Past and Future Research Trends of Regional Brands with Accent to Technology

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Abstract
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The main aim of this article is to examine the past and current research trends of regional brands, with great emphasis on the influence of technology, which will allow us to define areas for further research. The main basis for this article are secondary data, meaning other research from prestigious databases, such as Web of Science and SCOPUS, on which authors will try to describe the past and current research trends. Authors also take into account their previous vast research on this topic. There is also a need to find suitable brand model. The technology will be examined from the perspective of the technology acceptance model. This will lead to a discussion about the areas that need to be researched in the future. This article will thus serve as the cornerstone for years-long research programme.

Key words
Regional brand, technology, Aaker’s brand model, Technology acceptance model, product characteristics.

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Introduction

Regional products are the hot topic that is warping purchasing behavior of majority of Czechs. The current market situation is a culmination of several strong trends that manifested in increased recognition of regional products and subsequently regional brands. After the massive effects of globalization entering our country that opened to the rest of the world in the 90’s and European single market in 2004, consumers realized that global products are not always the best and tailor made to their needs. The effect of healthy and bio lifestyles also leads to consumers preferring local fresh products that they can trust. Another significant trend is the medialization of country of origin, where several negative cases made Czech consumers aware of the need to be cautious when purchasing their products. The political situation is pushing European citizens into more extreme views that are often tied with nationalism, patriotism or ethnocentrism that all lead to higher preference of regional products. And also with better economic situation comes higher demand for quality tailor made products that are tied with the consumers’ place of origin. All these trends are changing consumer behaviour in favour of local regional products and enabling regional brands.

Another strong trend changing marketing, and subsequently the way how regional brands speak to their customers, is the development of technology. Regional products and brands often operate with key words such as tradition, history, hand-made, tailor-made etc. But the consumers require these traditional products, some are made by the same traditional procedure for hundreds of years, to be available on responsive websites, in e-shops, through their smartphones, at local fairs with free Wi-Fi. Inability to listen to these needs translates into quick fall into oblivion.

The main aim of this article is to examine the past and current research trends of regional brands, with great emphasis on the influence of technology, which will allow us to define areas for further research. The main basis for this article are secondary data, meaning other research from prestigious databases, such as Web of Science and SCOPUS, on which authors will try to describe the past and current research trends. This will lead to a discussion about the areas that need to be researched in the future. This article will thus serve as the cornerstone for years-long research programme.

1. Marketing approach to Brand and Regional Brand

In order to fulfil our set goals, we have to first define the theoretical basis that will be used further in the article and our future research.

1.1. Definition of Brand and Regional Brand

Brand is defined in various ways. The American Marketing Association defines the brands as “a name, a term, a design, a symbol, or any other feature that identifies one seller’s good or service as distinct from those of other sellers” (Vysekalová et al., 2011, p.36). Other authors present the main goal of the brand as to distinguish the represented product from all the concurrence around (Low and Fullerton, 1994). It is needed to have in the mind, the brand is not just a way to make a difference between my company and the concurrence. The brand is the way how people think about the whole company and see it in exact position on the market (Keller, 2007).
A brand building is a complex process, which includes a data collection, the market analyses, STP process and a brand strategy creation. The brand building requires good planning, perfect knowledge of the market we want to enter and marketing skills. According to the marketing view, we are able to describe this process in these points by Přibová and Tesar (2003):

1. Potential customers need to be informed about the brand.
2. They should build the loyalty access to the brand.
3. Consumers needs to be able to identify the brand.
4. Consumers have to accept the brand values which they represent.

As for a regional brand, its goal is to make a region and its products more visible and accessible to develop its area. The reason of creating the regional brand is to help the region by economic, social, environmental sphere to ensure the sustainable development of the region (Čadilová, 2013). In the North and West America, the interest about the origin of products started in 1990, in the Czech Republic is this topic known and popular only in last decade when most of the regions created its brand or supported tradition regional brand by unique certification (ARB, 2018). Nowadays, we can see growing potential of a place branding which is taking part of a place marketing (Eshuis, Klijn and Braun, 2014).

The creation, implementation and control of the regional brand building is not possible without the cooperation between local entrepreneurs, local government and organizations which are included in regional development. The regional brand keeps the traditions alive such as local products, original local crafts. The positive perception with good name of the region make better reputation of the local brands and make the selling easier for the manufacturers (Stoklasa, Starzyčná and Matušínská, 2014).

The regional brand is often changed into the brand of the region. In some countries it may be perceived as the same but especially in the Central Europe are these two concepts diverse. The regional brand can be taken as kind of certification which is given to the companies or local producers on their products and services. It is obvious, they need to fulfil the requirements to get this certificate, and they usually have to be re-qualified for example every year as well. On the other hand, the brand of the region represents the whole area with its inhabitants, culture, habits, corporate area etc. However, both marking have the common goal to develop their area, support the region in economical way to keep up the financial flows inside of the region. The development of the region helps to create new working places, carry the current places and employees, and prevents the outflow of inhabitants (Čadilová, 2013).

The main reason why the companies use the regional brand is usually to make their products more attractive. In the current world, when consumers are overwhelmed many different products, the organizations try to find the suitable way how to differentiate themselves and gain the concurrence advantage. One way is using the regional brands. The big benefit of the regional brand is, they are usually not coordinated by corporate but by the regional or non-government organizations. Next advantage may be the additional service which the regional brands bring to the company. The regional organizations try to develop the area, so do for the company. The regional organizations often offer the help from marketing side as well which is useful mainly for small entrepreneurs in older age or with lower budget.
1.2 The relationship between regional brands and interested parties

Regional brands are influencing 3 main parties: consumers, companies and coordinators (administrators).

The EU made the research if the consumers perceive the regional brand as the confirmation of a quality, a safety and a benefit for the health if we talk about the goods. This has proved few researches (Van Ittersum, Candel and Meulenberg, 2003; Lobb et al., 2006) anyway they did not look into the aspects of the quality. Moreover, the relationship between consumers and their feeling to the brand quality is affected by many factors.

The first factor can be the age of consumers. It may be seen, the older respondents usually feel more with region and regional brand. On the other hand, Stoklasa (2015) made research of one specific region of the Czech Republic and the effect of the age is seen as statistically unimportant. Next, as longer the respondents live in the exact region as more they feel with the regional attitude. Another factor, influencing the feeling of brand quality, is the education. Usually people with lower education do not need a lot of information about the product and the way to certification, so they basically trust the regional brand name (Teuber, 2010). Higher educated people and also parents care slightly more about the process of a production, the elements of the product or the added value (Marsden, Smith, 2005).

Spilková and Fialová (2013, p. 233) conclude in their article that all the parties have to cooperate in order to be able to create fertile links. The current state of regional branding in Czechia has obstacles of informational character, meaning weak promotion and lack of information among consumers, companies not wanting to share information with others, and coordinators not able to manage the brand properly.

2 Our past research

The original research started in 2010, but the main focus in the beginning was on Intercultural Marketing influencing purchasing behavior leading to consumer ethnocentrism and thus the preference of regional products and brands. Between 2013 and 2015, the focus shifted more to the actual regional brands, but with 3 distinct points of view, see further. In this period, author published about regional brands: 9 articles, Dissertation Thesis and a Monograph. Thanks to the research and its results, author became known in the community (even the Moravian-Silesian county officials requested the results), which was both positive and negative (some brand owners did not want their errors to be pointed out). The positive effect manifested in other people wanting to replicate some parts of the research to compare the development in later years, leading to 3 other articles in 2016 and 2017.

The first point of view is the culture influencing everything, including purchasing behavior. Out of various culture concepts, the consumer ethnocentrism (further as CE) was chosen as it directly influences the approach of consumers to local vs. foreign products. CE can be measured by CETSCALE. In 2013, the sample consisted of 414 respondents that were selected based on quotas for several demographic variables – gender, age category, education, income, to form representative sample for the Moravian-Silesian Region. The Cronbach Alpha was 0.802, which suggests very good reliability, and mean was 52.26, which suggests relatively high strength of ethnocentrism in MS Region. Hypotheses testing showed that gender and age category have no statistical significance on the CE strength, while education and income have. This knowledge has been used, together with the other results, to create two distinct communication campaigns targeting different demographic factors. (Stoklasa, 2015)
The second point of view is how consumers perceive regional brands. This research was based on Aaker’s brand model. Again, out of the thousands of questionnaires, sample of 719 has been formed, representative based on demographic criteria – gender, age category, education and income. The results were striking, consumers are interested in quality products, are willing to spend more to support local producers, are trying to stay informed and follow the brands on packaging, however only half of the sample knew regional brands and only 22% were able to recognize shown regional brands. Further questions revealed that consumers are confused as to what all these symbols on packing mean, what various brands guarantee and what should be the characteristics associated with each brand and symbol. Based on all of these results, many suggestions and recommendations were made towards the brand owners, companies and consumers. (Stoklasa, 2015)

The third point of view is how companies that payed for the regional brand perceive its benefits. The questions were formulated in a way that companies had to give their opinion before joining the brand, current situation, and their hopes for the future. The sample in 2013 consisted of 204 companies out of 664. There was a huge discrepancy between the expected and actually obtained benefits, and subsequently the future hopes. Companies did not get the expected communication support, financial benefits, distribution support and other benefits promised by the brand owners. However, after further examination and interviews with both sides, majority of the promised benefits were delivered, but the companies had much higher expectations. Average increase in turnover was 18.24% and increase of costs 5.94%. The results led to further interviews, suggestions, recommendations, companies changed their expectations, and brand owners changed their communication. (Stoklasa, 2015)

A follow-up research in 2015/6 had to compare how companies perceive the expected and actually received benefits. The sample consisted of 234 companies out of 1028 in 2015. The big jump in number of companies is due to the expansion into new categories of branded products, mainly tourism, accommodation and food services. Brand owners have managed to decrease the expectations and increase the actually obtained benefits, although for majority of categories, it was only in single digits of percent. Suggestions were made for changes in communication and some parts of the whole system. (Stoklasa and Starzyczná, 2016)

For academic purposes, a follow-up research was conducted in 2017 about the consumer ethnocentrism in Moravian-Silesian Region. The sample consisted of 439 respondents. The main finding is the overall CE strength of 66.3%, which is very high. Consumers in MS Region are highly ethnocentric, prefer local products and producers, hate everything foreign and different. This region is in theory perfect for regional brands. CE dependence on demographic factors changed compared to 2013, where education and net monthly income had statistically significant impact on CE, but in 2017 it was also the age category. There is a lot of potential to create tailor made marketing communication campaigns directed at the age groups 35-44 and 45-54, with university and high school diploma, and high/er income. (Stoklasa and Starzyczná, 2017)

3 Methodology

This paper will serve as the theoretical basis for our several years-long research project. The main aim of this article is to examine the past and current research trends of regional brands, with great emphasis on the influence of technology, which will allow us to define areas for further research. First, the theoretical basis and past own research was critically examined. Then the main basis for this article are secondary data, meaning other research from
prestigious databases, such as Web of Science and SCOPUS, on which authors will try to describe the past and current research trends. Furthermore, a suitable brand model needs to be found. Also the technology acceptance model will be described. This will lead to a discussion about the areas that need to be researched in the future. Authors need to formulate research questions and be able to design their future research.

Our past research indicates 3 groups that influence the regional brands: consumers, certified companies and brand owners (administrators), see Fig. 1. Administrators own or manage the brand. Their role is to set the rules, promote the brand to consumers and support the companies. Companies certify (buy) the brand from administrators and give feedback, they also sell the products to consumers and receive feedback. Consumers are purchasing the branded products and give feedback to administrators.

![Fig. 1: Parties involved in Regional Brands](source: own)

The main findings in our past research indicate areas that need to be focused on. CE research was done last year (2017) and the results are similar to 2013. The authors believe that the results will stay similar in the future and thus do not need to be researched again. The point of view of companies is very interesting, but the research is also only 2 years old (2016) and the results would be most probably again very similar. The authors believe that it would be more beneficial to start with the research of consumers and how they perceive regional brands. Brand owners and certified companies can be contacted with the new results, thus completing the cycle from Fig. 1.

According to Tranfield, Denyer and Smart (2003) undertaking literature review is an important part of any research project. Researchers need to map and assess the relevant intellectual territory to be able to specify a research question that will help to further develop the knowledge base. The systematic review should consist of 3 stages and in total of 9 phases. The first stage should consist of 3 steps, identification for the need for a review, preparation of a proposal for a review, and development of a review protocol. In our case, this stage took place at the beginning of our project, when we realized we lack information, we pointed it out in our project draft and set our research topics. We couldn’t create a special review panel of experts, however we have discussed everything with our university colleagues, who are well versed in the topic. The second stage should consist of 5 steps, identification of research, selection of studies, study quality assessment, data extraction and monitoring progress, and data synthesis. We will try to do these steps in the following chapters by identifying relevant research articles in various databases, studying them and drawing out relevant conclusions.
The last stage should consist of 3 steps, the report and recommendations and getting evidence into practice. (Tranfield, Denyer and Smart, 2003)

The main outcomes of this article should be research questions, that will guide the future research, design of the future research, and questionnaire.

4 Regional brands articles in Web of Science

The WoS database has been examined for articles about regional brands. Several types of search and search phrases have been tested and the results were inspected manually by the author. In the end, the best phrase finding most relevant articles was “regional brand”, although even this one had to be further filtered because it included articles not relevant to our topic, e.g. “Hizbullah as a regional brand: not all parties are equal”, see Tab. 1 for the results in past 10 years. After that the search continued with similar phrases, topics about “product protective branding”, and leads from the cited articles.

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Source: own based on WoS search

The total number of articles for the past 10 years is 86, out of those only 61 are relevant to the researched topic. With additional phrases and leads, the total is 76 articles in WoS. However, the author has manually examined all these articles and there are several key issues with these numbers. Nearly all of these articles are only from conference proceedings. Not to diminish their quality, but after reading them the author has to humbly admit that their value for our further research is in many cases low. Mainly the articles are Chinese (50 in total, but only 23 relevant), Czech (8) and Slovak (5), and then other European countries with 1 article.

The term Regional Brand isn’t yet fully agreed upon and doesn’t have any widely accepted definition. Mainly Asian (China, see further) authors (Li, 2016; Hong and Liang, 2014; Liu, Gao and Sun, 2014) perceive regional brand more from the point of view of the whole region, meaning how the name of the region is represented on the outside, and consequently how it influences the success of its products. This approach to regional brands is coupled with the issues of country of origin and region of origin, with which Chinese have to deal a lot more than other countries.

The other point of view and the second most common in WoS is our approach to regional brands, Czech-Slovak (13) with occasional Polish (1), Austrian (1), German (1) article, where we understand regional brands as brands of local regional products produced by micro-companies and craftsman (Picha and Skorepa, 2018; Zuffova, Bohatova and Bumbalova, 2017).

5 Regional brands articles in SCOPUS, other databases, professional agencies

The structure of SCOPUS articles about Regional Brands is similar to the structure in WoS. There is in total 148 articles related to the term, however, 31 of them are about regional brands of the whole region, meaning a marketing of a geographical area (Lucarelli, 2018;
Donner et al., 2017), whole 26 articles are about local wine brands (Bonn, Cho and Um, 2018; Thomas, Quintal and Phau, 2018), only 9 articles are about the regional brands as we understand them (Pícha and Skořepa, 2018; Pícha, Navrátil and Švec, 2018). From the point of view of nationalities, there are again many Asian articles, mainly from China (47), wine articles are mainly by French and Italians, and the regional brands as we understand them are by Czechs and Slovaks.

STEM/MARK did a research on food quality brands (product protective branding) in Czechia in 2015. The results are in line with our previous results. The Czech Internet population has good awareness of the existence of food quality brands. Spontaneous knowledge of specific brands was measured with 71% of respondents, most commonly the Klása brand, followed by the Český výrobek, Bio and Regionální potravina (regional brand). However, if asked which of these brands is trustworthy, only one quarter of respondents is able to identify one, others are not trustworthy. (Kotátko, 2015)

Association of Small and Medium Enterprises and Tradesmen of the Czech Republic (AMSP ČR) did a research in 2012 where the main objectives were to find out how entrepreneurs can support their sales of domestic products by using proven quality brands, which factors are important for consumers when purchasing goods, and explore what people understand as quality and how they perceive such products. The results are also in line with our previous results. Consumers report that when purchasing goods, quality is the most important (61%), followed by price (59%), and brand (36%). Quality means durability (41%), quality materials (21%), and corresponding price (15%). Quality product should be made of quality materials (93%), be functional (86%) and without defects (85%). Key words such as local (51%), Czech (50%), or brand (25%) are scoring much lower. A follow up question on point of purchase revealed that consumers check for quality by reading packaging information (73%) containing materials/nutrients, design (59%), country of origin (55%). Price (47%) and brand (42%) scored lower. Whole 76% of consumers prefer Czech products. However, when asked about Czech quality brands, consumers are choosing neutral and rather positive answers for brand awareness and for their opinion how these brands guarantee the quality of products. (AMSP ČR, 2012)

6 The Brand Model

To be able to successfully work with brands, we need a validated brand model. Therefore, we are not dealing with brand definitions, those were our focus in previous articles (see Stoklasa 2013, 2014, 2015), but rather a whole overview of approaches to brands and brand models. In our previous publications, brand has been perceived from the point of view built on the theory described by Aaker (2003), Kotler and Keller (2007), Vysekalová (2011), and Pelsmacker, Geuens a Bergh (2003).

According to Aaker (2003, p. 8), the brand value is a "set of benefits (assets) and drawbacks (liabilities) associated with the name and symbol of a brand that increases or decreases the value the product or service brings to the firm and/or the customer". It consists of four, later five categories (Aaker, 2003, p. 8):

- Brand awareness.
- Loyalty to the brand.
- Perceived quality.
- Associations associated with the brand.
- Other proprietary brand assets.
According to Pelsmacker, Geuens and Bergh (2003, p. 69), "for marketers, perceived brand value by customers is more important than its financial value." This brand value can be described according to Pelsmacker, Geuens and Bergh (2003, p. 69) by the following factors:

- Awareness.
- Perceived quality.
- The force generated by the associations.
- Other assets.
- High brand loyalty.

After extensive literature review, authors conclude that there are various new brand models, but the majority is built on the reliable and validated models created by aforementioned authors, mainly Aaker and Keller. One of the SCOPUS articles by Margarisová and Vokáčová (2016) did a comprehensive study on the use of brand and building brand value specifically for regional brands. The authors have the same basis as we do (Aaker, Kotler, Keller, Vysekalová). They created the so called House of Regional Brand, see Fig. 2, that is based on the theory by Aaker, 2003 for strategic brand analysis and brand identity system; Azoulay, Kapferer, 2003 for Kapferer’s Brand Identity Prism; Keller, 2007 for tools and brand building goals; Kotler, Armstrong, 2006 for macro and micro environment analysis; Přibová, Mynářová, Hindls, Hronová, 2000 for brand conceived as a system, in which individual attributes are arranged into certain levels of a pyramid scheme; Vysekalová, 2004 for the concept of total brand.

Fig. 2: House of Regional Brand
(Source: Margarisová and Vokáčová, 2016)
7 Technology Acceptance Model

Our SGS project (Student grant competition project SGS/7/2017: “Acceptance of technology from the perspective of marketing tools.”) has settled on the use of Technology Acceptance Model (further as TAM) by Davis (1989). Our colleagues have published several articles about it and its use in online shopping, see Bauerová and Klepek (2017, 2018).

The original TAM has been created by Davis, Bagozzi and Warshaw (1989) and it deals with the prediction of the acceptability of an information system, see Fig. 3.

![Technology Acceptance Model](image)

**Fig. 3: Technology Acceptance Model**
(Source: Davis, Bagozzi and Warshaw, 1989)

The model has been upgraded to TAM2 by Venkatesh and Davis (2000), and later to TAM3 and the use for e-commerce. However, the model became popular and widely modified to be used for different purposes, see Bauerová and Klepek (2017).

Our colleagues Bauerová and Klepek (2017) propose a modified version of theoretical e-grocery shopping acceptance model, which is very suitable for utilization in the area of Regional Branding, see Fig. 4.

![Theoretical E-grocery Shopping Acceptance Model](image)

**Fig. 4: Theoretical E-grocery Shopping Acceptance Model**
(Source: Bauerová and Klepek, 2017)
8 Implications for our future research

Our past research results as well as research of other authors (see chapters 2, 4, and 5) suggests that consumers are confused with various product protective brands, including regional brands, and have no idea, what these brands guarantee. This topic is supported by extensive research, therefore the authors believe that it would not bring much value to pursue it as well.

Although the consumers do not follow product protective branding, they do prefer local (regional) products. Therefore, we should still focus on this preference and what it means for the market.

Consumers also often state the preference of quality products However, what this quality is often varies. Thus, we should focus on the perceived quality of the products. We should also focus on the characteristics of the consumers themselves, as our past research indicates, there are certain demographic groups with higher preference of local products.

Technologies are changing consumer purchasing behavior even for traditional products, but there are no studies about the set of tools that these specific products require to be able to succeed on today's market.

RQ1: What is a regional product in Czechia and who is purchasing it?
RQ2: What characteristics do these products have and what do the Czech consumers desire?
RQ3: What new technologies could help regional products spread on today's market?

Our questionnaire will have 3 groups of questions, each group dedicated to 1 of our research questions. According to Aaker's model, the first group belongs to associations associated with the brand, the second group is perceived quality, and the third group would be other proprietary brand assets.

Conclusion

The main aim of this article was to examine the past and current research trends of regional brands, with great emphasis on the influence of technology, which should allow us to define areas for further research. The main basis for this article are secondary data, our past research, articles from the Web of Science, SCOPUS and other databases, by professional marketing agencies and others. From this basis, a need for a better look at the brand model arised, as well as better understanding of the technology acceptance model. All this lead to a discussion about the areas that need to be researched in the future. This article will thus serve as the cornerstone for years-long research programme.

Our main findings are: Czechs and Slovaks are the main authors of scientific articles about the regional brands as we understand them, the topic area is under-researched, majority of the research is in the beginning phases that care about whether the consumers have brand awareness, however there is no consensus about the actual regional brand definition, what the consumers look for while buying regional brands and how is technology changing this behavior. Based on all this knowledge, we have set our 3 research questions and drafted a structure of our questionnaire.
References


