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COMPARISON OF THE APPLICATION OF MARKETING COMMUNICATION TOOLS USED BY ORGANIC FOOD PRODUCERS IN SLOVAKIA AND AUSTRIA

PORÓWNANIE STOSOWANIA NARZĘDZI KOMUNIKACJI MARKETINGOWEJ PRZEZ PRODUCENTÓW ŻYWNOSCI EKOLOGICZNEJ NA SŁOWACJI I W AUSTRII

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Summary: The aim of the article was to compare the application of marketing communication tools used by organic food producers in Slovakia and Austria. Additionally, we were interested in the opinions of producers about customers, the differences between organic markets in Slovakia and Austria, and the barriers and opportunities to improve marketing communication in the organic food market. The survey was conducted using a standardized questionnaire developed in the Slovak and German languages by the authors of the article. The study population included 172 registered entities that have acquired the status of organic food producers. The effective rate of return of the questionnaire reached 40%. Based on the findings, it can be concluded that the Slovak organic food producers should make greater use of marketing communication tools in their business and develop distribution channels, for example: selling products in vending machines, which are used for this purpose in Austria. In addition, they should engage their clients in the process of organic food production through the use of loyalty programs and PR activities to keep up long-term relationships with them, facilitate consumer access to organic food through participation in various trade fairs, exhibitions, events, festivals, organize excursions during which consumers are able to become acquainted with the history and tradition of the company and its products, and employ targeted promotional activities to educational entities such as schools, and also in business entities and training courses on the use of organic food in the cooking process.

Keywords: organic foods, Slovakia, Austria, producers, marketing communication.

Streszczenie: Celem artykułu jest porównanie stosowania narzędzi komunikacji marketingowej między producentami żywności ekologicznej ze Słowacji i Austrii. Dodatkowo autorzy byli zainteresowani opinią producentów na temat konsumentów, różnicami w postrzeganiu rynku żywności ekologicznej na Słowacji i w Austrii, barierami oraz możliwościami poprawy komunikacji marketingowej na rynku żywności ekologicznej. Badanie zostało przeprowa-

dzone za pomocą standardowego kwestionariusza opracowanego w języku słowackim i niemieckim przez autorów artykułu. Do badania zakwalifikowano 172 zarejestrowane podmioty, które uzyskały status ekologicznych producentów żywności. Efektywna stopa zwrotu kwestionariuszy wyniosła 40%. Na podstawie wyników można stwierdzić, że słowaccy producenci żywności ekologicznej powinni w większym stopniu wykorzystywać narzędzia komunikacji marketingowej w swojej działalności, rozwijać kanały dystrybucji, na przykład: sprzedaż produktów ekologicznych w automatach, które są wykorzystywane w tym celu w Austrii. Ponadto w miarę możliwości powinni zaangażować klientów w procesie produkcji żywności ekologicznej, przez programy lojalnościowe i działania PR utrzymać z nimi długoterminowe relacje, ułatwić im dostęp do żywności ekologicznej poprzez udział w różnego rodzaju targach, wystawach, imprezach, festiwalach, organizować wycieczki dla nich, podczas których konsumenci mogliby się zapoznać z historią i tradycją firmy i jej produktami. Producenci powinni również skierować swoje działania promocyjne do placówek edukacyjnych, takich jak szkoły, ale również podmiotów gospodarczych, którym proponowałoby szkolenia w zakresie wykorzystania żywności ekologicznej w przygotowaniu różnych smacznych posiłków i napojów o wysokiej wartości odżywczej.

Słowa kluczowe: żywność ekologiczna, Słowacja, Austria, producent, komunikacja marketingowa.

1. Introduction

Marketing communication is a management process through which an organization engages with its various audiences. The basis of marketing communication is the marketing communication mix, sometimes called the promotional mix. The marketing communications mix consists of a set of tools (disciplines) that can be used in various combinations and different degrees of intensity in order to communicate with a target audience [Fill, Jamieson 2006]. The five principal marketing communications tools are: advertising, sales promotion, public relations, personal selling and direct marketing.

Advertising is a paid, non-personal offer of products by a company [Kotler, Keller 2006] via different types of print, broadcasting and interactive media in order to create brand awareness and brand image and persuade the customer to respond [Boone, Kurtz 2007]. **Sales promotion** is a value added short term suggestion to motivate the customer to an immediate response and product trial [Ailawadi et al. 2009; Duncan, Ouwersloot 2008; Kotler, Keller 2006]. **Public relations** are the actions of a company in promoting goodwill between itself and the customers.

Personal selling is an interpersonal relationship by which the sales representative fulfils the customer's needs to gain mutual benefits. Personal selling is the most effective and expensive marketing communication tool [Fine 2007]. **Direct marketing** is a database driven, direct and interactive communication process that uses a wide range of media to stimulate a customer response [Ekhlassi et al. 2012].

Apart from the big five marketing communication tools (advertising, sales promotion, public relations, personal selling and direct marketing) there are also the three 3D tools, which include packaging, point-of-sale (merchandising), exhibitions

and conferences, and finally the 2Ws – website and the most potent of communication tool – word of mouth. Social media has catapulted the power of word of mouth [Smith, Zook 2011].

In a modern marketing economy, the system of organic agriculture becomes a more important factor in the development of domestic and international economic systems. In such relations it is not possible to successfully sell products without the necessary specific skills and knowledge of market policy and marketing-mix, which represent the fundamental factors of the successful and profitable sale of these products. This means that there is no market economy without marketing, and that marketing goals cannot be reached without marketing-mix [Tolušić et al. 2002].

A marketing mix usually refers to E. Jerome McCarthy's **4P classification** for developing an effective marketing strategy, which encompasses: product, price, placement (distribution) and promotion. The **7Ps model** is a marketing model that modifies the 4Ps model about people, process and physical evidence, and is generally used in the service industries. There is also a **4Cs marketing model** (cost, consumer wants and needs, communication, convenience) that was developed by Robert F. Lauterborn in 1990. It is not a basic part of the marketing mix definition, but rather an extension. Depending on the industry and the target of the marketing plan, marketing managers will take various approaches to each of the four Ps.

The characteristics of organic food influence the combination of the marketing-mix elements, and because these are final consumption products, in combining elements, the specific quality and width of the market should be taken into account, which means that more attention should be paid to the organization of distribution and promotion activities [Tolušić et al. 2002].

The success of a company depends on whether it meets the expectations and needs of the customers and provides them with a quality product or service. Additionally, it has to constantly communicate with buyers, therefore it is necessary to implement promotion. To accomplish this, it must formulate and implement a marketing strategy. Marketing is no longer only one of the business functions, but it is an important factor that affects the entire existence of the company.

The organic food market continues to grow despite the recent economic downturn around the world. Today, organic farming represents 5.6% of agricultural land in the EU covering almost 10 million hectares in 2012. Europe has the second largest market for organic products after the United States valued at EUR 22.7 billion. While the EU-28 alone accounted for EUR 20.8 of that total value in 2012, demand for organic products is outpacing current supply in the EU. Steady growth in retail sales represents EU consumer demand for high quality products produced to high environmental and animal welfare standards [IFOAM 2015].

In 2014, Germany led the sales of organic food and beverages in Europe, followed by France, the UK, Italy, Switzerland, Austria and Spain. The highest revenue contribution in the market came from the fruits and vegetables segment. Based on distribution channel, the large organized retailers dominated organic food sales in 2014 [TechNavio Insights 2015].

Before the year 2000, the production of organic food in Slovakia was non-existent, but the continuous increase in the amount of ecologically cultivated land led to an increase in the amount of bio products processed into organic food. However, larger amounts of organic food appeared in Slovak shops only in recent years. Apart from specialized stores offering products intended for a healthy diet, organic food can be now also found in hypermarkets and supermarkets, it can also be bought via internet stores and in some of the smaller grocery shops [Lacková, Karkalíková 2014].

Organic packaged food grew by 5% in current value terms in Slovakia in 2014, reaching sales of €18 million. Organic packaged food products in Slovakia are practically all perceived as premium in terms of positioning and retail price, even private label products have only premium variants. Organic sour milk drinks is the most dynamic category of products, which grew by 16% in current value terms. Within organic dairy products, organic milk was the most important category with sales of €6 million and accounting for 33% of retail value sales of organic packaged food in 2014.

Price competition, and more importantly discounting, will play a major role in popularising newly launched products or for temporarily boosting sales in Slovakia. Consumers actively seek out discounts and the best value-for-money deals using the internet or by browsing through retailers' information leaflets where the best deals are displayed [Euromonitor International 2015a].

Organic food in Austria has a long tradition; therefore, Austria is one of the global leaders in organic farming and according to the category leader Rewe International, nine out of ten Austrians buy organic products at least occasionally.

Organic products are considered as the most natural and safest choice for Austrian consumers. The largest categories in organic packaged food in 2014 in Austria were organic dairy, with a 36% value share, followed by organic bakery products with 21% and organic oils and fats with 13%, as the most basic parts of consumers' daily nutrition which were the most likely to be replaced with organic choices.

Organic products are generally considered and priced as premium products in Austria. According to the latest survey conducted by the Austrian Ministry of Agriculture (Bundesministerium für Land- und Forstwirtschaft, Umwelt und Wasserwirtschaft), the majority of Austrian consumers think that the higher price of organic products is absolutely justified. Private label organic products are usually only slightly cheaper than comparable branded organic products, provided that branded variants even exist [Euromonitor International 2015b].

The aim of the article is to compare the application of marketing communication tools used by Slovak and Austrian organic food producers. Additionally, we were interested in the opinions of producers about customers, the differences between organic markets in Slovakia and Austria, and the barriers and opportunities to improve marketing communication in the organic food market.

2. Material and methods

The survey was conducted using a standardized questionnaire developed in the Slovak and German languages by the authors of the article. The questionnaire contained 17 questions. The questionnaire was divided into two parts. The first part of the questionnaire contained questions about a topic of the research, and the second one was related to information about the respondents. The nominal measurement scale was used in the questionnaire.

In this article, responses were analysed related to the:

- application of marketing communication tools,
- importance of sales promotion,
- objectives of sales promotion,
- factors of sales success of organic food and customer satisfaction,
- training of employees in the field of selling communication,
- arguments/words commonly used during sales promotion activities,
- way of product promotion – traditional (personal approach) or modern,
- uses of promotional materials,
- sales promotion by means of providing to consumers benefits,
- PR activities.

Additionally, we asked producers from both countries about the:

- object of interest of consumers during purchasing organic food,
- opinions of Slovak and Austrian producers about the market of organic food in these two countries,
- barriers on the organic food market in these two countries,
- opportunities to improve marketing communication on the organic food market.

The study population included 172 registered entities that acquired the status of organic food producers (72 from Slovakia, because the list of Slovak certification body “NATURALIS SK” contains 72 entities and 100 from Austria (32 from the list of AMA Markt Austria Marketing and 68 randomly selected from the Directory of Certified Organic Operators website). The effective rate of return of the questionnaire was 40%, which can be considered a satisfactory result for this kind of research [Bryła 2013].

Slovak organic farming is established on the basis of a private inspection system. The competent authority is the Central Control and Testing Institute in Agriculture (UKSUP), which is the state organization (the supervising body) directly managed by the Ministry of Agriculture and Rural Development of the Slovak Republic, it authorizes a private inspection body - NATURALIS SK with code number SK – 02 - BIO. The inspection body NATURALIS SK performs all types of inspection which means that it covers all types of operators in the organic farming system.

The AMA Markt Austria Marketing ensures that foodstuffs can be traced to their source and makes sure that the consumer can identify foodstuffs from organic farming at first glance, therefore the “AMA biolabel quality label” (AMA Biosiegel) was created. A product which has this quality label has to be made completely of

raw materials from organic farming. Farmers, processing plants and retailers must conform to strict regulations which are monitored by independent testing centres. Only organically produced foodstuffs may carry the “AMA organic seal” (Federal Ministry of Agriculture, Forestry, Environment and Water Management 2015).

The sample of Slovak organic food producers was dominated by manufacturers of milk and milk product (26.7%), tea (16.7%), meat (16.7%). Other companies were engaged in the production of fruits (13.3%), vegetables (10%), wine (6.7%), oils (3.3%), honey (3.3%) and dried fruits (3.3%). The majority of producers came from: Prešovský region (36.7%), Nitriansky region (30%) and Bratislavský region (and 20%). Others came from: Trenčiansky region (10%) and Banskobystrický region (3.3%).

Austrian organic food producers were dominated by companies from the milk sector (28.2%), meat and fruit sector (each 17.9%) and vegetables sector (12.8%). In the minority there were companies producing oil products and cheeses (each 7.7%) and dealing with wine (5.1%) and honey (2.7%). Most companies came from the Region Lower Austria (Niederösterreich) – 53.8%, Tyrol (12.8%), Salzburg (10.3%), Upper Austria (15.5%) and Styria (7.6%).

In order to investigate the significant differences between the responses obtained from the Slovakian and Austrian entrepreneurs, we used cross tables and the Pearson χ^2 test with the included level significance $p \leq 0.05$. The SPSS software version 20 was used to perform statistical analyses.

3. Results

3.1. Application of marketing communication tools by organic food producers from Slovakia and Austria

Sales promotion is a set of instruments creating additional incentives of an economic and psychological nature, increasing the degree of attractiveness of the product in the eyes of the buyers and reinforcing their tendency to buy. Its essence is to create for the customer additional benefits in kind or financial benefits, and in such a way encourage him/her to the immediate purchase of the product [Nestorowicz, Pilarczyk 2010].

The first question that we asked the Slovak and Austrian producers of organic food was related to the importance of sales promotion. More Austrian producers (79.5% vs. 36.7%), $\chi^2(2)=14.411$, $p < 0.01$) than Slovak ones answered that sales promotion has a huge significance for them and only every third Slovak producer indicated this answer (Figure 1). Our result confirms Lieskovska et al., [2010], according to which the use of marketing in the production and sale of organic food in Slovakia is at an insufficient level, which may result in that the consumers do not know about the existence of Slovak organic food and therefore are not interested in buying it.

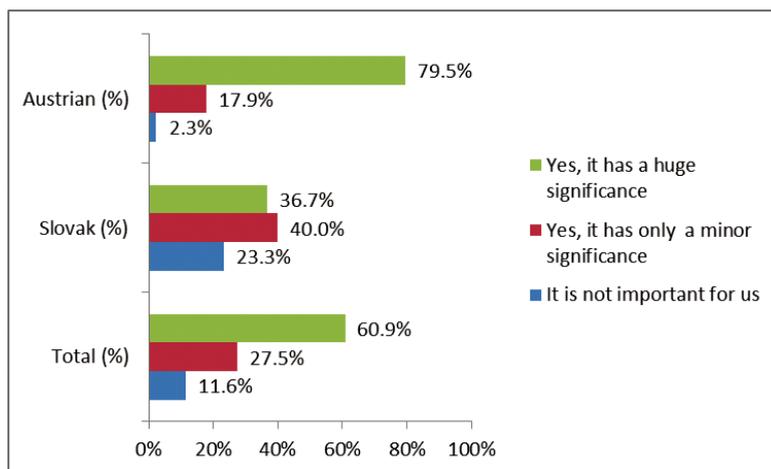


Fig. 1. Importance of sales promotion of organic food according to Slovak and Austrian organic food producers

Source: based on own results.

The objectives of the sales promotion of organic food by the Slovak and Austrian companies were different (Table 1). For the Austrian producers (74.4%) the major aim of sales promotion was to raise awareness of consumers about the company and their products, and for the Slovak ones highlighting the naturalness of the product (63.3%) (Table 1). Interestingly, both groups of producers indicated in second place as the aim of sales promotion of organic food informing consumers that by buying this kind of food they protect the environment (Slovak – 53.3% and Austrian – 59%).

Table 1. The aims of sales promotion of organic food by the Slovak and Austrian companies

Responses	Total (%)	Slovak (%)	Austrian (%)	Significance
Raise awareness about our company and products	68.8	50.0	74.4	$\chi^2(1) = 4.355, p < 0.05$
Prioritize health benefit of products over price	43.5	43.3	43.6	NS
Return consumers to natural products	58.0	63.3	56.7	NS
Protect the environment	56.5	53.3	59.0	NS
Gain more customers	39.1	20.0	53.8	$\chi^2(1) = 8.155, p < 0.001$
Achieve higher profit	17.4	13.3	20.5	NS

* Percentages do not add up to 100 because respondents could choose multiple answers.

Source: based on own results.

Organic farming is becoming an alternative to intensive food production. Certified companies ensure high-quality food production, respecting animal welfare and the environment, which is confirmed in our research results. The results also showed that their businesses are not only dominated by marketing or economic objectives, but also by values beneficial both for companies as well as for the whole society.

Personal selling is the form of marketing communication which is definitely a “creation of relationship” between the seller and the buyer through the exchange of information on products, services and the company with the aim of concluding the sale. The basis of the success of companies on the competitive organic food market is the personal and friendly approach to the consumers in the opinion of nearly 80% of producers from both countries (Table 2). In the second place was establishing long-term relationships with customers and in the third place good communication skills. In an open question, producers from Austria also indicated the quality and visual aspect of products, and from Slovakia a good quality-price ratio, product availability and the freshness of the product.

Table 2. The essential factors of the sales success of organic food and customer satisfaction according to producers

Responses	Total (%)	Slovak (%)	Austrian (%)	Significance
Establish long-term relationships with customers	56.5	73.3	43.6	$\chi^2(1)= 6.104, p < 0.05$
Good communication skills	38.2	24.1	48.7	$\chi^2(1)= 4.255, p < 0.05$
Personal, friendly, individual approach	79.7	73.3	84.6	NS

* Percentages do not add up to 100% because respondents could choose multiple answers.

Source: based on own results.

Staff with good communication skills is an integral part of personal selling. The major task of the selling staff is not only to sell, but above all to help the customer when purchasing the goods. Personal selling shifted from targeting a successful business transaction into the sphere of the development of a relationship with the customer by solving his/her problems and informing him/her about new opportunities [Pelsmacker 2003].

In our survey, we wanted to find out what percentage of producers from both countries train their employees in the area of selling and communication skills. Based on our results, we can conclude that more Austrian producers (79.5% vs. 53.3%, $\chi^2(1)=5.341, p < 0.05$) than Slovak ones train their employees in this area, which may be a result of the higher budget that these companies can allocate for this purpose.

In the next question, the respondents were asked to give examples of arguments/ words commonly used during sales promotion activities. The most frequently used word according to companies from both countries was “quality” indicated by 82.6%

of respondents. Other words commonly used by Austrian producers were: “domestic production”, “a natural taste”, “hard work”, “long tradition” and “a certificate”. In the case of two statements, we can conclude that significantly more Austrian producers than Slovak ones used during the sales activities the expression “long tradition” ($\chi^2(2)=5.724$, $p < 0.05$, Austria 59% vs. Slovak 30%) and “domestic production” ($\chi^2(2)=9.887$, $p < 0.001$; Austria 74.4% vs. Slovak 36.7%), which may be due to the fact that in Austria there are more organic food producers with a long tradition than in Slovakia.

Slovaks during the sales promotion used the following expressions: “quality” “hard work”, “a certificate” and “a natural taste”, but in this case there were no significant differences in the behaviour of producers from both countries. Despite the fact that the aim of the sales promotion of organic food by the Slovak and Austrian companies in 56.5% was to protect the environment, only one-third of producers highlights this argument during sales conversation and in their promotion activities.

Currently, with the development of new technologies also in marketing, a new area is formed – e-marketing. This is not only the use of all communication tools via the Internet, but also intranet, electronic presentation materials, laptops, smartphones, tablets, etc. Two basic tools of digital marketing are marketing on the Internet and mobile marketing. These are almost identical concepts, but mobile marketing in contrast to the Internet presents the tools and techniques of distribution, communication and the presentation of information which does not need to only connect to the Internet, but uses SMS, MMS, Bluetooth and GPS services [Labská 2014].

Direct marketing as a marketing communication tool in this area is relatively widespread. Producers from both countries use e-mail, phone, contact through sales representatives’ social media (e.g. Facebook), flyers, newsletters, newspapers and magazines to send customers information about their products and activities.

In the next question we asked respondents: “What way of product promotion – traditional (the personal approach) or modern – the usage of virtual communication, social networking (e.g. Facebook, Twitter) do you consider as more efficient? For more producers from Austria ($\chi^2(1) = 9.593$; $p < 0.001$) the traditional approach is more efficient than for Slovak ones (Table 3).

Table 3. Way of promotion considered by producers as more efficient

Responses	Total (%)	Slovak (%)	Austrian (%)	Significance
Traditional	63.8	43.3	79.5	$p < 0.001$
Modern	36.2	56.7	20.5	

Source: based on own results.

Promotional material as a form of a marketing communication tool was utilised by 87.2% of Austrian and 73.3% of Slovak companies (Figure 2) and used in three areas.

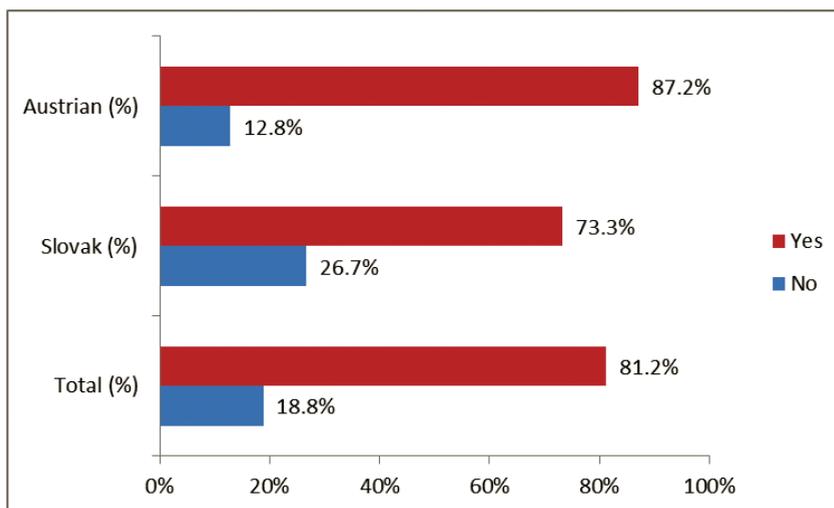


Fig. 2. Utilization of promotion material in sales of organic food by producers

Source: based on own results.

The first one is a factory outlet, where producers frequently use advertisements such as leaflets, posters and roll-ups. The second one is the TV or/and newspapers. In this case, ads about organic food appear on TV or in specialized magazines (e.g. newspapers addressed to young mothers or active people who care about health). The third area is the Internet where the ads are placed on the websites or social media of producers, websites about healthy life or websites promoting producers from the producers group, association or region. In our survey, more than 70% of organic food producers from both countries answered that they use promotion material like leaflets, brochures, posters, roll-ups, billboards and advertisements in print, the television media and on the Internet, as opposed to Polish ones where this kind of promotion was used by a small percentage of the respondents [Siedlecka 2014]. According to Siedlecka [2014], Polish organic food producers from the Lubelskie voivodship expressed the opinion that the promotion is “a healthy product alone” and thus – information that flows to the recipients. Additionally, the minimal use of modern tools of promotion and image building may be associated with two factors: a low knowledge of this subject, or the lack of problems with sales, and consequently – the lack of appreciable co-related needs of customers looking for new products.

Although sales of food via the Internet is becoming increasingly fashionable, including organic food (directly from a farmer or via online stores cooperating with farmers), still most consumers prefer to do their food shopping in traditional stores where they can choose the product corresponding to their requirements.

In the next question we wanted to know what consumers ask while buying organic food. According to the answers (Table 4), it can be seen that consumers during the

purchase of organic food often asked about a certificate (over 50% of consumers in both countries). The smallest number of customers asks for possibility of buying this kind of food via the Internet.

Table 4. Object of interest of consumers while purchasing organic food

Responses	Total (%)	Slovak (%)	Austrian (%)	Significance
A certificate of organic food	56.5	53.3	59.0	NS
A shelf life of product	29.0	30.0	28.2	NS
The price of the product in relation to its quantity	37.7	46.7	30.8	NS
Packaging	21.7	20.0	23.1	NS
Additional information about other products	27.5	6.7	43.6	$\chi^2(1)=11.585, p < 0.01$
Sale via Internet	11.6	13.3	10.3	NS

* Percentages do not add up to 100% because respondents could choose multiple answers.

Source: based on own results.

When analysing the results with respect to both countries, for Slovak consumers while purchasing organic food, the important factors are: a certificate which ensures that the food is organic, for economic reasons the price of the product in relation to its quantity and the shelf life of the product. For Austrian consumers the certificate of organic food is also important, but in second place is additional information about other products and in third place the price of the product in relation to its quantity.

More Austrian consumers than Slovak ones ask for additional materials relating to other products of the company (Table 4). Additionally, in the category “other responses”, which was an open question, respondents from Austria indicated that environmental protection is also important for their customers, while for the Slovak consumers it is the origin of the product. Slovak consumers mostly like to buy Slovak and Czech organic food.

Sales promotion by means of providing to consumers the benefits of purchasing of organic food was implemented by about 80% of Austrian and Slovak companies. The most common forms of benefits were: tasting, lower prices, special offers, discounts on next purchase, recipes, seasonal events and competitions.

Public relations (PR) is defined as any action taken by a company in order to establish and maintain the best possible relations with its environment. PR is the planned and efficient development of relations between the company and the broadest possible audience groups aimed at acquiring or building their understanding and confidence [Nestorowicz, Pilarczyk 2010]. PR includes the following activities and tools to support the achievement of the objectives of the company: cooperation with the media, sponsorship, participation in fairs and exhibitions, events marketing, seminars, conferences, communication with the local community and lobbying for

better laws [Žbikowska 2005]. Participation in PR activities gives entrepreneurs the opportunity to present their products to potential consumers. In our research sample, 97.4% producers from Austria and 76.6% from Slovakia answered that they participate in fairs and exhibitions. The differences between producers were significant ($\chi^2(1)=7.136, p < 0.001$). On the basis of these results it can be noted that the Austrian companies perceive more the benefits of participation in fairs (e.g. the opportunity to get acquainted with new technologies, with the product range of the competitors, the opportunity to establish business contacts, promote their products and acquire new customers).

3.2. Opinions of Slovak and Austrian producers of organic food about the market of organic food in these two countries

This question was an open question through which we wanted to find out the views of respondents on organic food in Slovakia compared with Austria. Below we presented examples of selected opinions.

Slovak organic producers' opinion about the Slovak and Austrian organic food market

- “It’s in the minds of citizens (the Austrian local patriotism is famous), it is also the purchasing power of Slovaks – salaries are low and few people can afford the more expensive, higher quality food - (bio). In cities, however, there are farmers’ markets and also working farmers’ distribution, so who wants to get quality food, can get it. However, a promotion of this method has no chance in comparison with the promotion of retail chains that have millions of euros”;
- “The promotion is on the same good level, but the interest of Slovak people is lower”;
- “In Slovakia there is a lack of the generational tradition relating to organic products, which in Austria has been existing for generations and has gradually formed.
- “In Slovakia, people are just starting to gradually understand the farmer/producer and their function in society and the impact on the environment”;
- “Slovak customers put emphasis on a price, which is why they prefer conventional products to bio”;
- “The Slovak organic food market is at a much lower level of development than in Austria, where the state invests a lot of money to support organic food”;
- “Austria has more kinds of organic food products compared to Slovakia. They pay more attention to this issue. More people are interested. In Slovakia the biggest problem is the unawareness of the customer in terms of price vs. quality. People prefer buying products at a more accessible price than those that have a more positive impact on their health”;
- “The organic food market in Austria is on a much higher level than the Slovak one”;
- “Austria’s generational tradition and regional patriotism are much stronger than Slovakia’s as well as the support that entrepreneurs are receiving from the state”;

- “The quality of organic food in Austria is very high”;
- “Austrian companies have a larger assortment of these products”;
- “The Slovak market is dominated by the great power of food chains that displace small companies, marketplaces and farms”.

Austrian organic food producers’ opinion about the Austrian and Slovak organic food market

- “The organic food market in Slovakia is not as developed as in Austria”;
- “There are a lot of advertising activities of organic products in Austria – lobbying”;
- “Austria has a very high quality of organic products, but advertising does not always get to the consumer”;
- “Austria has clean water, good soil, honest farmers and strict controls”;
- “Organic farming in Austria is indeed very well supported and advertised”;
- “Austria has a long tradition in selling organic food, and also a lot of initiatives for these products.

Analysing the received responses, we can conclude that Austrian producers can boast a long tradition in the production of organic food, which is advertised on a large scale. Austrian consumers are buying organic foods to promote development of their national economy. Consumers more often buy organic food due to higher wages and having access to a more diverse assortment of such products.

In the case of Slovakia it is exactly the opposite situation, although recently there have been some changes. In the last two years there is a discernible trend in the online sales of organic and local food. In most cases, these are small companies that work with producers. Consumers are offered various kinds of organic and local food products which are ordered individually or in sets at promotional prices on certain days of the week. The ordered goods are delivered to the indicated address. Also one of the supermarkets launched a service of ordering food online with home delivery that includes also organic food products. Consumers can order online the following types of organic foods: snacks (e.g. dried apples, mixture of roasted soy beans, pumpkin, sunflower seeds), herbal teas, pasta, porridge and juices.

3.3. Barriers on the organic food market in the opinion of Slovak and Austrian producers

Producers of organic foods encounter a lot of problems (barriers) in the conduct of their business, e.g. price competition and logistic arrangements. Certified organic products have to compete with other products in price, product varieties and regularities. With high costs and a smaller logistic infrastructure, it is difficult for many local producers to offer certified products competitively in the market place. This creates a burden for the producers because they then have to find their own market channels. This means sometimes competition at the supplier side as well (IFOAM 2015).

As shown in the Figure 3, the most frequent barrier for Austrian companies is the high cost of promotion of organic food which was indicated by 38.5% of the

respondents. The difference between producers from both countries related to this answer was significant (43.6% vs. 30%; $\chi^2(1)=3.913, p < 0.05$). In a study conducted by Bryła [2013] among Polish producers of organic food, they pointed to the high prices as a key barrier to the development of the organic food market. This response was indicated in our research by 38.5% of Austrian and 16.7% of Slovak producers. In a survey conducted by the Austrian Ministry of Agriculture, the majority of Austrian consumers answered that the higher price of organic products is absolutely justified. Among other obstacles, Austrian producers selected the short shelf life of the foods, inadequate support from the state and the EU, and difficulties in reaching consumers from large cities.

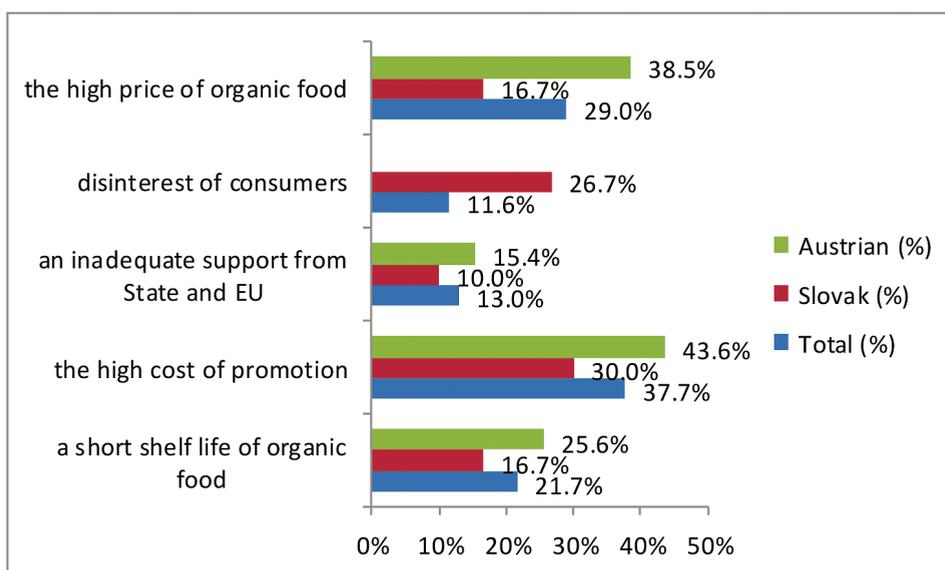


Fig. 3. Problems of producers related to promoting and selling of organic food

Source: based on own results.

Demand for organic food is affected by many problems in Slovakia. One of these problems is the lack of producers who could produce organic food for the Slovak market, and because of this most products of sufficient quality have to be imported. The result is the tendency for the prices to be unreasonably high, which could lead to prices being too high for customers to buy.

Slovakia also lacks wholesale stores which could purchase Slovak organic food and then distribute it. Most of the products are imported from the Czech Republic, Austria and Germany and the lowest amount is supplied by domestic suppliers. This has to do with the fact that Slovakia has only a small amount of bio farms which have production lines, packaging plants and lack an effective distribution system while having minimal or no propagation. Many of them do not even have their own

websites. Because of this, most of the harvested crops and livestock are exported abroad, where they are processed, and then return in the form of the final product with an unreasonably high price, as was mentioned before. The insufficient amount of Slovak organic food producers is also one of the reasons for the limited selection of organic food on the Slovak market [Lacková, Karkalíková 2014; Lacková 2015].

Most of the Slovak producers from our research (30%) considered as serious obstacles the high costs of promotion, and they gave also other examples which include: “a bullying state”, problems with tax authorities, hygiene requirements, an additional duty of labelling products made in the Czech Republic, competitive product offers as well as the lack of trust of consumers in organic products. It was also interesting that Slovak respondents indicated as an obstacle in promoting and selling organic food the disinterest of consumers, what was not made by any respondents from Austria. Similarly, the lack of consumer interest in organic food products was also noticed by other authors [Nestorowicz, Nowak 2010], who emphasized that it is caused by the lack of confidence in these kinds of food.

3.4. Opinions of producers of organic food about opportunities to improve marketing communication on the organic food market

Slovak and Austrian companies considered the opportunities to improve marketing communication regarding organic food towards younger generations, who will take in their hands the responsibility for the development of the ecosystem and social values in the future (Austria 69.2% vs. Slovakia 53.3%, Table 5). Another possibility

Table 5. Opportunities to improve marketing communication on the organic food market in the opinion of Slovak and Austrian producers of organic food

Responses	Total (%)	Slovak (%)	Austrian (%)	Significance
Impact on the young generation who will take in their hands the responsibility for the development of ecosystem and social values in the future	62.3	53.3	69.2	NS
Link marketing communication with the emotional experience, personal stories	60.9	56.7	64.1	NS
Involvement of customers in the production	18.8	–	33.3	NS
Better support from the EU, the state	30.4	43.3	20.5	$\chi^2(1)=4.171, p < 0.05$

* Percentages do not add up to 100% because respondents could choose multiple answers.

Source: based on own results.

is the application of emotions in marketing communication (60.9% in the opinion of all producers), and engaging customers in the production process. What is interesting, is that no Slovak producer indicated in the answers the engaging of clients in the manufacturing process, but they indicated greater support from the EU and the state (Slovakia 43.8% and Austria 20.5%, $\chi^2(1)=4.171$, $p < 0.05$).

An enterprise communicates with the consumers not only through advertising or sales promotions, but also with other marketing tools such as the look of the product, its packaging, name of the brand, distribution channels, interior design of points of sale and price levels. All these elements have an effect on the consumer's image of the product, brand, company or the idea of organic food and they should be used by companies [Nestorowicz, Pilarczyk 2010].

4. Conclusion

In the European Union there are many cultures, nationalities, traditions that are supported by national and supranational institutions in each country to a different extent. Organic food in Austria has a long tradition; therefore, Austria is one of the global leaders in this field. Nine out of ten Austrians buy organic products at least occasionally.

Not all countries with high growth potential have a sufficient financial backing and support for the development of organic production. Among these countries there is also Slovakia. Some of the barriers of the development of the Slovak organic food market are high prices of this kind of food in relation to the wages of consumers, lack of producers who could produce organic food and the wholesalers who could distribute it on the Slovak market. Because of this, most products have to be imported, resulting in higher prices of organic food products that average consumers would not pay. Despite the fact that the Slovak organic food market is only evolving, there is a huge effort among producers, suppliers and traders to offer quality products and improve consumer awareness of the properties of these types of foods.

Based on our results, it can be concluded that the Slovak organic food producers should make greater use of marketing communication tools in their business and develop distribution channels, for example selling such products in vending machines which are used for this purpose in Austria. In addition, they should engage clients in the process of organic food production, through the use of loyalty programs and PR activities to keep with them long-term relationships, facilitate consumer access to organic food through participation in various trade fairs, exhibitions, events, festivals, organize excursions during which consumers would be able to become acquainted with the history and tradition of the company and its products, and providing targeted promotional activities to educational entities such as schools and also business entities.

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