study modules on nutrition and environment protection in schools or by organizing information events (conferences and seminars) with consumers associations [20].

In the European Union systematic promotional campaigns were initiated in the 90s by three initiators: companies involved in retail, in wholesale distribution and in processing, associations that support organic farming and associations of organic farmers. Among these categories we can notice active companies in this field which were the main initiators of promotional communication campaigns, while organic farmers associations have initiated the fewest promotional activities [12].

There are retail companies implementing an adaptive strategy, do not make significant efforts to develop the market and are content only to provide the products requested on market. Regarding promotional communications activity, it isn't emphasis on organic products and the budget for the promotion of organic products is between 1-3% of turnover appropriate to organic products. Other supermarket chains apply strategies of "leader" type characterized by the fact that in the promotional communication policy of the company, OP occupies a central place and these companies have a strong orientation towards societal and environmental marketing as well [14].

Communication strategy developing is a significant problem. Small and medium producers have difficulties in their attempts to communicate these arguments to consumers because they do not have enough resources. Manufacturers need to find a bridge between their ethic philosophy of business and consumers' values and preferences. Differences between business connections of the manufacturer and standard operating mode in organic farming in order to give uniqueness to manufacturer activity must be identified. Promotional budgets related to OP for emerging markets are low because there are problems regarding the availability of these products. In general promotional campaigns in these markets are made at branch level and when problems on product availability will be solved it will go on to promotion of a particular product too.

Eco-label. The existence of clear rules on OP certification and labeling in the EU will help farmers to communicate better with consumers. For a successful promotion of OP there is a need for professional nationwide promotion using common eco-label which is more useful than promoting common standards of production of which the consumer will be much less familiar. In Romania it is mandatory the application of national logo "ae" together with the community logo on pre-packaged organic food products.

Eco-label helps organic farmers to differentiate their products on the market only to the extent that this label is promoted effectively so that OP consumers will easily recognize it. It is necessary to increase OP visibility for a continuous and sustained promotion of eco-labels. In the early stages of emerging OP markets development it is promoted more the eco-labels on the market and less certain types of products because there are problems regarding the availability of OP on the market [12].

There are problems for products that meet ethical criteria supplementary to criteria set out in the standards available in EU but there are great difficulties in communicating these ethical attributes because there are little ethical labeling schemes for ethical attributes of OP. The lack

of these ethical standards is explained by problems related to defining of these ethical attributes such as animal welfare, fair prices or local and regional production [19].

Message. Messages that must be communicated to the consumer should be consistent with the values that OP consumers adhere. Communication directed to new emerging consumers segments that appear in the market is important because these new segments represent possible variations in future market growth. It is very important to understand how values change for different consumers segments to make more efficient communication [9].

Those who want to implement promotional communication strategies for OP need to know exactly what other ethical attributes OP consumers seek near them except their arguments about the nutritional value and taste. Once identified these arguments that might raise potential consumers, they must be expressed in a way concisely, through effective communication channels in terms of benefit / cost while avoiding bombarding potential customers with additional information that they can easily find if they are interested [19].

The way of transmission of these ethical arguments must be accurate and honest. For example, if it is to emphasize the local or regional product feature, manufacturers must state exactly where the product was produced so that the consumer does not feel cheated. Thereby to OP pragmatic consumers must be transmitted pragmatic, egocentric arguments of acquisition related to better taste, sanogenetic character, social recognition opposed to ideological consumers whose purchasing and consumption reasons relate more to environmental protection, animals welfare and people in rural areas [15]. “Better taste” of OP should be used as the main argument for this type of consumers because it is more difficult to challenge. If it is desired message construction around the sanogenetic character, it should be done carefully as there is no scientific evidence to prove with absolute certainty that OP are healthier or more nutritious than conventional food products. Consumers must be submitted the idea that OP do not contain chemical fertilizers and insecticides, that are not genetically changed and as a result healthier and more nutritious [11].

Some announcements use negative definition of OP stressing that products do not contain harmful ingredients such as hydrogenated fats, aspartame, monosodium glutamate, tartrazine, genetically modified organisms and other controversial additives or that is not using synthetic fertilizers and pesticides to produce OP.

Some authors [19] believe that purchases of organic food represent mainly a form of ethical consumerism, based on principles of ecological, social and economic sustainability. Consumers look to find in OP a number of attributes derived from environmental, social and economic principles of producers. Ecological principles relate to sustainable use of resources, ecosystem protection, biodiversity conservation, pollution reduction. Social principles are relate to civic responsibility, food quality and human health, transparency and trust. The economic principles are relate to correct prices for both the farmers and consumers. Along with these principles we find animal welfare and helping local or regional consumption as well. Possible arguments that can be used to promote the most effective in this case are “animal welfare”, followed by “regional consumption” and “fair prices for farmers and consumers”.

Supporting producers from developing countries often represent an important element of the promotional messages for OP. To it the logo “Fair-trade” applied on imported OP under conditions beneficial to producers from underdeveloped countries was designed. There are some stores that sell only OP under the logo “Fair-trade” [7].

It was found that organic farmers for increasing their production use arguments about the benefits for environment. Rural agriculture uses more and more arguments based on taste and

pleasure. We can notice their predilection to poetic, moving messages, unlike prosaic and factual messages used at the beginning of their activity [4].

Advertising. Advertising is one of the most important determinants of sales growth in organic products market. It is second important factor after the innovation capacity. Moreover, creating value through innovation must be capitalized through communication to maximize benefits [2].

Generally, farmers do not have necessary resources and knowledge to implement advertising campaigns. In some countries governments have provided subsidies to make general publicity for OP, which led to the rapid development of the OP market [17]. The increasing involvement of supermarkets is a factor that accelerates market development as there is financial power to advertise these products. It is very important to know who takes the decision to purchase food in the family so that publicity to be addressed properly to those people who decide in order to be effective. If organic farms in the “community supported agriculture” system are established, a very effective and inexpensive way to promote is the distribution of flyers and leaflets where it should not be written complicated messages but simple messages as “fresh vegetables”. In this case, written promotion changes in oral promotion because people neighboring farm will start to communicate between each other on the products offered by farm [1]. Moreover, communication through blogs, other Internet pages is very effective for these types of farms.

Supermarkets involvement on OP market is made by allocating substantial budgets for advertising, but these advertising campaigns should be effective – affect the image and sales of conventional food products. Supermarket chains compete with specialized organic shops and with other major retailers in attracting more consumers. This competition often involves creating and promoting some own OP brands [8].

Some retailers focus their advertising campaign on OP price because the price is one of the most important barriers in purchasing these products. Thus, these retailers use promotional messages explaining why their price is higher than for conventional organic products showing the efforts they have made to keep prices low enough so that customers can buy.

There are opinions among experts under which a part of the organic products philosophy is losing when it is communicated to consumers by supermarkets, as they involve the development of mass production and use of technology. It is important to understand that supermarkets compete especially against other supermarkets on OP market rather than against specialized organic shops or other short forms of distribution as there are many types of consumers of organic products and each prefers a specific location of acquisition in conformity with their principles of life. Specialized magazines about nutrition and organic farming represent a very good support for advertising.

Sales promotion. It represents a very important set of promotional techniques to stimulate OP sales in stores. It was found that the effect of sales promotion techniques that rely on price is overestimated, while the effect of sales promotion techniques that is not based on price (sampling activities and advertising techniques at the point of sale) is underestimated. The promotional materials distributed at point of sale are effective only if they are actively distributed by the shop staff. The staff involved in OP marketing must be well informed in order to answer questions from potential customers but in supermarkets case the degree of information of the sales staff is lower than in specialized organic shops where sellers can relate more effectively the “product story”. Consumers’ confidence can be built also by cooptation of farmers who could be involved in promoting OP at points of sale, action thus gaining an extra authenticity.

Although retailers initiate campaigns that state that are interested in environmental issues, promotion of sales in emerging markets are rare because OP have a low availability. Retailers have started to implement sales promotion campaigns for certain OP in Denmark in the 90s and this fact in conjunction with the growth of OP assortment led to the accelerated development of the market [10].

Advertising at selling point can help consumers identify in the store the OP they are seeking. Advertising at selling point is used mainly in supermarkets and specialized organic shops and includes a varied range of techniques such as broadcasting of radio ads, flyers and leaflets, advertising on the floor and positioned indicators above the section to signal the place where OP that need to be promoted are found [5].

Cost / benefit ratio is very favorable to this promotion technique. For greater efficiency advertising at selling point must provide information easily assimilated by customers. Sales will not increase immediately after being used advertising techniques at the point of sale as customers need time to observe information, to analyze it and to use it in purchasing decisions [13].

Another factor that determines success of advertising strategy at selling point for organic products is to identify an optimal placement in shop for these products. Sales promotion strategies are implemented directly by the farmer, although in a more empirical way. For instance, if the farmer wants to sell OP directly without intermediaries straight from the farm – in farmers' markets, at roadside stands or by schemes of “community supported agriculture”.

Public relations are a set of promotional techniques that are mostly used by organic farmers' associations or by major retailers and that can be used differently. Several authors [19] consider that public relations are more effective, more reliable and cheaper than advertising in OP case:

- rustic feasts in order to have an even closer relationship with their consumers;
- festivals made by harvesting various fruits (eg, apple, due to the popularity of this fruit);
- organizing special 1-2 days fairs for OP with tasting, music, demonstrations of traditional crafts;
- visits to the farm in Christmas Eve where you can taste mulled wine, cakes;
- organization of fun sports competitions, ecological gardening lessons, hedges planting or windbreaks around farms, pumpkins carving competitions, visits of students.

OP donations to nursing homes, orphanages or other social venues made by organic farmers associations and publicized in an appropriate manner can be very effective in terms of image and reputation of organic farmers. Big retailers could send press releases to journalists accompanied by samples of various OP to encourage them in paying attention to the company. Communication specialists of the retailer must have prepared answers to journalists' questions, and one of the topics of discussion will be the preponderance of OP imported. Moreover, some retailers made conferences with OP national providers to encourage them continuing the process of organic certification. Press releases should highlight whether the company applies the high standards to typical standards for OP [16].

Fairs and specialized exhibitions. Participation in OP fairs and exhibitions enables farmers to increase both awareness and sales achievements. Acquisition of important information about market trends, information that is found in presentations at major fairs and exhibitions related conferences is another important purpose of farmers' participation in these events. OP consumers that are participating in fairs and exhibitions are a segment of “ideological” consumers for which the price of these products is a considerable impediment in their purchase.

Governments can support OP producers to organize and participate in OP fairs. It is difficult for farmers to participate in international fairs on their own (for example, Biofach in Nuremberg) and, therefore, government support may prove very useful.

Participation in fairs and exhibitions involves making expenditures for planning and preparation, communication, exhibition space and construction, operational and logistical and selection of suppliers for these services. In some countries farmers turn to specialized agencies to help them participate as exhibitors at these fairs. [21].

A very important decision is choosing the type of fair and exhibition to participate in. Thus, small farmers should not participate in international fairs (such as, for example, the Biofach in Nuremberg) as it may prove to be too costly and inefficient for them. Sometimes it is better for them to strive to participate in national or regional fairs, find internal customers than try to enter a foreign market with requirements that are more difficult to fulfill [6].

Conclusions and directions of further researches. Promoting the ecological OP market is an essential activity in the development of the organic food products market. Effective promotion of these products is mainly done by involving companies that deal with marketing and processing OP market because these operators have marketing experience and financial resources to streamline promotion.

It is noted that there are some difficulties in promoting the ethical attributes of organic labels. The messages used in the implementation of immediate communication strategy should be in accordance with the system of values to which potential users want to adhere, system that can vary from one country to another, depending on the stage of market development. Constant monitoring of consumers is required, in order to select the most effective messages, which can be built on a platform altruistic or self-centered.

Advertising is used, especially by supermarket chains and hypermarkets, due to high costs which they set. Operators of smaller size are increasingly using online advertising due to lower costs. PR techniques are used by big operators and by smaller operators due to their adaptability and high efficiency.

Sales promotion techniques are used mostly by traders and represent a signal showing that the market is starting to evolve fast. Participation in OP market fairs and exhibitions is made both for purposes of communication with the market and to achieve sales objectives. Manufacturers should be encouraged to participate in such events that must be organized in several forms to allow the participation of all categories of operators on OP market market. The involvement of authorities can lead to streamline participation in such events.

We consider useful targeting of future research efforts to study how the state could involve in the development of promotional communication strategies on markets in early stage of development.

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Комунікаційна політика на ринку органічних продуктів

Основна мета даної статті полягає в аналізі рекламних зв'язків на ринку органічної продукції з урахуванням таких інструментів комунікаційної політики, як екологічне маркування, повідомлення, реклама, стимулювання збуту, зв'язки з громадськістю та участь у ярмарках і виставках. Основою дослідження є аналіз вторинних джерел спеціальної літератури щодо рекламних методів, які використовуються на ринку органічних продуктів харчування. Автор підкреслює, що реалізація декількох комунікаційних рекламних стратегій є дуже важливою з точки зору підвищення обізнаності цільових споживачів на ринку органічної продукції. Крім того, у рамках статті досліджені фактори, які визначають успіх чи провал рекламної кампанії на даному ринку.

Ключові слова: екологічні (органічні) харчові продукти, рекламні засоби комунікацій, повідомлення, еко-маркування, рекламні методи комунікації.

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Коммуникационная политика на рынке органических продуктов

Основной целью данной статьи является анализ рекламных связей на рынке органической продукции с учетом таких инструментов коммуникационной политики, как экологическая маркировка, сообщение, реклама, стимулирование сбыта, связи с общественностью и участие в ярмарках и выставках. Основой исследования является анализ вторичных источников специальной литературы, касающейся рекламных методов, которые используются на рынке органических продуктов питания. Автор подчеркивает, что реализация нескольких коммуникационных рекламных стратегий является очень важной с точки зрения повышения осведомленности целевых потребителей на рынке органической продукции. Кроме того, в рамках статьи исследованы факторы, которые определяют успех или провал рекламной кампании на данном рынке.

Ключевые слова: экологические (органические) пищевые продукты, рекламные средства коммуникаций, уведомление, эко-маркирование, рекламные методы коммуникаций.

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