



## The Importance of Authenticity in Marketing International Food Products

Prepared exclusively for American retailers by the Private Label Manufacturers Association

## Introduction

**I**n 2020, PLMA commissioned a survey of some 800 principal household grocery shoppers across the U.S. to investigate their opinions and preferences with respect to international food products. These are all brands of products that are marketed by American retailers with a clear and strong international character and orientation and are made domestically or are imported.

The survey was conducted for PLMA by Surveylab, a global leader in customized online research. This analysis of the data from that survey was prepared exclusively for American retailers by Dr. Sara Williamson, a faculty member of PLMA's Executive Education Program and a marketing professor at the State University of New York. The following is her analysis.

## The Value of Authenticity

Survey participants were asked to select the reasons that international foods appeal to them. The top three answers were taste (68%), quality (48%) and authenticity (35%). Interestingly, only 17% of the respondents selected all three, which suggests that each is a distinctive feature for foods with international characteristics.

### What features of an international food product do you find appealing when you consider purchasing it?

Taste	<b>68%</b>
Quality	<b>48%</b>
Authenticity	<b>35%</b>

Authenticity, in particular, is an important yet elusive product attribute that marketers seek to provide for their consumers. The PLMA survey results suggest that those who value “authenticity” of international food products are more likely to expect higher prices for those products than the respondents who did not select authenticity as an appeal. This corroborates research from Technomic that found consumers are willing to pay more for “authentic ethnic fare” (Technomic, 2018).

Further, a larger proportion of consumers who value authenticity are willing to buy an international product for the first time from their favorite grocery (67% of those who value authenticity, compared to 47% of the others), and desire their retailer to offer more international options (46%, compared to 28% of the others). They are also more aware of brands and in particular, store brands that offer international options (68% versus 54%).

Therefore, PLMA has identified an important opportunity for retailers to create and communicate value for the segment of consumers who are attracted to the authenticity of international food products.

	<b>Authentics</b>	<b>Others*</b>
Willing to buy an international food product for the first time from their favorite grocery store	<b>67%</b>	47%
Desires their retailer to offer more international foods	<b>46%</b>	28%
Aware of the international options that retail store brands offer	<b>68%</b>	54%

\* As cited here and throughout this report, "Others" are those survey participants who did not select "Authentic" as an appeal of international food products.

## **What makes a product “authentic”?**

People value authenticity in brands and products for a variety of reasons, but oftentimes it is about the perception of something being real or genuine (Grayson & Martinec, 2004). When applying this notion to food authenticity, the question becomes “What is the ‘real thing’ in the eyes of our consumer?” For example, do their preferences lead with a source of origin, novelty, or flavor?

A case in point would be the authenticity of products like Parmigiano Reggiano cheese, which is valued because it originates from a very specific geographic location. On the other hand, the authenticity of an ethnic cuisine is affiliated with distinct flavors or ingredients, even when it might not be considered as authentic within the culture where the food originated.

Thus, while geographic origin is one consideration for developing authentic international products, we know that other product cues (e.g., flavor) are determining characteristics for consumer perceptions of what is “authentic.”

Given that authenticity is valued among consumers, yet their interpretation of authenticity is complex, we’ve compiled PLMA survey results and academic research to provide insights for retailers in this domain. In this report, we aim to assist retailers in developing successful merchandising strategies by taking a closer look at the preferences and behaviors among a segment we call the “Authentics,” or those consumers in the study who reported “authenticity” as an appealing feature when choosing foods with international characteristics.

## **Authenticity as Origin**

A greater proportion of Authentics are influenced by a food product’s country of origin (38% vs. 15% of the others) and the reputation of the COO (28% vs. 13% of the others). While all products technically have a source of origin, research suggests that authenticity perceptions are greater when there is a distinctive physical connection with the original source (Newman & Dhar, 2014). This can be accomplished by providing narratives that communicate a product story or brand heritage (Beverland, 2005).

For example, Kroger brand HemisFares Spanish Saffron is described on the company’s website as “Prized for its versatility of uses in both sweet and savory dishes, HemisFares Saffron is grown on family owned fields of

Albacete. Produced by the same family for generations, a deep knowledge of every step in the harvest, selection and drying of each stigma is reflected in every jar of this red gold." The product packaging also indicates a similar sentiment, rather than labeled simply as a "Product of Spain."

#### **Influences in the purchase of international products**

	<b>Authentics</b>	<b>Others</b>
Country of origin	<b>38%</b>	15%
Reputation of country of origin	<b>28%</b>	13%

Origin-related authenticity narratives can also help distinguish the superiority of a particular food commodity that needs a merchandising boost. Drawing attention to the unique qualifications of an origin can influence authenticity perceptions. H-E-B banner Central Market describes its coconut water product as made with "the juice from young green coconuts in sunny Brazil. Harvested at the peak of quality, it is picked, produced, and packed within 48 hours."

Importantly, the product-origin link does not have to be made directly with a geographic location in order to be perceived as authentic. Narratives can help consumers perceive the brand as being competent enough to create authentic products. For example, Trader Joe's Limone Alfredo is merchandised on the website as "Inspired by a well-known and well-loved dish at a well-known and well-loved Italian restaurant in Los Angeles."

Product narratives can be included on websites and social media to a greater extent than the limited space on packaging. That said, packaging is

the primary mode of communicating value to the consumer when it comes to store branding and is therefore a key tool for signaling product authenticity. In fact, a greater proportion of Authentics reported packaging is an appealing feature for international products (25% versus 16% of the others). Marketers can leverage the limited space on packaging by designing visual cues that consumers intuitively interpret as authenticity.

For example, other research shows that a handwritten type font can elicit the perception that a product is affiliated with humans who made it, which increases product evaluations (Schroll et al., 2018). As more of the Authentics (compared to others) have tried international products that are often handmade or artisanal (e.g., cookies and pastries, noodles and pasta), it may be beneficial to bolster authenticity perceptions with package design that signals a connection between these products and the humans that made them. For example, Giant Food's Taste of Inspirations and Nature's Promise brand logos incorporate a handwritten type font.

**What features of an international food product do you find appealing when you consider purchasing it?**

	<b>Authentics</b>	<b>Others</b>
Packaging	<b>25%</b>	16%
Description/photo	<b>18%</b>	11%

**Opportunities for signaling authenticity**

	<b>Authentics</b>	<b>Others</b>
Cookies and pastries	<b>42%</b>	34%
Noodles and pasta	<b>54%</b>	39%

Another packaging strategy to signal origin-related authenticity is to assign a batch number. Researchers have observed that consumers perceive products with earlier serial numbers (e.g., 1/100) as closer to the producer than the same product with later serial numbers (e.g. 90/100; Smith et al., 2016). This suggests that packaging information related to the item's position in a batch can increase perceptions of origin-related authenticity. And more generally speaking, labelling a food product as part of a small batch can indicate product novelty, another value of authenticity that we explore more in the next section.

### **Authenticity as Novelty**

Marketers may benefit from considering how novel or unfamiliar items can generate interest when authenticity signals are provided. According to the PLMA survey results, more Authentics (compared to the rest of the respondents) are attracted to a food product's novelty. In particular, a greater proportion reported that product "uniqueness" and "unusual ingredients" were an appeal of international food products and a reason to repurchase them. This is in line with previous research that finds uniqueness and scarcity are part of consumer interpretations of authenticity (Moulard et al., 2016).

The catch is, novel food products are usually less familiar to the consumer, which creates a challenge for positioning strategies. Interestingly, research has found that when consumers are less familiar with a cuisine or product origin (for example, Ethiopian vs. Italian food), they actually use authenticity to understand what their expectations should be (He et al.,



2017). As a result, they look for signals of authenticity such as “imported from” or “original recipe.”

Even simple indicators such as the word “classic” paired with an appetizing description of the flavor profile can encourage consumers to try an unfamiliar product. ShopRite’s Trading Company brand, for example, describes its Asian Style Teriyaki Sauce as a product that “Combines rich soy sauce with a hint of garlic and ginger for a classic Asian taste to use as a marinade, stir fry, baste, grill and dipping sauce.”

An important caveat here is that what is “new” to some is not so new to others. In this respect, understanding consumer experiences at a regional level is key to determining whether or not the product offering will be unfamiliar. But, generally speaking, the Authentics are a promising segment for new food product opportunities. As the PLMA survey revealed, they are particularly influenced to purchase international foods by their desire to try a new product (47% vs 31% of others).

**What features of an international food product do you find appealing when you consider purchasing it?**

	<b>Authentics</b>	<b>Others</b>
Uniqueness	<b>36%</b>	23%
Unusual ingredients	<b>23%</b>	13%

**Influences in the purchase of international foods**

	<b>Authentics</b>	<b>Others</b>
Desire to try a new product	<b>47%</b>	31%

## Authenticity as Taste & Flavor

Not surprisingly, taste is major appeal of international food products among Authentics (73%) as well as the other survey respondents (65%). However, when asked if exotic flavor was an appeal, differences emerge, where significantly more of the Authentics value exotic flavor (40% vs. 28% of the others). Moreover, a greater proportion of Authentics are influenced by tasting experiences, and their re-purchase decisions are more likely to be taste- or ingredient-driven. See table below for taste influences.

### What features of an international food product do you find appealing when you consider purchasing it?

	<b>Authentics</b>	<b>Others</b>
Taste	<b>73%</b>	65%
Exotic flavor	<b>40%</b>	28%

### Taste influences in the purchase of international foods

	<b>Authentics</b>	<b>Others</b>
Tasted at ethnic or international restaurant	<b>47%</b>	31%
Tasted at a casual restaurant	<b>31%</b>	17%
Tasted traveling overseas	<b>25%</b>	16%
Saw it on a TV show	<b>32%</b>	18%
Chef recommended online or on TV	<b>18%</b>	10%
Sampled in store	<b>32%</b>	21%

**What are the reasons you re-purchased an international food product?**

	<b>Authentics</b>	<b>Others</b>
Flavor	<b>63%</b>	48%
Ingredients	<b>40%</b>	18%

An important consideration is how origin-related authenticity can signal superior flavor. For example, Lidl Preferred Selection brand describes its Irish butter as having “a rich, golden-yellow color and is ideal for baking flaky pie crusts and delicious cookies. Made from milk sourced from Ireland, this unsalted butter has no preservatives and provides a supple flavor.”

When considering how flavor-oriented authenticity is established for international foods, marketers must be cognizant of how the culture in which they are merchandising the product has already defined flavor and ingredient expectations. Research has found that consumer taste perceptions of what is “real” are largely associated with their experiences in early years (e.g., what is authentic tasting produce? Autio et al., 2013).

For consumers who are uncertain if they would enjoy the authentic flavors of a product, marketers can use a similar approach as was mentioned in our comments on novelty. Additionally, the PLMA survey results suggest that Authentics are particularly influenced by samples, chef recommendations, and exposure through television. *Note:* See the taste influences table above.

And, as our survey results indicate, a significant influence on taste expectations comes from the experience of dining out, where a consumer’s first impression of a new ethnic flavor is the most influential. The definition

of authentic flavors can be re-shaped over time by high-profile chefs and influencers (Lehman et al., 2019). Therefore, marketers who wish to leverage flavor as a signal of authenticity might benefit from closely monitoring shifts in the culinary world.

## Psychological Motives for Seeking Authenticity

There are also psychological reasons that motivate consumers to seek authenticity. Research suggests that consumers will procure authentic goods for the purposes of experiencing control, social connection, or virtue (Beverland & Farrelly, 2010). For example, consumers think that using authentic products can reduce skepticism from others and can help them gain more control of things in their life such as dietary restrictions.

Consumers who desire social connection tend to value authentic goods that originate from popular people or sources because they experience a sense of community or acceptance by procuring those products (Newman & Smith, 2016). Survey results indicate that a greater proportion of Authentics (compared to others) are motivated to choose international foods for social reasons such as connecting with their personal ethnic heritage (19% versus 10% of the others) or an ethnic heritage that they are simply interested in (28% versus 8% of the others).

### What are some influences that encourage you to purchase international foods?

	<b>Authentics</b>	<b>Others</b>
The product reflects my ethnic heritage	<b>19%</b>	10%
The product reflects an ethnic heritage I'm interested in	<b>28%</b>	8%

An important caution across all of our recommendations is that consumers rely on brand impressions to make product choices. Consumers often attach to brands with characteristics of their ideal self (Malar et al., 2011). In other words, consumers use brand and product identity as a proxy for their own. As the saying goes, “Fake it ‘til you make it.” Consumers interpret brand authenticity in the context of company culture and their own interpretations of what the brand “stands for.” Consequently, companies that struggle with consumer acceptance for reasons of virtue (e.g., poor values, too large) might struggle with consumer trust when it comes to authenticity appeals.

## The Role of Consumer Trust

The PLMA survey results also highlight the role of trust. Due to product challenges with uncertainty and familiarity, as well as obstacles related to brand identity, consumer trust is a defining factor for support of international products. A greater proportion of Authentics are influenced by retailer trust (31% versus 20% of others), brand trust (29% versus 17% of others), and having enjoyed the brand before (39% versus 17% of others). While this presents a large order for brand positioning strategies, it also suggests that the investment will be worth it.

### What are some influences that encourage you to purchase international foods?

	Authentics	Others
I trust the supermarket or food store selling it	31%	20%
I trust the brand	29%	17%
I enjoyed other products from the brand	39%	17%

## **Authentics at a Glance**

The Authentics represent 35% of total survey respondents and are 53% female with an average age of 49.5 years old. In terms of demographics, they are generally similar to the other survey respondents. They are no different in terms of gender, marital status, employment status, household size, or age compared to the others. And interestingly, they are no more likely to be children of immigrants. In terms of education level, there is no difference in the proportion of Authentics (compared to others) who earned two- or four-year degrees. There is a larger proportion of Authentics, however, who earned graduate degrees (26% vs. 17% of others) and a smaller proportion reporting high school as their highest education level (14% vs. 21% of others).

With respect to the lifestyle difference in Authentics, this segment of consumers lives and learns differently. They are adventurous consumers who are more likely to have taken a road trip or a long vacation in the last six months. More of them report using online tools for shopping and information, and generally use a wider array of information sources for their news. They exhibit the most enthusiasm for products with international characteristics—there is a greater proportion of Authentics who selected the options across all types of appeal, product categories, and influences.

## The Differences in Authentics:

	Authentics	Others
<b>WANT MORE</b>		
Would like their favorite grocery to offer more international food options	46%	28%
<b>PAY MORE</b>		
Expect international food options to cost more	48%	32%
<b>TAKE RISKS</b>		
Willing or very willing to purchase an international product for the first time from their favorite retailers	67%	47%
<b>SHOP MORE</b>		
Purchase international food products Either frequently or occasionally	37%	21%
<b>BUY MORE</b>		
Purchase three to ten international food products during regular shopping trips	24%	16%

**GREAT  
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**Publication Credits**

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PLMA gratefully acknowledges the cooperation of Surveylab Limited, Wimbledon, London, U.K., in the development and execution of the survey and the processing of results. The survey was conducted among American shoppers, hence the product descriptors and terminologies used are those that are common to the U.S. market.