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Global quality assessment in Mediterranean aquaculture

Zaragoza : CIHEAM

Cahiers Options Méditerranéennes; n. 51

2000

pages 79-85

Article available on line / Article disponible en ligne à l'adresse :

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To cite this article / Pour citer cet article

Young J.A. **Marketing the intrinsic quality of the product.** *Global quality assessment in Mediterranean aquaculture.* Zaragoza : CIHEAM, 2000. p. 79-85 (Cahiers Options Méditerranéennes; n. 51)



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Marketing the intrinsic quality of the product

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SUMMARY – The paper begins by establishing the context of different perspectives on quality and explores the need for a holistic perspective. The paper contends that delivery of quality must be driven by consumer considerations because the quality perceived in different market segments is the determinant of future consumption. Delivery of quality perceived desirable demands answers to questions surrounding the marketing of product quality. The fundamental marketing tasks of generating information about quality values, creating quality values, communicating quality values and, consistently delivering quality values are outlined. The market research process is discussed in the context of identifying consumers' wants and the competition. This process determines product quality goals and positioning in target markets. Next is the creation of the product which is the carrier of the quality values. Product range decisions, including positioning and new product development are established as the backdrop to the creative process. Tangible dimensions of packaging, labelling and origin signifiers are set alongside intangible attributes like convenience and communication. Branding is developed, including generic strategies. Marketing communications functions are outlined and the linkages between the communication function and the brand are discussed. Examples of quality promotion, including quality marks are considered to illustrate attempts to satisfy strategic objectives. The marketing of quality is finally viewed in the context of price which is seen as another mechanism to communicate quality and, importantly, customer satisfaction. The price implications of quality are discussed since they may be a significant influence on the marketing strategy adopted. Price differentiation through branding and the possible focus upon non-price attributes are considered along with supply chain margins. The paper concludes that marketing the quality of the product involves many opportunities and is vital to the ongoing success of the organisation.

Key words: Marketing, quality, aquatic food.

RESUME – "Marketing de la qualité intrinsèque du produit". Cet article commence par établir le contexte de différentes perspectives sur la qualité et explore la nécessité d'une perspective holistique. Cet article soutient que l'apport de la qualité doit être orienté par la prise en compte du consommateur car la qualité perçue dans différents segments du marché est l'élément déterminant de la consommation future. L'introduction d'exigences désirables perçues comme qualité répond aux questions entourant le marketing de la qualité des produits. On y souligne les tâches fondamentales de marketing consistant à apporter de l'information sur les valeurs de la qualité, à créer des valeurs de qualité, à communiquer les valeurs de la qualité et partant à introduire les valeurs de la qualité. Le processus d'investigation des marchés est discuté dans le contexte de l'identification des désirs des consommateurs et de la compétition. Ce processus détermine les objectifs de qualité des produits et le positionnement sur les marchés cibles. Ensuite vient la création du produit qui véhicule les valeurs de la qualité. Les décisions sur la gamme de produits, y compris le positionnement et le développement de nouveaux produits, sont établies comme arrière-plan du processus créatif. Les dimensions tangibles du packaging, de l'étiquetage et des indications d'origine sont établies en même temps que les attributs intangibles comme la commodité et la communication. Une marque est développée, comprenant des stratégies génériques. Les fonctions de la communication de marketing sont soulignées et les liens entre la fonction de communication et la marque sont discutés. Des exemples de promotion de la qualité, y compris les signes de qualité, sont considérés pour illustrer des tentatives de répondre à des objectifs stratégiques. Le marketing de la qualité est finalement envisagé dans le contexte du prix qui est vu comme un autre mécanisme pour communiquer la qualité et, ce qui est important, la satisfaction du consommateur. Les implications du prix concernant la qualité sont discutées car elles peuvent avoir une influence significative sur la stratégie de marketing adoptée. La différenciation par le prix à travers la marque et l'attention possible à des attributs autres que le prix, sont considérées en même temps que les marges des chaînes d'approvisionnement. La conclusion de cet article est que le marketing de la qualité du produit présente de nombreuses opportunités et est vital pour la réussite de l'organisation dans le temps.

Mots-clés : Marketing, qualité, aliments aquatiques.

Introduction

This paper aims to present an overview of the various phenomena which may be associated with the function of marketing the quality of a product. In order to do this it is first necessary to clarify what

is meant by quality since quality is one of those terms which does tend to convey different meanings to different people. Having established the possible interpretations of quality, the paper systematically explores how different marketing tools can be used to embed quality within the marketing functions of the organisation. Necessarily these tools will tend to be adopted by individual organisations in their own personal way according to characteristics such as corporate resources, including financial, technical and human resources, in addition to the marketing environment and the specific situation encountered. The constraints of the paper necessitate that some generalisations are made, however within the context of the aquatic food sector it is argued that useful lessons can be learnt.

What exactly is quality?

Given the rapid perishability of aquatic foods in comparison to most other competing foods it is not surprising that the term quality is commonly used to denote freshness. Freshness more correctly may be regarded as an indicator of the post-harvest history of time, temperature and handling which may be used to aid prediction of the remaining shelf-life, or the time before the product becomes unfit for (safe) human consumption. Of course there are further factors that may influence freshness such as the condition of the flesh at the time of harvest and the environmental conditions to which the fish has been exposed (Aitken *et al.*, 1982). All of this, coupled with yet more influences upon freshness, perhaps gives some explanation as to why the term "quality" is often used instead.

Quality is often also used to describe a range of other product attributes which are similarly complex and deserving of different levels of interpretation according to the audience. For example buyers in a specific market where size grades are of paramount importance may refer to the quality of the grading or indeed just the quality of the fish when in fact it is a more specific reference to the number of fish in a given unit weight, or possibly the length of the species available. Texture too may be referred to as quality, so too may fat content when this characteristic may vary over different parts of the body. Clearly it would be possible to build a similar case for other tangible attributes such as colour, odour, taste, bone content, fillet cut, etc.

Yet even when we have neared exhaustion of the range of tangible terms for which quality often serves as a substitute, there is a further set of attributes, those deemed intangible, which might also be incorporated. These intangible terms refer more specifically to the service benefit that is experienced by the consumer; this in fact also underpins the various tangible attributes too. For example consumers may attach importance to the ease of preparation and thus infer quality to be a measure of the extent to which the convenience of the product satisfies this requirement. Similarly the "green quality" may be taken as a measure of the extent to which the product may be considered environmentally friendly. Increasingly consumers are concerned with the environmental impact of their acts of consumption and "quality" may be used by some to infer their assessment of this parameter.

Quality therefore needs to be recognised for what it is – a polysemous attribute, multi-faceted and variable according to individual buyers and consumers, who may not be the same person, and who may interpret its meaning in different ways at different points in time. If this definition of quality is accepted it clearly has significant implications for the task of marketing quality. It means that the dimension of quality in a given context should be identified and be clearly understood, even if this only means recognition of the multiple terminology. It also suggests that when we do consider quality, we recognise that it may apply at any and varying stages of the supply chain through from the point of decisions to culture or capture up until the final vestiges of consumption.

What exactly is marketing?

Rather like quality, marketing is a function which is variously interpreted by individuals to mean different things, often according to their own usage of the activity. For the purposes of this paper, concerned with the marketing of aquatic food, it is useful to confirm briefly the remit interpreted for marketing. Essentially marketing is concerned with the process of generating information about the product and market under consideration so as to *identify* and understand what the consumer wants and values. Having identified what consumers value the next task is to *create* these values in the products to be marketed so as to enable their consumption. In order to inform consumers of the existence of the attributes which have been incorporated in the products, the penultimate task is to

communicate so as to generate awareness or possibly remind consumers of the existence of these values. Having communicated with the target market the final remaining task is to *deliver* the values, via the products created, to the target markets identified.

The marketing function must be ongoing and cannot be effective if it is simply a task that is enacted only periodically. This need for ongoing proactivity stems from the fact that consumers within markets are constantly changing: what individuals and organisations value today is almost certain to be quite different to what was valued only 1 year ago and different again to what will be valued in 6 months or sooner. When we consider the time taken to engage in the process of identification, creation, communication and delivery, it will be appreciated that marketers need to be constantly monitoring the market so as to anticipate, be proactive not reactive to, emergent changes in tastes.

Identifying quality values

Identification of the values associated with quality is accomplished through the processes of marketing research, the specific details of which techniques are well documented (Chisnall, 1997; Malhotra, 1999) amongst many others. Using a sequence of secondary data sources followed by a probable range of primary data collection techniques such as different types of questionnaires, focus groups, observation etc some understanding of the current market and emergent trends is developed. Much of this information is often already instilled within individuals through daily involvement and contact within the aquaculture industry. However to be effective a systematic approach is required to gather and interpret the relevant data for marketing decision making. Ideally this should become an integral part of the organisation's ongoing daily activity.

Improving understanding of what the consumers within target markets value is necessary if products are to succeed against the competition. The importance of gathering such data cannot really be overstated and this is especially so where, as noted earlier, there may be ambiguity in the interpretation of what is perceived to constitute quality. Of critical concern is the need to gain an insight into the perspective of the consumer, rather than that of the producer. A common mistake is for organisations, perhaps because of their greater technical knowledge, to deem themselves superior in understanding what constitutes quality. The critical issue is what the consumer perceives to be quality since their consumption decision will be driven by the attitudes and opinions they hold at the time the decision to consume is made. Effective marketing necessitates understanding the position a value occupies within the mind of the consumer, and ideally why it is located there. Having gathered the information about the competitive position of the quality attributes within the market, and a clear understanding of what consumers perceive to be important, decisions can then be made as to how these attributes might be created within the product range.

Creating quality values

The creation of quality values within a product range is a complex process which will be influenced by the existing positioning perceptions held of current products and the position that the organisation has determined to be its target. The whole process of new product development (NPD) is multidisciplinary and quality will necessarily be only some part, albeit an important one, of that process. Some perspective on the issues involved can be gained from the literature (Hart, 1995; Hisrich and Peters, 1992) but within the confines of this paper it is necessary to assume that many of these background processes will be incorporated along with the more specific decisions pertaining to quality.

At the level of the core product there are fundamental manifestations of quality which have been covered in other papers at this workshop and elsewhere (Mariojous, this volume; Hole, 1999). The various quality assurance schemes underpin the notion of certifiable quality standards being adhered to throughout the supply chain and these in turn may be incorporated within the product created. Quality schemes, such as Scottish salmon tartan quality mark, provide the opportunity to trace a product so that its authenticity can be verified and its complete history made known. This quality mark is increasingly present, and demanded by retailers and consumers, within the market for fish and comes in a variety of different formats. These extend through the simple attachment of gill and tail tags on the whole fish through to quality mark symbols incorporated on packaging and labels.

The attachment or association of such quality marks to the product simply represents an extension of the established practice of branding which has been well documented in a number of different markets (deChernatony and McDonald, 1992; Howgate, 1987). In the case of the aquatic foods sector branding has historically had rather lesser usage than in many other food product categories for reasons related to the characteristics of the product and indeed those producing them. Especially in traditional fresh fish markets the product is commonly sold without pre-packaging and is only wrapped at the point of sale. Similarly where the fish is sold in a whole form, or at least displayed as such rather than in fillets, steaks or other pieces, packaging is inappropriate and indeed may well hinder rather than assist quality inspection. With changes in shopping patterns and in particular the growth of supermarkets quite substantive changes have occurred in the market for fish and the way in which it is bought. A notable trend has been the growth in the sale of pre-packaged product, especially in modified atmosphere packs which afford the opportunity to brand the product. Branding is an important concept in the context of quality since the two are often inextricably linked: individuals tend to have established perceptions about particular brands and some discussion of its context in aquatic foods is thus appropriate.

A brand represents the set of beliefs and expectations surrounding the product that make it distinctive and differentiated from the competition, a position that may be legally enforceable. Branding enables the consumer to identify a particular product offering and to be aware of other products similarly associated. This is important since it can build trust in what the product will deliver, by removing an element of uncertainty and reinforcing positive messages. This may be especially valuable where the seller launches a new product on the market which is unfamiliar to the buyer: branding provides a degree of security and faith in the product which should encourage a decision to purchase. By highlighting other non-price attributes of the product branding may provide an opportunity to reduce price competition, possibly enabling some premium to be realised. Branding is therefore a potentially, and increasingly important marketing tool capable of assisting the creation of quality values in the products sold.

Organisations may choose to brand products in a number of different ways: individually, as part of a family of products produced by a firm or even on a generic basis at the level of an industry sector eg Norwegian salmon. Such connotations of country of origin are often found to be important signifiers of quality perceptions embedded within the mind of the consumer. In addition some combination of approaches may be used whereby the firm may choose to use say Scottish salmon but also to wrap this within the private brand labels associated with a particular supermarket eg Marks and Spencers Scottish salmon. The creation of brands and the desired imagery is not however a panacea for generating a favourable quality image. Supporting a brand image, once the costs of creation have been incurred, is potentially costly and is a task that must be undertaken because once established the brand also has the capacity to damage or destroy existing quality perceptions. The various food scares which have emerged over the 1990s in different European countries and elsewhere are testament to the damage that can unfold. Left unchecked, brands will continue to communicate with the market, not necessarily sending the desired signals. If the potential for positive messages to be communicated by brands, and indeed other quality attributes built into unbranded products, is to be realised then it will be necessary to manage the communications process.

Communicating quality values

The product and all the attributes created within it present a potentially powerful mechanism to convey signals to the buyer and consumer of products. However sellers cannot afford to rely solely on those products purchased or consumed because these acts in themselves first require the positive act of acquisition to occur. Labels and other point of sale support may well assist trial of the product but commonly it will be necessary to spread a wider message about it. This is especially so where the product is newly developed, new to the market or presented some revised offering such as improved quality. A number of tools exist to undertake the task of promoting the product and these are important components in the efforts to communicate messages about the quality of the product. Some mention of the characteristic features associated with the various components of the promotions mix is warranted.

Whichever promotion tool is employed, and it is likely that some combination of them will be

required rather than only one in isolation. It is important that specific objectives are established in advance of the campaign. These will be determined by the earlier market research process which will have enabled identification of the message that needs to be communicated eg to make consumers aware of the texture of the flesh; the convenience of the (new) packaging etc. Testing the success of such objectives is also required post-promotion so that further amendments might be considered. Decisions also need to be made about the overall promotion budget and the allocation of this amongst the various tools. Despite the tendency for these allocations to follow the market-leaders or some notional fixed proportion of sales, it is generally to be recommended that decisions are based according to the goals and the associated tasks required.

Advertising presents an opportunity through a range of different media to convey a generally non-personalised message to a particular audience. Examples of this might include television, radio, newspapers, magazines as well as other more localised routes such as billboards, signs on buses and even supermarket trolleys. Each of these media has advantages and limitations which will render them more or less suited to particular tasks. For example magazines are commonly used in advertising fish products because they permit glossy colour images of appetising fish dishes to be communicated to a readership which may be quite narrowly profiled: 90% may be female aged 25-40 years and thus be providers of meals in homes where children are likely to be present. The ability to reach such an audience and at a cost which is not prohibitive thus enables messages about the quality of the product to be conveyed to the persons most likely to be either making or influencing the purchase decision. Other media such as TV advertisements may also be employed but the audience is likely to be more varied, although this can be influenced by timing the advert to run at a particular slot in the broadcast schedule, say between cookery programmes. More importantly the cost of television is high and thus may not be such an efficient use of resources.

Because advertising is a paid form of communication individuals, within reason, can determine the message that they want to communicate. For example it may be that a company decides to lay claim to producing the best quality sea bass in the Mediterranean. However because the sender is determining the message the person receiving the message may be more sceptical as to the truthfulness. However, irrespective of what is claimed ultimately it is important that the product is perceived by the consumer to actually deliver these claims.

Publicity represents an alternative route to use mass media whereby messages are communicated as part of the editorial. For example a review of a new restaurant written as part of a newspaper section may comment favourably on the quality of the seafood served. Because the message has not been paid for, it will tend to carry a higher credibility factor, but the potential danger is that the message conveyed will not communicate what the sender would choose to say. Just as the favourable message may be given high credibility so too may the message making critical remarks. Several examples of this are to be found within the seafood sector. For example earlier in the 1990s the UK consumer watchdog magazine "Which" investigated the fish content of a number of enrobed products and commented adversely on the quantity found. Whilst this may have been fair comment in respect of certain products the follow-on consequences, reported more extensively in the press, resulted in producers of high quality products also being tainted. Such adverse comments in turn require some counter-spend in order to retrieve the damage done.

Sales promotion is an increasingly popular instrument used to target consumers and other buyers and may take on a variety of guises to achieve particular objectives. The launch of new products, which may simply be revisions of earlier formats, may be accompanied by an incentive offered at various points along the supply chain to try the product. Such measures will necessarily vary in terms of the scale of the incentive offered and the duration of the promotion. Where there are a number of different lines in the product range a sequence or linked promotional activities may be employed in order to cross-communicate. Quality may also be reinforced by offering some price incentive or product trial perhaps simply to generate the opportunity for consumers to experience the product or to compare it with others.

Where the communications task is more personalised and specific to an individual situation personal selling may be employed. However the costs associated with an individual of appropriate calibre will necessitate that such a route is only followed where the value of the outcome is sufficiently large. For example using personal selling to communicate about the quality of a product range might make sense if talking to the buyer for the supermarket chain, but not to the customer liable to buy only

one fish product. Where there is a need to convey the more technical attributes associated with a product quality, say the chill chain requirements for handling a cooked-chill product, it may be appropriate to use a tool such as this.

Communications tasks are also increasingly enabled through progress in IT which has permitted substantive leaps in direct and database marketing as integral part of e-commerce. In many cases these communications can be linked to responses to particular adverts or purchase records tracked from supermarket loyalty schemes which enable follow-up communications which are not always welcome. Similarly, the use of web-sites has encouraged surfers to select information about products and either purchase online or gather information to assist decision making elsewhere. In terms of communicating quality signals such technology is only just beginning to reveal its potential and already there are a number of prototype communicators of traditional quality cues such as appearance, smell and texture.

Communicating the quality values created within products may thus be attempted by a variety of different routes and it should be re-emphasised that not only will some combination of these media be required but so too must the messages be backed-up with the consumption experience. Communications tasks tend to be notable for the costs required to support them, not least because they are often more identifiable unlike say the sunk costs associated with any one product being developed in a whole range of other ongoing initiatives. However wherever the costs might be correctly attributed it is important to appreciate that in most cases increments in quality imply increments in costs which must be reflected in price. It is to this last quality signal that our attention is now drawn.

Pricing quality values

Quality tends to be associated with price perhaps more explicitly than any other variable and this is especially so in the case of foods. Indeed low price will often invoke a consumer response of suspicion and questioning authenticity rather than perceived value when presented with a food product at what is considered to be a low price. This reaction tends to suggest the need to have regard for consumer expectations when determining the price of a particular product. In other words it may be contended that the price of the product should bear more regard to what the market will bear rather than a price determined by the costs of its production. Quality standards of course have cost implications but these should be seen as an integral part of the product attributes marketed. Quality levels can thus be used to take attention away from the importance of the price level thereby enabling some degree of differentiation on the non-price attributes.

Price levels may also be reinforced by additional factors such as branding whereby the reputation of the brand will enable a premium to be charged. The size of this premium is dependent upon the market, the brand and the competition but levels of 5% are not uncommon. There are many other factors too which are important in determining the price that might be realised and amongst these some mention should be made of psychological pricing whereby consumers tend to perceive price within a series of discrete price points or bands. Typically these may be just under a "critical" whole number such 9.99 Euros/kg and thus create an opportunity for retailers to price up to the 9.99 level when in fact a price of 9.12 may represent a perfectly satisfactory level of return. This practice also affords the opportunity to cross-price between different product lines. Pricing too may be linked to promotional activity in order to achieve particular objectives such as the launch of a new product.

Pricing will also be subject to various influencing factors at different points in the supply chain. Consumers and business buyers will each have their own agenda of critical issues as will found between retailers and catering buyers. Indeed these differences may extend fundamentally to the way in which price is initially generated and subsequently agreed upon. In some cases, eg catering buyers, the price of the fish will only constitute some, possibly small, part of the overall product cost and thus be comparatively insignificant whereas elsewhere the reverse will be so.

Delivering quality values

The foregoing has placed emphasis upon the need for an integrated approach to the delivery of

quality. Quality is not something which can be marketed effectively in isolation and distinct from the other characteristics of the product. Quality is an attribute that should assist the location of the product in the mind of the consumer and be reinforced in the market position targeted. Increasingly efforts to standardise quality through inspection, traceability and validation are an integral part of the product's offering to the prospective buyer. HACCP and other quality assurance schemes seek to re-enforce such messages in the mind of the consumer and, in many markets are already a pre-requisite for market entry. Marketing quality is thus an increasingly important task and one which must be incorporated within the wider role of the organisation; certainly it is one which the organisation ignores at its peril.

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