

## The Positioning of Greek Feta Cheese in a Local UK Market – A Major Marketing Strategy Problem

Athanasios Krystallis, Victoria Papadopoulou and George Chryssochoidis\*

### Abstract

*The survey aims at analysing the current positioning of Greek feta cheese. A regional UK market is selected as a typical research location. Four components of feta cheese's marketing mix (country of origin, brand name, type of milk used and price) are included in a conjoint task of product evaluation. Based on the importance assigned to these attributes, the survey identifies a number of consumer segments, and defines those that have a possibility to constitute regular feta cheese buyers. Feta cheese is seen by consumers of the sample as expensive compared to its perceived quality. This perception is attributed to the modest image of the product, which does not motivate a purchasing behaviour typical for a specialty cheese. Findings indicate the pressing need to reposition the product in the UK market.*

**Keywords:** Specialty foods, positioning, conjoint analysis, country of origin, PDO

### Introduction

Cheese is a product commonly consumed in many different ways and at many different times, in most societies where milk is produced. Cheese making has been recognised as a craft or "art". In the last decades, however, this art has been industrialised in high-volume factory production. In 1998, the world's major cheese making countries produced 11.9 million tones of cheese (Bogue et al, 1999). Recently, the European dairy industry is characterised by a rapid structural change. According to Oustapassidis (1998), there is an indication that the dairy industries in a number of countries apply intensive advertising and differentiation strategies and enjoy high profitability.

The cheese industry in Greece is also in transition. The number of small-scale cheese makers is substantial, around 100 firms (Self-service Review, 2001). However, their traditional cheese products, typically unbranded, are coming under increasing competitive pressure from branded products, mainly, from leading Greek dairy firms. On the other hand, per capita yearly cheese consumption in Greece, almost 23.5 kg, is the highest in the world (along with France). With almost daily consumption of cheese per household, the larger part of the quantity consumed concerns non-specialty cheeses,

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\* Corresponding author: Dr. Athanasios Krystallis, Institute of Agricultural Economics and Rural Development, National Agricultural Research Foundation (N.Ag.Re.F.), 5 Parthenonos str., 141 21, ATHENS, Greece, tel: +30.10.212 5108, fax: +30.10.5245195, e-mail: [krystallis.igeke@nagref.gr](mailto:krystallis.igeke@nagref.gr)  
Victoria Papadopoulou, MSc., Research associate. National Agricultural Research Foundation (N.Ag.Re.F.)

George Chryssochoidis, Agribusiness and Farm Management Laboratory, Dept of Agricultural Economics and Rural Development, Agricultural University of Athens, Iera Odos 75, 11855-Votankos, Greece, tel/fax: +30-210-5294766, e-mail: [gc@aua.gr](mailto:gc@aua.gr)

both industrial brands and (usually) unbranded small-scale producers' cheeses (77% in 1997), with the exception of a number of "Protected Denomination of Origin/Protected Geographical Indication" (PDO/PGI)-labelled and selected imported brands. In a domestic market where competition is as harsh, leading Greek dairy firms are forced to expand their operations in foreign markets with growing per capita cheese consumption, such as the UK, adopting as intensive marketing strategies as their European counterparts. Indeed, more than 60% of Greek cheese production (mostly feta cheese) is exported in world markets (Vlachos et al, 2000).

In an environment as such, the present survey aims at analysing the current positioning and identifying the future prospects of Greek feta cheese in the UK market, using a regional market as a typical survey location. Country of origin, brand name, type of milk and price are selected as the most crucial attributes for product evaluation by means of conjoint analysis. The sample selected is constituted by specialty cheese buyers. Based on the importance assigned to the above-mentioned attributes, the survey defines statistically differentiated consumer segments and identifies those that have a strong possibility to constitute future regular feta cheese buyers.

The paper opens with a brief literature review part regarding the UK specialty cheese market and consumer preferences, the specialty character of Greek PDO feta cheese and its market in the UK. The paper proceeds with the methodology part, where the aims and objectives of the survey, the research design, the data collection process and the sample are described. The section of the analysis and empirical results details the findings of the two methodological parts (qualitative and quantitative) per objective, while the discussion and managerial implications section comments on the major findings and offers valuable insights on a proposed marketing strategy.

### **The UK specialty cheese market and consumer preferences**

Specialty cheeses comprise the largest sector of the specialty foods market in the UK, accounting in 1997 for one-quarter of the total UKP 1.6 billion retail cheese market. Cheddar delicatessen sales account for 60% of total trade, with blue cheese taking about 7-8% (Kupiec and Revell, 1998). As consumer interest in specialty cheeses continues to increase, the development of the market is promising in terms both of new varieties and overall volume of production. In response to consumer demand, UK market leaders have introduced new "industrial" brands with different sensory profiles, attractive packaging and numerous variations of flavoured and blended produce. For many years, specialty cheeses in the UK have been associated in public mind with small-scale, artisan production on farm or in small, hand-operated dairies. At present, the sector comprises not only artisan cheeses but also specialty ranges produced in industrial creameries. "Specialty cheese" thus describes a spectrum of cheeses ranging from non-generic and more distinctive, individual cheeses (e.g. Blue Wensleydale), to traditional "regional" cheeses (e.g. Cheddar, Double Gloucester), some with added flavourings (e.g. port wine or herbs), to farmhouse traditional cheeses, goat and sheep's milk cheeses, local or imported (e.g. feta cheese).

Yearly per capita consumption of cheese in the UK exceeded the level of 10 kg in 1996, while in the period 1997-2000 it exhibited a 20% increase, ranking the UK fifth in the world. During the same period, the UK was the third cheese importing country in the world, with 10% of world imports or 260,000 tones. This quantity represents 45% of

the total UK cheese consumption (Vlachos et al, 2001).

Regarding UK consumers' preferences for specialty cheese, Kupiec and Revell (1998) conclude that "quality" and "flavour" of the cheese are recognised as very important, followed by "superiority" and "distinctiveness" from industrial cheese types. Least important are "shelf-life", "packaging", "health" and "appearance", "price" and "origin". Specialty and artisan cheeses are favoured by those in the 35-55 age group, in middle managerial, white collar/administrative and top managerial social groups. The same authors also argue that the respondents of their sample purchase specialty cheese predominantly on a weekly basis (47%), with another 21% buying once every fortnight. The most frequent weekly specialty cheese purchases are those between 170gr – 450gr, valued between UKP 4 to 7. On the other hand, UK consumers of industrial cheese consume between 225gr – 900gr per week per household. This lower mean purchase of specialty cheeses are probably linked to their diverse, special occasion-related consumption. Specialty cheeses are perceived as suitable for "high quality" use, e.g. after dinner, with wine, on their own, or at parties, hence they are consumed in smaller quantities. Kupiec and Revell (1998) additionally claim that specialty cheese consumers prefer stronger-flavouring cheeses and that 81% of their sample purchase cow milk cheeses. Moreover, the same authors claim that, of the minority of consumers favouring mild cheeses, relatively more tend to buy ewe or goat milk cheeses (such as feta).

Enriching the profile of the specialty cheese consumer, McCarthy et al. (2001) add that they tend to be innovative and highly involved within the cheese domain, making more detailed comparisons between brands. The same authors argue that a greater percentage of consumers with third-level education and of higher socio-economic group purchase specialty cheese, in accordance with Kupiec and Revell (1998). On the contrary, consumers' gender and presence of children in the household do not seem to influence specialty cheese purchases. Additionally, "enjoyment obtained from consumption of cheese" is not a differentiating factor between specialty and non-specialty cheese customers. McCarthy et al. (2001) also claim that a significantly higher percentage of specialty cheese customers are willing to pay at least UKP 3.5 per week for its purchase. In terms of retail outlet, although the percentage of industrial cheese buyers shopping in supermarkets is higher (80%) to the relevant of specialty cheese buyers (60%), the majority of consumers of both types use the supermarket as their main purchase location.

The profile and behaviour of the specialty cheese consumer has been the topic of research also in countries with a strong cheese "culture". Using a sample of Italian consumers, Arfini (1999) concludes that the most common reason for specialty cheese purchasing, among other "typical" Italian foods, has been the connection between this product and local food traditions, while a second reason has been the perception that this product is genuine. The presence of the manufacturer's brand is found to be of limited importance, while the presence of supermarket's own label is unimportant. Surprisingly, the existence of an organic label is rather unimportant for cheese, while the opposite holds for the PDO indication. Moreover, price as a purchasing motive is also found to be unimportant. These results are in line with the conclusions derived by Souza-Monteiro and Lucas (2001) regarding the Portuguese consumer of traditional cheeses. According to them, the PDO indication is the most important attribute of a traditional cheese, while price carries half the importance attached to the PDO indication, although it is the second most important cheese attribute.

### **The specialty character of Greek PDO feta cheese and its market in the UK**

During the 90's, feta cheese represented almost 60% of Greek cheese production, around 120,000 tones annually (Vlachos et al, 2000). "Feta" is a soft, white cheese made of ewe milk (or ewe and goat milk, as long as the latter does not exceed 30% of the milk used), with high water content. This last characteristic makes its preservation for long periods of time problematic, unless pored in enzyme-rich, salty water. The production of feta cheese is still considered a traditional skill, as the salt content, temperature at which enzymes are added, acidity, and way of straining are determined by each cheese maker to give a distinct character to his own particular product. The type of animal feed, after grazing in open air in predetermined areas, allows for the milk yielded to acquire a variety of flavours and aromas, embodied only in the Greek feta cheese (Halkias, 1999). This unique character and pressure from the industry, motivated in 1995 the Greek government to ask from the European Commission to include Greek feta in the list of the 22 Greek cheeses certified with a PDO/PGI label. This request triggered since then a legal conflict between Greece and France, Denmark and Germany, which also produce a "feta-type", white cheese, made mainly of cow milk undergoing a chemical whitening treatment.

More than 60% of the Greek cheese production is exported in world markets. At the EU context, in mid 90's the market share of Greek feta cheese was 63.7% or 33,000 tones, while a "feta-type" cheese of French origin was second (28% or 14,500 tones) (Vlachos et al, 2000). Although the UK market for feta cheese is still small, it exhibits a great growth potential. The average yearly quantity consumed during the 90's was approximately 1,400 tones. However, it exhibits an almost 200% increase since 1989 (Self-service Review, 2001). "Feta" brands sold in British supermarkets are made in Greece and other EU countries (France, Denmark, Cyprus, even Ireland). The major retail chains usually offer two or three different brands of "feta" cheese, one of which is the supermarkets' own brand. The market share of Greek feta in the UK exhibits a strong fluctuation, for example from 30% in 1994 to only 4% in 1996. This fact indicates that perceived quality of the Greek product over its non-Greek counterparts is not well established. There are two Greek industrial feta brands in the British market under the manufacturer's brand name: "MEVGAL" and "FAGE" (two of the three largest dairies in Greece), both using the PDO indication on the label. The rest of the products are private labels by either French or Danish large-scale manufacturers, which usually use Greek names and package layout to increase their "authentic" Greek image. Overall, there are almost twenty brands of "feta" currently available in the UK.

### **Methodology**

The present survey aims at analysing the current positioning and identifying the future prospects of

Greek feta cheese in the UK market. The objectives of the study are: with the use of a qualitative survey: 1) to analyse UK consumers' overall awareness of the PDO/PGI scheme, and 2) to specify the most important feta cheese attributes for further analysis. Then, with the use of a quantitative survey: 3) to identify UK consumers' familiarity with the concept of regional/specialty foods, 4) to investigate the degree of UK consumers' awareness regarding the origin of feta cheese and their perceptions about its Greek

country-of-origin, 5) to clarify UK consumers' perceptions of feta cheese attribute importance and measure their preference for the Greek alternative, and 6) based on the average percentage importance assigned to these attributes, to identify a number of consumer segments and define those that have a potential to constitute regular feta cheese buyers.

The research design and analysis follow robust and established methodologies using survey data. After a short qualitative task with the use of focus groups, feta cheese's country of origin, brand name, type of milk and price are selected as crucial attributes for product evaluation. Then, the quantitative survey part follows, with the implementation of conjoint and cluster analyses. Conjoint profiles are developed based on the findings of the qualitative study. The questionnaire used includes sections on "purchasing and consumption of cheese" in general and of "feta cheese" in particular, consumers' "awareness of specialty cheeses", the conjoint experiment and the socio-demographic data selection parts.

Conjoint analysis models the nature of consumer preferences in the form of consumer trade-offs amongst multi-attribute concepts. The conjoint model assumes that products can be defined as a series of specific levels of attributes and that the total utility consumer derives from a concept is determined by the partial utilities (part-worths) contributed by each attribute level. Conjoint analysis provides for the identification of attribute combinations that are most preferred by respondents and the identification of the relative importance of each attribute (Hair et al, 1998).

**Table 1.** Sample's Socio-demographic Profile, n=200

	Frequency					Percentage %					
Age group											
20-30	31-40	41-50	51+		20-30	31-40	41-50	51+			
53	110	35	2		26.5	55	17.5	1			
Gender											
Male	Female					Male	Female				
90	110					45	55				
Education											
High school or lower	University or higher					High school or lower	University or higher				
21	178					10.5	89.5				
Marital status											
Married or living with partner	Single	Divorced, widowed		Married or living with partner		Single	Divorced, widowed				
104	87	9		52		43.5	4.5				
No of children											
0	1	2	3	>3	0	1	2	3	>3		
91	53	41	14	1	45.5	26.5	20.5	7	0.5		
Yearly income in UK pounds											
< 10,000	10,001-20,000	20,001-30,000	>30,001		< 10,000	10,001-20,000	20,001-30,000	>30,001			
6	38	100	56		3	19	50	28			
Occupation											
Executive, manager	Business owner	Sales represent.	Civil servant	Other *	Executive, manager	Business owner	Sales represent.	Civil servant	Other *		
76	30	20	18	56	38	15	10	9	28		

\* Farm managers: 7.5%, sales clerk: 4.5%, student: 4%, homemaker: 3%, labourer/service worker: 2.5%, retired: 1%, other: 5.5%.

The sample is constituted by specialty cheese buyers in a UK regional market, mainly for convenience reasons. Data were collected with a series of street interviews outside three supermarkets of the Reading area in May-July 2001. The specific area has been the application field of other marketing (conjoint) surveys as well (e.g. Jaeger et al, 2001). A total of 280 randomly chosen interviews took place, however only 200 consumers answered positively the filter question if they had ever tasted feta cheese. The same sample selection approach is also followed by other researchers investigating the topic of specialty/PDO food and cheese consumption (e.g. Arfini, 1999; Souza-Monteiro and Lucas, 2001). Overall familiarity of Reading consumers with feta cheese is satisfactory, since 200 out of 280 consumers interviewed had tasted feta cheese (71.5%). The average monthly consumption of feta is approximately 200 gr, while it is used in salads (54%), recipes (41%) or on its own/ with biscuits, bread or fruits (5%).

The high percentage of educated people having tasted the product is astonishing (89.5%), while the large majority of them (78%) belong to high-average or upper yearly income levels of more than UKP 20,000. Provided that education is the most consistent and reliable measure of consumers' social class participation (Pill et al, 1995, in Hupkens et al, 1997), the above-described results indicate that consumers who are familiar with feta cheese belong to upper-average or high social classes. This profile corresponds to that of the typical specialty cheese buyer as described earlier (Kupiec and Revell, 1998; Bogue et al, 1999; McCarhty et al, 2001). Members of the sample prefer to buy cheese in supermarkets (41%) and delicatessen (36%), while only 16% and 7% purchase cheese from local grocers and cheese shops respectively. It seems that convenience and the expanding variety of cheeses offered by the relevant supermarket sections have replaced the more traditional cheese shops. According to Groves (2000), the average visiting frequency of a British consumer to a cheese shop is less than once per month.

## Analysis and Empirical Results

### *Qualitative part: objectives 1 and 2*

This part of the research identified consumers' associations to particular PDO/PGI products (consumption patterns and purchase places of the particular products, links

**Table 2.** Demographic Composition of the Focus Groups

Focus group 1				Focus group 2				Focus group 3			
Gend.	Age	Educat.	Profession	Gend.	Age	Educat.	Profession	Gend.	Age	Educat.	Profession
M	28	Univers.	Student	F	42	Univers.	Teacher	M	50	Element.	Worker
M	38	HighSch.	Employee	F	28	Univers.	Student	M	48	HighSch.	Sales employee
M	50	HighSch.	Civil servant	F	35	HighSch.	Worker	M	40	HighSch.	Worker
F	25	Element.	Store employee	F	45	HighSch.	Sales employee	M	35	Univers.	Civil servant
F	29	Univers.	Student	M	48	Univers.	Univ. professor	F	25	HighSch.	Unemployed
F	33	Technic.	Firm employee	M	33	HighSch.	Firm employee	F	38	Univers.	Teacher
F	45	HighSch.	Sales employee	M	28	Univers.	Student	F	45	HighSch.	Worker
F	56	HighSch.	Housewife	M	50	HighSch.	Worker	F	52	Element.	Housewife

between the product and specific countries/regions and the relation of country/region to consumers' evaluation of the product).

With regards to the overall awareness of the PDO/PGI label, 96.5% of focus-group participants agreed that they are not well informed, while another 91% had never seen such label before. These percentages are significantly higher to those found in surveys of other EU countries, such as Greece and Italy, where awareness levels are still considered unsatisfactory (Fotopoulos and Krystallis, 2001; Arfini, 1999). This very low awareness level can be partially explained by the fact that certified UK producers are not labelling their products with the EU-approved logos, unlike their European counterparts. However, a number of large producers now realise that the labels could prove to be a valuable element of their marketing strategy (MAFF, 2001). This can be supported by the following: 92% of focus-group participants agree that the PDO/PGI label is an assurance for consumers, 95.5% agree that it is important to protect the British traditional products, 92% agree that the PDO/PGI labels protect the small producers, while a substantial 86% declare willing to buy PDO/PGI products, if they knew more about them.

On the other hand, although the majority of participants agree in the protection of regional foods, only 31% associate traditional image to superior quality. Kuznesof et al. (1997) argue that older consumers are more likely to purchase protected regional foods, as these are associated with "old-fashioned and poorer people's food" by the younger British consumers. Moreover, although almost 100% of participants agree that the quality of a product should be protected by EU legislation, 77.5% do not relate production of a food in a protected area to its overall quality.

Finally, the qualitative part of the research specified the crucial feta cheese attributes for further analysis. After a careful assessment of the focus group's responses and based on the literature on consumers' cheese preferences a) "country of origin", b) "price", c) "type of milk used", and d) "brand name" have been selected as the most significant feta cheese attributes in shaping consumer preferences.

#### ***Quantitative part: objectives 3 and 4***

Regarding consumers' familiarity with regional/specialty foods, a list of seven cheese products was presented to respondents, who were asked to characterise them as typical of a country/area or not, according to their perceptions. Hence, 99.5% of sample members perceived Cheddar cheese as such, followed by 79% for Parmiggiano Regiano, 70.5% for Buffalo Mozzarella, 67.5% for feta, 53% for white and blue Stilton, 52% for Roquefort, and 50% for Gloucester cheese.

In terms of feta cheese origin awareness, the Greek origin is widely recognised by 93.5% of the sample (187 individuals). The relevant percentages for German, French and Danish origin are lower than 10%. From those aware of the Greek origin, 60.9% declared that they first tasted feta cheese on holidays, 21.3% bought it after friends' suggestion, 13.3% found it in a recipe, and 4.2% purchased it impulsively. Only 1% of respondents found out about feta cheese - of French origin - from an advertising campaign.

#### ***Conjoint Analysis: objective 5.***

There are several techniques for identifying product attributes (or "factors") and attribute levels that are relevant to consumer preferences. Harrison et al. (1998) recom-

mend the use of unstructured focus group interviews, combined with a series of semi-structured, open-ended questions. Bech-Larson et al. (1997) suggest the use of in-depth interviews for identifying attributes of low involvement products on which consumers spend little time, effort and money. We have already seen the most significant attributes that shape consumer preferences for feta cheese, after a careful assessment of the focus group's responses. The very low PDO/PGI awareness level of Reading consumers found in the qualitative survey imposed the exclusion of the PDO/PGI attribute from the conjoint profiles, despite initial intention.

Conjoint design employed a traditional, additive part-worth model with no interaction effects among factors (Hair et al, 1998). The conjoint model has the simple linear form, similar to other conjoint surveys (e.g. Martinez et al, 2002; Walley et al, 1999; Quester and Smart, 1998).

$$Y = X_{\text{country-of-origin}} + X_{\text{price}} + X_{\text{type-of-milk}} + X_{\text{brand name}} + \text{constant}$$

(total utility feta cheese) (utility origin) (utility price) (utility milk) (utility brand name)

where  $X_i$  are non-metric. An orthogonal experimental design was generated using the Orthoplan procedure in the SPSS Categories 8.0 (SPSS, 1997), providing for the estimation of 9 product profiles and 3 holdout cases used as validity tests for the estimated utilities. Orthogonality is perfect, assuming no correlation between factors. All product profiles are realistic, eliminating any multicollinearity problems due to correlation among factors (Hair et al, 1998)

**Table 3.** Levels of the CA Factors Selected and their Relationships

Factors	Country of Origin	Price levels <sup>1</sup>	Type of milk	Brand name
No of levels	3	3	2	2
Level description:	1: Greece 2: France 3: Denmark	1: 1.22 pounds/250gr 2: 1.50 pounds/250gr 3: 1.99 pounds/250kgr	1: cow 2: ewe or goat	1: supermarket's own label 2: brand name of producer
Relation:	Linear more	Linear less (inverse)	Linear more	Linear more

1: Price levels were identified from averaged supermarket prices in Reading, for the period April-May 2001

**Table 4.** Survey's Fractional Factorial Design (SPSS Conjoint 8.0)

Profile No.	Country of Origin	Price levels	Type of milk	Brand name
1	France	1.99	Ewe or goat milk	Producer brand name
2	Denmark	1.22	Ewe or goat milk	Producer brand name
3	Denmark	1.99	Cow milk	Producer brand name
4	Greece	1.50	Cow milk	Producer brand name
5	Greece	1.99	Ewe or goat milk	SM's private label
6	Greece	1.22	Ewe or goat milk	Producer brand name
7	Denmark	1.50	Ewe or goat milk	SM's private label
8	France	1.22	Cow milk	SM's private label
9	France	1.50	Ewe or goat milk	Producer brand name



The 9 package labels are designed using computer software. After printing, the new labels were glued to original packaging and photographed in order to look as realistic as possible. The pictures were then presented to respondents (“full-profile” method), who were asked to indicate their preferences by ranking them from 1: “The most preferred” to 9: “The least preferred”. All the products have the same background colour and the four conjoint attributes are positioned in the same places for every profile, magnifying the realism of the selection, since the 9 “products” look almost identical. According to Jaeger et al. (2001), photographic images can be used instead of prototype stimuli with no substantial differences in the decisions made. Conjoint analysis was conducted using the SPSS Categories Version 8.0 (SPSS, 1997). Goodness of fit is indicated by Pearson’s R and Kendall’s Tau statistics, based upon the correlation of actual and predicted preference scores. The significance statistics for the 9 profiles and the 3 holdout cases indicate that a null hypothesis that the correlation is not significant is rejected ( $p < 0.01$ ).



**Figure 1.** Two Examples of Conjoint Experimental Profiles

**Table 5.** SPSS 10.0 Estimated Aggregate Conjoint Model

FACTORS	AVER. IMPORTANCE %	UTILITY	LEVELS
COUNTRY OF ORIGIN	17.86	.3283 -.1367 -.1917	- Greece - France - Denmark
PRICE	42.88	-5.4164 -6.6596 -8.8350 B = -4.4397	-- 1.22 --- 1.50 --- 1.99 -
TYPE OF MILK	21.81	.7025 -.7025	- Ewe or goat milk - Cow milk
BRAND NAME	17.46	-.5313 .5313	- Producers' brand name - SM's own label
Constant	11.9133		
	Pearson's R=.977, Kendall's Tau=.944		Significance = 0.000
	Kendall's Tau=1.000 for 3 holdouts		Significance = 0.0586

**Table 6.** Predicted Preference for the 9 Olive Oil Profiles According to their Total Utilities

Rank	Profile Number and Description	Predicted Preference
1	6. Greece, producers' brand name, ewe or goat milk, 1.22 pounds/250 gr.	MOST PREFERRED -4.9169
2	2. Denmark, producers' brand name, ewe or goat milk, 1.22 pounds/250 gr.	-5.3819
3	7. Denmark, SM's own label, ewe or goat milk, 1.50 pounds/250 gr.	-5.5625
4	8. France, SM's own label, cow milk, 1.22 pounds/250 gr.	-5.7793
5	9. France, producers' brand name, ewe or goat milk, 1.50 pounds/ 250gr.	-6.6801
6	5. Greece, SM's own label, goat milk, 1.99 pounds /250gr.	-7.2729
7	4. Greece, producers' brand name, cow milk, 1.50 pounds /250gr.	-7.5651
8	1. France, producers' brand name, ewe or goat milk, 1.99 pounds/ 250gr.	-8.855
9	3. Denmark, producers' brand name, cow milk, 1.99 pounds /250gr.	-10.2055

The aggregate model provides for the identification of an importance ranking of the four cheese attributes under investigation. The most important attribute is "price" (42.88%), followed by "type of milk" (21.81%), "country-of-origin" (17.86%) and "brand name" (17.46%). Additionally, the model defines the most preferred or "ideal" product. The ideal brand is that of Greek origin, under the producers' brand name, made of ewe or goat milk, and priced UKP 1.22 / 250 gr.

#### ***Segmentation of Consumer Preferences: objective 6***

Conjoint results for individual consumers were used as a basis for the identification of consumer segments. Following the popular approach (Hair et al, 1999), the variables used as cluster criterion are respondents' percentage importance for the four feta cheese attributes examined. After the initial implementation of hierarchical cluster analysis (SPSS Version 10.0), the method employed the k-means procedure with the option of identifying 4, 5 or 6 clusters, in relation to the size of the sample. The 4-cluster solution was finally selected as the easiest to interpret.

**Table 7.** Clusters of Respondents with Respect to Attribute % Importance (n=200)

Attributes ("factors")	Attribute importance, % per CLUSTER			
	1 (n=51, 26%)	2 (n=90, 45%)	3 (n=50, 25%)	4 (n=8, 4%)
Country of origin	31.32	8.57	11.59	82.35
Brand name	9.49	4.88	42.29	9.67
Type of milk	43.26	18.65	7.55	9.35
Price	15.93	67.90	31.58	11.13

Information about cluster membership of consumers in the form of a nominal cluster identity variable was saved for subsequent profile analysis. The remaining statistically significant variables with discriminating power among the four clusters were established using One-way ANOVA in the case of scale variables or chi-square contingency tests for  $p < 0.01$  in the case of nominal variables. In terms of socio-demographic variables, all

are statistically significant for  $p < 0.01$ , fact that constitutes a 4-cluster solution's advantage over the 5 and 6-cluster ones. In order to develop the profiles of each cluster, a cross-tabulation process took place between cluster membership and the statistically significant variables. One has to keep in mind that the large majority of sample participants (familiar with feta cheese taste) are very well educated, of upper-average to high-income level, and younger than 40.

**Table 8.** Chi-square and One way ANOVA Tests (n=199)

Factors' average importance, %	df	F <sub>.01</sub>	Sig.	
1. Country of origin	3, 196	214.319	.000	*
2. Brand name	3, 196	645.702	.000	*
3. Type of milk	3, 196	378.170	.000	*
4. Price	3, 196	577.429	.000	*
Socio-demographic	df	$\chi^2$	Sig.	
5. Age	3	39.499	.000	**
6. Family income	2	64.181	.000	**
7. Marital status	2	36.929	.000	**
8. Number of children	4	12.923	.000	**
9. Occupation	9	21.000	.000	**
10. Educational level	4	222.229	.000	**

Statistically significant for  $p < 0.001$ , \*\*: statistically significant for  $p < 0.05$

The consumers who seem to be “involved with cheese selection in general” can be found in Cluster 1. This involvement is expressed by means of the higher value they attach to the “type of milk used” and the second higher value to the “country of origin”. Cluster 1 exhibits the highest percentage of consumers either younger than 30 or older than 40. This age distribution can partially justify cluster's contradictory educational profile. Its income level is average. It is possible that the highly educated and older cluster 1 members are really involved in the selection of specialty cheeses. On the other hand, the interest exhibited by the very young or less educated of its members is not certain that it will be translated to future positive specialty (or feta) cheese purchasing behaviour.

Cluster 2 is the largest and constituted by “feta cheese price-sensitive” consumers. They attach the highest importance to the “price” and the lowest to the “country of origin” and “brand name” attributes. They have higher income compared to the other clusters, while their educational level is average. Members of this cluster are young to middle-aged. Given their very high income and their price sensitivity, members of this cluster possibly are strongly dissatisfied with the overall quality of feta.

The “common” consumers of cluster 3 attach high importance to both “brand name” and “price of feta cheese”. They have average income, while they exhibit the lowest educational level of all clusters. The majority of cluster 3 members belong to the 31-50 age group. Overall, they seem to be rather unfamiliar with feta cheese, since they hold rather simplistic perceptions about it. This is possibly the reason behind their attempt to reduce the risk of purchasing by choosing supermarket-labelled feta cheese.

Cluster 4 is a niche, comprised of consumers “especially involved with feta cheese”

selection, whose major point of interest is its “country of origin”. It exhibits the second-higher income level and the higher educational level. The majority of its members belong to the 31-50 age group. It is the only cluster whose members seem to be real fans of specialty (cheese) products. Under conditions, this attitude can lead to loyal purchasing of Greek feta cheese.

**Table 9.** Description of Clusters’ Profile in Terms of the Statistically Significant Variables (n=199), %

Factors’ aver. importance	Cluster 1: 26%	Cluster 2: 45%	Cluster 3: 25%	Cluster 4: 4%
1. Country of origin	31.32	8.57	11.59	82.35
2. Brand name	9.49	4.88	42.29	9.67
3. Type of milk	43.26	18.65	7.55	9.35
4. Price	15.93	67.90	31.58	11.13
5. Age: 20-30	32.7	20	30	25
31-40	36.5	63.3	58	62.5
41-50	28.8	14.4	12	12.5
+50	2	1	0	0
6. Family income: <20,000	5.8	1.1	4	0
20,001-30,000	65.4	69	74	75
>30,001	26.9	30	22	25
7. Marital status:	53.8	51.1	54	37.5
married /with partner	38.5	45.5	42	50
single	5.8	3.3	4	12.5
divorced /widowed				
8. Number of children:				
0	36.5	48.8	48	37.5
1	17.3	27.7	34	25
2	28.8	16.6	16	37.5
3	15.4	6.6	2	0
> 3	2	0	0	0
9. Occupation:				
manager /executive	34.6	22.2	26	Almost evenly distributed
business owner	15.4	16.6	14	
sales representative	9.6	11.1	14	
business owner	15.4	16.6	0	
other	25	22.4	46	
10. Educational level:				
high school or lower	30.7	16.7	12	12.5
university	23.1	62.2	76	25
MSc. or higher	46.2	21.1	12	62.5

### Discussion – Managerial Implications

For the Reading area consumers, the “price of feta cheese” factor is a very important purchasing criterion, since it accounts for 42.88% of the difference in preference scores. This finding is unexpected, given the high education and income profile of the sample and the fact that feta cheese is recognised as a specialty type of cheese. However, consumers do not have enough background information in order to evaluate the significance

of other factors related to feta cheese. Indeed, members of the sample do not find any differences between various feta cheese brands, since the relative importance of the "brand name" factor is very low (17.46%).

On the other hand, the relative importance of the "type of milk" factor is 21.81%, while that of the "country of origin" factor is only 17.86%. These findings indicate that two of the most important quality attributes of feta cheese for the Greek consumers are perceived as much less important by the Reading area consumers. A type of white cheese made of cow milk, called "feta" and originated to, say, Denmark, will not be indifferent to them. Moreover, the limited importance of the country of origin attribute is supported by Groves (2000), according to which only 18% of UK consumers notice country of origin when purchasing food. The same author claims that country of origin is an important quality symbol for products associated with food-related safety crisis, where consumers' involvement is high. When the risk (high price and uncertain safety) is lower, country of origin is at least at the same level with the rest of the food selection factors. And Kupiec and Revell (1998) claim that the healthiness factor is not particularly important when selecting specialty cheese.

At the different attribute levels selected for conjoint implementation, only the Greek origin, the supermarkets' own label and the ewe or goat type of milk are feta cheese's preferable characteristics. The relative utility attached to Greece as a country of origin for feta cheese is indeed higher than the utilities of France and Denmark. However, overall importance of the specific factor remains particularly limited.

Especially the price levels considered in the analysis (UKP 1.22-1.99) are evaluated negatively by consumers, though they correspond to existing prices in the Reading local market. On the other hand, Kupiec and Revell (1998) and McCarthy et al. (2001) found that a premium of UKP 3.5 and UKP 4.7 respectively would be willingly paid on a weekly basis by specialty cheese consumers. Additionally, the socio-demographic profile of the sample is that of a typical specialty cheese buyer and almost two-thirds of the sample recognise that feta cheese is a specialty type of cheese. All the above lead to the conclusion that feta cheese is not considered a cheese with "image" attractive enough to stimulate purchasing behaviour typical of a specialty cheese customer in terms of both volume consumed and price paid. If this holds, the high levels of respondents' price sensitivity can be reasonably justified and should be attributed to consumers' unwillingness to purchase more feta cheese at its current price. On the other hand, most respondents attach higher utility to the supermarket own-label, fact that is justified by the price sensitivity exhibited and the lack of information on Greek industrial dairies. The complete lack of Greek feta cheese promotional campaigns makes consumer evaluation of the different brands very difficult. Consumers possibly exhibit a risk-averse purchasing behaviour by selecting the brand of the retailer they trust.

The current market image of feta cheese is not perceived as equally valuable by all clusters. All sample members have tasted it, however only two clusters have the potential to constitute regular or loyal feta cheese buyers: cluster 4 (4% of the sample) and cluster 1 (26% of the sample). Hence, less than one out of three consumers familiar with feta cheese pay significant attention to a number of its major quality characteristics, such as the Greek origin and ewe or goat milk used. This finding improves the unsatisfactory overall image of the product only marginally. Feta cheese, with its current positioning in the UK market of specialty cheeses, plays a minor role in consumers' set of cheese choice.

Following this line of thought, the so much talked-about in the Greek media debate over the PDO character of the Greek feta cheese does not constitute an equally substantial product feature for all the markets where the product is being exported, certainly not for the UK market. There is no point in insisting on the Greek origin of a product, when it is perceived as being of low value and high price for its quality, even by specialty cheese purchasers accustomed to it. With the prevailing market conditions, such indication might stimulate negative associations about Greek food products altogether. This argument becomes stronger when one considers the overall limited effectiveness of the PDO strategy in the UK.

On the other hand, marketing managers should be worried of trading-off quality for lower price. The reverse may be a preferable option: maintaining a stable, high price to reflect the product's consistent premium quality. In a British market accustomed to feta brands with poor appearance, limited added value, and complete lack of promotion and background information, launching high quality feta cheese, branded similarly to its specialty cheese competitors, may have a different impact upon buyers. This impact is contingent on individual buyer's experiences with purchasing feta. Intuitively, one can imagine a younger British cheese buyer, with only modest experience in purchasing feta, having first tasted it during vacation, taking greater comfort in a high added value, branded product. A promotional strategy should seek to convince the buyer that the feta brand would remove the risk of a poor purchase decision. This strategy should not aim at promoting feta cheese as an everyday cheese, but rather emphasise on its character as a cheese for "high quality" use, e.g. after dinner, with wine or in a salad.

Failure to understand the major quality features of feta cheese and the ages-old tradition of Greeks in its manufacturing makes the repositioning of the product necessary. Innovative aspects of its marketing mix need to be identified and extensively promoted. With the limited information available to the UK consumers to formulate their attitudes towards feta cheese, it is difficult to modify the modest image of the product currently sold with the use of only one extrinsic quality attribute, e.g. the PDO label. A number of intrinsic and extrinsic product characteristics need to be tailored to the UK consumers' definition of a specialty cheese, such as "quality", "flavour", "superiority" and "distinctiveness".

## Conclusions

The study at hand attempts to evaluate the image of the Greek feta cheese available in a local market of the UK, based on four components of the marketing mix: product's country of origin, brand name, type of milk used and price. A number of 200 consumers were selected, familiar with feta cheese and with a profile close to that of a typical specialty cheese buyer. The most encouraging results of the survey are that, first, consumers' familiarity with feta cheese is high and its specialty character is widely perceived. Second, that the Greek origin is the only product feature with positive utility for consumers. However, the results also reveal that feta cheese is seen as expensive by 70% of the sample, while only the remaining 30% pay some substantial attention to the product's Greek origin. This price sensitivity has to be attributed to the modest image of the product, which does not motivate a particularly loyal purchasing behaviour. The findings of the survey indicate for the pressing need for repositioning the product in the UK market. Its marketing mix should be tailored to better correspond to a number of spe-

cialty cheese preferred attributes. A well-designed, market-oriented strategy should be followed by Greek exporting manufacturers, whose interest should not be exhausted to the reassignment of the PDO label to Greek feta cheese brands. Overall, a more intensive promotional campaign has to be undertaken, to better shape the environment in which foreign customers make their purchasing choices of cheese and food in general.

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