# THE LIMITS OF COUNTRY BRANDING – 25 CHALLENGES IN THE SPECIAL FIELD OF PUBLIC, NON-PROFIT AND SOCIAL MARKETING

Árpád Ferenc Papp-Váry

apappvary@metropolitan.hu, Budapest Metropolitan University

## ABSTRACT

In the past two decades, 'country image centres' and 'country brand councils' have been created throughout Europe and the world. Their task is the same everywhere: to position the country, distinguish it from 'competitors', create a uniform brand strategy, and coordinate the various messages about the country in a certain sense. Politicians also tend to mention country branding or nation branding, and the term appears in the news media and tabloid press more frequently.

In short, country branding is actually nothing else than the technical application of branding for countries in order to improve the reputation of the country, thus attracting more tourists and investors, improving export, etc. – in other words, resulting in in greater competitiveness.

At the same time, country branding is probably the biggest challenge in public, non-profit and social marketing. The topic is very exciting, but also extremely complex, and quite often divisive, generating emotions in many cases. It is no coincidence that the opposition of country branding is just as large as its support, and critical voices continue to strengthen. We present these aspects in our article as food for thought – not necessarily in order of importance.

Thus, a total of 25 critical remarks on country branding (that can also be interpreted as challenges in the special field of public, non-profit and social marketing) are discussed including the opinion that a good national image cannot be built according to a plan, with the precision of an engineer. It can only be earned, also because it is impossible to coordinate so many things at a time, not to mention that consistent branding is basically impracticable because of successive political cycles. The article also discusses that if a country has a 'country image centre' or 'country brand council', it does not necessarily mean that the country has a better brand image. The cause of the problem is often that many people still identify country branding with logo design and a catchy slogan, although country branding is much more than that. In addition, there is no country branding without a country strategy – in other words, there is no country brand building without country building. Last but not least, we should remind ourselves that countries are primarily not brands but countries.

## KEY WORDS

Country branding, nation branding, country image, country reputation

## 1. INTRODUCTION: THE AIMS OF COUNTRY BRANDING

Country branding is a rather unique field: although parallels may be drawn between the branding of countries and that of products, services and companies, it also has its characteristics and unique features. One of these is that while a country brand may look like a simplified cliché, stereotype of even a caricature from outside, we can see that it is actually complex with many dimensions and layers if we look at it closely. In a historical sense, the first person to mention the concept of 'nation brand', or country brand was British expert Simon Anholt, back in 1996. (see Anholt 2011, Feinberg and Zhao 2011, Subramanian 2017). His article *Nation-brands of*

*the twenty-first century* published in the *Journal of Brand Management* in 1998 soon became very popular among marketing professionals, and later in scientific circles.

'Country image centres' and 'country brand councils' were created shortly throughout Europe and the world. Their role is the same everywhere: the positioning of the country, that is its distinction from the competition, the creation of a uniform brand strategy, and the coordination of various messages about the country. We could also say that there is a new era in the competition of nations. Although military clashes are still quite common in certain areas of the world, in most places wars are not waged with traditional weapons, but marketing tools (see Van Ham 2002: 265.). Moreover, the battlefield is nothing else but the consumers' mind (Ries and Trout 1997), where various countries would like to occupy as distinguished position and as big area as possible, because this means tourists, investors, and more people buying the products of the countries. In this regard, we can say that globalisation almost provokes, certainly encourages nation branding (Hanna and Rowley 2008). But what are the areas where it is possible to increase competitiveness, and how can a good country brand help us in our 'battle' for our position in the consumers' mind? First of all, the primary aims of country branding are all economic. This involves three major aspects:

1) The promotion of tourism, the attraction of tourists to the specific country.
2) The promotion of investment coming into the country.
3) The development of export, and improved sales of the country's products on foreign markets.

Besides the three aims above, we can identify two more equally important aims that are not economic, and have a positive impact in the long term:

4) A greater role in international organizations and foreign policy.
5) Improving the well-being of citizens and their pride of belonging to the nation/country.

Based on aims 4 and 5, country branding is not only related to business, but can also be interpreted as question of public, non-profit and social marketing.

In short, country branding involves the application of branding for countries in a technical sense, thus developing the country's reputation. In addition, this kind of branding (in other words: brand building) is something than can equally be used by small or big, developing or developed countries.

The topic is very exciting, but also extremely complex and often divisive, invoking emotions again and again. It is no coincidence that the camp of people opposing this activity has become at least as big as that of its supporters, and the critics are getting louder. In the present article, we present these critical aspects as food for thought – not necessarily in order of importance. Thus a total of 25 critical remarks on country branding are discussed, including the question whether country branding exists at all.

## 2. 25 LIMITS OF COUNTRY BRANDING – 25 CHALLENGES IN THE SPECIAL FIELD OF PUBLIC, NON-PROFIT AND SOCIAL MARKETING

### 1) Countries are not brands, but countries

First, we should start with this item as we may think of another country as a brand – for example, when make a decision to spend the summer vacation by the sea in Spain, Italy, Croatia or Bulgaria.

Nevertheless, this does not mean that people want to consider their own country to be a brand. Using the term 'branding' in terms of our own country or nation may seem arrogant or cynical.

But what would people like to see? They want their country to matter, to be a front-runner internationally – be it any kind of competition. They want to be proud of their country.

Therefore some experts suggest that politicians should use the term 'reputation management' instead of the expression 'country branding'. However though, the problem with the newly suggested term is that it makes even less sense to ordinary citizens than country branding.

## 2) People are not parrots

'The face of a country can be broadcast to the world successfully if all cities, institutions, citizens, politics and economy – each in its own way – broadcast the same thought, idea, or image. There may be a hundred colours and forms, but the multitude of messages converge in a way.' wrote Elemér Hankiss in the late 1990s (2000: 210.). In fact, this may be the essence of country branding, but let us be honest, this is a somewhat idealistic approach.

In a democratic state, the system – fortunately – does not have control over every word and action of all the citizens. This is because people are not parrots; we cannot teach them what to recite. If we do so, it is propaganda.

Of course this does not mean that it is impossible to provide some subtle guidance to people on what (and how) to communicate about their own country. Examples include Estonia and their brand.estonia.ee website for this purpose.

## 3) It is impossible to coordinate so many things

The realisation of the above quotation by Hankiss is complicated by the multitude of institutions communicating about the country. In the case of Hungary, the institutions officially entitled to communicate about the country are:

- the organ in control of tourism (currently, the Hungarian Tourism Agency)
- the organ promoting investments (HIPA – Hungarian Investment Promotion Agency)
- cultural institutes, Hungarian institutes abroad (Balassi Institute)
- dedicated organizations for the support of export (HEPA – Hungarian Export Development Agency)
- the ministry of foreign affairs (now called Ministry of Foreign Affairs and Trade)

Moreover, in most countries (including Hungary), several other bodies, government organs, ministries, special interest groups, non-governmental organisations (NGOs) and companies promote what the country means to them. In addition, smaller units such as cities may also send messages in connection with Hungary – as suggested in the above quotation by Hankiss. As Wally Olins, British branding expert says (2004): 'Nations present themselves in a million way every minute, 24 hours a day.'

It is almost impossible to coordinate all this, even if there were attempts of this kind in several countries. Individual 'country image centres' or 'country brand councils' may be more capable of taking on a supportive role and providing guidance on what to communicate regarding the country and how each organisation may adapt it. This may involve vision, positioning, value system, message system and the definition of some visual identity element such as a central logo. However though, this cannot be implemented in all cases: we hardly see a country whose tourism logo is the same as the one used for investment promotion. This is logical in a sense: while we must present our (cultural) heritage to the majority of tourists, we must offer some kind of a vision to prospective investors.

**4) Operating a 'country image centre' or 'country brand council' does not mean that the brand image of the country will improve**

Although we may assume that countries with this kind of central key body perform better (that is, they own a better brand), the numbers refute this view. Italy does not have such a 'country brand council', but its country brand is still viewed as one of the best, especially in terms of the dimensions of tourism and culture.

**5) Branding is always narrowing, but countries are complex**

In the case of classic brands, the branding activity is centred upon positioning – that is to say, upon the most important idea that explains why that specific brand exists, and how it is different from its competitors.

The same questions can be asked of any country, and it is practical to ask them: Why does the country exist? What would happen if it disappeared from one day to the next? Why would people miss it? How is it unique compared to all other countries?

Well, the fact is that it is hard to find a clear answer to these questions.

The main reason is that usually 'even the smallest village is more complex than a large corporation' (Anholt 2010: 5). This is even more true if we consider a country instead of a village.

The same applies to the consumers of the country: the priorities of tourists, investors and people living in the country may all be different. Moreover, there may be great differences within each group: the needs of a tourist used to 5-star hotels is different from the needs of a tourist team arriving for a bachelor party.

In this respect, the question may be asked whether a country/nation benefits more from having a clear, simple image, or it is preferable to have a rich, complex, even contradictory image? (Anholt 2010: 38.)

For example, the brand image of the United States of America is not at all that clean and simple. The perception of the country's government is usually not very positive, but people like (or what is more: love) American products, brands, popular culture, music and films. On the other hand, the image of North Korea is rather clean, simple and consistent. But does this make the country a better brand? Probably not.

**6) There is no country branding without a country strategy**

It is not enough to create a new slogan, logo, advertisement or PR campaign. Communications cannot replace real politics, real strategy and real government. Poor, ambiguous policies lead to poor, ambiguous reputation.

'In every case, the country image is part of the country strategy, serving as a communication tool, expression, embodiment, face or part of it. If there is no country strategy, the country image is also 'hanging in the air', and in default of reasonability, understanding, comprehension and connection it can be overwritten by anyone at discretion, in any moment' (Bíró 2009: 60.)

Therefore we must examine and define where we are now, and what we want to achieve. Then we must provide proof of our country vision, because it is not enough merely to communicate it. Thus the strategy must be inspiring and realisable at the same time. To be honest, only a few good examples can be found in the case of countries, but Estonia's 'E-Estonia' vision (which has become a mission as well) serves as a good example.

**7) 'Do good and speak about it'**

This is a basic rule of PR (public relations) (see Sós 2017). The examples below better contribute to the brand of the specific country than if they had run an advertising campaign:

- Artists, writers and poets living in Ireland do not have to pay taxes. With this measure, the state acknowledges creative talent.
- Slovenia is positioning itself by providing aid for Balkan countries (Albania, Montenegro, Macedonia) – thus demonstrating that Slovenia is not a Balkan country.
- Having built the Sydney Opera House, Australia demonstrates its cultural values – and the fact that their country is significantly more than a residence for descendants of convicts.
- The Netherlands is a bastion of law as the International Court of Justice is seated in The Hague.
- Legalising same-sex marriage, Spain gives another clear indication that it has got rid of the conservative heritage of the Franco era.
- Estonia demonstrates its leading role in digitalisation by including in their constitution that internet access is a basic human right.

In this sense, branding is actually not about communication; it is about (national) policies. According to Anholt (2008), Govers and Go (2009: 15.), who are experts of the field, the two mottos are:

1. 'Actions speak louder than words.'
2. 'Don't talk unless you have something to say.'

If we only do something for the image itself, stating that something is already true before it has become true, it is called propaganda. Hungarian authors such as Piskóti et al. also point out the same thing (1997: 31.): 'If we only concentrate on communication tools, and break away from real tendencies, the efforts for change will not be credible, and the desired processes will not start. In such cases (…) schematic propaganda does more harm than good.'

## 8) There is no progress without innovation

One of the factors forming the basis for country branding is real change taking place in the country. Much the same as in the case of classic brands, innovation, novelty and excitement are needed – and these provide news value.

In this context, Anholt (2007: 37.) thinks that 80% of country brand building is innovation, 15% is coordination and only 5% is communication.

## 9) Consistent branding is impossible as a result of parliamentary terms

A country positioning or repositioning process may take up to 10, 15 or 20 years to provide the desired results. However, politicians are often unable or unwilling to wait for them.

This is because in most countries the mandate of governments lasts 4 years, and newcomers always wish to deliver quick results. Therefore they often engage in the creation of a new country logo or country slogan, because it is the easiest thing to do – and then it is where the whole activity begins and ends.

There are only a few countries that follow the designated direction of their country branding consistently. Examples include the abovementioned country, Estonia and their E-Estonia concept (Papp-Váry and Ilic 2018), but this country has not changed its government frequently.

## 10) You need to start developing your country brand at home, domestically

This is one of the remarks that critics fail to understand or do not accept, although even the most prestigious experts agree that first we should get our own house in order before entering the international market (Moilanen and Rainisto 2009: 25.). Or, as Anholt suggests (2010: 46.), first of all we must find the way to be true to ourselves instead of lying to others. It is impossible to build a brand without internal security, confidence, principles and identity.

In addition, we must involve locals in the process of country branding and ask for their assistance. As President Kennedy said: 'Ask not what your country can do for you – ask what you can do for your country'. Of course what worked for Kennedy in the United States of the 1960s has not necessarily been successful with other politicians in other countries and periods.

Even in a workplace, you cannot always achieve that employees stand behind the brand vision, communicate and behave in accordance with brand values, or at least believe in them. It is even hard to motivate the workers of a company to actually make them 'live the brand', and this is especially true if we consider the whole population of a country who should represent it externally, at international level.

This is especially true if a nation has a poor self-image, if it does not respect and admire itself (at least in part).

## 11) Good advertisements do not help bad products

'A great ad campaign will make a bad product fail faster. It will get more people to know it's bad', said Bill Bernbach, founder of the DDB advertising agency. In such cases, ad campaigns result in that people try the product as soon as possible, but they are dissatisfied with it – therefore they are not willing to purchase the same product again, and they also share their bad experiences with others. (Levenson 1987)

First of all, a good brand definitely requires a good product. This is true for FMCG (that is fast-moving consumer goods) and services, and for personal brands as well. The case is the same for places including countries.

A country branding campaign by itself is unlikely to save a country with bad reality. Let us take the example of Nigeria: when the country launched its first image campaign in the late 2000s, it was faced with incomprehension and even indignation. Locals claimed that they should rather deal with key problems such as poverty, diseases or the situation of education. Many people said that their campaign with the message 'Good People, Great Nation' was 'meaningless, stating that merely using slogans and eye-catching colour combinations will not change the image of a country where members of the government steal, falsify election results, and sometimes eliminate members of the opposition.' (Marketing&Media 2009). In addition, the internet further worsened the not so bright reputation of the country through an online scam action called '419 Scam', promising quick wealth in exchange for the banking data of the victims.

The lesson is that this kind of country branding is a waste of money. It is a naïve assumption that an advertisement or marketing campaign could change international reputation. It is as if a massage by itself would make us lose weight – however though, diet and exercise are required for that purpose. (Anholt 2010: 31-32.)

In this context, András Wermer claims that 'it is wrong to believe that you can sell something just because you cover it with glaze. Marketing is not advertising, but a process that includes the construction of something we think will do good for the people' (Magyar Hírlap 2006). Therefore in almost all cases it is better to spend on the development of the place than on advertising. This is more powerful and more credible, and lasts longer (Anholt 2009: 66.).

It is extremely hard to change the country image or country perception itself – and it is especially impossible to expect it from an advertisement. Let us ask a simple question: When was the last time the reader has changed his/her opinion as a result of an advertisement? And by this we do not mean countries, but any product. It is likely that there were no such examples lately (or possibly there have been no examples at all).

In addition, the competition of advertising is fierce: the total amount of advertising stimuli affecting us is 3-5 thousand a day. There is very little chance that the advertisement of a country will affect us unless we have been (at least latently) interested in the country before.

### 12) Negative news is always more interesting and spread more rapidly

It is enough to open any kind of newspaper or switch to a programme on your TV to see that bad news spread much faster.

This is an eternal truth about media: negative news is always more interesting.

Modest progress, increasing stability and reasonable reforms are not too exciting in connection with a country (Anholt 2010: 74.). On the other hand, a national disaster, a crime, the collapse of economy, if the prime minister starts to behave like a dictator, or if they have 'lied night and day' in the country could be interesting news. And in the same way, it is much more interesting if we get a restaurant bill of 300 EUR after a modest dinner, or the toilet at the border crossing is in an awful condition.

Accordingly, a 2008 research by Lebedenko concluded that in the case of Russia, only 17% of articles published in the Western media were positive or at least neutral/realistic.

This is also important because negative news may build awareness, but positive news may also contribute to the building of an image.

### 13) You cannot build a good country image merely through plans and the precision of an engineer – but it can be deserved

'Distracting spontaneous image formation in another direction is a significant marketing challenge', wrote Papadopoulos and Heslop in 2002 (quoted by Törőcsik and Somogyi 2009). Well, the period since then has justified this. No matter how many planned and coordinated efforts were made, there have been no news of roaring success ever since.

### 14) Country branding does not have a standard formula

Of course we can create systems or guidelines including the most important steps of country branding. But this does not mean that there is a universal template or sample for nation branding strategies (see Dinnie 2008: 219.) Each country has its own purposes, circumstances and competences (Anholt 2007: xi.). Every country is different, therefore there is no magical formula that we could use.

Of course we can create identity manuals or style guides for country brands including the logo and its possible applications. However, their most important aim is to distinguish the country, therefore they must not be too similar, using a one-size-fits-all approach.

### 15) It is hard to build a country brand, and it is easy to destroy it – but actually it is hard to destroy as well

This is a very important remark, maybe the most important of the ones listed here. There are people who disagree: 'There is a rule you cannot circumvent: the country image may easily change.' (Bíró 2009, p.56.) But this is simply false – as various studies on country brands show, the image of most countries is exactly the same every year.

Even if a country decides to change its brand image and support it with conscious actions and communication, the change will likely take many years, and the process is neither easy, nor quick. It is a bit like the case of a marine tanker: it takes 5 miles to slow it down and 10 miles to change direction (see Anholt 2007).

Other authors state that 'It is hard to build the image of a country, and it is easy to destroy it. (...) But statistics show that it is not that easy to destroy, either.' (Szandtner's interview with Papp-Váry 2012). Many similar negative events have to take place in order to change the perception of that specific country.

This is somewhat similar to driving a Mercedes. If for some reason it breaks down and we need to take it to the garage, we say 'oh, how unlucky we are as this is a great brand'. On

the contrary, if we have a Lada and we have not had any problem with it, we say 'how lucky we are'.

In most cases, image changes slowly – be it a positive or a negative change. Let us take Volkswagen for example. After their diesel scandal and the series of lies associated with them, it would have been no surprise is nobody in the world bought Volkswagens any more. But people keep buying the brand's cars.

Returning to countries: warfare, terrorist attacks and natural disasters have little effect on country image, to be honest (see Anholt 2009: 54.). If these happen in a country with a good image, it is possible that the only thing the public says is 'It is such a safe place. How could all that happen?' The country image only changes if such events (for example, terrorist attacks) become a regular feature of that country.

## 16) Country image is nothing more than reality with some delay

As the previous item in the list suggests, a lot of converging events need to happen in order to change the image of a place. In the case of negative events, this change may be quicker, but this also takes some time.

No doubt countries would like to improve their image. But we must understand that even if many developments and innovations are on their way in a country, the country brand will be slow to catch up with the change of reality. Moreover, a change in a country's image may be left behind as it usually takes place over decades not years (Anholt 2007: 27.). For many places, the real challenge is here: they need (marketing) communications to decrease the gap between reality and perception.

## 17) Each country gets the image it deserves

From time to time, the author of this article (also a consultant) is contacted by various product and service brands with the question 'Why is our image so terrible?'. In such cases the first answer is always a question: 'Can it be because the product/service is terrible?'

The same rule holds for countries: if a country has a terrible image, chances are high that it is because the country itself is terrible. We must accept that problems of image are often problems of reality as well. In order to change that image, the country itself must change.

Even if the image is relatively neutral, there is one question that should be asked: what was the last real news story in connection with the country? What was the most exciting thing (be it a product, service or celebrity) that has come from the country recently?

## 18) You can only plant a new idea in minds if you find connection with an idea that is already there

It is essentially impossible to convince people to change their thinking and especially their behaviour. This is even more true for their attitude to foreigners. In their mind, they are looking for familiar clues and associations. Therefore you must build on what is already in their mind. (see Day 1980)

Thus it is important not to stick to the idea that traditional elements must be got rid of in country advertisements. If these traditional elements are well-known, we must present them, even if in a modernised form.

## 19) If the image of a country is in crisis, country branding is the least helpful thing

'Many people believe that places particularly 'in need of' branding are ones that are in some crisis, and their economy, social and cultural situation are not stable enough. Already existing crisis situations may not be solved by means of branding as successful branding always is always the result of a longer period – quite often years or decades. Crises may only be staved

off through determinant and highly targeted actions based on an already existing, strong brand identity' Gelder (1998) says, quoted by Törőcsik and Somogyi (2009: 20.)

Confirming once again what has been written above, the only thing that can result in long-lasting change in the image of places is long-lasting and comprehensive change in the country itself, including political, social, economic and cultural changes. Fighting negative perceptions with commercial communication techniques is like fighting terrorism with traditional weapons. (Anholt 2010: 60.)

In order to change the country brand, the country must change as well. Country brand management is always more than a campaign; it is a national policy (Anholt 2008).

## 20) Complex country branding is impossible, but sectoral branding (such as tourism promotion or investment promotion) can be successful

As stated above, Simon Anholt the most renowned expert of the topic conducted several studies and concluded that 'there has been no detectable correlation between changes in national brand value and expenditure on the so-called "nation branding campaigns"' (Anholt 2010: 2.) There is not a single study justifying that general country branding campaigns change the country image.

However, this does not mean that such campaigns are completely unsuccessful. They may be successful sectorally.

For example, tourism campaigns may convince people to visit a certain place, but their primary focus is selling and promotion. The target group and messages are clearly defined, and travellers give their money and free time.

Anholt remarks somewhat cynically that tourism promotion is a fool-proof thing. According to him, it is completely unnecessary to replace it with new terms such as 'destination branding', because the whole thing is quite simply about sales and promotion.

Independent investment promotion ('invest in') campaigns are also possible, for example, to convince a well-known car brand to build its newest factory in the country. Maybe it would be exaggerating to say that it is a branding campaign, as it is much more about B2B (business-to-business) sales than marketing or especially branding.

The excellence of Asian countries regarding their export products may also be considered a sectoral activity. In such cases, the image of the products influences the country's image – although it is achieved years later, similarly to the case of Japan or South Korea.

By contrast, general country brand campaigns fail to deliver the desired results. Of course there is a chance that the receivers of the communication can recall a slogan (but let us add that this is not the case usually). However, this does not necessarily mean that the people's opinion about the country changes.

Therefore we can state that campaigns for the promotion of tourism, investment or product sales are effective, but is seems completely needless to spend money (especially that of the taxpayers) on general image campaigns.

## 21) You should rather brand cities, regions and smaller units than brand countries

As early as in 2009, Róbert Braun wrote that 'Hungary would succeed if the country would spend money on the support of the creation of local brands instead of the Hungary brand' (Braun 2009: 48.) 'In the future, the race of destinations, investments and places will not be decided by countries but cities, settlements, regions, clusters or districts, and these could and should be the foundations of a successful brand.' (Braun 2009: 51) Moreover, he also added (2009: 49.): 'A Hungary brand is unnecessary in the twenty-first century.'

Well, it is highly questionable that a Hungary brand would be unnecessary. However, it seems logical that it is more practical to spend money on the support of individual local brands, especially with regards to the fact that the awareness and image of the capital is much more

favourable than those of the country itself. This is not only true in the case of Hungary: Prague is more well-known and recognised than the Czech Republic, and the same can be said of the relationship between Amsterdam and The Netherlands, or Paris and France.

It is also possible to think over the branding of the country and the branding of more significant cities, regions and attractions at the same time. As Kádár says (2013: 22.), 'A country brand affects regions and settlements, but this is also true the other way round: each settlement or region represents the country and brings added value for the country brand. It would be reasonable to create regional and local plans in connection with the strategic plan and allocate resources to them. Settlements, regions, local brands, natural or built attractions and events may greatly improve the positive perception of the country. Therefore they contribute to the development of the identity and the country brand in a spontaneous way, followed by their systematisation and construction based on their common, synergic effect.

It is no coincidence that several important articles by Hungarian authors have been published about the cooperation between individual destinations (Sziva 2010, 2012, Kulcsár and Zátori 2011a, 2011b). Even if these writings approach the question from a touristic view, they can serve as an important basis for this concept.

## 22) Just as you need 'money, money, money' to wage war, it is also useful for country branding

The famous dictum by Montecuccoli is partly true for the field of country branding as well: it is better not to start the whole thing without sufficient resources, preferably planned for five years in advance (Moilanen and Rainisto 2009: 79.).

However, it must be also said that money may be at least partially replaced by ideas, creativity and innovation.

## 23) Many people still identify country branding with logo design – and some consulting companies skilfully benefit from this situation

The greatest misunderstanding in relation to country branding is the idea that this activity merely includes the creation of a new logo and/or the writing of a new slogan accompanied by a high-budget advertising campaign. To implement these items is definitely in the interest of consulting companies and advertising agencies: they can request great amounts for this purpose, and they have proficiency in this field.

The problem is that the perception of places cannot be changed merely through direct communication. Changes must take place on a deeper level. (Anholt 2010: 31.)

## 24) Merely providing more information about the country does not help

The other communication-based approach is to provide as much information about the country as possible. These consultants propose that we make the advertising spots as long as possible and display everything that has anything to do with the country. But are these interesting for receivers? And what is the target audience in this case?

An important attribute of consumer behaviour is that consumers only receive the information if they are actively looking for it – when they are right before (or after) the purchase decision. For example, if we want to buy a car, we start to see the chosen model on the roads after a while – although we have not noticed it despite their presence. Moreover, many people read the brochure about the model after purchasing the car itself, justifying their decision in a way. We react to countries pretty much the same way.

Thus we can say that providing more information is not bad in itself – but there is a time and place for it. In most cases it is better to communicate less (and simpler) truths about the

country instead of long lists of our attributes, and it is better to patiently wait for its 'reception'. Less is more, as we have realised again.

**25) There is no country branding without country development**

It must be pointed out that whatever the industry is, branding is not just about communication: it is also about the product and its development process.

It is impossible to brand something without the involvement of the product itself. In that case it would only be communication – an advertising campaign in a worse case scenario, or a PR campaign in a better situation.

## 3. CONCLUSION

As the article pointed out, country branding as an activity can be criticised for various reasons. These are presented in the table below.

**Table 1. The most significant limits of country branding: the greatest challenges in the special field of public, non-profit and social marketing**

| |
|---|
| 1) Countries are not brands, but countries |
| 2) People are not parrots |
| 3) It is impossible to coordinate so many things |
| 4) Operating a 'country image centre' or 'country brand council' does not mean that the brand image of the country will improve |
| 5) Branding is always narrowing, but countries are complex |
| 6) There is no country branding without a country strategy |
| 7) 'Do good and speak about it' |
| 8) There is no progress without innovation |
| 9) Consistent branding is impossible as a result of parliamentary terms |
| 10) You need to start developing your country brand at home, domestically |
| 11) Good advertisements do not help bad products |
| 12) Negative news is always more interesting and spread more rapidly |
| 13) You cannot build a good country image merely through plans and the precision of an engineer – but it can be deserved |
| 14) Country branding does not have a standard formula |
| 15) It is hard to build a country brand, and it is easy to destroy it – but actually it is hard to destroy as well |
| 16) Country image is nothing more than reality with some delay |
| 17) Each country gets the image it deserves |
| 18) You can only plant a new idea in minds if you find connection with an idea that is already there |
| 19) If the image of a country is in crisis, country branding is the least helpful thing |
| 20) Complex country branding is impossible, but sectoral branding (such as tourism promotion or investment promotion) can be successful |
| 21) You should rather brand cities, regions and smaller units than brand countries |
| 22) Just as you need 'money, money, money' to wage war, it is also useful for country branding |
| 23) Many people still identify country branding with logo design – and some consulting companies skilfully benefit from this situation |
| 24) Merely providing more information about the country does not help |
| 25) There is no country branding without country development |

*Source: classification by Árpád Papp-Váry*

After all these critical remarks, it is also makes sense to find out how a country's perception becomes positive and what makes it a brand. In this context, it is worth calling upon Simon Anholt, the most renowned international expert of the topic. Anholt withdrew for over a year and did nothing but study the results of his country brand ranking called Anholt-Gfk Roper Nation Brands Index. It was no small task as his researches had gathered 3 billion (!) data points by that time – which made Anholt's survey one of the three largest social science research projects in the world.

Anholt primarily sought to find out what makes people thing that a country is good. Well, his results outlined five drivers of national reputation (see Anholt 2016):

1. Morality: Is the country good or bad? 'Are they happy about its existence? Does it have a positive effect on the world? Does it act correctly? Or is it a bad, dangerous, or useless member of the international community?'
2. Aesthetics: Is it beautiful or ugly? 'If we think that a country is beautiful, we tend to believe several other things about it (…) People think that Canada is an eco-friendly country because it is beautiful.'
3. Relevance: What does this country have to do with me? How does it affect my life? 'Why would we expect that people around the world know and respect Hungary? Do we know and respect the countries of others?'
4. Strength: This is not 'soft' power as explained by professor Joseph S. Nye (2005), but 'hard' power. 'It means whether the country has real economic, military and territorial power, or a large population, and whether they can force their will on others.'
5. Sophistication: 'Are there smartphones in the country, or are they still plowing the land with oxen?'

Reading the five initials together, we may see the abbreviation MARSS – this is no coincidence, as Anholt was looking for something easy to remember. 'These are the five main factors in people's minds. When they think of foreign countries, these are the characteristics they consider in the fraction of a second. (…) When I analysed results, I realised that the first point was by far the most important. The most important aspect for people is how that specific country contributes to humanity. (…) This is the essence of discovery. People like good countries. Therefore, if we would like a better image, the only way to achieve it is to do something which makes people grateful for our existence. In other words, if we act for them.' (Anholt 2016: 145-145.)

It should be noted that strangely enough, Anholt's twenty years of research have led to the same conclusions as 'How to start your own county', a six-part comedy series by well-known British comedian Danny Wallace on BBC (2005). After the establishment of his own country (in his own flat) and 'much' consideration, Wallace wrote the two-word constitution of his country: 'Be good'.

Returning to Anholt's ideas and marketing: 'What is the first rule of marketing? The first rule of marketing is not to brag about how fantastic our product is. We must get to know our customers and their needs instead. The same applies to countries. (…) People are not interested in successes. They are only interested in what the specific country did for them that week.' (Anholt 2016: 145.)

This actually refers to nothing else than the classic WIIFM principle, that is 'What's In It For Me?' (see Pease and Dunn 2001, and Papp-Váry 2010). This is the thing that matters from the consumer side. We need to find the same features when we embark on country branding – which is clearly more than simply branding.

17

**REFERENCES**

Anholt, S. (2007): Competitive Identity – The New Brand Management for Nations, Cities and Regions. Houndmills, Basingstoke, Hampshire, UK: Palgrave MacMillan.

Anholt, S. (2008): Place branding: Is it marketing, or isn't it? Place Branding and Public Diplomacy 4(1), 1-6.

Anholt, S. (2009): Places: Identity, Image and Reputation. Houndmills, Basingstoke, Hampshire, UK: Palgrave MacMillan.

Anholt, S. (2010): Why 'Nation Branding' Doesn't Exist. The Economic Times. (URL: https://economictimes.indiatimes.com/magazines/brand-equity/why-nation-branding-doesnt-exist/articleshow/5799304.cms, published: 14 April 2010, retrieved: 10 January 2018)

Anholt, S. (2011): Beyond the nation brand: The role of identity and image in international relations. In: Pike, Andy (2011): Brands and Branding Geographies. Cheltenham, UK: Edward Elgar Publishing, 289-301.

Anholt, S. (2016): A nagy országmárka svindli. ('The Great Country Brand Swindle') HUG – Hungarian Geopolitics Magazine, 1(1), 132-149., URL: https://issuu.com/pageo/docs/hug_online_marcius_boritoval_, retrieved: 1 July 2017.)

Barát, T. (1997): Hozzászólás a Magyarország 2000 konferencia ország-kép témájához. Magyarország 2000 konferencia – Magyarország képe a nagyvilágban, ('Comment on the topic of country image, Magyarország 2000 conference. Magyarország 2000 Conference – Hungary's Image in the World') 30-31 May 1997. (URL: http://www.meh.hu/Egyeb/Mo2000.velemeny.htm, retrieved: 1 January 2007.)

Bíró, P. (2009): Magyarországkép 2009: Másképp, más kép – Feltételek és esélyek. ('Hungary Image 2009: Another way, another image – Conditions and Prospects') Marketing és Menedzsment, 43(2), 56-62.

Brand Estonia (2017): (URL: https://brand.estonia.ee/, retrieved: 27 August 2017.)

Braun, R. (2009): Magyarország márka: miért (ne)? ('The Hungary Brand: Why (not)?') Marketing és Menedzsment, 43(2), 48-51.

Day, C. R., Jr. (1980): Do companies have personalities? Industry Week 72(1980), 75-76

Dinnie, K. J. (szerk.) (2008): Nation Branding – Concepts, Issues, Practice. Oxford, UK: Elsevier Butterworth-Heinemann.

Feinberg, B. M. – Zhao, X. (2011): The Anholt-Gfk Roper Nation Brands Index: Navigating the Changing World. In: Go, Frank M. – Govers, Robert (2011): International Place Branding Yearbook – Managing Reputational Risk. Basingstoke, UK: Palgrave MacMillan

Govers, R. – Go, F. (2009): Place Branding – Glocal, Virtual and Physical Identities, Constructed, Imagined and Experienced. Basingstoke, Hampshire, UK: Palgrave Macmillan

Hankiss, E. (2000): Farkasok a Kánaánban, avagy találjuk ki újra Magyarországot – Egy ország keresi a helyét. ('Wolves in Canaan, or Let us Invent Hungary Again – A Country Looking for its Place') In: Hankiss, Elemér (2000): Proletár reneszánsz – Tanulmányok az európai civilizációról és a magyar társadalomról. ('Proletarian Renaissance – Studies on European Civilisation and the Hungarian Society.') Budapest: Helikon Kiadó, 199-211.

Hanna, S. – Rowley, J. (2008): An analysis of terminology use in place branding. Place Branding and Public Diplomacy, 4(1), 61-75.

Kulcsár, N. – Zátori, A. (2011a): Destination Co-operations. Corvinus Regional Studies, 2(2-3), 32-38.

Kulcsár, N. – Zátori, A. (2011b): Desztinációs együttműködések. ('Destination Co-operations') Corvinus Regionális Tanulmányok, 2(2-3), 33-41.

Lebedenko, V. (2008): On national identity and the building of Russia's image. In: Dinnie, K. J. (ed.) (2008): Nation Branding – Concepts, Issues, Practice. Oxford, UK: Elsevier Butterworth-Heinemann, 107-111.

Levenson, B. (1987) Bill Bernbach's Book: A History of the Advertising that Changed the History of Advertising. Random House, USA

Magyar Hírlap (2006): Ami egyszer bement a fejekbe, azt onnan isten sem veri ki – Interjú Wermer Andrással. ('What goes in your head is never going to come out – Interview with András Wermer') Magyar Hírlap, 3 April 2006 URL: http://www.magyarhirlap.hu/cikk.php?cikk=102478, published: 3 April 2006. retrieved: 1 January 2009.)

Marketing&Média (2009): Imázst váltana Nigéria. ('Nigeria wishes to change its image.') Marketing és Média, 14(8), 7.

Moilanen, T. – Rainisto, S. (2009): How to Brand Nations, Cities and Destinations – A Planning Book for Place Branding. Houndmills, Basingstoke, Hampshire, UK: Palgrave Macmillan

Nye, J. S. (2005): The Means to Success in World Politics. US: PublicAffairs.

Olins, W. (2004): A má®kák – A márkák világa, a világ márkái. ('On B®and.') Budapest: Jószöveg Műhely – British Council

Papadopoulos, N. – Heslop, L. A. (2002): Country Equity and Country Branding. Journal of Brand Management, 9(4), 294-314.

Papp-Váry, Á. (2010): JPÉ Marketing – Elmélet és gyakorlat józan paraszti ésszel. ('JPÉ Marketing – Theory and Practice with Common Sense.') Budapest: KIT Kiadó

Pease, A. – Dunn, P. (2001): Levél-beszéd – Új, igazán hatásos levélírási technikák. ('Write Language – The Secrets of Writing Letters That Really Work…') Budapest: Fiesta

Piskóti, I. – Dankó, L. – Schupler, H. – Büdy, L. (1997): Régió és településmarketing – egy tudatos koncepció a nemzetközi és hazai gyakorlat példáján. ('Regional and city marketing – a conscious concept based on international and Hungarian practices') Miskolc: Miskolci Egyetem

Ries, A. – Trout, J. (1997): Pozicionálás – Harc a vevők fejében elfoglalt helyért. ('Positioning: The Battle for Your Mind') Budapest: Bagolyvár Könyvkiadó

Sós, P. J. (2017): #mindennapipr – Gyakorlati public relations a webkorszakban. ('#everydaypr – Practical Public Relations in the Web Age.') Budapest: B. Swan Kiadó

Subramanian, S. (2017): How to sell a country: the booming business of nation branding. The Guardian. (URL: https://www.theguardian.com/news/2017/nov/07/nation-branding-industry-how-to-sell-a-country, published: 7 November 2017, retrieved: 8 January 2018)

Szandtner, V. (2012): „Egy ország imázsát felépíteni nehéz, lerombolni annál könnyebb". ('It is hard to build the image of country, it is much easier to destroy it.') (URL:

http://hvg.hu/kultura/20120903_Egy_orszag_imazsat_felepiteni_nehez_lerom, published: 3 September 2012., retrieved: 20 July 2018.

Sziva, I. (2010): A turisztikai desztinációk versenyképessége. Egyedül miért nem, együtt mikor és meddig? ('The Competitiveness of Tourism Destinations. Why Not Alone – When and How Long Together?') Turizmus Bulletin, 14(3), 40-49.

Sziva, I. (2012): Versenyző együttműködés és a turisztikai desztinációk versenyképessége: "Hol volt, hol nem volt…?" ('Competitive Cooperation and the Competitiveness of Tourism Destinations: Once Upon a Time') Vezetéstudomány, 43(5), 52-60.

Törőcsik, M. – Somogyi, Z. (2009): Az országmárkázás kérdései. ('Questions of Country Branding.') Marketing és Menedzsment, 43(2), 20-29.

van Ham, P. (2002b): Branding Territory: Inside the Wonderful Worlds of PR and IR Theory. Millenium: Journal of International Studies, 31(2), 249-269.

Wallace, D. (2005): How to start your own country? BBC Television Documentary Comedy Series, August-September 2005, 6-part series

# 18<sup>th</sup> International Congress of the International Association on Public and Nonprofit Marketing

"CHALLENGES IN PUBLIC, NON-PROFIT AND SOCIAL MARKETING"

Conference proceeding
Győr 2019

**WELCOME**

**Dear Colleagues,**

We are very pleased to welcome you to the 18th International Congress on Public and Non-profit Marketing in Győr. The Department of Marketing and Management of the University of Győr is proud to host this event in 2019.

The last eighteen years have seen meaningful advances in the theory and practice of public and non-profit marketing. The researchers have introduced new conceptual models and approaches to influence behaviour that promotes environment, health and important public services.

Concerning the present economic, social and technological context, the conference motto: Challenges in Public, Non-Profit and Social Marketing.

Acknowledgement has to be given to the members of the Organizing and Scientific Committees of the 18th International Congress on Public and Nonprofit Markting. Nearly forty papers have been selected after a double-blind review process. We consider it a success that the journals (International Review on Public and Nonprofit Marketing, Ekonomski vjesnik/Econviews, The Hungarian Journal of Marketing and Management, Budapest Management Journal, APSTRACT, SPACE–ECONOMY–PEOPLE) cooperating with the Scientific Committee provided several authors the opportunity to publish their papers.

We hope this event and the papers' discussion can contribute to the development of knowledge in this field.

Enjoy your stay in Győr.

Sincerely,
On behalf of the Organizing Committee,
**Ida Ercsey**
Chairwoman of the 18th IAPNM Congress

Győr, 5-3 July 2019.

# 18th International Congress on Public and Non-Profit Marketing

**CONTENT**

## ORGANIZING COMMITTE

Ida Ercsey

Chairwoman

ercsey@sze.hu

University of Győr, Hungary

Adrienn Dernóczy-Polyák

dernoczy@sze.hu

University of Győr, Hungary

László Józsa

jozsal@sze.hu

University of Győr, Hungary

Péter Huszka

huszkap@sze.hu

University of Győr, Hungary

Veronika Keller

kellerv@sze.hu

University of Győr, Hungary

Réka Kató

kato.reka@sze.hu

University of Győr, Hungary

**SCIENTIFIC COMMITTEE**

| Name | Email adress | University/Country |
|---|---|---|
| Adrienn Dernóczy-Polyák | dernoczy@sze.hu | University of Győr/Hungary |
| Agota Giedré Raišienė | agotar@mruni.eu | Mykolas Romeris University/Lithuania |
| Amparo Cervera-Taulet | amparo.cervera@uv.es | University of Valencia/Spain |
| Ana Lanero Carrizo | ana.lanero@unileon.es | University of León/Spain |
| Ani Matei | amatei@snspa.ro | National School of Political Studies and Public Administration/Romania |
| Anna Vaňová | anna.vanova@umb.sk | Matej Bel University/Slovakia |
| Arminda Maria Finisterra do Paço | apaco@ubi.pt | University of Beira Interior/Portugal |
| Celina Sołek-Borowska | csolek@sgh.waw.pl | Szkola Glowna Handlowa Warsaw School of Economics/Poland |
| Claude Pecheux | claude.pecheux@uclouvain-mons.be | Catholic University of Louvain/France |
| Clementina Galera Casquet | cgalera@unex.es | University of Extremadura/Spain |
| Edy Lorena Burbano Vallejo | elburban@usbcali.edu.co | University of San Buenaventura Cali/Colombia |
| Elisa Monnot | elisa.monnot@u-cergy.fr | University of Cergy-Pontoise/France |
| Elvira Bolat | ebolat@bournemouth.ac.uk | University of Bournemouth/United Kingdom |

| Name | Email adress | University/Country |
|------|--------------|--------------------|
| Emerson W. Mainardes | emerson@fucape.br | FUCAPE Business School/Brazil |
| Enrique Carlos Bianchi | ebianchi@ucc.edu.ar | Catholic University of Cordoba/Argentina |
| Erzsébet Hetesi | hetesi@eco.u-szeged.hu | University of Szeged/Hunagry |
| Gonzalo Diaz Meneses | gonzalo.diazmeneses@ulpgc.es | University of Las Palmas/Gran Canaria |
| Helena Maria Batista Alves | halves@ubi.pt | University of Beira Interior/Portugal |
| Ida Ercsey | ercsey@sze.hu | University of Győr/Hungary |
| Irena Ograjenšek | irena.ograjensek@ef.uni-lj.si | University of Ljubljana/Slovenia |
| Ivan Georgiev | georgiev@uni-sz.bg | Trakia University Stara Zagora/Bulgaria |
| José Luis Vázquez Burguete | jose-luis.vazquez@unileon.es | University of León/Spain |
| László Józsa | jozsal@sze.hu | University of Győr/Hungary |
| María Isabel Sánchez-Hernández | isanchez@unex.es | University of Extremadura/Spain |
| María Mercedes Galán Ladero | mgalan@unex.es | University of Extremadura/Spain |
| María Purificación García Miguélez | mpgarm@unileon.es | University of León/Spain |
| Marisa Roriz Ferreira | mferreira@estgf.ipp.pt | Polytechnic Institute of Porto/Portugal |
| Marlen Martoudi Demetriou | demetriou.m@unic.ac.cy | University of Nicosia/Cyprus |
| Marlize Terblanche-Smit | marlize.terblanchesmit@usb.ac.za | Stellenbosch University/South Africa |

| Name | Email adress | University/Country |
| --- | --- | --- |
| Martina Blašková | martina.blaskova@fri.uniza.sk | University of Žilina/Slovakia |
| Maurice Murphy | maurice.murphy@cit.ie | Cork Institute of Technology/Ireland |
| Mirna Leko-Šimić | lekom@efos.hr | Josip Juraj Strossmayer University of Osijek/Croatia |
| Oscar Daniel Licandro Goldaracena | olicandr@ucu.edu.uy | Catholic University of Uruquay/Uruquay |
| Rodoula H. Tsiotsou | rtsiotsou@uom.gr | University of Macedonia/Greece |
| Veronika Keller | kellerv@sze.hu | University of Győr/Hungary |
| Victor Valero Amaro | vvalero@unex.es | University of Extremadura/Spain |
| Walter Wymer | walter.wymer@uleth.ca | University of Lethbridge/Canada |

## PAPERS

# THE LIMITS OF COUNTRY BRANDING – 25 CHALLENGES IN THE SPECIAL FIELD OF PUBLIC, NON-PROFIT AND SOCIAL MARKETING

Árpád Ferenc Papp-Váry

apappvary@metropolitan.hu, Budapest Metropolitan University

## ABSTRACT

In the past two decades, 'country image centres' and 'country brand councils' have been created throughout Europe and the world. Their task is the same everywhere: to position the country, distinguish it from 'competitors', create a uniform brand strategy, and coordinate the various messages about the country in a certain sense. Politicians also tend to mention country branding or nation branding, and the term appears in the news media and tabloid press more frequently.

In short, country branding is actually nothing else than the technical application of branding for countries in order to improve the reputation of the country, thus attracting more tourists and investors, improving export, etc. – in other words, resulting in in greater competitiveness.

At the same time, country branding is probably the biggest challenge in public, non-profit and social marketing. The topic is very exciting, but also extremely complex, and quite often divisive, generating emotions in many cases. It is no coincidence that the opposition of country branding is just as large as its support, and critical voices continue to strengthen. We present these aspects in our article as food for thought – not necessarily in order of importance.

Thus, a total of 25 critical remarks on country branding (that can also be interpreted as challenges in the special field of public, non-profit and social marketing) are discussed including the opinion that a good national image cannot be built according to a plan, with the precision of an engineer. It can only be earned, also because it is impossible to coordinate so many things at a time, not to mention that consistent branding is basically impracticable because of successive political cycles. The article also discusses that if a country has a 'country image centre' or 'country brand council', it does not necessarily mean that the country has a better brand image. The cause of the problem is often that many people still identify country branding with logo design and a catchy slogan, although country branding is much more than that. In addition, there is no country branding without a country strategy – in other words, there is no country brand building without country building. Last but not least, we should remind ourselves that countries are primarily not brands but countries.

## KEY WORDS

Country branding, nation branding, country image, country reputation

## 1. INTRODUCTION: THE AIMS OF COUNTRY BRANDING

Country branding is a rather unique field: although parallels may be drawn between the branding of countries and that of products, services and companies, it also has its characteristics and unique features. One of these is that while a country brand may look like a simplified cliché, stereotype of even a caricature from outside, we can see that it is actually complex with many dimensions and layers if we look at it closely. In a historical sense, the first person to mention the concept of 'nation brand', or country brand was British expert Simon Anholt, back in 1996. (see Anholt 2011, Feinberg and Zhao 2011, Subramanian 2017). His article *Nation-brands of*

*the twenty-first century* published in the *Journal of Brand Management* in 1998 soon became very popular among marketing professionals, and later in scientific circles.

'Country image centres' and 'country brand councils' were created shortly throughout Europe and the world. Their role is the same everywhere: the positioning of the country, that is its distinction from the competition, the creation of a uniform brand strategy, and the coordination of various messages about the country. We could also say that there is a new era in the competition of nations. Although military clashes are still quite common in certain areas of the world, in most places wars are not waged with traditional weapons, but marketing tools (see Van Ham 2002: 265.). Moreover, the battlefield is nothing else but the consumers' mind (Ries and Trout 1997), where various countries would like to occupy as distinguished position and as big area as possible, because this means tourists, investors, and more people buying the products of the countries. In this regard, we can say that globalisation almost provokes, certainly encourages nation branding (Hanna and Rowley 2008). But what are the areas where it is possible to increase competitiveness, and how can a good country brand help us in our 'battle' for our position in the consumers' mind? First of all, the primary aims of country branding are all economic. This involves three major aspects:

1) The promotion of tourism, the attraction of tourists to the specific country.
2) The promotion of investment coming into the country.
3) The development of export, and improved sales of the country's products on foreign markets.

Besides the three aims above, we can identify two more equally important aims that are not economic, and have a positive impact in the long term:

4) A greater role in international organizations and foreign policy.
5) Improving the well-being of citizens and their pride of belonging to the nation/country.

Based on aims 4 and 5, country branding is not only related to business, but can also be interpreted as question of public, non-profit and social marketing.

In short, country branding involves the application of branding for countries in a technical sense, thus developing the country's reputation. In addition, this kind of branding (in other words: brand building) is something than can equally be used by small or big, developing or developed countries.

The topic is very exciting, but also extremely complex and often divisive, invoking emotions again and again. It is no coincidence that the camp of people opposing this activity has become at least as big as that of its supporters, and the critics are getting louder. In the present article, we present these critical aspects as food for thought – not necessarily in order of importance. Thus a total of 25 critical remarks on country branding are discussed, including the question whether country branding exists at all.

## 2. 25 LIMITS OF COUNTRY BRANDING – 25 CHALLENGES IN THE SPECIAL FIELD OF PUBLIC, NON-PROFIT AND SOCIAL MARKETING

### 1) Countries are not brands, but countries

First, we should start with this item as we may think of another country as a brand – for example, when make a decision to spend the summer vacation by the sea in Spain, Italy, Croatia or Bulgaria.

Nevertheless, this does not mean that people want to consider their own country to be a brand. Using the term 'branding' in terms of our own country or nation may seem arrogant or cynical.

But what would people like to see? They want their country to matter, to be a front-runner internationally – be it any kind of competition. They want to be proud of their country.

Therefore some experts suggest that politicians should use the term 'reputation management' instead of the expression 'country branding'. However though, the problem with the newly suggested term is that it makes even less sense to ordinary citizens than country branding.

## 2) People are not parrots

'The face of a country can be broadcast to the world successfully if all cities, institutions, citizens, politics and economy – each in its own way – broadcast the same thought, idea, or image. There may be a hundred colours and forms, but the multitude of messages converge in a way.' wrote Elemér Hankiss in the late 1990s (2000: 210.). In fact, this may be the essence of country branding, but let us be honest, this is a somewhat idealistic approach.

In a democratic state, the system – fortunately – does not have control over every word and action of all the citizens. This is because people are not parrots; we cannot teach them what to recite. If we do so, it is propaganda.

Of course this does not mean that it is impossible to provide some subtle guidance to people on what (and how) to communicate about their own country. Examples include Estonia and their brand.estonia.ee website for this purpose.

## 3) It is impossible to coordinate so many things

The realisation of the above quotation by Hankiss is complicated by the multitude of institutions communicating about the country. In the case of Hungary, the institutions officially entitled to communicate about the country are:

- the organ in control of tourism (currently, the Hungarian Tourism Agency)
- the organ promoting investments (HIPA – Hungarian Investment Promotion Agency)
- cultural institutes, Hungarian institutes abroad (Balassi Institute)
- dedicated organizations for the support of export (HEPA – Hungarian Export Development Agency)
- the ministry of foreign affairs (now called Ministry of Foreign Affairs and Trade)

Moreover, in most countries (including Hungary), several other bodies, government organs, ministries, special interest groups, non-governmental organisations (NGOs) and companies promote what the country means to them. In addition, smaller units such as cities may also send messages in connection with Hungary – as suggested in the above quotation by Hankiss. As Wally Olins, British branding expert says (2004): 'Nations present themselves in a million way every minute, 24 hours a day.'

It is almost impossible to coordinate all this, even if there were attempts of this kind in several countries. Individual 'country image centres' or 'country brand councils' may be more capable of taking on a supportive role and providing guidance on what to communicate regarding the country and how each organisation may adapt it. This may involve vision, positioning, value system, message system and the definition of some visual identity element such as a central logo. However though, this cannot be implemented in all cases: we hardly see a country whose tourism logo is the same as the one used for investment promotion. This is logical in a sense: while we must present our (cultural) heritage to the majority of tourists, we must offer some kind of a vision to prospective investors.

**4) Operating a 'country image centre' or 'country brand council' does not mean that the brand image of the country will improve**

Although we may assume that countries with this kind of central key body perform better (that is, they own a better brand), the numbers refute this view. Italy does not have such a 'country brand council', but its country brand is still viewed as one of the best, especially in terms of the dimensions of tourism and culture.

**5) Branding is always narrowing, but countries are complex**

In the case of classic brands, the branding activity is centred upon positioning – that is to say, upon the most important idea that explains why that specific brand exists, and how it is different from its competitors.

The same questions can be asked of any country, and it is practical to ask them: Why does the country exist? What would happen if it disappeared from one day to the next? Why would people miss it? How is it unique compared to all other countries?

Well, the fact is that it is hard to find a clear answer to these questions.

The main reason is that usually 'even the smallest village is more complex than a large corporation' (Anholt 2010: 5). This is even more true if we consider a country instead of a village.

The same applies to the consumers of the country: the priorities of tourists, investors and people living in the country may all be different. Moreover, there may be great differences within each group: the needs of a tourist used to 5-star hotels is different from the needs of a tourist team arriving for a bachelor party.

In this respect, the question may be asked whether a country/nation benefits more from having a clear, simple image, or it is preferable to have a rich, complex, even contradictory image? (Anholt 2010: 38.)

For example, the brand image of the United States of America is not at all that clean and simple. The perception of the country's government is usually not very positive, but people like (or what is more: love) American products, brands, popular culture, music and films. On the other hand, the image of North Korea is rather clean, simple and consistent. But does this make the country a better brand? Probably not.

**6) There is no country branding without a country strategy**

It is not enough to create a new slogan, logo, advertisement or PR campaign. Communications cannot replace real politics, real strategy and real government. Poor, ambiguous policies lead to poor, ambiguous reputation.

'In every case, the country image is part of the country strategy, serving as a communication tool, expression, embodiment, face or part of it. If there is no country strategy, the country image is also 'hanging in the air', and in default of reasonability, understanding, comprehension and connection it can be overwritten by anyone at discretion, in any moment' (Bíró 2009: 60.)

Therefore we must examine and define where we are now, and what we want to achieve. Then we must provide proof of our country vision, because it is not enough merely to communicate it. Thus the strategy must be inspiring and realisable at the same time. To be honest, only a few good examples can be found in the case of countries, but Estonia's 'E-Estonia' vision (which has become a mission as well) serves as a good example.

**7) 'Do good and speak about it'**

This is a basic rule of PR (public relations) (see Sós 2017). The examples below better contribute to the brand of the specific country than if they had run an advertising campaign:

- Artists, writers and poets living in Ireland do not have to pay taxes. With this measure, the state acknowledges creative talent.
- Slovenia is positioning itself by providing aid for Balkan countries (Albania, Montenegro, Macedonia) – thus demonstrating that Slovenia is not a Balkan country.
- Having built the Sydney Opera House, Australia demonstrates its cultural values – and the fact that their country is significantly more than a residence for descendants of convicts.
- The Netherlands is a bastion of law as the International Court of Justice is seated in The Hague.
- Legalising same-sex marriage, Spain gives another clear indication that it has got rid of the conservative heritage of the Franco era.
- Estonia demonstrates its leading role in digitalisation by including in their constitution that internet access is a basic human right.

In this sense, branding is actually not about communication; it is about (national) policies. According to Anholt (2008), Govers and Go (2009: 15.), who are experts of the field, the two mottos are:

1. 'Actions speak louder than words.'
2. 'Don't talk unless you have something to say.'

If we only do something for the image itself, stating that something is already true before it has become true, it is called propaganda. Hungarian authors such as Piskóti et al. also point out the same thing (1997: 31.): 'If we only concentrate on communication tools, and break away from real tendencies, the efforts for change will not be credible, and the desired processes will not start. In such cases (…) schematic propaganda does more harm than good.'

**8) There is no progress without innovation**

One of the factors forming the basis for country branding is real change taking place in the country. Much the same as in the case of classic brands, innovation, novelty and excitement are needed – and these provide news value.

In this context, Anholt (2007: 37.) thinks that 80% of country brand building is innovation, 15% is coordination and only 5% is communication.

**9) Consistent branding is impossible as a result of parliamentary terms**

A country positioning or repositioning process may take up to 10, 15 or 20 years to provide the desired results. However, politicians are often unable or unwilling to wait for them.

This is because in most countries the mandate of governments lasts 4 years, and newcomers always wish to deliver quick results. Therefore they often engage in the creation of a new country logo or country slogan, because it is the easiest thing to do – and then it is where the whole activity begins and ends.

There are only a few countries that follow the designated direction of their country branding consistently. Examples include the abovementioned country, Estonia and their E-Estonia concept (Papp-Váry and Ilic 2018), but this country has not changed its government frequently.

**10) You need to start developing your country brand at home, domestically**

This is one of the remarks that critics fail to understand or do not accept, although even the most prestigious experts agree that first we should get our own house in order before entering the international market (Moilanen and Rainisto 2009: 25.). Or, as Anholt suggests (2010: 46.), first of all we must find the way to be true to ourselves instead of lying to others. It is impossible to build a brand without internal security, confidence, principles and identity.

In addition, we must involve locals in the process of country branding and ask for their assistance. As President Kennedy said: 'Ask not what your country can do for you – ask what you can do for your country'. Of course what worked for Kennedy in the United States of the 1960s has not necessarily been successful with other politicians in other countries and periods.

Even in a workplace, you cannot always achieve that employees stand behind the brand vision, communicate and behave in accordance with brand values, or at least believe in them. It is even hard to motivate the workers of a company to actually make them 'live the brand', and this is especially true if we consider the whole population of a country who should represent it externally, at international level.

This is especially true if a nation has a poor self-image, if it does not respect and admire itself (at least in part).

## 11) Good advertisements do not help bad products

'A great ad campaign will make a bad product fail faster. It will get more people to know it's bad', said Bill Bernbach, founder of the DDB advertising agency. In such cases, ad campaigns result in that people try the product as soon as possible, but they are dissatisfied with it – therefore they are not willing to purchase the same product again, and they also share their bad experiences with others. (Levenson 1987)

First of all, a good brand definitely requires a good product. This is true for FMCG (that is fast-moving consumer goods) and services, and for personal brands as well. The case is the same for places including countries.

A country branding campaign by itself is unlikely to save a country with bad reality. Let us take the example of Nigeria: when the country launched its first image campaign in the late 2000s, it was faced with incomprehension and even indignation. Locals claimed that they should rather deal with key problems such as poverty, diseases or the situation of education. Many people said that their campaign with the message 'Good People, Great Nation' was 'meaningless, stating that merely using slogans and eye-catching colour combinations will not change the image of a country where members of the government steal, falsify election results, and sometimes eliminate members of the opposition.' (Marketing&Media 2009). In addition, the internet further worsened the not so bright reputation of the country through an online scam action called '419 Scam', promising quick wealth in exchange for the banking data of the victims.

The lesson is that this kind of country branding is a waste of money. It is a naïve assumption that an advertisement or marketing campaign could change international reputation. It is as if a massage by itself would make us lose weight – however though, diet and exercise are required for that purpose. (Anholt 2010: 31-32.)

In this context, András Wermer claims that 'it is wrong to believe that you can sell something just because you cover it with glaze. Marketing is not advertising, but a process that includes the construction of something we think will do good for the people' (Magyar Hírlap 2006). Therefore in almost all cases it is better to spend on the development of the place than on advertising. This is more powerful and more credible, and lasts longer (Anholt 2009: 66.).

It is extremely hard to change the country image or country perception itself – and it is especially impossible to expect it from an advertisement. Let us ask a simple question: When was the last time the reader has changed his/her opinion as a result of an advertisement? And by this we do not mean countries, but any product. It is likely that there were no such examples lately (or possibly there have been no examples at all).

In addition, the competition of advertising is fierce: the total amount of advertising stimuli affecting us is 3-5 thousand a day. There is very little chance that the advertisement of a country will affect us unless we have been (at least latently) interested in the country before.

**12) Negative news is always more interesting and spread more rapidly**

It is enough to open any kind of newspaper or switch to a programme on your TV to see that bad news spread much faster.

This is an eternal truth about media: negative news is always more interesting.

Modest progress, increasing stability and reasonable reforms are not too exciting in connection with a country (Anholt 2010: 74.). On the other hand, a national disaster, a crime, the collapse of economy, if the prime minister starts to behave like a dictator, or if they have 'lied night and day' in the country could be interesting news. And in the same way, it is much more interesting if we get a restaurant bill of 300 EUR after a modest dinner, or the toilet at the border crossing is in an awful condition.

Accordingly, a 2008 research by Lebedenko concluded that in the case of Russia, only 17% of articles published in the Western media were positive or at least neutral/realistic.

This is also important because negative news may build awareness, but positive news may also contribute to the building of an image.

**13) You cannot build a good country image merely through plans and the precision of an engineer – but it can be deserved**

'Distracting spontaneous image formation in another direction is a significant marketing challenge', wrote Papadopoulos and Heslop in 2002 (quoted by Törőcsik and Somogyi 2009). Well, the period since then has justified this. No matter how many planned and coordinated efforts were made, there have been no news of roaring success ever since.

**14) Country branding does not have a standard formula**

Of course we can create systems or guidelines including the most important steps of country branding. But this does not mean that there is a universal template or sample for nation branding strategies (see Dinnie 2008: 219.) Each country has its own purposes, circumstances and competences (Anholt 2007: xi.). Every country is different, therefore there is no magical formula that we could use.

Of course we can create identity manuals or style guides for country brands including the logo and its possible applications. However, their most important aim is to distinguish the country, therefore they must not be too similar, using a one-size-fits-all approach.

**15) It is hard to build a country brand, and it is easy to destroy it – but actually it is hard to destroy as well**

This is a very important remark, maybe the most important of the ones listed here. There are people who disagree: 'There is a rule you cannot circumvent: the country image may easily change.' (Bíró 2009, p.56.) But this is simply false – as various studies on country brands show, the image of most countries is exactly the same every year.

Even if a country decides to change its brand image and support it with conscious actions and communication, the change will likely take many years, and the process is neither easy, nor quick. It is a bit like the case of a marine tanker: it takes 5 miles to slow it down and 10 miles to change direction (see Anholt 2007).

Other authors state that 'It is hard to build the image of a country, and it is easy to destroy it. (...) But statistics show that it is not that easy to destroy, either.' (Szandtner's interview with Papp-Váry 2012). Many similar negative events have to take place in order to change the perception of that specific country.

This is somewhat similar to driving a Mercedes. If for some reason it breaks down and we need to take it to the garage, we say 'oh, how unlucky we are as this is a great brand'. On

the contrary, if we have a Lada and we have not had any problem with it, we say 'how lucky we are'.

In most cases, image changes slowly – be it a positive or a negative change. Let us take Volkswagen for example. After their diesel scandal and the series of lies associated with them, it would have been no surprise is nobody in the world bought Volkswagens any more. But people keep buying the brand's cars.

Returning to countries: warfare, terrorist attacks and natural disasters have little effect on country image, to be honest (see Anholt 2009: 54.). If these happen in a country with a good image, it is possible that the only thing the public says is 'It is such a safe place. How could all that happen?' The country image only changes if such events (for example, terrorist attacks) become a regular feature of that country.

## 16) Country image is nothing more than reality with some delay

As the previous item in the list suggests, a lot of converging events need to happen in order to change the image of a place. In the case of negative events, this change may be quicker, but this also takes some time.

No doubt countries would like to improve their image. But we must understand that even if many developments and innovations are on their way in a country, the country brand will be slow to catch up with the change of reality. Moreover, a change in a country's image may be left behind as it usually takes place over decades not years (Anholt 2007: 27.). For many places, the real challenge is here: they need (marketing) communications to decrease the gap between reality and perception.

## 17) Each country gets the image it deserves

From time to time, the author of this article (also a consultant) is contacted by various product and service brands with the question 'Why is our image so terrible?'. In such cases the first answer is always a question: 'Can it be because the product/service is terrible?'

The same rule holds for countries: if a country has a terrible image, chances are high that it is because the country itself is terrible. We must accept that problems of image are often problems of reality as well. In order to change that image, the country itself must change.

Even if the image is relatively neutral, there is one question that should be asked: what was the last real news story in connection with the country? What was the most exciting thing (be it a product, service or celebrity) that has come from the country recently?

## 18) You can only plant a new idea in minds if you find connection with an idea that is already there

It is essentially impossible to convince people to change their thinking and especially their behaviour. This is even more true for their attitude to foreigners. In their mind, they are looking for familiar clues and associations. Therefore you must build on what is already in their mind. (see Day 1980)

Thus it is important not to stick to the idea that traditional elements must be got rid of in country advertisements. If these traditional elements are well-known, we must present them, even if in a modernised form.

## 19) If the image of a country is in crisis, country branding is the least helpful thing

'Many people believe that places particularly 'in need of' branding are ones that are in some crisis, and their economy, social and cultural situation are not stable enough. Already existing crisis situations may not be solved by means of branding as successful branding always is always the result of a longer period – quite often years or decades. Crises may only be staved

off through determinant and highly targeted actions based on an already existing, strong brand identity' Gelder (1998) says, quoted by Törőcsik and Somogyi (2009: 20.)

Confirming once again what has been written above, the only thing that can result in long-lasting change in the image of places is long-lasting and comprehensive change in the country itself, including political, social, economic and cultural changes. Fighting negative perceptions with commercial communication techniques is like fighting terrorism with traditional weapons. (Anholt 2010: 60.)

In order to change the country brand, the country must change as well. Country brand management is always more than a campaign; it is a national policy (Anholt 2008).

## 20) Complex country branding is impossible, but sectoral branding (such as tourism promotion or investment promotion) can be successful

As stated above, Simon Anholt the most renowned expert of the topic conducted several studies and concluded that 'there has been no detectable correlation between changes in national brand value and expenditure on the so-called "nation branding campaigns"' (Anholt 2010: 2.) There is not a single study justifying that general country branding campaigns change the country image.

However, this does not mean that such campaigns are completely unsuccessful. They may be successful sectorally.

For example, tourism campaigns may convince people to visit a certain place, but their primary focus is selling and promotion. The target group and messages are clearly defined, and travellers give their money and free time.

Anholt remarks somewhat cynically that tourism promotion is a fool-proof thing. According to him, it is completely unnecessary to replace it with new terms such as 'destination branding', because the whole thing is quite simply about sales and promotion.

Independent investment promotion ('invest in') campaigns are also possible, for example, to convince a well-known car brand to build its newest factory in the country. Maybe it would be exaggerating to say that it is a branding campaign, as it is much more about B2B (business-to-business) sales than marketing or especially branding.

The excellence of Asian countries regarding their export products may also be considered a sectoral activity. In such cases, the image of the products influences the country's image – although it is achieved years later, similarly to the case of Japan or South Korea.

By contrast, general country brand campaigns fail to deliver the desired results. Of course there is a chance that the receivers of the communication can recall a slogan (but let us add that this is not the case usually). However, this does not necessarily mean that the people's opinion about the country changes.

Therefore we can state that campaigns for the promotion of tourism, investment or product sales are effective, but is seems completely needless to spend money (especially that of the taxpayers) on general image campaigns.

## 21) You should rather brand cities, regions and smaller units than brand countries

As early as in 2009, Róbert Braun wrote that 'Hungary would succeed if the country would spend money on the support of the creation of local brands instead of the Hungary brand' (Braun 2009: 48.) 'In the future, the race of destinations, investments and places will not be decided by countries but cities, settlements, regions, clusters or districts, and these could and should be the foundations of a successful brand.' (Braun 2009: 51) Moreover, he also added (2009: 49.): 'A Hungary brand is unnecessary in the twenty-first century.'

Well, it is highly questionable that a Hungary brand would be unnecessary. However, it seems logical that it is more practical to spend money on the support of individual local brands, especially with regards to the fact that the awareness and image of the capital is much more

favourable than those of the country itself. This is not only true in the case of Hungary: Prague is more well-known and recognised than the Czech Republic, and the same can be said of the relationship between Amsterdam and The Netherlands, or Paris and France.

It is also possible to think over the branding of the country and the branding of more significant cities, regions and attractions at the same time. As Kádár says (2013: 22.), 'A country brand affects regions and settlements, but this is also true the other way round: each settlement or region represents the country and brings added value for the country brand. It would be reasonable to create regional and local plans in connection with the strategic plan and allocate resources to them. Settlements, regions, local brands, natural or built attractions and events may greatly improve the positive perception of the country. Therefore they contribute to the development of the identity and the country brand in a spontaneous way, followed by their systematisation and construction based on their common, synergic effect.

It is no coincidence that several important articles by Hungarian authors have been published about the cooperation between individual destinations (Sziva 2010, 2012, Kulcsár and Zátori 2011a, 2011b). Even if these writings approach the question from a touristic view, they can serve as an important basis for this concept.

## 22) Just as you need 'money, money, money' to wage war, it is also useful for country branding

The famous dictum by Montecuccoli is partly true for the field of country branding as well: it is better not to start the whole thing without sufficient resources, preferably planned for five years in advance (Moilanen and Rainisto 2009: 79.).

However, it must be also said that money may be at least partially replaced by ideas, creativity and innovation.

## 23) Many people still identify country branding with logo design – and some consulting companies skilfully benefit from this situation

The greatest misunderstanding in relation to country branding is the idea that this activity merely includes the creation of a new logo and/or the writing of a new slogan accompanied by a high-budget advertising campaign. To implement these items is definitely in the interest of consulting companies and advertising agencies: they can request great amounts for this purpose, and they have proficiency in this field.

The problem is that the perception of places cannot be changed merely through direct communication. Changes must take place on a deeper level. (Anholt 2010: 31.)

## 24) Merely providing more information about the country does not help

The other communication-based approach is to provide as much information about the country as possible. These consultants propose that we make the advertising spots as long as possible and display everything that has anything to do with the country. But are these interesting for receivers? And what is the target audience in this case?

An important attribute of consumer behaviour is that consumers only receive the information if they are actively looking for it – when they are right before (or after) the purchase decision. For example, if we want to buy a car, we start to see the chosen model on the roads after a while – although we have not noticed it despite their presence. Moreover, many people read the brochure about the model after purchasing the car itself, justifying their decision in a way. We react to countries pretty much the same way.

Thus we can say that providing more information is not bad in itself – but there is a time and place for it. In most cases it is better to communicate less (and simpler) truths about the

country instead of long lists of our attributes, and it is better to patiently wait for its 'reception'. Less is more, as we have realised again.

**25) There is no country branding without country development**

It must be pointed out that whatever the industry is, branding is not just about communication: it is also about the product and its development process.

It is impossible to brand something without the involvement of the product itself. In that case it would only be communication – an advertising campaign in a worse case scenario, or a PR campaign in a better situation.

## 3. CONCLUSION

As the article pointed out, country branding as an activity can be criticised for various reasons. These are presented in the table below.

**Table 1. The most significant limits of country branding: the greatest challenges in the special field of public, non-profit and social marketing**

| |
|---|
| 1) Countries are not brands, but countries |
| 2) People are not parrots |
| 3) It is impossible to coordinate so many things |
| 4) Operating a 'country image centre' or 'country brand council' does not mean that the brand image of the country will improve |
| 5) Branding is always narrowing, but countries are complex |
| 6) There is no country branding without a country strategy |
| 7) 'Do good and speak about it' |
| 8) There is no progress without innovation |
| 9) Consistent branding is impossible as a result of parliamentary terms |
| 10) You need to start developing your country brand at home, domestically |
| 11) Good advertisements do not help bad products |
| 12) Negative news is always more interesting and spread more rapidly |
| 13) You cannot build a good country image merely through plans and the precision of an engineer – but it can be deserved |
| 14) Country branding does not have a standard formula |
| 15) It is hard to build a country brand, and it is easy to destroy it – but actually it is hard to destroy as well |
| 16) Country image is nothing more than reality with some delay |
| 17) Each country gets the image it deserves |
| 18) You can only plant a new idea in minds if you find connection with an idea that is already there |
| 19) If the image of a country is in crisis, country branding is the least helpful thing |
| 20) Complex country branding is impossible, but sectoral branding (such as tourism promotion or investment promotion) can be successful |
| 21) You should rather brand cities, regions and smaller units than brand countries |
| 22) Just as you need 'money, money, money' to wage war, it is also useful for country branding |
| 23) Many people still identify country branding with logo design – and some consulting companies skilfully benefit from this situation |
| 24) Merely providing more information about the country does not help |
| 25) There is no country branding without country development |

*Source: classification by Árpád Papp-Váry*

After all these critical remarks, it is also makes sense to find out how a country's perception becomes positive and what makes it a brand. In this context, it is worth calling upon Simon Anholt, the most renowned international expert of the topic. Anholt withdrew for over a year and did nothing but study the results of his country brand ranking called Anholt-Gfk Roper Nation Brands Index. It was no small task as his researches had gathered 3 billion (!) data points by that time – which made Anholt's survey one of the three largest social science research projects in the world.

Anholt primarily sought to find out what makes people thing that a country is good. Well, his results outlined five drivers of national reputation (see Anholt 2016):

1. Morality: Is the country good or bad? 'Are they happy about its existence? Does it have a positive effect on the world? Does it act correctly? Or is it a bad, dangerous, or useless member of the international community?'
2. Aesthetics: Is it beautiful or ugly? 'If we think that a country is beautiful, we tend to believe several other things about it (…) People think that Canada is an eco-friendly country because it is beautiful.'
3. Relevance: What does this country have to do with me? How does it affect my life? 'Why would we expect that people around the world know and respect Hungary? Do we know and respect the countries of others?'
4. Strength: This is not 'soft' power as explained by professor Joseph S. Nye (2005), but 'hard' power. 'It means whether the country has real economic, military and territorial power, or a large population, and whether they can force their will on others.'
5. Sophistication: 'Are there smartphones in the country, or are they still plowing the land with oxen?'

Reading the five initials together, we may see the abbreviation MARSS – this is no coincidence, as Anholt was looking for something easy to remember. 'These are the five main factors in people's minds. When they think of foreign countries, these are the characteristics they consider in the fraction of a second. (…) When I analysed results, I realised that the first point was by far the most important. The most important aspect for people is how that specific country contributes to humanity. (…) This is the essence of discovery. People like good countries. Therefore, if we would like a better image, the only way to achieve it is to do something which makes people grateful for our existence. In other words, if we act for them.' (Anholt 2016: 145-145.)

It should be noted that strangely enough, Anholt's twenty years of research have led to the same conclusions as 'How to start your own county', a six-part comedy series by well-known British comedian Danny Wallace on BBC (2005). After the establishment of his own country (in his own flat) and 'much' consideration, Wallace wrote the two-word constitution of his country: 'Be good'.

Returning to Anholt's ideas and marketing: 'What is the first rule of marketing? The first rule of marketing is not to brag about how fantastic our product is. We must get to know our customers and their needs instead. The same applies to countries. (…) People are not interested in successes. They are only interested in what the specific country did for them that week.' (Anholt 2016: 145.)

This actually refers to nothing else than the classic WIIFM principle, that is 'What's In It For Me?' (see Pease and Dunn 2001, and Papp-Váry 2010). This is the thing that matters from the consumer side. We need to find the same features when we embark on country branding – which is clearly more than simply branding.

**REFERENCES**

Anholt, S. (2007): Competitive Identity – The New Brand Management for Nations, Cities and Regions. Houndmills, Basingstoke, Hampshire, UK: Palgrave MacMillan.

Anholt, S. (2008): Place branding: Is it marketing, or isn't it? Place Branding and Public Diplomacy 4(1), 1-6.

Anholt, S. (2009): Places: Identity, Image and Reputation. Houndmills, Basingstoke, Hampshire, UK: Palgrave MacMillan.

Anholt, S. (2010): Why 'Nation Branding' Doesn't Exist. The Economic Times. (URL: https://economictimes.indiatimes.com/magazines/brand-equity/why-nation-branding-doesnt-exist/articleshow/5799304.cms, published: 14 April 2010, retrieved: 10 January 2018)

Anholt, S. (2011): Beyond the nation brand: The role of identity and image in international relations. In: Pike, Andy (2011): Brands and Branding Geographies. Cheltenham, UK: Edward Elgar Publishing, 289-301.

Anholt, S. (2016): A nagy országmárka svindli. ('The Great Country Brand Swindle') HUG – Hungarian Geopolitics Magazine, 1(1), 132-149., URL: https://issuu.com/pageo/docs/hug_online_marcius_boritoval_, retrieved: 1 July 2017.)

Barát, T. (1997): Hozzászólás a Magyarország 2000 konferencia ország-kép témájához. Magyarország 2000 konferencia – Magyarország képe a nagyvilágban, ('Comment on the topic of country image, Magyarország 2000 conference. Magyarország 2000 Conference – Hungary's Image in the World') 30-31 May 1997. (URL: http://www.meh.hu/Egyeb/Mo2000.velemeny.htm, retrieved: 1 January 2007.)

Bíró, P. (2009): Magyarországkép 2009: Másképp, más kép – Feltételek és esélyek. ('Hungary Image 2009: Another way, another image – Conditions and Prospects') Marketing és Menedzsment, 43(2), 56-62.

Brand Estonia (2017): (URL: https://brand.estonia.ee/, retrieved: 27 August 2017.)

Braun, R. (2009): Magyarország márka: miért (ne)? ('The Hungary Brand: Why (not)?') Marketing és Menedzsment, 43(2), 48-51.

Day, C. R., Jr. (1980): Do companies have personalities? Industry Week 72(1980), 75-76

Dinnie, K. J. (szerk.) (2008): Nation Branding – Concepts, Issues, Practice. Oxford, UK: Elsevier Butterworth-Heinemann.

Feinberg, B. M. – Zhao, X. (2011): The Anholt-Gfk Roper Nation Brands Index: Navigating the Changing World. In: Go, Frank M. – Govers, Robert (2011): International Place Branding Yearbook – Managing Reputational Risk. Basingstoke, UK: Palgrave MacMillan

Govers, R. – Go, F. (2009): Place Branding – Glocal, Virtual and Physical Identities, Constructed, Imagined and Experienced. Basingstoke, Hampshire, UK: Palgrave Macmillan

Hankiss, E. (2000): Farkasok a Kánaánban, avagy találjuk ki újra Magyarországot – Egy ország keresi a helyét. ('Wolves in Canaan, or Let us Invent Hungary Again – A Country Looking for its Place') In: Hankiss, Elemér (2000): Proletár reneszánsz – Tanulmányok az európai civilizációról és a magyar társadalomról. ('Proletarian Renaissance – Studies on European Civilisation and the Hungarian Society.') Budapest: Helikon Kiadó, 199-211.

Hanna, S. – Rowley, J. (2008): An analysis of terminology use in place branding. Place Branding and Public Diplomacy, 4(1), 61-75.

Kulcsár, N. – Zátori, A. (2011a): Destination Co-operations. Corvinus Regional Studies, 2(2-3), 32-38.

Kulcsár, N. – Zátori, A. (2011b): Desztinációs együttműködések. ('Destination Co-operations') Corvinus Regionális Tanulmányok, 2(2-3), 33-41.

Lebedenko, V. (2008): On national identity and the building of Russia's image. In: Dinnie, K. J. (ed.) (2008): Nation Branding – Concepts, Issues, Practice. Oxford, UK: Elsevier Butterworth-Heinemann, 107-111.

Levenson, B. (1987) Bill Bernbach's Book: A History of the Advertising that Changed the History of Advertising. Random House, USA

Magyar Hírlap (2006): Ami egyszer bement a fejekbe, azt onnan isten sem veri ki – Interjú Wermer Andrással. ('What goes in your head is never going to come out – Interview with András Wermer') Magyar Hírlap, 3 April 2006 URL: http://www.magyarhirlap.hu/cikk.php?cikk=102478, published: 3 April 2006. retrieved: 1 January 2009.)

Marketing&Média (2009): Imázst váltana Nigéria. ('Nigeria wishes to change its image.') Marketing és Média, 14(8), 7.

Moilanen, T. – Rainisto, S. (2009): How to Brand Nations, Cities and Destinations – A Planning Book for Place Branding. Houndmills, Basingstoke, Hampshire, UK: Palgrave Macmillan

Nye, J. S. (2005): The Means to Success in World Politics. US: PublicAffairs.

Olins, W. (2004): A má®kák – A márkák világa, a világ márkái. ('On B®and.') Budapest: Jószöveg Műhely – British Council

Papadopoulos, N. – Heslop, L. A. (2002): Country Equity and Country Branding. Journal of Brand Management, 9(4), 294-314.

Papp-Váry, Á. (2010): JPÉ Marketing – Elmélet és gyakorlat józan paraszti ésszel. ('JPÉ Marketing – Theory and Practice with Common Sense.') Budapest: KIT Kiadó

Pease, A. – Dunn, P. (2001): Levél-beszéd – Új, igazán hatásos levélírási technikák. ('Write Language – The Secrets of Writing Letters That Really Work…') Budapest: Fiesta

Piskóti, I. – Dankó, L. – Schupler, H. – Büdy, L. (1997): Régió és településmarketing – egy tudatos koncepció a nemzetközi és hazai gyakorlat példáján. ('Regional and city marketing – a conscious concept based on international and Hungarian practices') Miskolc: Miskolci Egyetem

Ries, A. – Trout, J. (1997): Pozicionálás – Harc a vevők fejében elfoglalt helyért. ('Positioning: The Battle for Your Mind') Budapest: Bagolyvár Könyvkiadó

Sós, P. J. (2017): #mindennapipr – Gyakorlati public relations a webkorszakban. ('#everydaypr – Practical Public Relations in the Web Age.') Budapest: B. Swan Kiadó

Subramanian, S. (2017): How to sell a country: the booming business of nation branding. The Guardian. (URL: https://www.theguardian.com/news/2017/nov/07/nation-branding-industry-how-to-sell-a-country, published: 7 November 2017, retrieved: 8 January 2018)

Szandtner, V. (2012): „Egy ország imázsát felépíteni nehéz, lerombolni annál könnyebb". ('It is hard to build the image of country, it is much easier to destroy it.') (URL:

http://hvg.hu/kultura/20120903_Egy_orszag_imazsat_felepiteni_nehez_lerom, published: 3 September 2012., retrieved: 20 July 2018.

Sziva, I. (2010): A turisztikai desztinációk versenyképessége. Egyedül miért nem, együtt mikor és meddig? ('The Competitiveness of Tourism Destinations. Why Not Alone – When and How Long Together?') Turizmus Bulletin, 14(3), 40-49.

Sziva, I. (2012): Versenyző együttműködés és a turisztikai desztinációk versenyképessége: "Hol volt, hol nem volt…?" ('Competitive Cooperation and the Competitiveness of Tourism Destinations: Once Upon a Time') Vezetéstudomány, 43(5), 52-60.

Törőcsik, M. – Somogyi, Z. (2009): Az országmárkázás kérdései. ('Questions of Country Branding.') Marketing és Menedzsment, 43(2), 20-29.

van Ham, P. (2002b): Branding Territory: Inside the Wonderful Worlds of PR and IR Theory. Millenium: Journal of International Studies, 31(2), 249-269.

Wallace, D. (2005): How to start your own country? BBC Television Documentary Comedy Series, August-September 2005, 6-part series

# "HE ENTRUSTED ME AND I WOULD DO IT" – PATIENTS' PREFERENCES AND EXPERIENCES OF AUTONOMY IN HEALTHCARE

Beáta Kincsesné Vajda
vajda.beata@eco.u-szeged.hu, University of Szeged

Viola Sallay
University of Szeged

Orsolya Papp-Zipernovszky
University of Szeged

Andrea Klinovszky
University of Szeged

Norbert Buzás
University of Szeged

## ABSTRACT

Patients who actively participate in the delivery of medical services are increasingly considered to be important actors in improving the quality of health care and in the process of value co-creation. This is particularly important for chronic conditions such as insulin-treated diabetes, which requires the consideration of individual situations and long-term therapeutic adherence. This study presents the results of 12 in-depth interviews on consumer autonomy (especially its decision-making dimension) and doctor-patient relationship, as part of the initial empirical phase of an ongoing interdisciplinary research. According to our results, in addition to the paternalist physician-patient relationship, there are also empowered patients in Hungary who are able and willing to participate in decisions and there are doctors who are willing to support it, and trust between the actors of the encounter is of significance in satisfaction with decisions independently from the method used for making them. There is a need and willingness in the examined segment to apply self-management and new treatment methods. The need for consumer autonomy is therefore real and current, which is worth examining in this country and in this sector.

## KEY WORDS

consumer autonomy, healthcare, diabetes, empowerment

## 1. INTRODUCTION

It is increasingly probable that decision-maker consumers who wish to be involved actively in the process of service provision appear in every sectors, and especially due to the dynamic development of information technologies, information asymmetry between service providers and users is decreasing: consumers no longer wait passively for the offers of the industry (Hámori 2017). Companies, acknowledging that, frequently provide customers with the opportunity to express their preferences on a variety of product features (even price). Increasing levels of consumer control may result in consumer empowerment which then affect the ways they evaluate their choices, providing an enriched sense of satisfaction with the outcome (Wathieu et al. 2002).

This tendency can be observed in the health care sector as well: the concept of patients who have an active role in health care has been widely accepted by nowadays. According to

Donaldson (World Health Organization 2013), general consumer rights – the right to be informed, the right to be heard, the right to choose and the right to safety – that had been set out long ago should definitely be addressed in health care, educating participants of these systems in order to create a culture that allows for the co-creation of outcomes by not only health care professionals but patients as well. The concept of empowerment, that is associated with, or derived from the sense of control play an important role in the emerging trends of healthcare; however, it is a special area of service, where information asymmetry is almost impossible to eliminate (Simon 2016).

Despite the movement in healthcare from a paternalistic approach to a more patient-centered one, patients' role largely remains limited to the provision of information, instead of using their values, needs and preferences to guide decisions on service delivery (Osei-Frimpong et al 2015). Important stakeholders, such as doctors, pharmaceutical companies or policy makers are typically unaware of how actually empowered patients behave, nor they know thoroughly what motivates them and how their needs for autonomy may be managed. In addition, consumers – patients – themselves may differ in how much autonomy they wish to have over decisions and information acquisition; their preferences of participation are not necessarily clear and varies through patient segments or socio-demographic characteristics (Cullati et al. 2011). Exploring value co-creation through the engagement of patients at the level of health service encounters is important for health care practice and policy (Hardyman et al. 2015). The question therefore arises: what the role of consumer empowerment and autonomy can practically be in this sector? What are those factors that contribute to value co-creation in the process of care delivery?

Our ongoing interdisciplinary research aims to create a drug- and therapy development model based on user expectations for the treatment of metabolic syndrome (especially focusing on diabetes). As part of this research we intend to explore the role of consumer autonomy - and patients' need for it - in medical decision making with the goal of establishing the possibilities for integrating user needs, that is, creating the base for the application of value co-creation. In this paper, drawing upon healthcare-related literature on consumer autonomy, we present the related results of a qualitative research, that is, 12 in-depth interviews conducted with type 2 diabetes patients.

## 2. CONSUMER AUTONOMY IN HEALTH CARE

Nowadays, consumers face more choice options and more connected information than ever. As André et al (2017) argues, according to neoclassical utility theories, this should help consumers choose the option that best suits their needs; marketers or market research professionals often assume that cost of information search and decision making affect the empowerment and well-being of consumers. According to these authors, various benefits as may arise from experiencing autonomy in consumer choice, such as the facilitation of the positive attributions to the self, resulting in feelings of competence and positive affect. This has been reinforced by studies from the past decades. In their classical experiment for example, Langer and Rodin (1976) has shown that those who live in a nursery home - thus may have virtually relinquished decision making - become more active and feel more happier after inducing a greater sense of personal responsibility.

Autonomy is "the consumer's sense of agency and freedom with respect to his/her choices, behaviour and expression" (Loroz and Braig 2015, p. 752). According to Delmar et al. (2011) autonomy may be associated with values that support independence, self-dependence, self-determination and taking responsibility in one's life. Especially focusing on medical encounters, Martinez et al (2015, p. 54) conceptualizes autonomy broadly as "the patient's right to make informed decisions about their own care without undue influence or manipulation from others " and adds that individuals should be capable of making decisions based on their own

preferences and considered options if given adequate information and freedom. According to Stoljar (2007), in health care ethics, autonomy is considered as the patient's voluntary and informed consent to a medical procedure or treatment - this approach places an emphasis on the provider who is required to provide accessible, relevant and complete information and avoid interfering the decision making process of the patient. The author states, however, that contemporary theories challenge this broad definition of autonomy, stating that it should be enriched with extra positive conditions to secure autonomy as true self-governance.

The concept of Shared Decision Making (SDM), defined as patient involvement with providers in making informed decisions taking patient preferences into account, that is rapidly gaining support, clearly recognizes the value of patient autonomy. However, despite the fact that it is a relevant model for the relationship between health professionals and patients, its application in practice seems to be difficult due to various barriers such as organizational culture (Legemaate 2013). These difficulties exist despite the fact that debates on consumer autonomy in healthcare has been going on for decades. Respect for autonomy as a value began to gain space against paternalistic approaches that dominated health care systems at least until the 1970s, but there is still no consensus on how and to what extent this should be achieved (Müller and Walter 2010).

In the recent years, an important part of the debate has begun with the opportunities offered by self-tracking devices. Mobile applications and wearable sensors that make it possible to measure sleeping, nutrition, exercise, heart rate, blood sugar, mood and many other physiological conditions and behaviours predict the image of a cheaper and more effective healthcare. In addition, according to their advocates, they are also pointing towards a future where individuals can take part in managing their own health as well as in consulting with health care providers to a greater extent and in a more informed way than in the past, reducing information asymmetry and resulting in a more personalized care. At the same time, critics emphasize, among other things, the possibility for a closer supervision by health systems, the closer monitoring of the lives of individuals, the quantification of self, or the possibility of discrimination by employers (Sharon 2017).

The issue of autonomy often arises in connection with patient compliance or adherence. Dynamics towards participation and joint decision-making do not necessarily mean that the practice of decision-making and patient autonomy are defined in a unified manner. If patient autonomy was the only value to follow, the lack of adherence – which often occurs in chronic illnesses, e.g. in the case of diabetes – is not necessarily problematic, because due to new or previously neglected circumstances, a deviation from the treatment plan may be a rational decision by the patient. However, the lack of adherence may harm the preferences of other system participants (e.g. from a public health point of view) or the patient's future self (Sandman et al. 2012).

Although the importance of patient autonomy, as mentioned above, has been considered as an important value in the health care sector since the 1970s, the extent to which patients themselves wish to participate in the prosess only began to be measured explicitly in the early 1990s. Ende et al. (1989) have identified two dimensions of patient autonomy in their work, which we still consider as fundamental today:

- decision making preference
    - whether is it the doctor or the patient who should make important medical decisions
    - whether the patient should go along with his/her doctor's advice even if there is a disagreement between them
    - when hospitalized, should the patient make decisions about his/her own care
    - would the patient want the doctor to take more control when an illness appeared or became worse

- o should the patient decide on the frequency of check-ups
- information-seeking preference
  - o should the patient receive more information when the illness becomes more serious
  - o should the patient understand completely hat is happening inside his/her body as a result of the illness
  - o should the patient be well informed even if the news is bad,
  - o should the doctor explain the purpose of laboratory tests
  - o should the patient only be given information when he/she asks for it
  - o is it important for the patient to know about all the side effects of the medications
  - o is information about the illness as important for the patient as treatment itself
  - o when there is more than one method to treat a problem, should the patient be told about each one.

The authors (Ende et al 1989) have developed a scale called Autonomy Preference Index (API) along these two dimensions, an instrument used to measure autonomy preferences to date in both the general population, primary care, chronically ill, psychiatric patients, or those undergoing surgery (Bonfils et al. 2015).

## 2.1. Research results from literature on patient autonomy

The importance and outcomes of autonomy preference was examined in type 2 diabetic patients by Lee and Lin (2010), as results of previous research are not clear between ensuring autonomy and different outcomes. In their research, these authors, based on Ryan and Deci's self-determination theory (according to which the need for autonomy is essential for personal well-being), investigated the relationship between patient autonomy support and trust in the doctor, satisfaction with the doctor as well as subjective and objective health conditions. According to their results, participants who experienced greater support for their autonomy trusted their doctor more and were also more satisfied with him/her, and this effect was stronger for those who have greater preference for autonomy. There has also been a link shown between support for autonomy and health-related quality of life (HRQoL); however, there was no significant direct correlation with objective health standards, e.g. with glycemic control. This is consistent with the results of other previous studies (e.g. Williams et al. 2005) and, according to the authors, suggests that autonomy preference is likely to affect outputs through perceived competence and adherence indirectly.

Naturally, the usefulness and preferences of consumer autonomy depend on many factors, even within the health care sector; one of these is the type of disease. Although there is a general perception that chronic illnesses are the ones with a strong need for participation by patients (Prigge et al. 2015), we see opposite results (Schneider et al. 2006). In addition to the type of illness, the current state, the "routine" acquired in managing and living with the disease, previous experiences, and the doctor's preferences may also influence the preferences for autonomy (Say et al. 2006). Another factor related to autonomy preference is the patient's residence (or cultural environment); according to the results of a longitudinal research covering several European countries (using the version of the API adapted for mental illnesses), the proportion of patients in need of autonomy in Hungary was lower compared to the German, English, Danish and Swiss samples (Deucher et al. 2016).

## 2.2. The importance of autonomy preference in the co-creation process

The health sector represents a service ecosystem that, of course, with its many stakeholders is more complex than a simple doctor-patient relationship. At the same time, with the increased acceptance of patient-centered approach, the processes during which the patient, as the ultimate consumer, previously only passively received care from different actors in the system, are in transition. There is growing consensus that co-operation between different actors in the sector is beneficial for health outcomes (Frow et al. 2016).

In terms of value creation in services, customer participation is not a new idea. During the recent years, however, it has been increasingly acknowledged that service providers can only partially contribute to the value creation of consumers; other actors, and especially consumers themselves play an important role in it. (McColl-Kennedy et al. 2012).

Thus, value co-creation is the process by which the service provider actively cooperates with the user to create value. Continuous collaboration between actors is largely determined by their past and present experiences; therefore, creating good patient experiences is crucial in the co-creation process (Osi-Frimpong et al. 2015).

Therefore, examining patients' autonomy-related preferences is included in our research (basically focusing on consumer-driven drug- and therapy-development) because we believe it is important to learn what users think about the role they play in their care in a co-creation process in a specific location (in our case, Hungary) and in a specific target group (people with type 2 diabetes).

## 3. EMPIRICAL RESEARCH

In the actual phase of our research, we have used a qualitative method to both explore topics of patients' autonomy preferences their actual opinions and needs regarding this topic. The research project of which this study is a part of targets people living with metabolic syndrome. Focusing on a specific segment within this group, we conducted in-depth interviews with patients living with type 2 diabetes using insulin therapy. In the case of type 2 diabetes treated with insulin therapy, there is a complex treatment program, involving considerable lifestyle constraints in addition to the administration of insulin administration and in some cases other drugs, which require discipline and attention at the patients' side. Considering that this condition requires the adaptation of therapy to individual cases and there is a need for continuous adherence, we assume that these patients provide important information for examining decisions about autonomy associated with chronic conditions.

The overall goal of the in-depth interviews were to explore patients' views, opinions and feelings regarding their therapy and its connections to adherence and quality of life. In this paper, however, due to lack of space and close relevance, we only present the analysis of topics directly covering autonomy-related needs and experiences. After and ethical commission's approval of the interview guideline, interviews were conducted during the fall and winter of 2018.

Exploring subjects' experiences and needs regarding patient autonomy were addressed by the following key questions in the guideline:

- feelings about how the current treatment method was selected,
- satisfaction with the way in which the treatment decision was made,
- reasons for possible changes in the therapy meantime and in practice,
- characteristics of relationship with the doctor,
- knowledge of other treatment possibilities, factors affecting the decision whether to try them,
- discussing information obtained from elsewhere with the doctor,

- the role of other relevant persons in the process of treatment.

In this paper, we present the results of the content analysis of 12 in-depth interviews. The analysis was performed using literal transcripts (including notes regarding subjects' nonverbal cues) by a researcher who is different from those who conducted the interviews.

### 3.1. Sample

Recruitment was performed either by a snowball method or by randomly choosing patients in medical waiting rooms. The socio-demographic data for the 12 respondents are presented in Table 1. The sample consists of 6 women and 6 men with an average age of 59. They have been living with diabetes for an average of 26 years; their subjective financial situation – the evaluation of how satisfied they are with their financial situation on a scale between 1 to 10 - is moderate for most of our respondents with the most extreme answers being 2 and 8.

**Table 1. Respondents' data**

| Fictive name | Gender | Age | Time spent living with diabetes | Subjective financial situation |
|---|---|---|---|---|
| A | male | 26 | 1 year | 6 |
| B | female | 19 | 7 years | 6 |
| C | female | 68 | 50 years | 5 |
| D | female | 74 | 55 years | 5 |
| E | male | 80 | 30 years | 6 |
| F | male | 78 | 14 years | 5 |
| G | male | 45 | 37 years | 5 |
| H | female | 59 | 25 years | 5 |
| I | male | 62 | 3 years | 4 |
| J | female | 71 | 50 years | 2 |
| K | female | 62 | 14 years | 7 |
| L | male | 66 | 26 years | 8 |

*Source: own construction*

### 3.2. Results

Many of our respondents have been living with diabetes since their youth or even childhood. Although the interviews have highlighted the fact that accepting the need for using needles, and overall, the need for a therapy changing their lifestyle has caused difficulties for many of them initially, we are not analyzing these situations in detail. Instead, we are focusing on their current treatment, that is, the decisions about their most recent therapy.

With the decision-making dimension of autonomy, the majority of our interviewees are satisfied, regardless of the extent to which they participated in the decision. Interestingly, among our interviewees, mostly men (e.g. F, G and L) have indicated that they have not been involved in the decision or that they have no need to do so: *"I always acted as the doctor said, and I accepted it (...) to be honest, having a say didn't even come to my mind"* (G, 45 year-old male), *"Maybe there are fewer people like me nowadays, but I think we should let the shoemaker stick to his last. So I don't want to have a say in it."* (L, 66-year-old male). One of our female subjects indicated directly a similar opinion: *"I'm not the doctor. I can only discuss how to conduct my own life to fit the therapy; I cannot determine the therapy. I'm not a doctor, even if I know many things."* (J, 71-year-old female).

Four of our respondents (B, D, G and K) clearly explained how in the design of therapy and in choosing the device (for administering and insulin, typically a pen or pump), care providers adapted to their requests and decisions. *"The topic was raised, but I chose not to use it."*(B, 19-year-old female about using an insulin pump); *"I asked my doctor: how about I tried this way for a week (...) I could set it for myself and it turned to be the best solution (...) and since then, she* (note: the doctor) *uses this with other patients too"* (D, 74-year-old female). Many of our subjects agreed that their doctor co-operates with them in adjusting the treatment to their own lifestyle: *"His attitude was quite good (...) he focuses on adjusting the insulin to the rhythm of my life."* (H, 59 year-old female).

Regarding the information dimension of autonomy, one of our respondents expressed dissatisfaction *"I had to go so much afterwards and enlighten myself, which (...) I think would be their responsibility with their job."* (A, 26-year-old male). Our other respondents seem to have been satisfied with this dimension with no special commentaries.

As diabetes therapies are for long term, require adaptation in patients' everyday lives and need to be adjusted to their current state, we also asked our subjects about changes that has been made to the original plans. Two important aspects seem to be outlined based on their responses. On the one hand, it is important for patients to take responsibility for complying with medical recommendations, all emphasizing the importance of self-management: "everyone has to decide about their attitude to themselves; if the doctor says something should be done, then if I love myself, I will do it "(A, 26 year-old male); *"I'm not waiting for doctors' advice and I think someone living with diabetes, it he wants to life a full life, must manage himself "* (C, 68-yer-old female). Besides, many of our respondents consider compliance as naturally needed: *"I assumed that the doctor would know it better. That's what they said, I'm doing that."* (F, 78-year-old male).

At the same time, it is considered important to maintain freedom in their everyday life to an extent that does not endanger their condition; this means adjusting the treatment to the lifestyle patients conduct, which, according to many of our respondents, is supported by their doctors: *"It happens several times that I give myself more* (note: of insulin), *but they even say it is good if we learn to do that"* (B, 19-year-old female); *"he lets me decide how I live, he tells what not to do and why, but it is my decision whether or not I eat a creamy pie"* (H, 59-year-old female). Or, at least, they accept when their patients do so: *"I'm not going to do that, I'm not going to start some terrible dieting here and suffer from it. I saw that he* (note: the doctor) *acknowledged that it is me who would ultimately determine the time of my life, so he entrusted me and I would do it"* (E, 80 year-old male).

It is also clear from the reports of our respondents that this behavior, which we may call consciously flexible adherence, can be applied in the long run. In contrast, many of them reported about acquaintances living with diabetes who have not mastered knowledge that is important for the self-management of this disease, or that they do not or only randomly adhere to the basic recommendations – which in many cases leads to a deterioration of their medical condition.

Due to the nature of the therapy, the relationship with their doctor is typically of long-term and our respondents have all described their relationship as good. According to their statements, though, the compliance of patients greatly contributes to this; descriptions of doctors depict strict care providers, who can also consider the individual situations of their patients, as mentioned above; *"he is maximally attentive to (...) the rhythm of my life (...) also, he tells about the consequences, but (...) I do not have to feel that I am scolded"* (H, 59-year old female). Doctors seem to use their paternalistic role in the long-term treatment to ensure compliance as well, and "scolding" as a communication method and fears of scolding or satisfaction for not being scolded came up in more interviews: *"Very good, I have never been scolded. He can be very rough with patients, but he hasn't scolded me ever"* (D, 74 year-old

female). Patients expressed their satisfaction with this type of relationship and, based on their statements, they consider bilateral trust important: *"It is a very pleasant feeling when a doctor tells me that he doesn't have to deal with me, as I know how to do it. And it feels good, it feels good they trust you"* (D, 74 year-old female).

Overall, there is a clear indication of empowered patients, and its importance in the doctor-patient relationship. At the same time, we should mention that, generally speaking about the health care system, the opinion of our respondents is less favorable: *"I have met many doctors who do not treat the patient as a person"* (C, 68 year-old female).

Besides being able to have an active role in adjusting therapeutic regimen, the extent of empowerment was also indicated by the fact that most of our respondents were informed about their illness and they knew about alternative treatment options. Their willingness to try these mainly depends on their financial implications or on the benefits of investing energy in switching to a new treatment mode (e.g. not having to use a needle, freer lifestyle). Besides doctors, the Internet is the most widely used source of information; and, as it turned out, there are *"diabetes influencers who lead different blogs and vlogs and they are the witnesses of this health condition"* (A, 26 year-old male). Older respondents also mentioned radio and magazines as important sources. When they find it relevant, they feel they discuss the information they acquired with their doctor, who is otherwise considered as the most reliable source of information: *"My doctor, no-one else!"*(B, 19-year-old female). Regarding the information dimension of autonomy, it seems that patients we asked have a need that can be satisfied by their doctors.

### 3.3. Conclusions

Summarizing the results described in the previous chapter, based on our 12 in-depth interviews analyzed in this study, it can be concluded that a significant proportion of people living with diabetes – a chronic condition requiring treatment with medication as well as lifestyle changes – clearly require both decision-making and information autonomy, and they are able to behave as "empowered" health consumers, meaning that empowerment is an existing phenomenon in this segment in Hungary. Those who consider self-management to be important and also implement it are able to do this in partnership with their doctor. It seems that doctors mentioned in the interviews prefer or at least accept this type of relationship, allowing the adaptation of therapy to patient decisions and preferences within certain limits. At the same time, there is be a significant proportion of our respondents for whom an ideal relationship with a doctor means close patient compliance, where doctors appear as benevolent paternalists who require treatment compliance and scold their patients in case of non-compliance. All of our subjects told they were satisfied with their doctors, but have also highlighted that this may partly be due to their luck (as they had seen doctors in the system who are far from being ideal for them). We should also note in this regard that one of our respondents stated that the doctor's style does not only depend on him/herself: "My habitus is such that it is easy to talk to me normally and it is not necessary to shout at me. Many complain that he (note: the doctor) shouts at them, and it may happen because otherwise they don't understand what is said" (C, 68 year-old female). Thus, besides traces of empowerment, opinions like this clearly reinforce the lack of partnership in the doctor-patient encounter. Also, our results suggest that satisfaction with the doctor may rather be due to a trusting relationship than specific decision making strategies.

In our view, all our respondents were among those who considered adherence important and are actually adherent in practice, who accepted the need for therapy and were mostly able or willing to participate in the process as "adults" - we believe that this may affect the characteristics of the doctor-patient relationship that were described. In addition to the need to continue the research, we believe that it would be important to support patients' autonomy and encourage the need for partnership among physicians, as empowered patients can not only

positively influence their own well-being, but also improve the efficiency and quality of the system.

## 4. SUMMARY

According to the related literature, decision-making health consumers – patients who exceed their passive role – are becoming increasingly important actors and not just "victims" of the health care service process. Treating patients as partners is an important component of success in improving health services and in value co-creation. This is particularly important for chronic conditions such as insulin-treated diabetes, which require the consideration of individual situations and long-term therapeutic adherence.

At the beginning of the empirical phase of our ongoing interdisciplinary research, we conducted in-depth interviews with patients living with diabetes. In this study, we analyzed 12 in-depth interviews on patient autonomy - mainly decision-making autonomy -, physician-patient relationship and empowerment. According to our results, perhaps our most important finding is that besides the dominance of a paternalist physician-patient relationship there are also empowered patients in Hungary who are able to participate in decisions and this is related to adherence. The need for consumer autonomy is therefore real and current, which is worth examining in this sector. Among the limitations of our research it is important to mention that our results are not generalizable due on the one hand to the characteristics of the sample (typically adherent patients), but also because of the research method. A more detailed examination of consumer autonomy in its two dimensions (decision-making and information acquisition) should (and is planned to) be used in the future explicitly focusing on this topic. Our survey, described in this paper, is part of a research project designed to develop a medication- and therapy-development model based on user expectations for the treatment of metabolic syndrome (especially diabetes). For this purpose, the results described here contribute to pointing out that there is a need and willingness in the examined segment to be empowered, to apply self-management and new methods of treatment.

## 5. ACKNOWLEDGMENTS

# REFERENCES

André, K., Carmon, Z., Wertenbroch, K., Crum, A., Frank, D., Goldstein, W., Huber, J., van Boven, L., Weber, B., Yang, H. (2017). Consumer Choice and Autonomy in the Age of Artifical Intelligence and Big Data. Consumer Needs and Solutions 5, 28-37.

Bonfils, K. A., Adams, E. L., Mueser, K. T., Wright-Berryman, J. L., Salyers, M. P. (2015). Factor structure of the autonomy preference index in people with severe mental illness. Psychiatry Research 228, 526-530.

Cullati, S., Courvoisier, D. S., Charvet-Bérard, A., Perneger, T. V. (2011). Desire for autonomy in health care decisions: A general population survey. Patient Education and Counseling 83, 134-138.

Delmar, C., Alenius-Karlsson, N., Mikkelsen, A. H. (2011). The implications of autonomy: Viewed in the light of efforts to uphold patients dignity and integrity. International Journal of Qualitative Studies on Health and Well-being, 6 (2). doi: 10.3402/qhw.v6i2.6045

Deucher, A. B., Hengartner, M. P., Kawohl, W., Konrad, J., Puschner, B., Clarke, E., Slade, M., Vecchio, V. D., Sampogna, G., Égerházi, A., Süveges, Á., Krogsgaard Bording, M., Munk-Jorgensen, P., Rössler, W., CEDAR study group (2016). Participation in medical decision-making across Europe: An international longitudinal multicenter study. European Psychiatry 35, 39-46.

Ende, J., Kazis, L., Ash, A., Moskowitz, M. (1979). Measuring Patients' Desire for Autonomy: Decision Making and Information-seeking Preferences among Medical Patients. Journal of General Internal Medicine 4 (Jan-Feb), 23-30.

Frow, P., McColl-Kennedy, J. R., Payne, A. (2016). Co-creation practices: Their role in shaping a health care ecosystem. Industrial Marketing Management 56, 24-39.

Hámori B. (2017). Változások a fogyasztók viselkedésében az információs technológiák hatására. In Vilmányi M., Kazár K. (eds, 2017). Menedzsment innovációk az üzleti és a nonbusiness szférákban. SZTE Gazdaságtudományi Kar, Szeged, 408-429. o.

Hardyman, W., Daunt, K. L., Kitchener, M. (2015). Value Co-Creation throug hPatient Engagement in Health Care: A micro-level Approach and research agenda. Public Management Review 17(1), 90-107.

Langer, L. J., Roding, J. (1976). The Effects of Choice and Enhanced Personal Responsibility for the Aged: A Field Experiemnt in and Institutional Setting. Journal of Personality and Social Psychology 34(2), 191-198.

Lee, Y-Y., Lin, J. L. (2010). Do patient autonomy preferences matter? Linking patient- centered care to patient-physician relationship and health outcomes. Social Science & Medicine 71(10), 1811-1818.

Legemaate, J. (2013). Patients' rights and patient safety. In: WHO: Exploring patient participation in reducing health-care-related safety risks. WHO Regional Office for Europe, Copenhagen.

Loroz, P. S., Braig, B. M. (2015). Consumer Attachments to Human Brands: The „Oprah Effect". Psychology & Marketing 32(7), 751-763.

Martinez, K. A., Kurian, A. W., Hawley, S. T., Jagsi, R. (2015). How can we best respect patient autonomy in breast cancer treatment decisions? Breast Cancer Management 4:1, 53-64.

McColl-Kennedy, J. R., Vargo, S. L., Dagger, T. S., Sweeney, J. C., van Kasteren, Y. (2012). Health Care Customer Value Cocreation Practice Styles. Journal of Service Research 15(4), 370-389.

Müller, S., Walter, H. (2010). Reviewing Autonomy: Implications of the Neurosciences and the Free Will Debate for the Prnciple of Respect for the Patient's Autonomy. Cambridge Quarterly on Healthcare Ethics, 19, 205-217.

Osei-Frimpong, K., Wilson, A., Owusu-Frimpong, N. (2015). Service experiences and dyadic value co-creation in healthcare delivery: a CIT approach. Journal of Service Theory and Practice 25 (4), 443-462.

Prigge, J-K., Dietz, B., Homburg, C., Hoyer, W. D., Burton, J. L. (2015). Patient empowerment: A cross-disease exploration of antecedents and consequences. International Journal of Research in Marketing 32 (4), 375-386.

Sandman, L., Granger, B. B., Ekman, I., Munthe, C. (2012). Adherence, shared decision-making and patient autonomy. Medicine, Health Care and Philosophy, 15, 115-127.

Say, R., Murtagh, M., Thomson, R. (2006). Patients' preference for involvement in medical decision making: A narrative review. Patient education and counseling 60, 102-114.

Schneider, A., Körner, T., Mehring, M., Wensing, M., Elwyn, G., Szecsenyi, J. (2006). Impact of age, health locus of control and psychological co-morbidity on patients' preferences for shared decision making in general practice. Patient Education and Counseling, 61, 292-298.

Sharon, T. (2017). Self-Tracking for Health and the Quantified Self: Re-Articulating Autonomy, Solidarity, and Authenticity in an Age of Personalized Healthcare. Philosophy & Technology, 30, 93-121.

Stoljar, N. (2007). Theories of autonomy. In: Ashcroft, R. E., Dawson, A., Daper, H., McMillan, J. R. (eds): Principles of Health Care Ethics 11-18. John Wiley and Sons, Chichester.

Wathieu, L., Brenner, L., Carmon, Z., Chattopadhiay, A., Wertenbroch, K., Drolet, A., Gourville, J., Muthukrishnan, A. V., Novemsky, N., Ratner, R. R., Wu, G. (2002). Consumer Control and Empowerment: A Primer. Marketing Letters 13(3), 297-305.

Williams, G. C., McGregor, H. A., King, D., Nelson, C. C., Glasgow, R. E. (2005). Variation in perceived competence, glycemic control, and patient satisfaction: relationship to autonomy support fro physicians. Patient Education and Counseling 57, 39-45.

World Health Organization (2013). Exploring patient participation in reducing health-care-related safety risks. WHO Regional Office for Europe, Copenhagen.

# SELF-DETERMINATION, CLEAN CONSCIENCE, OR SOCIAL PRESSURE? UNDERLYING MOTIVATIONS FOR ORGANIC CONSUMPTION AMONG YOUNG CONSUMERS

César Sahelices-Pinto
cesar.sahelices@unileon.es, University of León

José Luis Vázquez-Burguete
jose-luis.vazquez@unileon.es, University of León

Ana Lanero-Carrizo
ana.lanero@unileon.es, University of León

## ABSTRACT

The present world has led consumers to become increasingly concerned about the environment. Such concerns have also begun to be displayed in their attitudes, with individuals increasingly interested in environmentally friendly products. Anyway, behavioural patterns are not univocally consistent with attitudes. This conflict is widely known as the 'attitude-behaviour gap'. In order to shed light on this issue, it is commonly accepted the study of motivations for predicting intentions to engage in pro-environmental behaviours. Following this vein, the present study aims at analysing the underlying motivations that stimulate young adults to organic food consumption. For that purpose, it was conducted a survey study with a total sample of 378 college students. Afterwards, once executed a cluster analysis, three differentiated groups were highlighted, namely *amotivated, socially-influenced, self-determined*, and *conscience-affected*. Findings reveal a social concern showing that motivations of the young generation for organic consumption appear to be erratic. Lastly, a final discussion is carried out gathering some interest considerations as direct reflection of results and further lines of future research are indicated.

## KEY WORDS

Organic food consumption, intrinsic motivations, extrinsic motivations, young consumers, cluster analysis

## 1. INTRODUCTION

Without any kind of doubt, there is an overriding need for evolution in our methods of production and styles of consumption if we intend to continue living within the ecological limits of our planet. In this sense, consumers are becoming increasingly concerned about the environment. Such concerns have begun to be displayed in their attitudes and, at times, in their consumption patterns, with individuals increasingly interested in the so-called 'environmentally friendly products', tendency which has motivated the emergence of a 'new marketing philosophy', known as 'green marketing' (Belz & Peattie 2009), whose aim is to achieve a balance between the objectives of sales and profits of companies and a concern for society and the environment (Kärnä et al. 2002).

Furthermore, it is to be noted that, seeking to remain competitive in the market and to achieve the fulfilment of consumer demands as their attitudes towards sustainability are positive, firms have begun to incorporate as well these newly emerging worries in their management and marketing decisions by paying special attention to market segmentation and market orientation (do Paço et al. 2008; Lu et al. 2013; González et al. 2015).

Anyway, behavioural patterns are not univocally consistent with attitudes (that is, there is inconsistency between what people claim via their attitudes and the way in which they actually behave), and, despite the more or less generalised eco-awareness in current Western societies, it is commonly recognized that there are still considerable barriers to the diffusion of more ecologically oriented consumption styles attributed to diverse issues such as the young age of consumers, or the motivational factors that lead to green purchase and consumption itself (Grønhøj & Thøgersen 2017; Moisander 2007).

Together these circumstances result in a growing organic food agriculture and a large number of studies investigating features driving consumer purchasing intention of organic food, but also in an organic food market share and consumer expenditure share of organic food and beverages relatively low (FiBL & IFOAM 2014).

Considering this scenario, the present study is aimed to analyse the sort and the intensity of different underlying motivations that may or may not drive young consumers to acquire organic food products with the intention to shed light on the attitude-behaviour discrepancy mentioned lines above, explain it, and, to the extent of possible, narrow it. In this line,

The remainder of this paper is structured as follows. Along the following two sections the essential literature pertaining to factors influencing organic food consumption is reviewed and objectives developed. After this contextualisation, the main methodological aspects related to the investigation are presented in the fourth section. Next is the results of the study. Finally, the last section gathers some brief conclusions.

## 2. SUSTAINABLE CONSUMPTION AND THE 'ATTITUDE-BEHAVIOUR GAP'

Nowadays, the practice of organic agriculture and organic food represents an activity of great interest, although, when debating on sustainability and food consumption, it is worth of mention it was in the 1990s when the market for sustainable products experienced a great growth mainly due to the growing consumer's concern about the ecological impact of their purchases (Schuhwerk & Lefkoff-Hagius 1995).

In parallel, also during this period, several companies were found guilty of conscious advertising of false environmentally friendly attributes which resulted in a deep mistrust of consumers for the environmental efforts of many organizations (Zinkhan & Carlson 1995). In this line, since then, governments have introduced different regulations and guidelines regarding the exploitation of environmental claims in an effort to address the sustainability problem (McDonagh & Prothero 2014) and prevent false advertisements and decrease consumer mistrust (Montague & Mukherjee 2010).

Throughout this time, consumers' environmental concern, despite previous acts of companies' fraudulent behaviour, has not decreased (Montague & Mukherjee 2010), and still represents a non-negligible market segment (Smith & Brower 2012). The fact is that, by introducing ecologically friendly products into the market, companies can assure that needs of environmentally conscious consumers are better addressed (Lu et al. 2013). In this respect, the food sector has face two challenges, the first one in respect to the way to proceed to achieve that sustainability feature, and after that, impact on consumers' behaviour conveniently.

In particular, considering that the food sector is directly influenced by environmental, human and physical resources, this complexity and mixture of its reality imply different and sometimes conflicting perspectives of approaching that sustainability (Hartmann 2011). Costanigro et al. (2016) gather a series of nine activities regarded by consumers and geared to this accomplishment, which were the search of animal welfare, control of energy consumption, control of water consumption, control of air pollution, community involvement, encouragement of employee opportunities, stimulation of local operations, waste management, and commitment to sustainable agricultural practices. Moreover, to these actions it could be added

the communication of sustainability-related information as a sustainable activity itself, understood as an exercise in transparency and reliability.

Furthermore, targeting green consumers can be tremendously challenging for companies since, even if they want products that will protect or benefit the environment, evidence shows that their positive attitudes towards organic food might not necessarily be translated into actual purchases of green products, that is, they will not purchase a product only for its environmentally friendly attributes (Vermillion and Peart 2010; Grunert 2011; Dzene & Yorulmaz 2011). Likewise, research indicates that consumers will not sacrifice other product characteristics still considered important such as convenience, availability, price, quality, brand familiarity and performance in place of eco-friendly characteristics (Ginsberg & Bloom 2004), while sustainable features are effectively taken into account by only a part of consumers (Janssen 2018; Vermeir & Verbeke 2006). Hence, although consumer interest in sustainable products may be growing, sustainable food markets remain relatively small. This discrepancy is widely known as the 'attitude-behaviour gap' (Chatzidakis, Smith, & Hibbert 2006; Chekima et al. 2017; Wiederhold & Martinez 2018).

As evidenced of this latter, the research on sustainable consumer behaviour has also been inevitably reflected in a wide-ranging studies where the effects on consumers of sustainability criteria of products are examined as opposed to the effects of other sort of criteria such as customer loyalty, brand image, reputation and credibility (Cha et al. 2016; Choi 2017; Obermiller et al. 2009; Pino et al. 2016; Pivato et al. 2008; Swimberghe & Wooldridge 2014), product awareness and product evaluation (Costanigro et al. 2016; Kozup et al. 2003; Lee et al. 2014; Lotz et al. 2013), or purchase intention and willingness to pay –WTP- (Chen et al. 2016; Hartmann 2011; Kozup et al. 2003; Mohr & Webb 2005; Pino et al. 2016; Yoon & George 2012). In practice, this means that sustainable and non-sustainable products must be deemed equivalent in regards to these attributes in order for most consumers to even consider purchasing the sustainable product.

In any case, it seems that it would be more preferable observing broader consumer behaviour features than focusing solely on concrete aspects (Moisander et al. 2010). Following this tone, the study of the motivational system driving towards organic consumption will provide insights into the challenges that green consumerism entails and will allow private and public decision makers to better understand consumer profiles in order to support a more efficient adjustment between supply and demand.

## 3. MOTIVATIONS FOR ORGANIC CONSUMPTION AND THE NEXT GENERATION

A thorough understanding of which factors affect organic food choices is essential for promoting pro-environmental actions, even though the determinants of these behaviours are complex when analysed from the consumer's perspective. In this context, it is commonly accepted the study of motivations for predicting intentions to engage in diverse routines, also in pro-environmental behaviours (de Groot and Steg 2010).

Deci and Ryan (2000) defined six motivational types that differ according to the extent to which they are autonomously supported by an individual: autonomous motivation, integrated motivation, identified motivation, introjected motivation, external motivation, and amotivation. Excluding from the list amotivation, which denotes the no intention to act, the remaining five states could be categorised as intrinsic motivations and extrinsic motivations (Thøgersen 2006; de Groot & Steg 2010). According to authors, individuals seem to be more prone to engage in pro-environmental behaviours in a steady manner when they are said to be intrinsically motivated, that is, self-determined, and thus act autonomously or see themselves as initiators of their own behaviour aimed at attaining objectively valid patterns. By contrast, people extrinsically motivated may also engage in the same behaviour, but feel controlled, lacking in

choice, or just behave green because of a sense of obligation related to approval from oneself (to fulfil pre-existing personal attitudes or beliefs) or from others (to satisfy current social schemes).

Various studies framed under this theoretical framework have showed that the frequency of engaging in a range of pro-environmental behaviours, such as recycling, conserving resources, or purchasing environmentally-friendly products, increases when grounded by intrinsic motivations (Pelletier et al. 1998; Koestner et al. 2001; Villacorta et al. 2003). Also, it has been found that people with stronger self-determined motivational types were more likely to perform pro-environmental behaviours that were perceived to be difficult whereas more extrinsically motivated individuals carried out easier pro-environmental behaviours in terms of time, energy and personal resources involved (Green-Demers et al. 1997; Van der Werff et al. 2013; Venhoeven et al. 2013). For all that, it can be assumed therefore that intrinsic motivations provide a more stable behavioural basis for pro-environmental actions than extrinsic motivations (de Groot and Steg 2010; Grønhøj and Thøgersen 2017).

Apart from why people buy organic products, it is also considered remarkable to know who buys such products. Among the entire market, particular emphasis should be given to the young generation, maybe the most powerful consumer group since they represent the future of our society by playing roles as markers of long-term social change (Wray-Lake et al. 2010; Hume 2010) and have more disposable income than that of any previous generation (Frank & Chong 2002; Kanchanapibul et al. 2014).

Connecting this line with the above, it should be noted that, even though some studies have found that intrinsically motivated young consumers also tend to perform pro-environmental behaviours more frequently than others (Renaud-Dubé et al. 2010), the environmental concern and the commitment to engage in pro-environmental activities is anyway lower and less intrinsically motivated in younger as compared to older generations (Renaud-Dubé et al. 2010; Wray-Lake et al. 2010).

In addition, according to Otto and Kaiser (2014), it seems that learning rather than maturation is responsible for the higher environmental commitment seen in older generations, which means that the more exposed people are to information that deals with environmental topics, the more pronounced their ecological engagement is, independently from the natural process of change that is common to all individuals because of ageing.

All these considerations may suggest that, for a young person, pro-environmental behaviour will often initially be externally regulated or extrinsically motivated but may become internalized, assimilated to the self, or intrinsically motivated in the long term mainly due to the learning process instead of the maturation.

Once come to this point, the above literature review reveals that to which extent the next generation of consumers is motivated to face the challenges connected with the societal changes headed to more sustainable consumption patterns is uncertain. For this reason, the present study is aimed at analysing the underlying motivations that stimulate youngsters to organic consumption. Concretely, these will be categorised in accordance with three different concepts of motivations:

a) Self-determination motivations: Intrinsic motivations based on objective drivers that lead to durable organic consumption. The organic consumption is accomplished under impartial and neutral premises, independently of pre-existing personal attitudes or beliefs, and due to the benefit that entails its fulfilment per se.

b) Personal image motivations: Extrinsic motivations based on subjective drivers that lead to non-durable organic consumption. The organic consumption is achieved to satisfy principles and values attached to the personal image, and regarded as act of individual defence and reinforcement.

c) Social context motivations: Extrinsic motivations based on established social standards that also lead to non-durable organic consumption. The organic consumption is executed to meet social schemes, to gain society acceptance or just for social pressure/imposition.

## 4. METHODOLOGY

In order to address the purpose previously pointed, it was conducted a survey study with a total sample of 378 college students at the Faculty of Business and Economics of the University of Leon (Spain). The sample comprised 204 females (54.0%) and 174 males (46.0%), aged 18 to 28 years old ($\square$ = 20.59; $\square$ = 2.38). For more detailed information about methodological aspects, see Table 1.

Table 1. Technical data

| Population | College students at the Faculty of Business and Economics |
|---|---|
| Population size | 1695 individuals |
| Sample size | 378 individuals |
| Surveying technique | CAWI (computer aided web interview) |
| Sampling method | Convenience sampling |
| Sampling error (*e*) | ±4.53% |
| Level of significance ($\square$) | 95.5% (*p* = *q* = .50) |
| Date | March 2018 to March 2019 |

*Source: Authors*

All respondents answered voluntarily to a questionnaire composed of two main sections. The first section gathered information about the most basic demographic variables, age and gender. In turn, the second section was integrated by 25 items concerning diverse motivations for organic food consumption. These 25 items were organized in three scales representing the three types of motivations considered in the study: self-determination (8 items), personal image (8 items), and social context motivations (9 items), grouped in Table 2. For each item, participants were asked to report their level of agreement on a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree).

Table 2. Questionnaire statements

| Self-determination motivations: |
|---|
| 1. I use to make sure that the products I purchase have been obtained without the use of chemical pesticides |
| 2. I avoid purchasing products containing artificial substances (additives, preservatives, etc.) |
| 3. I am accustomed to searching for evidences that the products I buy have been grown with farming methods that protect and preserve the environment |
| 4. It is of fundamental importance for me that the products I buy are labelled with any official organic certificate |
| 5. I need to be assured that the products I purchase have been obtained without the use of chemical fertilizers |
| 6. I use to look for indications that the products I purchase have been obtained respecting the natural growth rate of the plants |
| 7. I am glad to know that the products I choose have been grown using cultivation methods adapted to local conditions for its optimal use |
| 8. I seek to avoid the purchase of products containing genetically modified organisms |
| Personal image motivations: |

9. When I buy products with any sort of organic label, I feel I am contributing to the well-being of society

10. Buying products from organic farming is a simple gesture to contribute to the preservation of the environment

11. I like to see myself as a consumer concerned about the impact of my purchases on the environment

12. When I identify a product salient because of its organic character I feel that buying it is the right thing

13. In the extent of possible, I try to contribute to the environment by purchasing organic products

14. Buying products from organic farming makes me feel good about myself

15. If close at hand, I always try to contribute to environmental causes through the purchase of certain products

16. I consider that buying products from organic farming contributes to the development of society

Social context motivations:

17. People close to me place value on the consumption of products from organic farming

18. I am used to receiving approval comments when I purchase products from organic farming

19. In a family environment it is common to acquire products from organic farming

20. Buying products from organic farming is a way of conveying your values for others

21. Some of my friends encourage me to buy products from organic farming

22. I like being recognized as a consumer of organic products by others

23. In my educational environment, the consumption of products from organic farming is warmly encouraged

24. People should choose products labelled with organic tags

25. I think that media help to raise people awareness about the importance of acquiring products from organic farming

*Source: Authors*

Once data were collected and processed, Cronbach's alpha (α) coefficients for each one of three scales were calculated with the intent to check the reliability levels. After that, it was conducted an Exploratory Factor Analysis in order to assess constructs validity and a k-means Cluster Analysis to segment respondents by using the software SPSS version 24.0.0.1.

In the next section, main results are presented under two sections: first of all, the study of reliability and validity of constructs, and after that, the analysis of the different clusters.

## 5. RESULTS

### 5.1. Scales reliability and constructs validity

In order to assess the internal consistency of the self-determination, personal image, and social context motivations scales, it was verified the Cronbach's alpha coefficient (α), which is considered tolerable when stands above .70 (Nunnally 1978; Nunnally and Bernstein 1994). The reliability of the scale is ensured since α coefficient was higher than .70 in the three cases (Table 3).

Moreover, it was also examined the validity of the three constructs (self-determination, personal image, and social context motivations) executing an Exploratory Factor Analysis (Table 3). Construct validity attempts to guarantee the existence of an underlying dimension that supports the scale scores. The analysis reported a Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy certainly satisfactory (0.925) according to Kaiser (1970, 1974) and a

Bartlett's Test of Sphericity (Bartlett 1954) statistically significant at 99% level of confidence ($p < 0.01$).

**Table 3. Scales reliability and constructs validity**

| Cronbach's Alpha | |
|---|---|
| Self-determination motivations | .867 |
| Personal image motivations | .821 |
| Social context motivations | .709 |
| **KMO and Bartlett's Test** | |
| Keiser-Meyer-Olkin Measure of Sampling Adequacy | .925 |
| Bartlett's Test of Sphericity | |
| Approx. Chi-Squared | 2775.268 |
| df | 171 |
| Sig. | .000 |

*Source: Authors*

After the related principal component analysis, three main dimensions emerged explaining 53.32% of the total variance. Furthermore, factorial loadings were of .50 or higher for all items in its corresponding dimension, providing strong evidence of convergent validity to the scales (Barclay, Higgins, and Thompson 1995), with the exception of items 13, 16, 19, 20, 24, and 25, which were excluded for subsequent analyses (Table 2).

**5.2. Clustering**

In second term, with the aim of accomplishing the objective set at the end of section 3, a k-means Cluster Analysis was conducted from the three factors retained in the previous analysis in order to segment youngsters who were surveyed. After several preliminary trials, this statistical procedure distinguished four groups of individuals which come together through similarities in various aspects associated to the three sorts of motivational dimensions.

Once interpreted and compared characteristics and patterns of each cluster, the different segments were labelled with the names *amotivated, socially-influenced, self-determined*, and *conscience-affected* (Table 4).

**Table 4. Clusters' size.**

| Clusters | Cases | Percentage |
|---|---|---|
| Amotivated | 87 | 23.02% |
| Socially-influenced | 92 | 24.34% |
| Self-determined | 98 | 25.92% |
| Conscience-affected | 101 | 26.72% |
| Total sample | 378 | 100.00% |

*Source: Authors*

**Table 5. Clusters scoring**

| Motivational dimensions[1]* | *Amotivated* | *Socially-influenced* | *Self-determined* | *Conscience-affected* |
|---|---|---|---|---|
| Self-determination motives | -.012 | .329 | .830 | -1.095 |
| Personal image motives | -1.243 | .126 | .576 | .396 |

---

[1] * $p < .01$ (significance level of 99%)

| Motivational dimensions[1]* | Amotivated | Socially-influenced | Self-determined | Conscience-affected |
|---|---|---|---|---|
| Social context motives | -.369 | 1.239 | -.701 | -.131 |

*Source: Authors*

*Amotivated*, 23.02% of the sample (Table 4), represent the absence of any kind of motivation for organic consumption. Youngsters of this group have no intention to perform any sustainable action at all, at least in the short or medium-term (Table 5). Usually, amotivation is accompanied by feelings of incompetence, lack of control, and no-sense of purpose, reward, or change of course with respect to pro-environmental behaviours.

By contrast, *socially-influenced*, 24.34% of the sample (Table 4), show the strongest motivation for organic consumption of the entire group of participants, although it is true that its nature is extrinsic (Table 5). *Socially-influenced* young adults are motivated to act green due to social acceptance or social imposition, that is, by the need to belong to a group or social background. This group show a timid understanding of what an organic product objectively is, and hence, an unsteady motivation to act autonomously.

*Self-determined* represent 25.92% of the sample (Table 4) and the most intrinsically motivated group of the young adults interviewed (Table 5). These people know quite accurately the process for organic production, and use this information to fuel their willingness to act pro-environmentally, which is autonomous, resolute and unbiased. Anyhow, this cluster of *self-determined* individuals also show extrinsic motivations in terms of personal image. This indicates that foreign aspects to organic production such as subjective considerations related to the individual's conscience may have a certain effect on their predisposition to perform a sustainable consumption (e.g. the auto-definition an individual has about him/herself). Besides that, the social context does not seem to exert excessive influence over this group.

*Conscience-affected*, 26.72% of the sample (Table 4), are extrinsically motivated to carry out organic consumption (Table 5). *Conscience-affected* youngsters behave green for self-esteem and clean conscience reasons. They are not quite familiar with what organic production refers to (actually, their knowledge on it is poorer than that of *amotivated* people), and therefore, they are neither autonomous nor self-determined if acting pro-environmentally, but they consider that doing so is a sign of good person.


## 6. DISCUSSION

The present study has enhanced the comprehension of what stimulates individuals to organic food consumption. In this sense, it has been proposed and examined a conceptual approach to understand how self-determined, personal image, and social context motivations can explain factors influencing individuals' actual consumption of organic food instead of being limited to intention to purchase.

Results have revealed valuable information for producers and marketers of organic food who are promoting sustainable consumption and are seeking to know the underlying behaviour of their consumers. Also, the study is of importance to the government due to its attempt to promote sustainable consumption creating confidence among its citizens holistically besides introducing the corresponding organic certificate in regard to the compliance of organic farming in terms of production, preparation, storage, and labelling.

This research has tested empirically the young generation's motivations to purchase green products. In the light of the findings, there is a concern that the ecological intrinsic motivation of the young generation appears to be erratic. It should be kept in mind that, apart from a group of young individuals without any kind of motivation (amounting to 23%), approximately 50%

are extrinsically motivated to act green, which implies a priori a poor hope of lasting in the long term (de Groot and Steg 2010).

Moreover, it has been found that the motivational structure is not simple. For instance, *self-determined* youngsters, almost 26% of the sample, appeared to be both intrinsically and extrinsically motivated. In this case, the evolution of pro-environmental behaviours along time is even more imprecise. And above all, there is a discrepancy between attitudes and behaviour (Chekima et al. 2017), whereby behavioural patterns are not univocally consistent with attitudes, affecting all groups in a lesser or greater extent.

This situation confirms the importance of formal sustainability education, and also the need for increasing young people's exposure to credible information about the environment and sustainable consumption through more informal sources including social media used by the youth (Larsson et al. 2010).

From the marketing practitioners' perspective, organic food consumption and consumers' loyalty can be stimulated by launching differentiation strategies and promoting conventional foods substitution in the shopping basket. Some of them could be including safety certifications, stating clearly environment and farm solidarity motives, or highlighting the good taste and quality of organic food products. Alternatively, a larger number of prospective organic consumers can be attracted by the curiosity carrying out promotional campaigns played on prices, or conducting information and tasting panels.

The ultimate goal of all these proposals is thus to facilitate the internalisation of extrinsic motivations that will nurture an enduring organic consumption held in the long-term. Regarding this matter, Grønhøj and Thøgersen (2017) suggest that understanding how young people's intrinsic motivation is established and supported is key to fostering a young generation that will engage in pro-environmental behaviour and favour the transition towards a more sustainable society.

Finally, despite the contribution of this study, the scope of the findings is limited by some aspects. First of all, it is necessary to point that the research context is only focused on a single product category (food), which restricts the generalizability of the results to other products. In the same line, this study has retrieved information from one particular geographic region (North-west Spain) and one concrete population segment (college economics students). Moreover, another factor that should not be overlooked is that the measuring instrument has not been tested and validated before, even though it has been developed from theoretical foundations and associated reliability and validity analyses have been included. These limitations, however, represent new opportunities for an enhanced future research, since this approach if replicated (e.g. in other sectors of activity) and expanded (e.g. to national/international contexts, to other young adults segments) and its errors if controlled would endow future studies with greater validity, generalizability and comparability of results.

**REFERENCES**

Barclay, D.; Higgins, C. & Thompson, R. (1995). The partial least squares (PLS) approach to causal modeling: Personal computer adoption and use as an illustration. *Technology Studies,* 2, 285–309.

Barltett, M.S. (1954). A note on the multiplying factors for various chi square approximations. *Journal of the Royal Statistical Society*, 16, 296–298.

Belz, F.M. & Peattie, K. (2009). *Sustainability marketing: A global perspective*. West Sussex: Wiley.

Cha, M.K.; Yi, Y. & Bagozzi, R.P. (2016). Effects of customer participation in corporate social responsibility (CSR) programs on the CSR-brand fit and brand loyalty. *Cornell Hospitality Quarterly*, 57(3), 235–249.

Chatzidakis, A.; Smith, A. & Hibbert, S. (2006). Ethically concerned, yet unethically behaved: Towards an updated understanding of consumer's (un)ethical decision making. *Advances in Consumer Research*, 33, 693–698.

Chekima, B.; Oswald, A.I.; Wafa, S.A.W.S.K. & Chekima, K. (2017). Narrowing the gap: Factors driving organic food consumption. *Journal of Cleaner Production*, 166, 1438–1447.

Chen, Y. H.; Wen, X.W. & Luo, M.Z. (2016). Corporate social responsibility spillover and competition effects on the food industry. *Australian Economic Papers*, 55(1), 1–13.

Choi, J. (2017). The effectiveness of nutritional information on foodservice companies' corporate social responsibility. *Asia Pacific Business Review*, 23(1), 44–62.

Costanigro, M.; Deselnicu, O. & McFadden, D.T. (2016). Product differentiation via corporate social responsibility: Consumer priorities and the mediating role of food labels. *Agriculture and Human Values*, 33, 597–609.

Deci, E.L. & Ryan, R.M. (2000). The "what" and "why" of goal pursuits: Human needs and the self-determination of behaviour. *Psychological Inquiry*, 11, 227–268.

De Groot, J.I. & Steg, L. (2010). Relationships between value orientations, selfdetermined motivational types and pro-environmental behavioural intentions. *Journal of Environmental Psychology*, 30(4), 368–378.

Do Paço, A.M.F.; Raposo, M.B. & Filho, W.L. (2009). Identifying the green consumer: A segmentation study. *Journal of Targeting, Measurement & Analysis for Marketing*, 17(1), 17–25.

Dzene, S. & Yorulmaz, O. (2011). Consumer behaviour towards sustainable food consumption in Europe. *In the Proceedings of the 6th Baltic Conference on Food Science and Technology-Innovations for Food Science and Production*, Jelgava, Latvia, 5th-6th May 2011. http://llufb.llu.lv/conference/foodbalt/2011/index.html (accessed 28 March 2019).

FiBL & IFOAM (2019). *The World of Organic Agriculture. Statistics and Emerging Trends 2019*. https://shop.fibl.org/CHde/mwdownloads/download/link/id/1202/?ref=1 (accessed 28 March 2019).

Frank, R.F. & Chong, D.D. (2002). Generation Y: Purchasing power and implications for marketing. *Academy of Marketing Studies Journal*, 6(2), 89–102.

Ginsberg, J. & Bloom, P.N. (2004). Choosing the right green marketing strategy. *MIT Sloan Management Review*, 46(1), 79–84.

González, E.M., Felix, R., Carrete, L., Centeno, E. and Castaño, R. (2015), "Green Shades: A Segmentation Approach Based on Ecological Consumer Behavior in an Emerging Economy", Journal of Marketing Theory and Practice, Vol. 23 No. 3, pp. 287-302.

Green-Demers, I., Pelletier, L.G. and Ménard, S. (1997), "The impact of behavioural difficulty on the saliency of the association between self-determined motivation and environmental behaviours", Canadian Journal of Behavioural Science, Vol. 29 No. 3, pp. 157-166.

Grønhøj, A. and Thøgersen, J. (2017), "Why young people do things for the environment: The role of parenting for adolescents' motivation to engage in pro-environmental behaviour", Journal of Environmental Psychology, Vol. 54, pp. 11-19, doi: 10.1016/j.jenvp.2017.09.005

Grunert, G.K. (2011), "Sustainability in the food sector: A consumer behaviour perspective", International Journal on Food System Dynamics, Vol. 2 No. 3, pp. 207-218.

Hartmann, M. (2011), "Corporate social responsibility in the food sector", European Review of Agricultural Economics, Vol. 38 No. 3, pp. 297-324.

Hume, M. (2010), "Compassion without action: examining the young consumers consumption and attitude to sustainable consumption", Journal of World Business, Vol. 45 No. 4, pp. 385-394.

Janssen, M. (2018), "Determinants of organic food purchases: Evidence from household panel data", Food Quality and Preference, Vol. 68 No. 6, pp. 19-28, doi: 10.1016/j.foodqual.2018.02.002

Kaiser, H. (1970), "A second generation little jiffy", Psychometrika, Vol. 35, pp. 401-415, doi: 10.1007/BF02291817

Kaiser, H. (1974), "An index of factorial simplicity", Psychometrika, Vol. 39, pp. 31–36, doi: 10.1007/BF02291575

Kanchanapibul, M., Lacka, E., Wang, X. and Chan, H.K. (2014), "An empirical investigation of green purchase behaviour among the young generation", Journal of Cleaner Production, Vol. 66, pp. 528-536.

Kärnä, J., Hansen, E., Juslin, H. and Seppälä, J. (2002), "Green marketing of softwood lumber in western North America and Nordic Europe", Forest Products Journal, Vol. 52 No. 5, pp. 34-40.

Koestner, R., Houlfort, N., Paquet, S. and Knight, C. (2001), "On the risks of recycling because of guilt: An examination of the consequences of introjection. Journal of Applied Social Psychology, Vol. 31, 2545-2560.

Kozup, J.C., Creyer, E.H. and Burton, S. (2003), "Making healthful food choices: The influence of health claims and nutrition information on consumers' evaluations of packaged food products and restaurant menu items", Journal of Marketing, Vol. 67 No. 2, pp. 19–34.

Larsson, B., Andersson, M. and Osbeck, C. (2010), "Bringing environmentalism home: Children's influence on family consumption in the Nordic countries and beyond", Childhood, Vol. 17 No. 1, pp. 129-147, doi: 10.1177/0907568209351554.

Lee, K., Conklin, M., Cranage, D.A. and Lee, S. (2014), "The role of perceived corporate social responsibility on providing healthful foods and nutrition information with health-consciousness as a moderator", International Journal of Hospitality Management, Vol. 37, pp. 29-37.

Lotz, S., Christandl, F. and Fetchenhauer, D. (2013), "What is fair is good: Evidence of consumers' taste for fairness", Food Quality and Preference, Vol. 30 No. 2, pp. 139-144.

Lu, L., Bock, D. and Joseph, M. (2013), "Green marketing: what the Millennials buy", Journal of Business Strategy, Vol. 34 No. 6, pp. 3-10, doi: 10.1108/JBS-05-2013-0036

McDonagh, P. and Prothero, A. (2014), "Sustainability marketing research: Past, present and future", Journal of Marketing Management, Vol. 30 Nos. 11–12, pp. 1186–1219.

Mohr, L.A. and Webb, D.J. (2005), "The effects of corporate social responsibility and price on consumer responses", Journal of Consumer Affairs, Vol. 39 No. 1, pp. 121–147.

Moisander, J. (2007), "Motivational complexity of green consumerism", International Journal of Consumer Studies, Vol. 31, pp. 404-409.

Moisander, J., Markkula, A., and Eräranta, K. (2010), "Construction of consumer choice in the market: Challenges for environmental policy", International Journal of Consumer Studies, Vol. 34, pp. 73-79.

Montague, J. and Mukherjee, A. (2010), "Marketing green products: What really matters?", in the Proceedings of the Northeast Business and Economics Association, pp. 433-441.

Nunnally, J.C. (1978). Psychometric theory, McGraw-Hill, New York, NY.

Nunnally, J.C. and Bernstein, I.H. (1994). Psychometric theory (3rd Ed.), McGraw-Hill, New York, NY.

Obermiller, C., Burke, C., Talbott, E. and Green, G.P. (2009), "Taste great or more fulfilling: The effect of brand reputation on consumer social responsibility advertising for fair trade coffee", Corporate Reputation Review, Vol. 12 No. 2, pp. 159–176.

Otto, S. and Kaiser, F.G. (2014), "Ecological behavior across the lifespan: Why environmentalism increases as people grow older", Journal of Environmental Psychology, Vol. 40, 331-338.

Pelletier, L.G., Tuson, K.M., Green-Demers, I., Noels, K. and Beaton, A.M. (1998), "Why are you doing things for the environment? The Motivation toward the Environment Scale (MTES)", Journal of Applied Social Psychology, Vol. 28, pp. 437-468.

Pino, G., Amatulli, C., de Angelis, M. and Peluso, A.M. (2016), "The influence of corporate social responsibility on consumers' attitudes and intentions toward genetically modified foods: Evidence from Italy", Journal of Cleaner Production, Vol. 112, pp. 2861-2869.

Pivato, S., Misani, N. and Tencati, A. (2008), "The impact of corporate social responsibility on consumer trust: The case of organic food", Business Ethics: A European Review, Vol. 17 No. 1, pp. 3–12.

Renaud-Dubé, A., Taylor, G., Lekes, N., Koestner, R. and Guay, F. (2010), "Adolescents' motivation toward the environment: Age-related trends and correlates", Canadian Journal of Behavioural Science, Vol. 42 No. 3, p. 194.

Schuhwerk, M.E. and Lefkoff-Hagius, R. (1995), "Green or non-green? Does type of appeal matter when advertising a green product?" Journal of Advertising, Vol. 24 No. 2, pp. 45-54.

Smith, K.T. and Brower, T.R. (2012), "Longitudinal study of green marketing strategies that influence Millennials", Journal of Strategic Marketing, Vol. 20 No. 6, pp. 535-551.

Swimberghe, K.R. and Wooldridge, B.R. (2014), "Drivers of customer relationships in quick-service restaurants: The role of corporate social responsibility", Cornell Hospitality Quarterly, Vol. 55 No. 4, pp. 354-364.

Thøgersen, J. (2006), "Norms for environmentally responsible behaviour: An extended taxonomy", Journal of Environmental Psychology, Vol. 26, pp. 247-336.

Van der Werff, E., Steg, L. and Keizer, K. (2013), "It is a moral issue: The relationship between environmental self-identity, obligation-based intrinsic motivation and pro-environmental behaviour", Global Environmental Change, Vol. 23 No. 5, pp. 1258-1265.

Venhoeven, L., Bolderdijk, J. and Steg, L. (2013), "Explaining the paradox: How proenvironmental behaviour can both thwart and foster well-being", Sustainability, Vol. 5, pp. 1372-1386.

Vermeir, I. and Verbeke, W (2006), "Sustainable food consumption: Exploring the consumer 'attitude – behavioural intention' gap", Journal of Agricultural and Environmental Ethics, Vol. 19 No. 2, pp. 169–194, doi: 10.1007/s10806-005-5485-3

Vermillion, L.J. and Peart, J. (2010), "Green marketing: making sense of the situation", Allied Academies International Conference: Proceedings of the Academy of Marketing Studies, Vol. 15 No. 1, pp. 68-72.

Villacorta, M., Koestner, R. and Lekes, N. (2003), "Further validation of the motivation toward the environment scale", Environment and Behavior, Vol. 35 No. 3, pp. 486-505.

Wiederhold, M. and Martinez, L.F. (2018), "Ethical consumer behaviour in Germany: The attitude-behaviour gap in the green apparel industry", International Journal of Consumer Studies, Vol. 42 No. 4, pp. 419–429, doi: 10.1111/ijcs.12435

Wray-Lake, L., Flanagan, C. and Osgood, D.W. (2010), "Examining trends in adolescent environmental attitudes, beliefs, and behaviors across three decades", Environment and Behavior, Vol. 42 No. 1, pp. 61-85.

Yoon, H.J. and George, T. (2012), "Nutritional information disclosure on the menu: Focusing on the roles of menu context, nutritional knowledge and motivation", International Journal of Hospitality Management, Vol. 31, pp. 1187–1194.

Zinkhan, G.M. and Carlson, L. (1995), "Green advertising and the reluctant consumer", Journal of Advertising, Vol. 24 No. 2, pp. 1-6.

# WINE TOURISM IN HUNGARY - WINE AND DESTINATION PREFERENCES OF WINE TOUR PARTICIPANTS

Erika Hlédik

hledik.erika@gti.elte.hu, Eötvös Lóránd University

Dávid Harsányi

Harsanyi.David@uni-bge.hu, Budapest Business School

## ABSTRACT

Wine tourism is evolving in Hungary. Tourism organizations, wine associations and wineries have recognized the importance of wine tourism and therefore try to offer complex programs for their consumers. Though wineries are aware of the relevance of wine tourism in general, wine-region cooperation can be a subject of improvement. Recently, several studies have investigated the characteristics of wine regions and their efforts towards developing their destination management. However, very little in this body of literature is based on empirical research investigating wine destination preferences of wine consumers.

The main objective of this study is to characterize wine tourism preferences of Hungarian wine consumers based on their wine and wine destination preferences. Our analysis is based on the sample of 8552 respondents of the 2018 Great Wine Test database, which is based on an online survey conducted in Hungary using convenience sampling.

The results of our research suggest that those who take part in domestic wine travels are typically more sophisticated wine consumers based on their wine consumption habits. We found that in this segment the choice of destination for wine tourism is mostly associated with the wine consumption preferences. In this study, we describe this segment in detail using demographic characteristics and wine consumption habits, and finally draw implications for wine tourism marketing.

## KEYWORDS

wine tourism, destination, wine preferences

## 1. INTRODUCTION

Wine has got a significant role in Hungary. Wine is a national drink, has got a connection to culture (Szolnoki and Totth, 2018) and possesses rich historical traditions. After the adverse effects of the socialist period, a continuous development was experienced in this area (Smyth, 2015) and a remarkable majority of wine consumers (85%) considers now that wine is about good tastes and culinary delights (HNT, 2016).

Along with the development of wine quality and wine culture, wine tourism has become increasingly important both in Hungary and worldwide. For instance, Hungary hosted the most prestigious international event of wine tourism, the 10th International Wine Tourism Conference in April 2018 (IWINETC, 2018). In February 2019 another important event BorÉRT Wine Tourism Conference and Exhibition was organized with the partnership of National Council of Wine Communities of Hungary (Mezőgazdasági Múzeum, 2019). The growing role of tourism is also signified by Hungarian Tourism Agency (MTÜ), which performs community wine marketing tasks since 2016. The Agency can bring wine marketing and wine tourism closer to each other, taking advantage of this kind of synergy.

It is important for wine regions to provide sufficient attractiveness for tourists; therefore, they try to offer more demanding, more complex programs. Wineries of numerous wine regions

recognized the importance of wine tourism (for example Balatoni Kör that allies wineries, restaurants and hotels of the greater Balaton region), but in general cooperation of wine market actors can be improved. Of course, different areas have different features (unique scene, sights, cellar village or continuous cellar-line). Wine routes could help in exploitation of these unique characteristics, or in the organization of complex programs.

In recent years several projects focused on exploring the specialities of each wine region and their efforts on improving wine tourism. But at the same time, only a few comprehensive empirical researches have been carried out, which analysed consumers and wine tourists. In our study we examine them with the utilization of the database of the Great Wine Test of 2018, which is – according to our knowledge – the first so focused and more detailed study in Hungary. In the third Great Wine Test there were questions on wine tourism such as the frequency of wine trips and their preferred destinations were assessed in the question regarding 'domestic travels related to wines'.

The goals of this paper are:
- Conduct a comprehensive study on wine travel habits, including willingness to travel to wine regions
- Analyse the popularity of the Hungarian wine regions, and to compare it to the popularity of the regions' wines
- Examine the typical wine travellers' profile and describe their characteristics

## 2. LITERATURE REVIEW AND METHODOLOGY

### 2.1. Literature review

There is growing attention of academic literature towards wine tourism (Scorrano et al., 2018). Several approaches are known concerning the definition of wine tourism in international and domestic literature too. According to Hall (2000) wine tourism is a trip, during which the travel objective of tourists is to visit vineyards, wineries, wine-festivals and wine-exhibitions for wine tasting and / or to explore a wine region. Várhelyi (2012a: 11) gave a more focused definition: 'Wine tourism is a travel motivated by tasting, consumption wines and cognition of wine-making.'

According to Pallás (2016: 381) 'Wine routes relate to wine culture, it is considered as thematic trips based on local products, which bind settlements and areas.' Experts agree that it is a comprehensive, complex tourist experience and service package (Getz and Brown 2006, quote: Alebaki and Iakovidou 2011; Sarkadi, Szabó and Urbán 2000, quote: Tóthné Igó 2012; Secco 2008, quote: Pallás 2016), which has numerous components: rural landscape, cultural heritage, festivals, hospitality, gastronomy, meeting with the winemaker, getting to know the wine. Pallás (2016) rate wine tourism as a substantive tourist attraction, which bonds with other tourism products.

The European Council of Wine Routes (CERV) divide wine routes into three types: open wine route, thematic wine route, classic wine route (Pallás, 2016). Villány-Siklós wine route came into being as the first Hungarian wine route. A book about Hungarian wine routes was published in 2012 (Molnár-Polányi, 2012), which reviews 24 domestic wine routes. Today there is a wine route association in every wine region, in some cases there are even more than one organisation in the same area (Tóthné Igó, 2012). Based on Kopcsay (2013) 37 domestic wine routes are known, although only half of them carry out actual activities.

As Scorrano et al. pointed out 'wine tourism is a growing sector that deserves deeper attention by researchers for its crucial role in the local economy' (Scorrano et al., 2018: 344). Wine tourism is a progressive area (Várhelyi, 2012b) and has extending importance in

Hungarian tourism (Hofmeister-Tóth and Totth, 2018). The number of guest nights is increasing, more persons are willing to spend two or more nights in wine hotels (Pallás 2016).

Wine tourism is important for the wine industry because it enables to build a relationship with clients, and wine trip experiences in wine destinations may increase future wine-purchase (Alamanos et al., 2016; Molina et al, 2015), it gives wineries an opportunity to educate consumers on site (GFK, 2008), and they can sell them their products (Getz and Brown 2006, in: Alebaki and Iakovidou 2011). As Gál and Gál (2012) states, wine tourism is one of the most cost-effective form of wine selling. According to the research of Pallás (2016), there are enterprises in Hungary, which concentrate especially on wine tourism, so they can sell the produced wines directly to their customers. Selling at the cellar door is essential mainly for smaller wineries, because it is more challenging for these companies to enter the traditional distribution channels. Therefore, smaller wineries have a serious interest in attracting consumers to the cellar door, and become a wine tourism destination. This activity would be more effective with collaboration. An excellent example for that is the tourist attraction of the line of cellars of Szépasszony Valley in Eger (Györe, 2014).

Many research studies highlight the importance of destination appeal in wine tourism. Bruwer et al. (2017) in their comprehensive review of the wine tourism literature stated that tourism destination image (TDI) has a strong effect on consumer behaviour. The regional destination's perceived image was analysed by a complex method (Bruwer et al., 2017) in the form of a winescape framework of eight dimensions. The most important dimension was the natural beauty/geographical setting. Scorrano et al. (2018) identified the features that qualify the wine tourism destinations' (WTDs) image. The most important was the in situ experience. Lopes, Leitão and Rengifo-Gallego (2018) underline the importance of wine in place branding studies. They found that among research studies on agro-food products 61,1% focus on wine.

The line of literature on wine tourism focus on a certain wine region (Bruwer et al., 2017; Bruwer, Prayag and Disegna, 2017; Szolnoki, 2018). Some other deal with countries (Alebaki, Menexes and Koutsouris, 2015, Molina et al., 2015) and some research the situation globally (Brown and Getz, 2005; Scorrano, 2018). In Hungary, several articles and studies have been published in recent years about wine tourism. Most of the publications examined wine tourism of certain wine regions, for example: wine region of Eger (Györe, 2014), Szekszárd (Angler, 2016; Angler, 2018), Etyek-Buda (Mikházi et al., 2018), Tokaj (Pallás, 2016), Dél-Dunántúl (Szabó, 2003), Észak-Magyarország (Wachtler and Nagy-Kovács, 2006), Pannon (Máté, 2007; Gonda et al., 2017). The most comprehensive domestic researches on wine did not examine (Bormarketing Műhely, 2013; HNT, 2014) or just mention wine tourism (GFK, 2008; Szolnoki and Totth, 2018).

Brown and Getz (2005) investigated the links between wine preferences and wine tourism destination preferences. They concluded that origin preferences of wines influence travel preferences. Molina et al. (2015) analysed wine tourists that visit Spanish wineries and found that the experts in wine and wine tourism have higher incomes and levels of education than the other groups.

## 2.2. Methodology

This research was conducted in 2018 within the framework of the annual online survey of the Big Wine Test. The questionnaire was available via wine related websites, general websites and Facebook. The questionnaire was divided into 4 topics: wine consumption, wine purchase, wine tourism, demographic attributes. We made some adjustments in the online questionnaire after the pilot testing in order to correct minor mistakes and make the questions as clear, accurate and obvious as possible.

Data collection took place between May and August 2018. Responding to survey questions was motivated by potential small value incentives.

21.788 responses were received for the questionnaire. In this article we examine 8552 persons, who filled in the questionnaire via general websites (general sample), excluding respondents from wine related websites and Facebook. We used the SPSS 23 software for the analysis.

## 3. RESULTS

The demographic characteristics of the sample show that 61% is female, 39% is male. 22% of respondents live in Budapest, 23% in county seats, 36% in other towns and 20% in other settlements. The average age of the respondents is 48 years old. The youngest respondent is 18 and the oldest is 90 years old. 52% of respondents has a high school education, 47% has higher education. Persons with primary education were underrepresented (2%) in the sample.

In connection with wine tourism, firstly we asked respondents about how frequently they take part in domestic travels related primarily to wine. Nearly two-thirds (61%) of the respondents said that they take part in wine related domestic trips: 39.3% go on this kind of trip at least once a year, 21,5% said that they take part less often. 38% has never participated in such a journey, but almost 30% would be open to go on such a trip later and only 9% was not interested at all (Table 1).

**Table 1. How often do you take part in domestic trips primarily related to wine (an event or a winery visit)?**

| | N | % |
|---|---|---|
| Monthly or more often | 35 | 0.4 |
| Several times a year | 1422 | 16.6 |
| Once a year | 1903 | 22.3 |
| Every 2-3 years | 849 | 9.9 |
| Less often | 989 | 11.6 |
| I've already taken part in a wine tour abroad, but not in Hungary | 72 | 0.8 |
| I've never taken part in a wine tour yet, but I'd love to go | 2524 | 29.5 |
| I've never taken part in a wine tour, and I am not interested at all | 758 | 8.9 |
| **Total** | **8552** | **100.0** |

*Source: own calculation, N=8552*

Results show that those who often go on wine tours are (more) interested in wines: 69% of persons who declared to be 'wine-friends' and 77-77% of respondents who declared to be 'knowledgeable wine drinkers' and 'wine-experts' take part in wine tours at least once a year – compared to the 39% of the total sample. Similarly, those who collect wines take part in this kind of trip at least once a year (56%) more often than the average.

Among participants, those who take part in a wine tour at least once a year, men (46%) and respondents with higher education (44%) are overrepresented.

We asked respondents to indicate how many days they would spend going on a wine related trip. 69.6% of them would spend a weekend, or 2-3 days for a domestic trip in

connection with wine. 13% would spend maximum one day, while 8% up to 4-5 days or more (Table 2).

**Table 2. How many days would you spend on a domestic trip primarily in connection with wine?**

|  | N | % |
|---|---|---|
| Up to one day | 1135 | 13.3 |
| One weekend, 2-3 days | 5956 | 69.6 |
| 4-5 days | 608 | 7.1 |
| Longer time | 102 | 1.2 |
| I wouldn't go on a domestic trip in connection with wine | 751 | 8.8 |
| **Total** | **8552** | **100.0** |

*Source: own calculation, N=8552*

We also asked respondents which regions of Hungary they would prefer to go to for a trip like this. Respondents could choose three wine regions according to their preferences. Overall results show that the well-known, popular wine regions are the most preferred: respondents would choose the regions of Villány (46%), Tokaj (38%), Eger (37%) and Badacsony (35%) as a wine trip destination mostly (Table 3).

**Table 3. The most popular wine regions as a wine trip destination**

| Wine region | N | % |
|---|---|---|
| Villány | 3958 | 46% |
| Tokaj | 3277 | 38% |
| Eger | 3167 | 37% |
| Badacsony | 2995 | 35% |
| Balaton-felvidék | 2051 | 24% |
| Szekszárd | 1542 | 18% |
| Balatonfüred-Csopak | 1086 | 13% |
| Pannonhalma | 1012 | 12% |
| Mátra | 854 | 10% |
| Sopron | 802 | 9% |
| Etyek-Buda | 588 | 7% |
| Nagy-Somló | 550 | 6% |

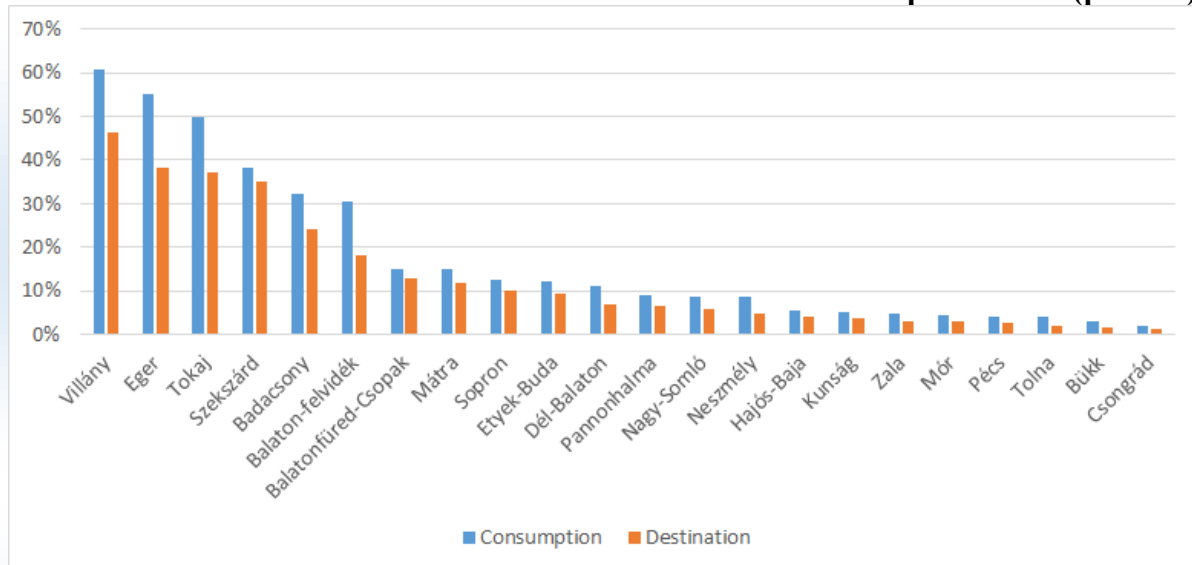| Wine region | N | % |
|---|---|---|
| Dél-Balaton | 509 | 6% |
| Bükk | 404 | 5% |
| Neszmély | 356 | 4% |
| Pécs | 331 | 4% |
| Hajós-Baja | 265 | 3% |
| Zala | 264 | 3% |
| Mór | 225 | 3% |
| Tolna | 176 | 2% |
| Kunság | 128 | 1% |
| Csongrád | 103 | 1% |

*Source: own calculation, N=8552*

*Remark: Respondents had to choose three wine regions based on their preferences.*

We asked respondents to indicate which wine regions they prefer when they purchase a bottle of wine. Respondents could assign any number of wine regions. Wines from Villány (61%), Eger (55%) and Tokaj (50%) were the most popular for consumption, followed by Szekszárd (38%), Badacsony (32%) and Balaton-felvidék (31%).

Then we compared how wine region preferences of wine purchase correlate to wine regions as travel destinations (Figure 1).

Based on the results the three most popular travel destinations are the same wine regions that are preferred for purchase (Villány, Eger, Tokaj). Exceptions are the following regions: Szekszárd, Badacsony and Pannonhalma. Based on the data, wines from Szekszárd are more popular for purchase than Badacsony, on the other hand Szekszárd is chosen as a trip destination less frequently than Badacsony. The popularity of Badacsony is probably in connection with the region's other tourist attractions (for example: lake Balaton and the proximity of other tourist sights). The situation is similar in the case of Pannonhalma, where the interest in wine trips is bigger than purchases of wine from the region.

**Figure 1. Popularity of wine regions based on consumption and travel destination preferences (percent)**



*Source: own calculation, N=8552*

We analysed the composition of wine purchase and travel destination preferences of consumers by wine regions with another diagram (Figure 2). For example, in the case of the Villány region 35% of respondents purchase wine, and willing to visit the region for a trip. 11% of respondents are willing to visit the region for a wine related trip despite the fact that they do not consume wine from the region. Finally, 26% of those who drink wine from Villány is not interested in a trip to this destination. As can be seen on the Figure 2, three regions show unusual combination: Badacsony has the highest proportion of respondents who are interested in wine related trip despite of the fact that they do not consume a wine from that region. Pannonhalma shows a similar pattern. Though Szekszárd is very popular among respondents to drink wine from the region (39%), but is not attractive for other respondents as a travel destination (18%).

**Figure 2. Wine purchase and travel destination preferences of consumers by wine regions (percent)**
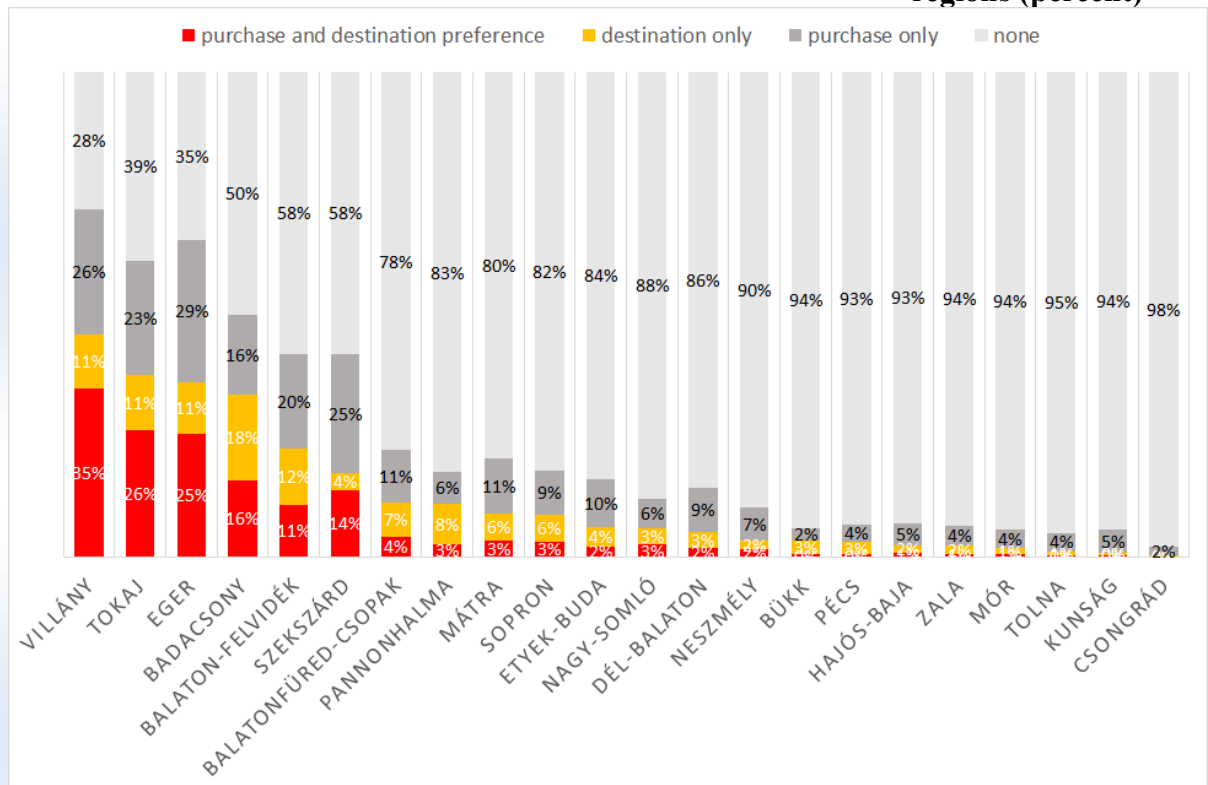


*Source: own calculation, N=8552*

## 4. CONCLUSION AND DISCUSSION

Our research can provide several consequences for wine professionals and destination managers. According to the data of the 2018 Great Wine Test in Hungary, almost every respondent (90%) is open to take part in a domestic trip primarily related to wine. 70% of respondents would spend a weekend, or 2-3 days on a domestic trip in connection with wine. Based on this, wineries and travel agencies should organize programs which should be enough to fill a weekend and to offer 2-3 days of entertainment.

Overall results show that the well-known, traditional Hungarian wine regions (Villány, Tokaj, Eger) are the most preferred wine trip destinations. This means, that wine regions, which are popular in the aspect of wine consumption are also preferred in the aspect of wine trips too. Basically, the popularity of the wine region's wines may have considerable influence on the selection of a wine region as a tourist destination. Our results are in line with Szolnoki and Totth (2018), who investigated the popularity of Hungarian wine regions as travel destinations, and found that order of preference of wine regions shows a similar pattern regarding both wine-consumption and tourist destination. However, both studies show, that this ranking could be modified by other factors. Some regions performed better than expected (e.g. Badacsony), some were below expectations (e.g. Szekszárd). Regions with less favourable results should think over what are the reasons behind that outcome (for example: natural resources, lack of tourist attractions, insufficient communication), and how could they revise that. Further research shall focus on these aspects, which could help to develop better strategies.

Wine travellers are a unique target group for tourist destinations such as wine regions and cities. Results show that those who often go on wine tours are (more) interested in wines. Similarly, those who collect wines take part in this kind of trip at least once a year (56%), so more often than the average. Among participants, those who take part in a wine tour at least

once a year, men (46%) and respondents with higher education (44%) are overrepresented. These results show that the profile of Hungarian wine tourists is in line with previous studies (Molina et al. (2015). As Alamanos et al. (2016) suggest in the case of foreign tourists, wineries and travel organizers should educate visitors about the domestic grape varieties, which can be a unique selling point. This can also be the case regarding domestic tourists, since certain wine regions also have their specific grape varieties (such as Portugieser in Villány, Juhfark in Somló, Kadarka in Szekszárd etc.).

On one hand it is important in the process of program planning to take into consideration the target group of wine enthusiasts. It is useful to create a service package for visitors that are more competent in wines. It is also worth thinking in long term and finding out how to make wine routes attractive to a wider audience. A more precise description of target groups (e.g. young adults) and organization of thematic programs would be a possible solution. Wineries should offer a package that fills a whole weekend. It could be reached with collaboration with other wineries (visiting more wine cellars) or with the application of other services (e.g. sights, excursions).

## 5. SUMMARY

In our research we investigated preferences of wine tourism destinations based on data of the 2018 Great Wine Test. Our goal was to understand how wine purchase preferences and wine trip destination preferences are linked. The novelty of our research is that it examines the entire wine market in detail unlike previous researches, which focused on only certain wine regions in Hungary. The study analyzed domestic trips primarily related to wine.

The large sample allows to get to know deeper the habits and preferences related to wine tourism. The result of our research shows that currently the people highly involved in wine are the primary participants of wine tours. This is also reflected in a significantly higher proportion of those who consider themselves as 'wine-friends', 'knowledgeable wine drinkers' or 'wine-experts'. Similarly, those who collect wines take part in bigger proportion on this kind of trip at least once a year. Among participants, who take part on a wine tour at least once a year, men and people with higher education are overrepresented.

Our results on consumer preference for wine tourism destination are in line with Szolnoki and Totth (2018). Based on their findings, consumers would prefer to visit well-known wine regions. In our research wine buying habits and preferences are related to a wine region's popularity: wine regions, from which consumers drink wines more often are the most popular destinations for wine tours. However, there are regions with non-typical characteristics, which needs special attention.

One of the limitations of our research is that the Great Wine Test is not based on a representative sample. Therefore, the results cannot be generalized automatically to the entire Hungarian population. However, the large sample partly offsets this shortcoming, because it gives an opportunity to get to know the consumer's opinions in connection with wine tourism and the basic features of a wine trip's participants.

In the context of opinions and preferences related to wine tourism, it would be worthwhile to examine several further research directions:
(1) The criteria of selecting a wine region – which are the factors that determine the favour of the destination besides the wines of the area.
(2) Detailed analysis of wine tourists – socio-demographic and other characteristics
(3) Expectations of wine trips – exploring what services are expected from wineries, wine routes, what other program should be offered for visitors

## 6. ACKNOWLEDGMENTS

## REFERENCES

Alebaki, M., & Iakovidou, O. (2011). Market segmentation in wine tourism: a comparison of approaches. *Tourismos: An International Multidisciplinary Journal of Tourism*, 6 (1) 123-140.

Alebaki, M., Menexes, G., & Koutsouris, A. (2015). Developing a multidimensional framework for wine tourist behavior: Evidence from Greece, *Wine Economics and Policy*, 4 (2) 98–109.

Alamanos, E., Kuznesof, S., & Ritson, C. (2016). The Influence of Holidays on Wine Purchasing Behaviour: Marketing and Tourism Insights Based on a Holiday Experience in Greece, *International Journal of Tourism Research*, 18: 228–235.

Angler K. (2016). „Egyedül nem megy!" Formális és informális együttműködések sikeres gyakorlatai Szekszárd borturizmusáért. ("It doesn't work alone!" Successful practices of formal and informal cooperation for wine tourism in Szekszárd) in: Ivancsóné Horváth Zs. & Darabos F. (szerk): *Turizmus és Innováció (Tourism and Innovation)* – VIII. International Tourism Conference 2016 Papers. 51-63.

Angler K. (2018). Helyi termékek szerepe a Szekszárdi borvidék gasztronómiájában, Egy borvidék – egy település marketing szempontú vizsgálata. (The role of local products in the gastronomy of the Szekszárd wine region, A wine region – marketing analysis of a settlement) in: *Generációk a Turizmusban – Tanulmánykötet (Generations in tourism - conference proceedings)*, Pécs, I. International Tourism Marketing Conference 51-61.

Bormarketing Műhely (2013). Bormarketing munkát támogató piackutatás a magyar borpiacon (Market research supporting wine marketing in the Hungarian wine market), Research report, http://www.bor.hu/20130410_friss_orszagos_fogyasztoi_kutatas_a_borrol, Accessed 3 March 2014

Brown, G., & Getz, D. (2005). Linking Wine Preferences to the Choice of Wine Tourism Destinations, *Journal of Travel Research*, 43 (3) 266-276.

Bruwer, J., Prayag, G., & Disegna, M. (2017). Why wine tourists visit cellar doors: Segmenting motivation and destination image, *International Journal of Tourism Research*, 20 (3) 1–12.

Bruwer, J., Pratt, M. A., Saliba, A., & Hirche, M. (2017). Regional destination image perception of tourists within a winescape context. *Current Issues in Tourism*, 20 (2) 157–177.

Gál L., & Gál P. (2012). *A bor kereskedelmi kultúrája (Trade culture of wine)*. Eszterházy Károly College, Eger

GFK (2008). Bor – Feltáró kutatás (Wine – Exploratory research). Research report, 1-75.

Gonda T., Máté A. & Raffay Z. (2017). A borturizmus és bormarketing kapcsolata és jó gyakorlata a Pannon Borrégióban (The connection and best practice of wine tourism and wine marketing in the Pannon Wine Region). in Bányai E., Lányi B., & Törőcsik M. (szerk.): *Tükröződés, társtudományok, trendek, fogyasztás*. Pécsi Tudományegyetem, Közgazdaságtudományi Kar: Pécs. 34-44.

Györe D. (2014). A közvetlen értékesítés szerepe az Egri borvidéken (The role of direct selling in the Eger wine region). PhD dissertation, Gödöllő. 1-151.

Hall, C. M., Cambourne, B., Sharples, L. & Macionis, N. (2000). *Wine Tourism Around the World: Development, Management and Markets*. Routledge. 1-368.

HNT (2014). Borfogyasztói szokások (Wine consumer habits). Press release, 5 November 2014

HNT (2016). Hegyközségek Nemzeti Tanácsa: Magyarország szőlészetének és borászatának helyzete – Háttértanulmány az ágazati stratégiához (Situational analysis of vineyards and wineries in Hungary - Background study for the sectoral strategy). 1-55.

Hofmeister-Tóth Á., & Totth G. (2018). Marketingkommunikáció a borágazatban (Marketing communication in the wine industry). in: Veszelszki Á. (2018). *Borkommunikáció (Wine communication)*, Századvég. 108-123.

Iwinetc (2018). International Wine Tourism Conference official website, https://www.iwinetc.com/2018hungary/, Accessed 29 January 2019

Kopcsay L. (2013). Borrendek, borutak, borvárosok, borfalvak, nyitott pincék (Wine societies, wine routes, wine towns, wine villages, open cellars). *Borászati Füzetek*. 23 (2) 23-25.

Lopes, C., Leitão, J., & Rengifo-Gallego, J. (2018). Place branding: revealing the neglected role of agro food products, *International Review on Public and Nonprofit Marketing*, 15 497–530.

Máté A. (2007). A „Pannon Borrégió" Borútjainak összehasonlító értékelése (Comparative assessment of the wine routes of the Pannon Wine Region). *Modern Geográfia*. 2 (4) 1-15.

Mezőgazdasági Múzeum (2019). Borért – Első borturisztikai kiállítás Budapesten (For Wine – First wine tourism exhibition in Budapest) http://www.mezogazdasagimuzeum.hu/esemenyek/borert-elso-borturisztikai-kiallitas-budapesten, Accessed 15 February 2019

Mikházi Zs., Sallay Á., Máté K., & Csemez A. (2018). A borturizmus múltja, jelene és jövője az Etyek-Budai borvidéken (The past, present and future of wine tourism in the Etyek-Buda wine region). *Turizmus Bulletin*. 18 (1) 4-16.

Molina, A., Gómez, M., González-Díaz, B. & Esteban, Á. (2015). Market segmentation in wine tourism: strategies for wineries and destinations in Spain, *Journal of Wine Research*, 26 (3) 192-224.

Molnár-Polányi P. (2012). *Magyar borutak (Hungarian wine routes)*. Aline Kiadó, 1-315.

Pallás E. (2016). A borturisztikai lehetőségek vizsgálata kisvállalkozások körében, a Tokaji borvidéken. (Investigating wine tourism opportunities among small businesses in the Tokaj wine region.) in: Ivancsóné Horváth Zs. – Darabos F. (szerk): *Turizmus és Innováció (Tourism and Innovation)* – VIII. International Tourism Conference 2016 Papers. 380-393.

Sarkadi E., Szabó G. & Urbán A. (2000). *Borturizmus szervezők kézikönyve (Handbook of wine tourism organizers)*. Baranya Megyei Falusi Turizmus Szövetség, Pécs.

Scorrano, P., Fait, M., Iaia, L. & Rosato, P. (2018). The image attributes of a destination: an analysis of the wine tourists' perception, *EuroMed Journal of Business*, 13 (3) 335-350.

Smyth, R. (2015). *Hungarian wine: a tasting trip to the new old world*, Somerset Books

Szabó G. (2003). A borturizmus, a borutak kialakításának tapasztalatai a Dél-Dunántúli Régió borvidékein (The experience of wine tourism and the development of wine routes in the Southern Transdanubian Wine Region) in: Kovács D. (szerk.). *A falusi turizmus hagyományai*. Mezőgazda, Budapest. 133-142.

Szolnoki G. (2018). New approach to segmenting tourists in a German wine region. *International Journal of Wine Business Research*. 30 (2) 153-168.

Szolnoki G., & Totth G. (2018). A magyar borszektor elemzése piaci és fogyasztói szempontból (Analysis of the Hungarian wine sector from a market and consumer perspective), *Borászati Füzetek*. 28 (1) Melléklet 1-30.

Tóthné Igó Zs. (2012). *Tematikus utak, borutak (Thematic routes, wine routes)*, Eszterházy Károly Főiskola, Eger. 1-72.

Várhelyi T. (2012a). *Borturizmus (Wine tourism)*. Liceum Kiadó, Eger. 1-149.

Várhelyi T. (2012b). A borturizmus és jótékony hatásai. (Wine tourism and its beneficial effects) *Turizmus Online*, http://www.turizmosonline.hu/cikk_a_borturizmus_es_jotekony_hatasai; Accessed 24 January 2019

Wachtler I. & Nagy-Kovács E. (2006): A borturizmus az Észak-Magyarországi Régióban (Wine tourism in the North-Hungarian region). *Gazdálkodás*. 50 (15 Special issue) 70-81.

# CUSTOMER PERCEPTION IN SERVICES: EMPIRICAL RESEARCH IN CULTURAL SERVICE CONTEXT

Ida Ercsey

ercsey@sze.hu, University of Győr

## ABSTRACT

The issue of perceived value has been widely discussed in marketing literature, but the cultural services did not emerge, and empirical data are scarce in this field. According to previous studies the consumer' value perception influences on the planned behaviour and the trust and commitment is the consequence of the consumer value. The objective of our research explores the relationships among the consumer value, the trust and the commitment concerning the cultural services. This article seeks to find answers to the question how do the dimensions of value to the cultural services have effect on the trust and commitment toward the cultural provider. We conducted quantitative research among 14 and 30 years old respondents. There were significant changes in cultural consumption related to young people consequently we have focused on the evaluation of young age group in the empirical research. The results show that value of the cultural service has a direct positive impact on the trust toward the provider, and it has an influence on the commitment directly and indirectly through the trust. We have found positive relationship between the trust and commitment toward the cultural provider. Another finding is that four dimensions of cultural service value have a positive direct impact on the consumer' trust, besides the six dimensions of cultural service value has a positive impact on the commitment, too.

## KEY WORDS

Perceived value, trust, commitment, factor analyses, path analyses

## 1. INTRODUCTION

The peculiarities of services necessitate special approach in case of the discussion of service production and service evaluation. The first step needed to create consumer value is that the service provider could interpret the essence of consumer value, thus the service provider could identify the most important value dimensions of its consumers, the characteristics of performance considered to be critical by consumers. These value dimensions show how the organisation can create value for its consumers by its services and this way contribute to the success of its enterprise.

Nowadays the academic sphere also pays a growing attention to the analysis of consumer value as it is one of the main indicators of long term business performance. Research on consumer value often faces the difficulty that because value is abstract and has more meanings and perception, it is not easy to define it precisely, therefore theoretical value conception needs to be valued empirically. Loyalty research also drew attention to a deeper interpretation of the characteristics of value perceived by consumers. The satisfaction of consumers alone doesn't guarantee that loyalty will be reached and enhanced, thus further analysis is needed to impede the wandering of consumers (Chen 2015). In the last years several studies dealt with the analysis of the antecedents and the consequences of perceived value as well as with the relationship among consumer value, trust and loyalty (Johnson and Grayson, 2005; Taylor et al., 2014). It is important question in management of contact between the consumer and provider; does the consumer evaluation of the services (satisfaction, quality, value) have a direct relationship with the factors of relationship quality such as trust and commitment?

The analysis of cultural service value is relevant for several reasons. Cultural organisations and cultural values play important roles in the touristic appeal of a settlement and its economic development. Gombos (2016) identified four markedly different clusters by analysing cities' cultural service supply. Out of these, central, multifunctional cities play important roles, but two other city groups have special cultural features. Besides, culture serves as a source from the viewpoint of the community's identity and values, and it also has an impact on the inhabitants' quality of life. The influence of cultural activity on subjective quality of life was examined by Ercsey (2013) referring to general quality of life and in respect to the dimensions belonging to quality of life.

Domestic marketing literature lacks such pieces of research that empirically prove the correlations among consumer value, trust and commitment in case of cultural services. This study is part of a complex research the aim of which is to contribute with its findings to the deeper understanding and evaluation of the cultural activity of Hungarian youngsters on the one hand, and on the other, to formulate recommendations regarding adaptable marketing means to organisations operating in cultural sector.

## 2. BACKGROUND

### 2.1. The meaning of the perceived value, the relationship between the perceived value and the trust

The basis for the long-term success of service providers is the lasting satisfaction of consumers, which takes place if service providers are able to create value for the consumers. Therefore, it is as vital to determine the consumer value in cultural industry like among other different services. The importance of perceived value is confirmed by those research findings that emphasised value as a good determinant of consumer loyalty in the 'quality → value → satisfaction → loyalty' chain. Higher level of customer retention contributes to the organisation's profit, thus organisations aim to build relations with customers to raise the level of trust and commitment, keeping this way their current customers.

An excellent personality of consumer value research is Holbrook (1999), whose value typology contains value's economic, social, hedonic and altruist motives as well. The author interprets value as the antecedent of purchase decision on the one hand, and on the other, as the result of experience deriving from consumption. The relation between consumers and service providers may be determinant from the viewpoint of the provision of services and for the consumer personal experience may do so.

*Perceived value* is an abstraction; Zeithaml (1988) interprets value as the consumer's assessment of a product's utility based on the perception of what we receive and what we give for it. As noted by Rekettye (2004) not objective value is of importance but the value recognised and accepted by the buyer; therefore, author illustrates perceived value as the ratio of the product's utility perceived by the consumer and the perceived consumer expenditures. According to the definitions, perceived value is based on consumer experience and means trade-off between *benefits and sacrifices* (Grönroos 2000), or between quality and sacrifices (Ravald and Grönroos 1996). Consumer sacrifice can be divided into financial and psychological sacrifices (Dodds et al. 1991). According to this conception, the financial sacrifice is price; the psychological sacrifices are time, effort, risk and discommodity.

The supporters of utilitarianism have a similar way of thinking as they refer to perceived service quality and psychological benefit as consumer benefits and they divide sacrifices to financial and nonfinancial components (Zeithaml 1988). A greater benefit or a lower sacrifice must be provided to the consumer so that the consumer resorts to the service and then to become a re-buyer.

Model of consumer value from Zeithaml (1988) was adapted for examination of different products and services. There were revealed the service value based on the consumers' evaluation of service quality and perceived sacrifice to several services: fast food, entertainment, participation sports, spectator sports, health care, long distance telephone services (Cronin et al. 1997; 2000).

Recent studies have pointed out that good quality and consumer satisfaction are not enough to raise the profit of enterprises; but loyalty should be in the centre. In the literature of relationship marketing several studies build on the 'trust → commitment → loyalty 'theory of Morgan and Hunt (1994).

*Trust* is 'confidence in an exchange partner's reliability and integrity' (Morgan and Hunt 1994. p. 23.). Trust includes trustworthiness, honesty, authenticity and keeping promises. Based on studies dealing with the examination of trust, we can distinguish two dimensions of trust, which are based on a rational evaluation process and an emotional response rose from service interactions (Johnson and Grayson 2005; Parayitam and Dooley 2009). The first dimension of trust is known as cognitive trust. This trust is objective in nature and knowledge-based and responds to the question whether the other party can be trusted (Zur et al. 2012). In other words, can we trust the service provider based on its expertise, authenticity and reliability? The other dimension is called affect-based trust which is subjective in nature and is based on the feelings, moods, and emotions of the consumer (Guenzi and Georges 2010; Lewis and Weigert 2012). It reflects the attitude towards the service provider company or the staff, which derives from the courteous, friendly and pleasant behaviour of the staff representing the company. It also reflects benevolence the basis of which is quality and the characteristics attributed to the other party, which refer to the caring for the customers, and to the willingness to make sacrifices that exceed the limits of purely profit-oriented thinking (Rempel et al. 1985).

Last decade more pieces of research engaged in the examination of the antecedents and consequences of the perceived value, the relationship among the service value, trust, commitment and loyalty. According to the research results on service sector the consumer perceived value directly influences on trust to provider (Gefen 2003; Sur 2011). Online shopping context, the belief set of trust is directly influenced by the service value (Sur, 2011).

In the current context, the value of cultural service is significant factor in building of trust to cultural provider. This potential relationship between the service value and the trust results in the following hypothesis:

*H1: The value of cultural service has a positive direct impact on trust in the service provider.*

## 2.2. Relationship between the perceived value and the commitment

Trust is seen as the antecedent of commitment, which raises the importance of the role of trust in relationship marketing. Consumers are usually reluctant to commit themselves, except when they trust in the service provider's ability to meet their demands in the future (reliability); and when they trust in the service provider's willingness to avoid any behaviour that can be disadvantageous for consumers (benevolence). *Commitment* means the involvement, the strong bond, and the affection related to the service. Commitment is 'willingness or desire to maintain the valued relationship in the future' (Moorman et al., 1992).

Previous brand research demonstrated that commitment is included in the widely interpreted definition of loyalty (Prónay 2011). Based on this, commitment means positive attitude towards brand together with a relatively low frequency of repurchase. The frequency of using cultural services can be interpreted in a relative way. In case of cultural consumption, looking for manifoldness can also be found among motivational factors, therefore commitment gains weight.

Commitment has three dimensions: affective, calculative and normative (Bansal et al. 2004). The affective commitment reflects identification with and involvement in others' purposes and values. The calculative commitment based on economic that depends on the benefits of the service, the switching costs and lack of attractive alternative providers. Normative commitment results in consumers staying with a service provider because they feel they ought to. The three or two dimensions of commitment may exist in simultaneous considerations at consumers.

Verhoef (2003) and Johnson et al. (2006) conclude there is important role in emergence of the commitment the comparison of the delivered service quality and price that appears in the consumer' perceived value. The perceived value of bank services (Aurier et al. 2010) and different online services (Sur 2011) have a positive influence on stable preference to the provider which resulted commitment to the provider. The value of service bought by online channel gave direct positive effect to commitment to the provider therefore the online buyer was motivated in the maintenance of the relationship. Consistent with these findings, we hypothesize the following:

*H2: The value of cultural service has a positive direct impact on the commitment to the service provider.*

## 2.3. Relationship between the trust and the commitment

The complexity of the relationship between trust and commitment is supported by those studies that revealed the moderating impact of migration cost and that of the relationship's quality (Sharma and Patterson 2000; Kumar et al. 2008). In relationship marketing, the 'satisfaction → trust → commitment' causal chain is used to examine services and products in B2B and B2C markets (Morgan and Hunt 1994¸ Garbarino and Johnson 1999).

Commitment is reinforced by the trust beliefs of integrity, competence, and benevolence. In case of online shopping the trust is vital because the perceived risk is very much (Sur 2011). These empirical results show that commitment is influenced by both constructs, perceived value and trust, too. But it is observed that direct effect of perceived value on the commitment is higher than effect of trust.

The trust in provider and the commitment to service provider is especially important in market of maintenance services. The auto-repair consumers were asked in a survey by authors (Bansal et al. 2004) and the consumers' trust in auto-repair provider resulted in positive direct effect on the emotional bond, the affective commitment. The association between trust and commitment was investigated with respect to an American cultural corporation. Authors found significant relationship between trust and commitment at the members of segment have durable connection with the repertoire theatre in New York (Garbarino and Johnson 1999).

Consequently, the trust is the central factor of the commitment. We suppose there is relationship between two factors in case of cultural services.

*H3: Trust in the service provider has a direct positive impact on commitment.*

*The research model of the relations among consumer value, trust and commitment as well as the drafted hypotheses can be seen in Figure 1.*

**Figure 1. The research model of the consumer value – trust – commitment relationship**
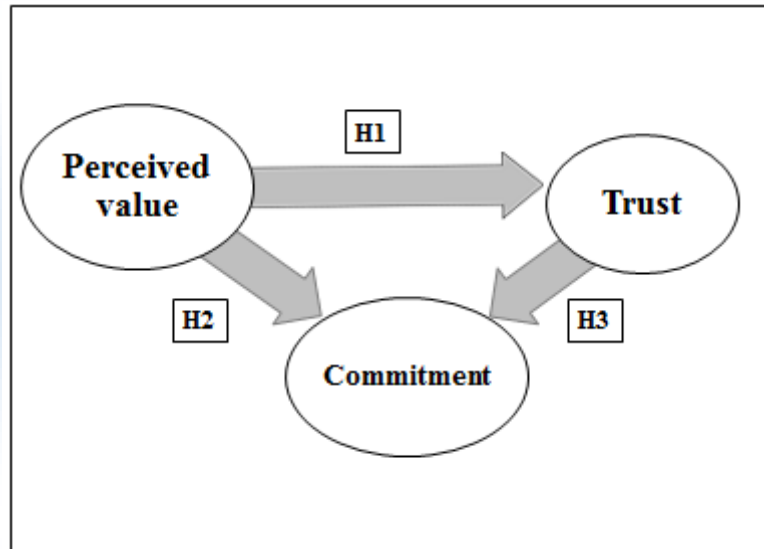


*Source: own compilation*

## 3. METHODOLOGY

The analysis of the value of cultural services is timeous for more reasons. There are significant differences among the member states in the EU regarding the consumption structure of the households; and these differences derive from the different economic and cultural state of development as well as the specialties of lifestyles. In Hungary in 2015 the biggest difference in the level of expenditures was in case of the sums spent on culture and entertainment. The poorest households belonging to the lowest income quintile spent 33.6%, while the richest ones belonging to the highest income quintile spent 290.8% on culture and entertainment based on the level of per capita monthly consumption related to the average (KSH 2016). In the meantime, the rate of expenditures on food is relatively lower among households with higher income (Keller and Dernóczy-Polyák 2015).

In international marketing literature, more pieces of research focus on the analysis of the consumer value of products and services. However, a research revealing the evaluation mechanisms of using cultural services is still missing. This study extends the research of perceived value to the analysis of cultural services. Perceived value is the consumer's subjective opinion on to what extent the service meets the consumer's demands, so service providers need to focus on the knowledge of such factors that represent recognised value in the opinion of the target consumer group. Perceived value is consumer-specific, changes over time, and affects the consumer's satisfaction and the purchase intention.

Having evaluated the services, more pieces of research came to the conclusion that the satisfied consumer doesn't mean that the given service has 'good value'. The perceived value must be revealed in case of cultural services. In the analysis of services' perceived value, previous research found the 'what I gave, what I got' way of thinking as well as the evaluation related to the customer's subjective requirements (Ercsey 2014). Former pieces of research prove that consumer's value perception has an impact on their future behaviour intention, and that trust and commitment are the consequences of consumer value.

### 3.1. The methodology of quantitative research

In connection with the measuring of cultural services' perceived value the question arises whether to examine cultural activities in a wide or a narrow sense as well as to involve adult population or just a part of it in the survey. It makes one think whether the prolonged youth

period, the strong individualism of youngsters, the increase in the number of years spent in education, as well as the postponement of employment cause change in cultural activity. A former research (Bauer 2006) dealing with the cultural habits of youngsters (15-29 year olds) states that there is a significant difference in the nature and the frequency of cultural consumption of youngsters living in the capital and in small settlements. The number of youngsters visiting places of elite culture is very low in case of all three age groups (15-19 year olds, 20-24 year olds, and 25-29 year olds) within the given age-class. Analysing the sites where culture can be accessed, Hunyadi (2004) states that the past 10-15 years have seen a significant change as the role of home and open spaces has increased compared to traditional cultural institutions.

Based on the findings of the exploratory research it can be stated that in the evaluation of the usefulness of cultural programs there are significant differences based on age and education. Consequently, when examining perceived value, we have to divide the target group of youngsters into three age groups: the categories of 14-18 year olds, 19-25 year olds and 26-30 year olds. The target population of our research is the population of a Hungarian region between the ages of 14 and 30, who take part in any kind of cultural activity. The applied sampling method is not random, but quota sampling and the applied control characteristics are: age and place of living. The sample size of the survey conducted in 2014 is 318 respondents, the 53 percent of whom were women and the rest of them were men. 26 percent of the respondents live in a chief town of a county, where there are more opportunities for several kinds of cultural activity than in smaller rural towns (39%) and in villages (35%). The age composition of the sample is as follows: 33 percent (104 respondents) from the age group of 14-18 year olds, 33 percent (106 respondents) from the age group of 19-25 year olds and 34 percent (108 respondents) from the age group of 26-30 year olds.

To get deeper and greater understanding of consumer evaluations during quantitative research we must focus on the very last cultural activity used by the respondents. A significant part of the respondent youngsters watched a movie (42%), took part in theatrical performance (31%), went to popular music concert (8.5%), went to a festival (12.5%), and only a few respondents indicated library (3%), museum (2%), and classical music concert (1%).

## 4. RESULTS

*The analysis of the relationship among perceived value, trust and commitment; the testing of H1, H2 and H3 hypotheses*

In our study we deal with the relationship between trust and commitment, focusing on cultural services. Our assumption is that perceived value as an antecedent leads to trust in and commitment to the cultural service provider.

Using a two-element scale to measure general *perceived value* regarding cultural activity ('Considering what I received and what I gave, my opinion is positive', 'It met my needs and requirements'). We performed principal component analysis, and reducing dimensions resulted in one value factor. The values of KMO (0.601) and Bartlett test (99.497, Sig.=0.000) meet the requirements (Malhotra 2010, p.638.). The correlation between the two variables is also adequate, r=0.560. With the help of the service value factor obtained this way we can explain 77.996 percent of the variance, which is an acceptable value in social sciences. The average belonging to the cultural service value factor is 4.15 (dispersion=0.727), which shows the good qualification of used cultural services (*Table 1*).

*Commitment* means positive attitude towards the cultural service provider and the fact that the given service provider is promoted over other service providers' heads. To measure commitment, it was drawn up the following statements: 'I am strongly attached to the institution I like; The quality level of the institution is better compared to that of other service providers'.

By applying principal component analysis, we got one factor referring to the commitment to the cultural service provider (KMO=0.601 and Bartlett test=44.187, Sig.=0.000). The correlation between the two variables is also adequate, r=0.585. The obtained factor explains 64.270 percent of the variance, which meets the required threshold of 60 percent. The commitment of youngsters to the cultural service provider is lower than the data received for the cultural service's value; the average is 3.58, and the dispersion is 0.726 (*Table 1*).

In the present research, the cognitive dimension of *trust* in the organisation was measured; this credibility-based trust represents ability dimension. Two items ('The institution-event organiser always keep their promises', 'The institution-event organiser is always honest') were adapted from Morgan and Hunt (1994) for the measurement. The requirement of the cultural consumer is built, on the one hand, on the written or oral promise of the cultural service provider, and on the other hand, on the ability and the intention of the service provider to provide trustfully and to behave predictably and honestly. The basis of trust is that the consumer and the service provider value each other's credibility and benevolence, thus at least one of them must have information about the previous behaviour and promises of the other (Doney and Cannon 1997). From the viewpoint of the formation of trust, information-searching process, which precedes decision and takes place along different channels, has an important role. By applying principal component analysis, we got one factor referring to the trust of youngsters in cultural service providers. The values of statistical indicators (KMO=0.501 and Bartlett test=130.525, Sig.=0.000) prove the appropriateness of factor analysis method. The measure of correlation between the two variables is also adequate, r=0.620. The obtained factor explains 81.024% of the variance, which exceeds the expected limit of 60 percent. The average value of trust in cultural service provider is medium (3.68) with a relatively high dispersion (1.3698), (*Table 1*).

**Table 1. Descriptive statistics of the perceived value, trust, and commitment factors**

| Factor | Mean | Standard deviation |
|---|---|---|
| **Perceived value** | 4.15 | 0.727 |
| **Trust** | 3.68 | 1.3698 |
| **Commitment** | 3.58 | 0.726 |

*Source: own compilation*

It is important question, whether 'the perceived value → trust → commitment' relation system is valid in the context of cultural services. In the relation system we reveal direct and indirect relations by applying path analysis. This research extends the measurements to two levels in order to know the impacts in more details. First, this paper introduces the correlations among the general value of cultural service, trust and commitment, and then this research examines the relations among value factors, trust and commitment. With regard to direct impacts, it can be stated that there are positive impacts among latent main components. Based on the findings of path analysis, we can say that trust in the service provider ($\beta$=0.393) has a greater impact on the commitment to the cultural service provider than perceived value has ($\beta$=0.334). Perceived value has a direct impact on trust, and its measure is weaker than medium ($\beta$=0.402). A summary of the results appears in *Table 2*. The value of cultural service has both a direct and indirect impact on commitment. Total impact is the sum of indirect impact ($\beta$=0.334) and direct impact – through trust, 0.361x0.458=0.166. The total impact of value on commitment (0.499) is slightly higher compared to indirect impact.

**Table 2. The relationship among the value of cultural service, trust and commitment**

| Antecedents | Consequences | β (Sig.) |
|---|---|---|
| Perceived value | Trust | 0.402 (t=5.489; Sig.=0.000) |
| Perceived value | Commitment | 0.334 (t=3.720; sig.=0.000) |
| Trust | Commitment | 0.393 (t=2.828; sig.=0.005) |
| Perceived value → Trust → Commitment | | 0.361 (t=3.056; Sig.=0.041) <br> 0.458 (t=5.675; Sig.=0.000) |

*Source: own compilation based on findings*

All of these mean that the value of cultural service affects commitment to service provider both alone and through other variables as well, thus final impact includes the positive impact of the intermediate variable, trust. It can be seen that the value of the coefficient of determination expressing explanatory power is 24.9 percent in case of commitment, so the value of cultural service explains commitment in a measure of 24.9 percent. To determine the level of explanatory power of this result, we have to consider that 20 percent is valued as a high threshold in case of analyses regarding consumer behaviour (Hair et al. 2014). Further literature about methodology also proves this: 'If we seek for correlations among the elements of a thinking scheme, an explained rate above 20 percent can be considered a very good result' (Székelyi and Barna 2002, p. 311.).

Subsequently, the value of cultural service used is critical factor in the evaluation of the honest behaviour of the cultural provider. The consumer, who trusts in the cultural organization, tends to reserve the relationship with it.

*Our assumption can be proved, as the value of cultural service has a direct positive impact on trust in service provider, therefore hypothesis H1a can be confirmed. The value of cultural service has a direct and indirect (through trust) impact on commitment, thus hypothesis H1b is accepted. Trust in cultural service provider has a direct positive impact on commitment, so we found general support for H2 hypothesis.*

In previous studies the relationship among trust, value and commitment was analysed. Cognitive trust resulted in more powerful impact in utilitarian sectors, like bank services (Chai et al. 2015). Research conducted in the banking sector (Aurier and N'Goala 2010) found direct positive impact between trust and commitment. However, the direct correlation between the perceived value of bank service and relational commitment is more moderate. Chai et al. (2015) measured the correlation between cognitive and utility value as well as between affective trust and hedonist value separately. Among bank customers, cognitive trust's impact proved to be more powerful.

## 5. CONCLUSIONS

This empirical research is part of a bigger and long-term research in which the analysis of a relatively less-researched topic has appeared. The issue of perceived value has been widely discussed in marketing literature, but cultural services did not emerge, and empirical data are scarce in this field. According to previous studies, the consumers' value perception influences the planned behaviour and the trust, and commitment is the consequence of the consumer value.

Based on the research findings we make some recommendations for the actors of cultural sector. The maintenance and the rise of cultural service value have a key role in the trust in the service provider and in commitment.

The cultural institutions operate in a competitive environment, so it is crucial to explore the level of perceived value related to cultural services, the factor of trust and commitment to the cultural corporations. The qualitative information contributed understanding of experiences

and elements used cultural services by young people. The results of quantitative research show different levels of cultural service value, the trust and the commitment to cultural provider.

Successful organization focuses on consumer value. Since competitive environment in cultural industry changes dynamically, the cultural institutions should concentrate on the key factors.

The analysis of trust and commitment means a serious challenge in case of cultural services. Usually there is no contractual relationship between the cultural service provider and the consumer, opposite to e.g. banking and insurance sector or communication sector. The relation system can be further modulated if we take into consideration whether the consumers use the service at the early or late stages of the relationship. The researches findings help understand which factors form commitment and this way how it can be improved. Building trust and providing good value are also important in the formation of commitment. Trust-building strategies, therefore, must focus on the cultural consumers' trust in the service provider.

A contribution of this article is the extension of the service value literature to cultural industry. The research provides valuable insights into how the service value has direct impact on trust and commitment in cultural service context. Both the non-profit marketing area and the cultural sector can benefit from the exploration of the consequences of service value.

This research has more limitations which open avenues for future research. The first one is the restriction of the research to cultural services. In the evaluation of cultural services both affective and cognitive elements are important. In the cultural sector the range of services is wide and the context of the research makes the findings valid to the whole sector. Secondly, we conducted cross-sectional research, however, commitment is seen a dynamic process. Therefore, a longitudinal research would be necessary to understand trust and commitment to the service provider in a deeper way. Thirdly, this study refers to the classical service providing environment. We cannot neglect that using IT and its role are more and more important in the cultural consumption of the young generation. The extension of the analysis of service value to other target groups requires further research, which would enable value-based segmentation in the market of cultural services.

## 6. ACKNOWLEDGMENT

**REFERENCES**

Aurier, P. & N'Goala, G. (2010). The differing and mediating roles of trust and relationship commitment in service relationship maintenance and development, *Journal of the Academy of Marketing Science*, 38(3), 303–325.

Bansal, H.S., P.G. Irving, S. F., Taylor (2004). A three-component model of customer commitment to service providers. *Journal of the Academy of Marketing Science*, 32(3), 234–50.

Bauer, B. (2006). A fiatalok művelődési szokásai. *Új Ifjúsági Szemle.* 27-36.

Chai, J.Ch.Y., Malhotra, N.K., Alpert, F. (2015). A two-dimensional model of trust-value-loyalty in service relationships, *Journal of Retailing and Consumer Services*, 26, 23-31.

Chen, S. (2015). Customer value and customer loyalty: Is competition a missing link? *Journal of Retailing and Consumer Services*, 22, 107–116.

Cronin, J.J., Brady, M.K., Hult, G.T.M. (2000). Assessing the effects of quality, value, and customer satisfaction on consumer behavioural intentions in service environments. *Journal of Retailing*, 76(2), 193–218.

Cronin, J. J., Brady, M.K., Brand, R.R., Hightower Jr, R., Shemwell, D.J. (1997). A Cross-Sectional Test of the Effect and Conceptualization of Service Value. *Journal of Services Marketing,* 11(6), 375–391.

Dodds,W.B., Monroe, K.B., Grewal, D. (1991). Effects of Price, Brand and Store Information on Buyers' Product Evaluations, *Journal of Marketing Research*, 28(3), 307-319.

Doney, P.M. & Cannon, J.P. (1997). An examination of the nature of trust in buyer – seller relationships. *Journal of Marketing*, 61, 35–51.

Ercsey, I. (2013). A szubjektív életminőség és a kulturális fogyasztás vizsgálata marketing nézőpontból, *Tér Gazdaság Ember,* 1(2), 117-145.

Ercsey, I. (2014). Közös az értékteremtés a kulturális szektorban? *Marketing & Menedzsment,* XLVIII(3), 36-46.

Garbarino, E. & Johnson, M.S. (1999). The different roles of satisfaction, trust and commitment in customer relationships, *Journal of Marketing*, 63(2), 70-87.

Gefen, D., Karahanna, E., Straub, D. W. (2003). Trust and TAM in Online Shopping: An Integrated Model, *MIS Quarterly*, 27(1), 51-90.

Gombos, Sz. (2016). A kulturális szolgáltatások kínálata közötti különbségek a magyarországi tízezer feletti városokban, *Területi Statisztika*, 56(5), 565-587.

Grönroos, C. (2000). *Service management and marketing: A customer relationship management approach,* John Wiley - Sons Ltd. Chichester

Guenzi, P. & Georges, L. (2010). Interpersonal Trust in Commercial Relationships: Antecedents and Consequences of Consumer Trust in the Salesperson, *European Journal of Marketing,* 44(½), 114–38.

Hair, J.F., Hult, G.T.M., Ringle, C.M., Sarstedt, M. (2014). *A Primer on Partial Least Squares Structural Equation Modelling (PLS-SEM)*. Thousand Oaks, CA: Sage.

Holbrook, M. B. (1999). *Consumer Value: A Framework for Analysis and Research.* New York: Routledge.

Hunyadi, Zs. (2004). *A fesztiválok közönsége, helye, szerepe a kulturális fogyasztásban,* MTA Szociológiai Kutató Intézet, 1-23.

Johnson, D. & Grayson, K. (2005). Cognitive and affective trust in service relationships. *Journal of Business Research*. 58(4), 500–507.

Johnson, M.D., Hermann, A., Huber, F. (2006). The evolution of loyalty intentions. *Journal of Marketing*, 70(2), 122-132.

Keller, V. & Dernóczy-Polyák, A. (2015). Sustainable health – emotional eating or cognitive control? *Tér, Gazdaság, Ember,* 4, 63-90.

KSH, Statisztikai Tükör. A háztartások fogyasztása, available at: http://www.ksh.hu/docs/hun/xftp/stattukor/haztfogy/haztfogy1512.pdf (accessed 2016. 04. 08.)

Kumar, V., George, M., Pancras, J. (2008). Cross-buying in retailing: Drivers and consequences. *Journal of Retailing*, 84(1), 15–27.

Lewis, J. D. & Weigert, A.J. (2012). The Social Dynamics of Trust: Theoretical and Empirical Research, 1985–2012. *Social Forces*, 91(1), 25-31.

Malhotra, N. (2010). *Marketing research.* New Jersey: Pearson.

Moorman, C., Zaltman, G., Deshpande, R. (1992). Relationships between Providers and Users of Marketing Research: The Dynamics of Trust within and between organizations. *Journal of Marketing Research,* 29, 314–329.

Morgan, R.M. & S.D. Hunt (1994). The Commitment-Trust Theory of Relationship Marketing, *Journal of Marketing*, 58(3), 20-38.

Parayitam, S. & Dooley, R. S. (2009). The Interplay between Cognitive- and Affective Conflict and Cognition- and Affect-Based Trust in Influencing Decision Outcomes, *Journal of Business Research*, 62(8), 789-796.

Prónay, Sz. (2011). A fogyasztás mint az identitás (ki)alakítója. *Marketing & Menedzsment.* 45(3), 21–31.

Ravald, A. & Gronroos, C. (1996). The value concept and relationship marketing, *European Journal of Marketing,* 30(2). 19-30.

Rekettye, G. (2004). Az érték a marketingben, *Marketing & Menedzsment*, XXXVIII(2), 6- 17.

Rempel J.K., Holmes, J.G., Zanna, M.P. (1985). Trust in close relationships. *Journal of Personality and Social Psychology*, 49(1), 95–112.

Sharma, N. & Patterson, P. G. (2000). Switching costs, alternative attractiveness and experience as moderators of relationship commitment in professional, consumer services. *International Journal of Service Industry Management*, 11(5). 470-490.

Sur, S. (2011). Loyalty Relationships in technology-based Remote Service Encounters, *Journal of Services Research*, 11(2), 121-134.

Székelyi, M. & Barna, I. (2002). *Túlélőkészlet az SPSS-hez. Többváltozós elemzési technikákról társadalomkutatók számára.* Budapest. Typotex

Taylor, S., Donovan, L., Ishida, Ch. (2014). Consumer Trust and Satisfaction in the Formation of Consumer Loyalty Intentions in Transactional Exchange: The Case of a Mass Discount Retailer, *Journal of Relationship Marketing*, 13(2), 125-154.

Verhoef, P.C. (2003). Understanding the effect of customer relationship management efforts on customer retention and customer share development. *Journal of Marketing,* 67(4), 30-45.

Zeithaml, V.A. (1988). Consumer Perceptions of Price, Quality and Value: A Means-End Model and Synthesis of Evidence, *Journal of Marketing,* 52(3), 2-22.

Zur, A., Lecki, C., Webster, C.M. (2012). Cognitive and affective trust between Australian exporters and their overseas buyers, *Australasian Marketing Journal*, 20. 73-79.

# THE EXAMINATION OF QUALITY OF LIFE IN THE CONTEXT OF TRANSFORMATIVE SERVICES

Ida Ercsey

ercsey@sze.hu, University of Győr

## ABSTRACT

This study presents a theoretical overview about the examination of quality of life in the context of transformative services. Transformative service research (TSR) represent a research that focuses on creating "uplifting changes" aimed at improving the lives of individuals, families, communities, society and the ecosystem. In TSR the indicators of increasing and decreasing well-being are investigated. Researchers have emphasized on assessing different aspects of well-being, such as physical health, mental health, financial well-being. Furthermore, both objective and subjective factors were measured in the relationship between the transformative services and well-being outcomes. According to the international literature can be distinguished two types of well-being: eudaimonic and hedonic. Author has discussed the upcoming concepts quality of life and well-being. The previous international and Hungarian results in different transformative service researches are evaluated. Finally, the purposes for further research are formulated.

## KEYWORDS

Transformative services, well-being, quality of life, co-creation, coproduction

## 1. INTRODUCTION

Transformative service research is particularly relevant in health care where the provider and customer can contribute to individual and societal well-being (Anderson et al. 2013; Ozanne and Anderson 2010).

First this paper presents the concept of transformative service research, then it emphasises on health issues in transformative service research.

## 2. CONCEPTUALIZATION OF TRANSFORMATIVE SERVICE RESEARCH

First Anderson (2010) conceptualized the transformative service research (TSR). Although the concept ''transformative service research'' is relatively new, there has been intensified interest in the service community in realising research that examines the relationship between the service and well-being.

### 2.1. Transformative service research and transformative value

TSR means research that focuses on creating ''uplifting changes'' aimed at improving the lives of individuals (both consumers and employees), families, communities, society, and the ecosystem more broadly (Anderson et al. 2013). What distinguish TSR from the traditional service research? In traditional service research authors focus on service quality, customer satisfaction, buying intention and loyalty. But, services basically affect people' lives and well-being as individuals, families, employees, and communities. This concept also looks at factors that increase and decrease well-being in target audiences. Anderson et al. (2013) and Rosenbaum et al. (2011) made an overview about previous themes of TSR. These papers concentrated on evaluating different aspects of well-being, such as physical health (objective

and subjective perceptions), mental health (e.g., burnout, resilience, and stress), financial wellbeing, discrimination, marginalization, literacy, inclusion, and access.

Blocker and Barrios (2015) defined *transformative value* as a ''social dimension of value creation that illuminates uplifting changes among individuals and collectives in the marketplace'' (p. 265). Researchers examined the collective level of community and emphasized on social transformation. They explored the transformative value creation within the micro- and macro-level social structure spheres. Their research context of the Church Under the Bridge, a religious service that assists the homeless and non-vulnerable populations, too. Authors viewed transformation as occurring when actors ''make new, imaginative choices to challenge dominant'' social patterns (Blocker and Barrios, 2015. p. 268).

## 3. FOCUS ON HEALTH IN TRANSFORMATIVE SERVICE RESEARCH

The increase in the average life expectancy of human beings means that more than one in eight people in the world is 60 years of age or older (Ho, 2019). It is estimated that by 2030, one in six people will be 60 years old or over (United Nations, 2015). Increasing the proportion of elderly people gives the possibility of creating new business as a "silver market." The health care services are very important for elderly people but development in medical technology is a challenge for them. This section first shows the aging tendencies in international and Hungarian terms. Next the main issues in transformative service research are discussed in health service context.

### 3.1. Aging and health care services

The populations all countries are growing older. In 2018, for the first time persons aged 65 years or over outnumbered children under five years of age worldwide. Between 2019 and 2050, the number of persons aged 65 or over is projected to more than double. The overall numbers of males and females globally are about equal, women outnumber men at older ages. In 2019, women comprise 55 per cent of those aged 65 years or over and 61 per cent of those aged 80 years or over globally. At the global level in 2019, approximately nine per cent of people are aged 65 or over. Europe and Northern America have the most aged population in 2019, with 18 per cent aged 65 or over, followed by Australia, New Zealand (16 per cent) (United Nations, 2019). People aged 65 or over make up the world's fastest growing age group. Asia has the highest proportion of elderly people in the world, with over 50% of the world's elderly population living there. Countries need to plan for population ageing and ensure the well-being of elder persons by ensuring access to appropriate health care services. Table 1 shows the percentage of population aged 65 years or over.

**Table 1. Percentage of population aged 65 years or over for the world[2]**

| Region | 2019 | 2030 | 2050 | 2100 |
|---|---|---|---|---|
| **World** | 9.1 | 11.7 | 15.9 | 22.6 |
| Sub-Saharan Africa | 3.0 | 3.3 | 4.8 | 13.0 |
| Northern Africa and Western Asia | 5.7 | 7.6 | 12.7 | 22.4 |
| Central and Southern Asia | 6.0 | 8.0 | 13.1 | 25.7 |
| Eastern and South-Eastern Asia | 11.2 | 15.8 | 23.7 | 30.4 |
| Latin America and the Caribbean | 8.7 | 12.0 | 19.0 | 31.3 |
| Australia/New Zealand | 15.9 | 19.5 | 22.9 | 28.6 |
| **Oceania*** | 4.2 | 5.3 | 7.7 | 15.4 |

[2] SDG regions and selected groups of countries, 2019, 2030, 2050 and 2100, according to the medium-variant projection

| Region | 2019 | 2030 | 2050 | 2100 |
|---|---|---|---|---|
| Europe and Northern America | 18.0 | 22.1 | 26.1 | 29.3 |
| Least developed countries | 3.6 | 4.2 | 6.4 | 15.3 |
| Land-locked Developing Countries (LLDC) | 3.7 | 4.5 | 6.4 | 16.8 |
| Small Island Developing States (SIDS) | 8.7 | 11.9 | 16.1 | 23.7 |

*Source: World Population Prospects 2019. United Nations, Department of Economic and Social Affairs, Population Division (2019). (\* excluding Australia and New Zealand)*

Population pyramids (see Figures 1 and 2) show the distribution of the population by sex and by five-year age groups. Each bar corresponds to the share of the given sex and age group in the total population. In 2018, the EU-28 population pyramid was narrow at the bottom and was becoming more like a rhomboid due to the 'baby boomer' cohorts resulting from the high fertility rates in several European countries in the mid-1960s. These 'baby boomers continue to represent a major part of the working-age population. The first of these large cohorts born over a period of 20–30 years are now reaching retirement age, as illustrated by the comparison with the 2003 population pyramid. The 'baby boom' bulge is moving up the population pyramid, leaving the lower part of the working-age population and the base narrower — as can be seen in Figure 1.

**Figure 1. Population pyramids, EU-28, 2003 and 2018 (% of the total population)**
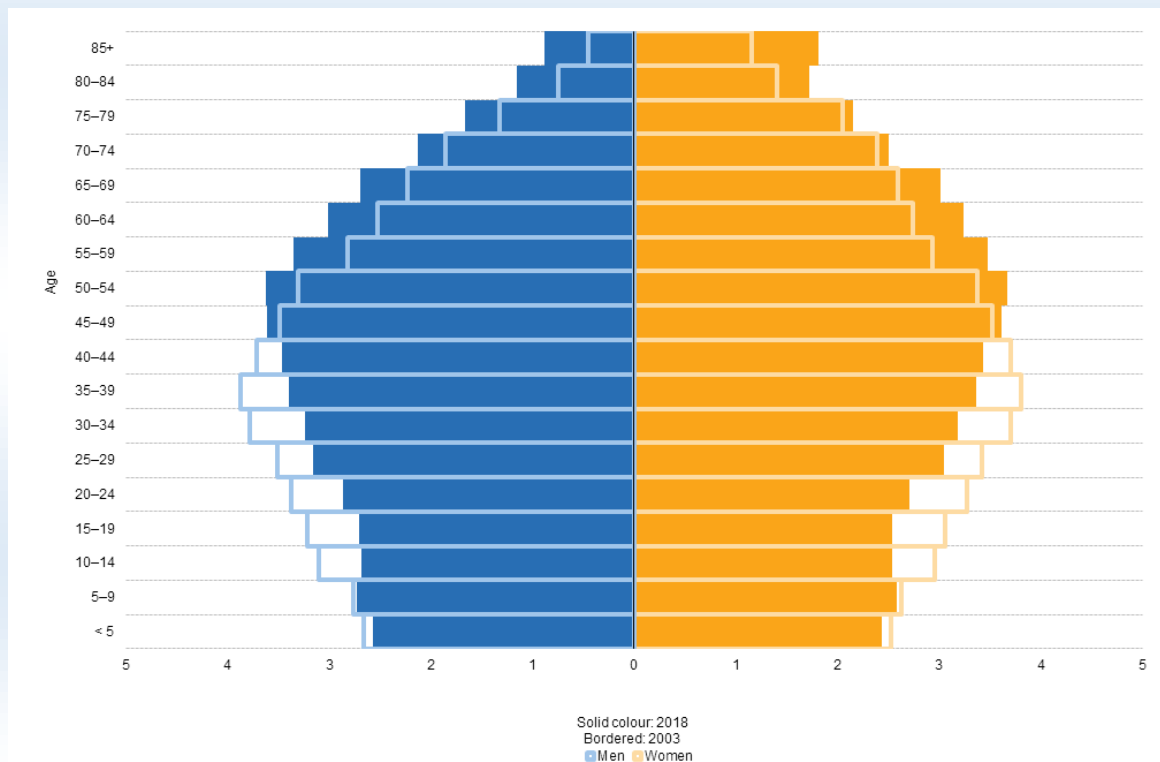


*Source: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=File:Population_pyramids,_EU-28,_2003_and_2018_(%25_of_the_total_population).png*

In Hungary the analysis also points out that the increase in the proportion of older people and the continuous decrease in the number of births, it has to face immensely difficult, long-term challenges (Figure 2). The proportion of older people continued to grow from 13.2% to 19.4%. The aging of the population is clearly shown by the fact that since 2006 there are elder people than children in Hungary. It is also the bottom of a longer-term trend, with forecasts

showing steady and significant increases in the future, states the KSH study, which shows that the already rising dependency ratio will increase significantly in the coming years.

**Figure 2. Population pyramid, Hungary, 2019, (% of the total population)**



*Source: https://www.populationpyramid.net/hungary/2019/*
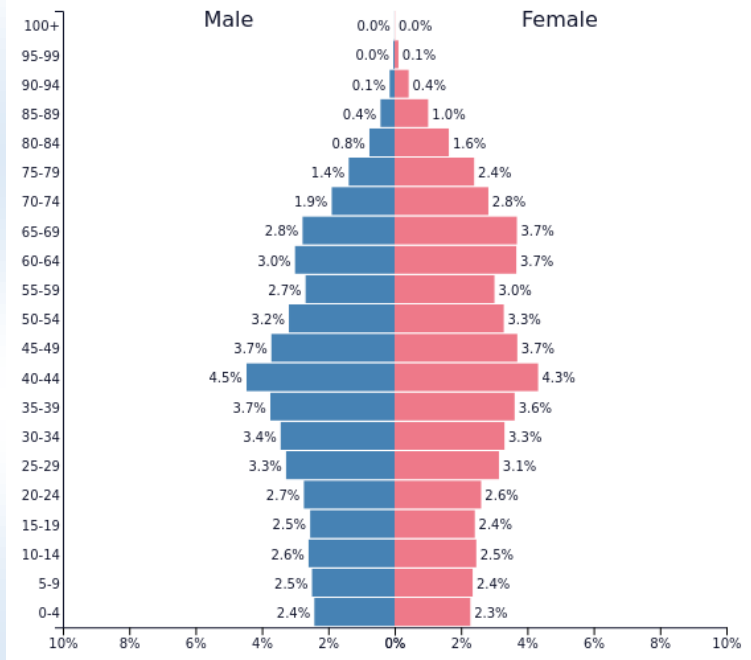
A typical service for elderly people used be the medical care services. They suffer from their inability to adapt to social changes and the development of information and communication technology (ICT). It is desirable to provide services that will benefit the entire community through support of the elderly. To create a future of abundant life, it is necessary to promote research into the design of services that will create value, transforming the community through the support of the elderly.

TSR was of particular interest to the developed western countries. This topic has received less attention in Asian and Central and Eastern European countries.

### 3.2. Quality of life and well-being: output of the transformative service research

In general service researchers have emphasized on exploring different outcomes, such as satisfaction, loyalty, repurchase intentions, and word of mouth. These research topics are managerially relevant outcomes but they have little impact on customer welfare. However, TSR's focus on customer well-being, quality of life and health outcomes.

In TSR literature some authors applied quality of life measures and more of them investigated well-being dimensions. This paper we discuss the research papers which contain also empirical researches. Yao et al. (2015) used quality of life indicators and explored the relationship between the social supports and quality of life. The researchers identified four online social supports and they found that the emotional support influenced all three quality-of-life indicators: physical, psychological, and existential. In the healthcare service context, Sweeney et al. (2015) identified three categories of customer efforts in value creation activities which positively influence customers' quality-of-life as well as satisfaction and behavioral intentions. Their study demonstrated that quality of life as an outcome of the customer's efforts while involving in value creation activities. It can be assumed that there is an association between quality of life and transformation. Figure 3 presents the main focuses of transformative service research and quality of life.

73

**Figure 3. Focuses of TSR and quality of life**
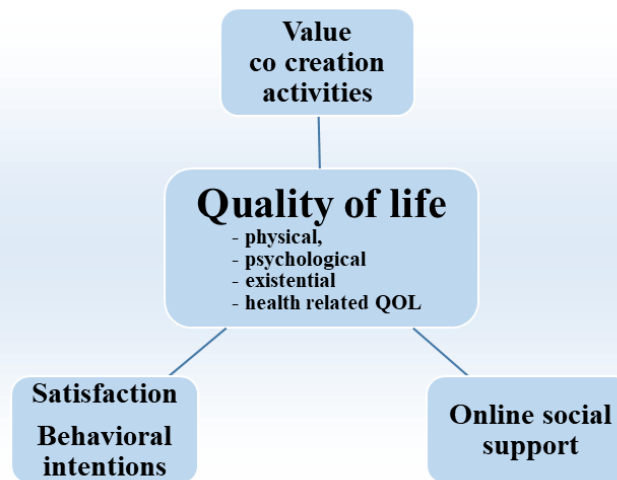


*Source: author compilation*

*Social support* is important for improving patients' health outcomes. People living with chronic diseases are often socially excluded and face many challenges in their lives. The form and amount of social support from online health care communities can potentially enhance their quality of life. Researchers (Yao et al, 2015) have verified emotional support, informational support, companionship, and relatedness as four categories of online social support in health care communities. In examining the effects of online social support on physical, psychological, and existential quality of life, this research has found that the impact of emotional support on psychological quality of life is most effective. Yao et al. (2015) examined people with chronic disease who often suffer from social exclusion. An empirical survey of 349 participants has indicated that outcomes of online social support on quality of life depend on the stigmatized patients' perceptions of their level of social exclusion. In general, the patients with high levels of social exclusion seek the online social support and gain a more improved quality of life than those patients with lower levels of social exclusion. This research recommends developing online customer resources to extend the limited medical support of the health sector in China.

Recent research (Sweeney et al., 2015) explores customer value co creation in health care. Authors has identified the hierarchy of activities that representing different levels of customer effort. Customers effort extend from basic requirements (less effort and easier tasks) to extensive decision making (more effort and more difficult tasks). Customer Effort in Value Co creation Activities (EVCA) was defined as the degree of effort that customers exert to integrate resources, through a range of activities of varying levels of perceived difficulty. Moreover, they have demonstrated links between customer EVCA and quality of life, satisfaction with a health care service and behavioral intentions. In empirical research they concentrated on three prevalent chronic disease settings—cancer, heart disease, and diabetes. Managing chronic disease depends on the active involvement of patients (Michie, Miles, and Weinman 2003). In the context of chronic disease, the patients engage different resources such as complementary therapies, activities with private sources such as family, friends, peers, even other customers, and self-generated activities, such as positive thinking, reframing, and sense making. Sweeney et al. (2015) has found that customer EVCA had a direct impact on satisfaction with the service and behavioral intentions. Moreover, it has found that customer EVCA affects quality of life perceptions. This study has underscored the transformative potential of customer EVCA, the individuals can engage in activities that have the potential to improve their quality of life. Sweeney et al. (2015) builds on the work of McColl-Kennedy et al. (2012), Gallan et al. (2013), and Chan, Yim, and Lam (2010) to investigate a hierarchy of activities that reflect customer

effort in value co creation activities (EVCA). McColl-Kennedy et al. (2012). highlights that health care customers perform a range of value co creating activities aimed at enhancing health and quality of life. Table 2 displays the elements of the methodology and outcome to the transformative service researches related to quality of life.

**Table 2. The elements of the methodology, QOL and other outcomes to TSR**

| Authors | Sweeney, Danaher, McColl-Kennedy, 2015. | | Yao, Zheng, Fan, 2015. | |
|---|---|---|---|---|
| Unit of Analysis | Individual | | Individual | |
| Method | Interviews | Survey | Survey | |
| Sample | 20 Australian individuals, Chronically ill (cancer, heart disease, and diabetes) | 1.008 Australian respondents, 19-70+ years old | 349 Chinese patients, stigmatized patients | |
| Outcome | Satisfaction with service Behavioural intentions EVCA | Quality of life | Online social support | Quality of life |

*Source: own compilation*

Recent article (Spanjol et al., 2015) identified consumers' *coproduction* behaviors in healthcare setting. Their findings provide insights about coproduction in the customer sphere. Namely, the form of coproduction behaviors are determined by the characteristics of the customer sphere. Moreover, the co-production system in the customer sphere is complex and the levels are interdependent. Authors have delivered implications based on their findings for services and medical domains. In the American health care about half of medications prescribed to manage chronic diseases are not taken as recommended. Consequently, these can result in premature death, preventable hospitalizations, and huge annual medical spending according to New England Healthcare Institute. Researchers have explored that interventions tested in the medical literature were ineffective. It can be assumed that one form of coproduction (e.g., pillboxes) would fit most if not all patients. The study only implicitly indicated that the failure to comply with the prescribed and expected medication consumption behavior could lead to enhanced physical and mental stress and reduced *well-being* (Spanjol et al., 2015).

Health care services can be considered high-risk and the consumers might not attain the outcomes they hoped to achieve. Previous research (Zayer et al., 2014) has highlighted how the service providers influenced the ways consumers experience and respond to failure. Zayer et al. (2015) identified consumers' experiential framing following failure of service in high-risk healthcare context. The study has indicated that the patients of high-risk services may experience reduced *psychological well-being* (e.g. stress, worn-out relation with physicians) as well as *financial well-being* in addition to health risk associated with a *service failure* (Zayer et al., 2015). Figure 4 illustrates the focuses of transformative service research and well-being.

**Figure 4. Focuses of TSR and well-being**
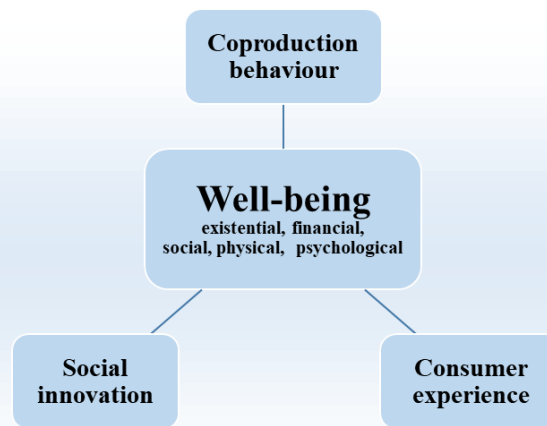


*Source: author compilation*

Anderson et al. (2018) has investigated the role of design in the service experiences and increasing the well-being of patients, families, and caregivers in the healthcare system. It was discussed social, existential, psychological, and physical well-being. Researchers have explored that healthcare services could benefit from further consumer engagement and collaborative patient-provider relationships. The service design was determined an essential tool needed for Transformative Service Research success.

Spanjol et al. (2015) conducted the qualitative interviews with hypertensive adult and mostly lower-income and minority patients and identified three *co-production levels* regular-restricted, intermittent intermediate and irregular-expansive co-production. Authors have found that your implications are relevant for complex services, such as weight loss programs and personal debt management. Service providers have an opportunity to provide not only task-specific tools to customers, but more importantly assist and support consumers in creating and implementing co-production behaviors (Spanjol et. al, 2015). Table 3 shows the elements of the methodology and outcome to the transformative service

**Table 3. The elements of the methodology, WB and other outcomes to TSR**

| Authors | Zayer, Otnes, Fischer, 2014 | | Spanjol, Cui, Nakata, Sharp, Crawford, Xiao, Watson Manheim, 2015 | |
|---|---|---|---|---|
| Unit of Analysis | Individual | | Individual | |
| Method | Interviews | | Interviews | |
| Sample | 23 women, 2 husbands, 1 man (American), experiencing fertility issues, 28-47 ages old | | 30 American individuals, Chronically ill (heart disease), Seven male and 23 female, 34-82 years old | |
| Outcome | Experiential framings of failure | Well-being | Medication adherence | Well-being |
| | | | Coproduction | |

*Source: own compilation*

In weight loss, and health-related strength training programs, customers are working towards a desired goal, such as a certain level of weight reduction, or muscular strength augmentation. In the context of medication consumption, compliance does not necessarily lead to reduced symptoms, particularly in asymptomatic chronic diseases such as hypertension. Medications in this context are not meant to "fix" the problem but to manage a condition, since

chronic illnesses are not cured, only managed (McColl et al. 2012). The lack of an observable and predictable compliance effort-outcome relationship increases the difficulty of maintaining continual co-production. In absence of seeing "progress" and in a situation of never-ending compliance (Guo et al. 2013) may not be as effective or relevant in achieving compliance in chronically ill individuals. The compliance in negative services, which are necessary unwanted and/or stressful experiences (Miller, Kahn, and Luce 2008; Miller et al. 2009; Morgan and Rao 2006) add challenges. Research on negative services is relatively scarce (Berry and Bendapudi 2007; Morgan and Rao 2006), and the few studies that have been conducted focus on episodic experiences, such as breast cancer screening tests (Miller et al. 2009), dental root canal procedures (Brown and Kirmani 1999). Existing research investigates compliance as a unidimensional coproduction dimension, where customers predominantly self-report on being either more or less compliant with provider instructions (Büttgen, Schumann, and Ates 2012; Guo et al. 2013). However, compliance is dynamic in nature. In the context of complex services, compliance is not a one-time outcome, but rather involves multiple and contextually-determined compliance-related behaviors, fluctuating over time. The co-production literature has focused on the sphere of direct customer provider interaction, rather than on the customer sphere, where compliance behaviors actually occur and service value is created (Grönroos and Voima 2013). While customer interactions with service providers are important, the development, adjustment, and maintenance of compliance is almost exclusively conducted in the customer sphere (Creer 2005). A better understanding of the dynamic and contextualized co-production behaviors in the customer sphere is especially important for complex services where customer effort is crucial for achieving compliance and creating value.

Researchers (Spanjol et al., 2015) have selected the context of *medication adherence* in chronically ill individuals and conduct a qualitative study to identify the nature and dynamics of co-production within the customer sphere. They paid attention to medication adherence not only as an outcome variable, but as a dynamic and contextualized process with layered enactments.

Analyzing data from individuals engaged with various types of infertility services, it was developed a typology of four consumer *experiential framings of failure* that explore their experiences across three dimensions. These are follows: the implicit cultural model that shapes relationships with service providers, the implicit cultural model regarding goal pursuit, and consumers' tacit understandings regarding their appropriate courses of action in response to failure. Authors link each distinct type of experiential framing to consumers' distinct set of expectations related to service recovery. Researchers offer insights for service providers on how to manage their relationships with consumers and (in the tradition of transformative services research) how to enhance consumer *well-being*. Zayer et al, 2014.

## 4. CONCLUSIONS

Transformative service researches focus on factors that improve the human condition, consumer well-being and quality of life. The healthcare services are a crucial and fertile field for transformative service research. TSR requires a multidisciplinary approach therefore the researchers have called on consumer research, and public health, too.

More issues came up in relation to the discussed articles. Theoretically well-being can be stretched into objective and subjective categorizations. But, the above studies did not discuss the objective side, concentrated on the subjective one, and examined the customers' well-being in individual level. Next question, what measurement method can be applied for identifying "uplifting change". It is possible investigate changes in life conditions by applying quantitative method and/or qualitative method (Spanjol et al., 2015., Zayer et al., 2014). Discussed articles used physical, psychological, existential, financial and social dimensions to identify meaningful change in customers' lives related to well-being outcomes. The articles have demonstrated the

consumer experience and social innovation in affecting well-being, and customers' activities related to coproduction and its affect their well-being.

From the above discussion, it can be concluded that some transformative service researches is mostly centered on consumers' quality-of-life aspects. Virtually all consumers interact with healthcare services in their life and healthcare services directly impact both consumers' daily and long-term quality of life (Danaher - Gallan, 2016; Berry - Bendapudi, 2007). A number of outcomes can be inferred from the present literature: existential, physical, psychological dimensions, and health related quality of life. The articles have explored the role of collectives and social phenomena in affecting quality of life, and customers' activities related to coproduction and its affect their quality of life.

Further research is needed to examine the objective side of well-being and to explore the relationship between the subjective evaluation and objective state. Moreover, in the current challenging economic environment, non-profit organizations have to concentrate on the mitigation of the social and health problems that have the greatest impact on improving consumer well-being.

## 5. ACKNOWLEDGMENTS

## REFERENCES

Anderson, L., Ostrom, A.L., Corus, C., Fisk, R.P., Gallan, A.S., Giraldo, M., Mende, M., Mulder, M., Rayburn, S.W., Rosenbaum, M.S., Shirahada, K., Williams, J.D., (2013). Transformative Service Research: An Agenda for the Future, *Journal of Business Research,* 66(8), 1203-1210.

Anderson, S., Nasr, L., S. W. Rayburn (2018). Transformative Service Research and Service Design: Synergistic Effects in Healthcare, The *Service Industries Journal*, 38(1-2), 99-113.

Berry, L. L., N. Bendapudi (2007). Health Care: A Fertile Field for Service Research, *Journal of Service Research*, 10 (2), 111-122.

Blocker, C.P. and Barrios, A. (2015). The transformative value of a service experience, *Journal of Service Research*, 18(3), 265-283.

Brown, T. J., B. A. Kirmani (1999). The Influence of Preencounter Affect on Satisfaction with an Anxiety-Provoking Service Encounter, *Journal of Service Research*, 1(4):333-346. DOI: 10.1177/109467059914005

Büttgen, M., J. H. Schumann, Z. Ates (2012). Service Locus of Control and Customer Coproduction the Role of Prior Service Experience and Organizational Socialization, *Journal of Service Research*, 15 (2), 166-181.

Chan, K. W, Ch. K. Bennett, Y., S. S. K. Lam (2010). Is Customer Participation in Value Creation a Double-Edged Sword? Evidence from Professional Financial Services across Cultures, *Journal of Marketing*, 74 (May), 48-64.

Danaher T., Gallan A. (2016). Service Research in Health Care: Positively Impacting Lives, *Journal of Service Research,* 19(4), 433-437. DOI: 10.1177/1094670516666346

Gallan, A. S., Ch. B. Jarvis, S. W. Brown, M. J. Bitner (2013). Customer Positivity and Participation in Services: An Empirical Test in a Health Care Context, *Journal of the Academy of Marketing Science,* 41 (3), 338-356.

Grönroos, C., Voima, P. (2013). Critical service logic: making sense of value creation and cocreation, *Journal of the Academy of Marketing Science*, 41(2), 133-150.

Guo L, A. E. J, Gruen T. W, Tang C (2013). Socializing to co-produce pathways to consumers' financial well-being. *Journal of Service Research*, 16(4), 549–563.

Ho, B.Q., Shirahada, K. (2017). Proposition of the Elderly Transformation Model Toward Aging Societies, The 5th National Conference on Serviceology, Hiroshima, Japan, 27-28 March: 290-297.

Kenesei, Zs., Kolos, K. (2018). Szolgáltatásmarketing: múlt vagy jövő? VEZETÉSTUDOMÁNY, 49(1), 2-12.

McColl-Kennedy, J. R., S. L. Vargo, T. S. Dagger, J. C. Sweeney, Y. van Kasteren (2012). Health Care Customer Value Cocreation Practice Styles, *Journal of Service Research*, 15 (4), 370-389.

Michie, S., J. Miles, J. Weinman (2003). Patient-centredness in chronic illness: what is it and does it matter? *Patient Education and Counseling*, 51(3), 197-206.

Miller, E. G., Frances, M.M., Kahn, B. E., Conant, E. (2009). Understanding Emotional Reactions for Negative Services: The Impact of Efficacy Beliefs and Stage in Process, *Journal of Service Research*, 12(1), 87-99. DOI: 10.1177/1094670509334187

Miller, E.G., B. E. Kahn, M. F. Luce (2008). Consumer Wait Management Strategies for Negative Service Events: A Coping Approach, *Journal of Consumer Research*, 34(5), 635-648.

Morgan, I., Rao, J. (2006). Growing negative services. *Sloan Management Review*, 47(3), 69-74.

Ostrom, A. L., Bitner, M. J., Brown, S. W., Burkhard, K. A., Goul, M., Smith-Daniels, V., Demirkan, H., & Rabinovich, E. (2010). Moving forward and making a difference: Research priorities for the science of service. *Journal of Service Research,* 13(1), 4-36.

Ozanne, Julie L. and Laurel Anderson (2010). Community Action Research, *Journal of Public Policy & Marketing,* Spring, 29 (1), 123-137.

Rosenbaum, M. S., Corus, C., Ostrom, A. L., Anderson, L., Fisk, R. P, Gallan, A. S., Giraldo, M., Mende, M., Mulder, M., Rayburn, S. W., Shirhada, K., & Williams, J. D. (2011). Conceptualisation and aspirations of transformative service research. *Journal of Research for Consumers,* 19, 1-6.

Spanjol, C., N. Sharp, C. Xiao, W. Manheim (2015). Co-Production of Prolonged, Complex, and Negative Services: An Examination of Medication Adherence in Chronically Ill

Sweeney J.C., T. S. Danaher, J. R. McColl-Kennedy (2015). Customer Effort in Value Co creation Activities: Improving Quality of Life and Behavioral Intentions of Health Care Customers. *Journal of Service Research*. 18(3), 1-18. DOI: 10.1177/1094670515572128

Yao T., Q. Zheng, X. Fan (2015). The Impact of Online Social Support on Patients' Quality of Life and the Moderating Role of Social Exclusion, Journal of Service Research, 18(3), 369-383. https://doi.org/10.1177/1094670515583271

Zayer, L.T., C. C. Otnes, E. M. Fischer (2014). The Nature and Implications of Consumers' Experiential Framings of Failure in High-Risk Service Contexts, *Journal of Service Research*. 18(3), 303-317.

United Nations, (2015). World Population Ageing, http://www.un.org/en/development/desa/population/publi cations/pdf/ageing/WPA2015_Report.pdf

United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019.

Population pyramids, EU-28, 2003 and 2018 (% of the total population).png

https://ec.europa.eu/eurostat/statistics- explained/index.php?title=File:Population_pyramids,_EU- 28,_2003_and_2018_(%25_of_the_total_population).png

https://www.populationpyramid.net/hungary/2019/

# TOWARDS AN EUROPEAN DEFENCE UNION? A NEW PHASE IN THE EUROPEAN UNION'S DEFENCE COOPERATION AND THE HUNGARIAN PUBLIC OPINION

József Hack-Handa

hack-handa.jozsef@gtk.uni-pannon.hu, University of Pannonia

Zsolt Nagy

zsnagy11@hotmail.com, Defence policy expert

**ABSTRACT**

Defence cooperation in the European Union got a new impetus in 2016. Since the adoption of the EU Global Strategy, Member States have reinforced and deepened their defence policy collaboration in several areas. However, it will depend on the implementation and Member States' commitment to the recently launched initiatives what long-term impact of these tools on the European capability landscape, national military capacities and the European defence industrial base can be expected.

The launch of the Permanent Structured Cooperation (PESCO), the Coordinated Annual Review on Defence (CARD) and the European Defence Fund (EDF), the three major recent initiatives can be considered as qualitative steps forward in European defence cooperation. However, from time to time strong advocates can be heard to argue in favor of moving further towards a deeper integration in security and defence matters at European level. The ideas of a European army or a European Defence Union show that the Common Security and Defence Policy (CSDP) is still considered by many as an open-ended project which can be further strengthened.

In light of the latest initiatives in European defence cooperation it is an interesting question how the Hungarian public looks at these developments. We have examined this issue through a representative survey done in 2017.

According to the results of the survey, the Hungarian public, similarly to the public opinion at European level, is in favor of a stronger European defence cooperation. However, a deeper integration requiring more commitment in the field of defence already divides the public, approximately half of the interviewed were in favor, while the other half against it. Conclusion can be also drawn from the survey that the knowledge of the respondents about the EU's security and defence cooperation is rather generic, as well as that the marketing of this EU policy domain is not appropriate – but more research would be needed to further investigate the deeper reasons and correlations.

**KEY WORDS**

CSDP, PESCO, public opinion

## 1. INTRODUCTION

In June 2016, High Representative Federica Mogherini published a new security strategy of the Union, which gave a renewed impetus to security and defence policy cooperation. In this paper, we are briefly introducing three recent initiatives, as the backdrop to trends in Hungarian public opinion with regard to European defence collaboration. Through the short description of PESCO, CARD and EDF, it might be more understandable and illustrative where the cooperative efforts of Member States stand, and what additional potential exists to strengthen CSDP. We are going to continue with the presentation of the general public opinion, at the

conclusion of which we discover a situation which seems to be contradictory in nature: four-fifth of those who consider tighter defence cooperation very important would keep Hungary out of its practical implementation aspects, which is probably attributable to the lack of more in-depth knowledge, but also raises the role of inappropriate marketing in this area.

The CAPI method based data recording that serves as the empirical foundation of this study took place in June of 2017. The sample size consisted of 1,800 persons, representing the Hungarian adult population, according to 5 categories: gender, age group, educational level, type of settlement of the residential address, and its regional location.

## 2. PERMANENT STRUCTURED COOPERATION (PESCO)

The Head of States and Governments of the European Union launched the so-called Permanent Structured Cooperation, or PESCO[3] on December 14, 2017. The decision was made pursuant to Section 42(6) of the „dormant" provision of the Treaty of Lisbon, with its goal of strengthening defence cooperation in the EU along specific criteria and the voluntary participation of willing and able member states. The fact, that the establishment of PESCO was agreed upon after just a brief period of preparation – being earlier subject of vehement debates, and potential rejection of Member States–indicates that the fundamental conditions of the defence cooperation in the Union, have changed substantively.

PESCO is not a new initiative, as its origins can be traced back to 2008, the Treaty of Lisbon (TEU). The Treaty, which has been valid for more than ten years, „leaped ahead" in many ways in the domain of security and defence policy, creating a legal opportunity to establish procedures and structures not entirely matching the existing political will. One of these opportunities was PESCO, which similarly to the European border defence cooperation, the Schengen zone, or the euro-zone, has created the opportunity and legal basis for an even tighter defence cooperation and faster progress for those who want to advance.

The outcome of the referendum on Brexit could essentially be interpreted as a green light for those Member States, who believed that the departure of the United Kingdom from the Union would eliminate the most significant obstacle of the strengthening of CSDP. Over the course of the preparation of the applicable Council Decision on PESCO, one of the biggest dilemmas was the extent to which PESCO was to become an exclusive form of cooperation, in other words, how strict the conditions should be that govern participation. Two opposing camps were facing each other during the negotiations: France and its supporters argued that PESCO must be more than just a cooperation of the willing, but rather the cooperation of all *able* Member States, meaning that they were advocating the establishment of an ambitious PESCO. On the other side, Germany and the countries lined up behind it – mostly smaller and Eastern European Member States – believed that as far as participation is concerned, political will is the most important consideration, and the opportunity should be open for any Member State to join, as long as they have the intention to do so. This camp argued that alongside the issue of inclusivity, within the PESCO framework, it is through the so-called modular approach (meaning participation in the capability projects within PESCO) that those, who can undertake more to develop their defence capabilities, should be able to do so; in other words, they wanted to keep varied speed cooperation within the PESCO framework. The Council Decision that was eventually adopted resolved the conflict between the two approaches via the „ambitious and inclusive" hybrid solution, concluding the argument with a compromise (COUNCIL DECISION 2017). In the end, with the exception of Malta, the United Kingdom, and Denmark, which stayed out of CSPD in any case, every Member State joined PESCO, meaning that the „tighter" cooperation commenced with the participation of 25 countries.

---

[3] PESCO - Permanent Structured Cooperation. Hereinafter we are going to reference it in accordance with academic citation standards by using the English acronym.

When we examine the „spirit" of the Treaty of Lisbon, it is the French interpretation that is closest to the original intent of the „founding fathers". At the same time, PESCO is not an exclusively capability development framework, as it has an emphasized operational dimension as well. Nevertheless, currently its most visible form is comprised of the capability development projects, which are to be undertaken through a more effective, multinational development through flexible geometries and by the coordination of lead nations of participating member states (COUNCIL DECISION 2018). Future rounds of project offers within PESCO will tell us whether major European capability development programs – such as the development of the next generation of combat aircraft or combat vehicles – will be part of this framework, and consequently will contribute to a qualitative step forward in European defence collaboration. To date, PESCO itself has engendered mixed reviews; some claim that the spirit and original intent of the Treaty of Lisbon has been lost in the political bargaining of Member States, while others allege that the political-legal framework that has been established is a realistic and forward-looking one[4].

## 3. COORDINATED ANNUAL REVIEW ON DEFENCE (CARD)

The Coordinated Annual Review on Defence, or CARD, was introduced by the EU Global Strategy itself. In May of 2017, the Council approved the parameters of the process (COUNCIL CONCLUSIONS 2017). Accordingly, the objective of CARD is the review of the defence plans of Member States in three areas: a) trends in defence expenditures, b) the implementation of EU the Capability Development Priorities, c) the review of multinational cooperation. The process is supervised by the European Defence Agency (EDA), in close cooperation with the EU Military Staff. The first review cycle commenced in the autumn of 2017 on a so-called trial basis; the first full cycle will begin in the autumn of 2019. The most important elements of CARD are the bilateral consultations conducted with Member States, on a voluntary basis and Member States' willingness to provide data to the biannual reports. In many cases, the bilateral consultations take place on the margins of respective Member States' defence planning consultations with NATO, which fact also contributes to keeping capability development coherent between the two organizations.

The significance of CARD lies in that it has introduced a process for the first time which enables that the EU and Member States review jointly capability development plans, thereby establishing a permanent dialogue between Brussels and the capitals. This coordination is essential to turn cooperation among Member States into a „norm", just as it is expressed as a forward-looking goal of the EU Global Strategy.

## 4. EUROPEAN DEFENCE FUND (EDF)

The European Defence Fund (EDF) is a financial fund proposed and managed by the European Commission, for the purpose of assisting European defence cooperation through the financing of research and development activities. EDF was initiated in the European Defence Action Plan by the Commission in 2016, and it is currently tested until 2020 (COM 2016). For defence related research activities, Member States could spend 90 million euros from the EU budget between 2017-2019, and 500 million euro was devoted to be spent on development programs over the course of 2019 and 2020. European consortia that are formed with the participation of three companies from at least three Member States can submit project proposals to the calls. Strict conditions were laid out by the legislators to ensure that the program supports European defence industries, and not defence industry actors out of the Union. It is worth examining the total sum of 590 million euros, with which the European Commission and Member States test

---

[4] An example of the former is WITNEY (2017), for a more positive approach: BISCOP (2017).

the research and development programs, in context. In 2016, EU Member States spent a total of 8.8 billion euros on military R&D.[5] Based on the foregoing, we can see, that the Union's contribution, particularly when broken down by year, does not yet lift defence sector expenditures into another dimension, while at the same time, it is capable of providing substantive experience for future programs, and also to incentivize additional national investments. As far as the future is concerned, the European Commission has already put on table its recommendation for the Multiannual Financial Framework for the 2021 to 2027 period, pursuant to which the European Defence Fund would fund European multinational R+D projects with a total of 13 billion euros during the given period (COM 2018).

## 5. THE IMPORTANCE OF EUROPEAN DEFENCE AND SECURITY POLICY

The objective of the study is to map the Hungarian public opinion in light of ongoing European efforts to enhance defence and security cooperation, including in comparison to other EU policy areas. Necessarily, it also addresses briefly public attitudes towards membership in the EU, as well as in NATO. Finally, the question and the public view on resourcing the Hungarian Defence Forces are also considered in the analysis.

After providing an overview of current EU security and defence policy initiatives as examples of Member States' cooperation in this specific EU policy domain, we turn to an introduction of Hungarian public opinion concerning cooperative security and defence efforts. We examined seven areas of potential cooperation by EU member countries from the perspective of how important respondents considered closer cooperation in each area, in the interest of the future of the EU (table 1.). In the first place was joint defence and security policy, in second place was joint immigration policy, with the former chosen by 45% of respondents as the most important, or second most important area, while the latter was chosen by 39%. On the basis of their respective importance, joint economy stimulus investments (37%) follow cooperation guaranteeing the defence and security of the countries and population of the Union, and a joint immigration policy. Respondents listed a joint budget, a joint foreign policy, the use of a joint currency, and a joint, elected parliament among the most important areas of European cooperation that are desired from the perspective of the EU's future in significantly smaller proportions.

**Table 1. 'In your opinion, which of the following areas and forms of closer cooperation between EU Member States would be the most important for the future of the European Union? And what would be the second most important?' (percentage of responses)**

|  | first place | second place | jointly |
|---|---|---|---|
| **common defense and security policy** | 27 | 18 | 45 |
| **common immigration policy** | 22 | 17 | 39 |
| **joint economic stimulus investments** | 18 | 18 | 37 |
| **common budget** | 8 | 7 | 15 |
| **common foreign policy** | 3 | 9 | 12 |

[5] Based on European Defence Agency data for 2016, without Denmark. Defence Data 2016-2017. Key findings and analysis. www.eda.europa.eu

|  | first place | second place | jointly |
|---|---|---|---|
| use of common currency | 3 | 9 | 12 |
| common elected parliament | 3 | 5 | 8 |
| don't know | 15 | 18 | 18 |
| total | 100 | 100 | - |

*Source: own editing*

The high priority of a common defence and security policy, and of a common immigration policy, are not Hungarian peculiarities. The European Parliament's 2016 September-October „Parlaméter 2016" survey listed 12 policies supported by the European Parliament. Of these, immigration policy implemented in consultation with countries of origin came in 3rd, with security and defence policy that enables the EU to counter international crises in 4th place on the list of priorities, with the former chosen by 33% of Union respondents, and the latter by 28%, from among the most important four areas. (In the first two places were the elimination of poverty and social exclusion, and the struggle against terrorism, concluding with respect for individual rights.) (PARLAMÉTER 2016a: 61.) From this same survey, it is evident that among the Hungarian population, the previous two priorities also finished in 3rd and 4th place on the list, respectively, with respondents highlighting them to an even greater extent, with 10% greater response rates for each – immigration policy was at 43%, and security and defence policy at 38%. (PARLAMÉTER 2016b: 4.)

The importance of the two areas was also proved by the fact that 66% of Union citizens found Union action to be lacking, with 74% expecting more significant action to be taken with regard to immigration issues, while concerning a joint security and defence policy, 51% are dissatisfied with Union action, and 66% are expecting greater activity from the Union in this regard (EURÓPAI POLGÁROK 2016: 8-9.)

It also shows the need for a joint defence policy, that the vast majority of Union citizens – 85% - consider a joint defence rider to be a good thing, according to which, in case of armed aggression, an EU country can activate the mutual defence rider, according to which all the other EU member states must provide assistance and participation with all available means. 86% of the adult Hungarian population believe the same (EURÓPAI POLGÁROK 2016: 49-50.). This survey, however, does not reveal, how this positive assessment of the EU's symbolic defence rider relates to NATO's collective defence duties.

## 6. OPINIONS IN CONNECTION WITH A CLOSER DEFENCE AND SECURITY POLICY, REQUIRING MORE EFFORT

Alongside the above presented high level of support for joint security and defence policy, it might also be strange, that public opinion is extremely divided by the question of what Hungary should do (Table 2) if closer defence and security policy cooperation emerges among the other member states of the EU, which would also require additional effort from participants. There are nearly as many as well, who believe that Hungary ought to participate in closer defence cooperation (41%), more than those, who believe that the current framework should be continued (39%), meaning that the country should stay out of tighter integration with a defence objective.

Men support closer defence cooperation (44%) more than women (39%) – but this is entirely attributable to the fact that the members of the fairer sex were less willing to be

respondents. The effect of educational level does not show a linear correlation, but it can be said, that for the most part, young people under 30 years of age (50%) consider it a good idea to undertake greater integration in this area, while older people consider it the least good idea. The effect of educational level is robust: only one third (33%) of those with at most 8 grades completed would support such cooperation, while 49% of university graduates would agree with it. Between the two extreme groups are the vocational school and high school graduates. The effect of financial status is also significant, although non-linear. The supporters of more than average cooperation are those, who get by well with some care from their income (49%). Those, who live from month to month or are just barely scraping by agree at less than average rate (33-33%) with closer defence cooperation, just as those who are living care-free (37%).

Residents of Budapest support joint defence efforts requiring additional resource expenditures at a smaller ratio (35%) than others – but the reason for this is not that they reject the idea to a greater extent, but rather that they abstain from providing substantive responses to larger degree (29%). The residents of other settlement types agree with more intensive cooperation at an approximately similar level (41-44%). Among the regions, it is worthwhile to highlight the two most extreme poles: In the Western Transdanubian region, every second respondent (49%), while in the Northern Hungarian Plains region every third respondent voted for greater defence and security policy.

51% of those who consider the EU membership of the country more advantageous, would vote for closer defence and security policy cooperation, but even one fifth of those, who consider membership disadvantageous, would support this special purpose integration – although close to two thirds of them would not.

**Table 2. Support for closer defense cooperation on the basis of the balance sheet of Hungarian EU membership (percentage of responses)**

| Hungary's EU membership … | If a 'fast-track' group of EU Member States were to cooperate more closely in defense and security policy, and this would require more effort from the countries concerned, then Hungary | | | |
|---|---|---|---|---|
| | should participate in this closer cooperation by undertaking more defense efforts | should remain outside and follow the cooperation within the scope of the current framework | don't know | total |
| has brought benefits | 51 | 36 | 13 | 100 |
| has brought disadvantages | 20 | 64 | 16 | 100 |
| don't know | 26 | 25 | 49 | 100 |
| total | 41 | 39 | 20 | 100 |

*Source: own editing*

It is worth putting into context that four fifths of the population has rejected closer defence cooperation requiring additional expenditures, and has voted for the current status quo. The

largest group of respondents would also not give more money to the Hungarian Armed Forces, even if the goal of such expenditure would be exclusively the safety and defence of the country. Close to half of respondents (46%) believe that the same amount must be spent on the Hungarian Armed Forces in the interest of the country's military security and defence as we are spending now, but three tenths (30%) believe that more is needed. Only every tenth respondent is concerned, that Hungary is currently spending too much for this purpose, and less would be sufficient. (14% does not know). The two questions are closely correlated with one another (table 3): those who would give more money to Hungarian Armed Services are also in a higher proportion among those who are on the side of closer defence cooperation (56%), while according to those, for whom less money would be enough for the country's army, are less inclined to be enthusiastic for defence related, closer integration (30%).

**Table 3. Support for closer EU defense co-operation in the context of spending on the Hungarian Defense Forces (percentage of responses)**

| | If a 'fast-track' group of EU Member States were to cooperate more closely in defense and security policy, and this would require more effort from the countries concerned, then Hungary | | | |
| --- | --- | --- | --- | --- |
| How much should Hungary spend on the Hungarian Defense Forces for its own military security and defense? | should participate in this closer cooperation by undertaking more defense efforts | should remain outside and follow the cooperation within the scope of the current framework | don't know | total |
| **More** | 56 | 34 | 11 | 100 |
| **The same as now** | 40 | 47 | 13 | 100 |
| **Less** | 30 | 48 | 23 | 100 |
| **don't know** | 19 | 17 | 64 | 100 |
| **total** | 41 | 39 | 20 | 100 |

*Source: own editing*

Opposition to the expansion of defence related expenditures and efforts is explained by not just a kind of thriftiness, but also by the fact that many expect the defence of Hungary to come from another source, another alliance sytem, namely NATO.

Concerning the military security of the country, respondents consider the role of NATO more important than that of the EU: According to 37%, it is primarily NATO, while according to 36%, NATO and EU are equally „responsible" for the military security of Hungary, and only 8% believe, that we cannot trust in either alliance system, as far as our security is concerned. (13% could not take a position in this issue). In this regard, there is an overlap between the opinion of the population and the country's fundamental security and defence position, as it is NATO's collective defence ubrella that provides Hungary's alliance security guarantee.

Those, who believe that it is the EU that ensures Hungary's security, support closer defence cooperation at a higher rate (52%), than those, who believe that it is rather NATO (45%), or both organizations (47%) that protect our country (table 4). In other words, the claim

that the more respondents rely on the EU for the country's defence, the more they are willing to undertake closer Union cooperation that requires additional expenditure, can really be supported.

**Table 4. Support for closer EU defense cooperation if NATO or the EU primarily were to provide Hungary's military security (percentage of responses)**

| Is the military security of Hungary primarily provided by NATO or the European Union? | If a 'fast-track' group of EU Member States were to cooperate more closely in defense and security policy, and this would require more effort from the countries concerned, then Hungary | | | |
|---|---|---|---|---|
| | should participate in this closer cooperation by undertaking more defense efforts | should remain outside and follow the cooperation within the scope of the current framework | don't know | total |
| **NATO** | 45 | 39 | 16 | 100 |
| **both organizations** | 47 | 42 | 12 | 100 |
| **the EU** | 52 | 33 | 15 | 100 |
| **none of them** | 21 | 60 | 19 | 100 |
| **don't know** | 17 | 24 | 59 | 100 |
| **total** | 41 | 39 | 20 | 100 |

*Source: own editing*

47% of those who have chosen joint defence and security policy as the first or second ranking among the closer EU cooperation areas, support the closer cooperation of „fast trackers" requiring additional cooperation, while those, who have not selected joint defence and security policy as one of the most important priorities, 36% of them voted for cooperation (table 5). In other words, the general agreement with the high priority of joint defence and security policy increases the chance that someone supports specific, closer cooperation with additional expenditures as well, but does not determine it entirely.

**Table 5. Support for closer EU defense cooperation in the light of the priority of the Common Security and Defense Policy (percentage of responses)**

| The Common Security and Defense Policy is a top priority | If a 'fast-moving' group of EU Member States were to cooperate more closely in defense and security policy, and this would require more effort from the countries concerned, then Hungary | | | |
| --- | --- | --- | --- | --- |
| | should participate in this closer cooperation by undertaking more defense efforts | should remain outside and follow the cooperation within the scope of the current framework | don't know | total |
| chose | 47 | 40 | 13 | 100 |
| did not choose | 36 | 38 | 26 | 100 |
| total | 41 | 39 | 20 | 100 |

*Source: own editing*

The ambivalent situation, that according to four tenth of those who consider joint defence and security policy extremely important, Hungary should stay out of a closer security cooperation arrangement, still awaits explanation. One of the possible explanations is the absence of a proper marketing for joint defence policy. At the moment, the Hungarian population is not informed of such measures and plans, nor are they convinced of their necessity.

## 7. SUMMARY

The defence policy cooperation efforts of the European Union gained a new momentum after 2016. Member States of the Union have strengthened their cooperation in several areas, while at the same time, it will be visible only in the longer term, how the various initiatives will have an impact on national and European military development and collaboration, including the shaping of the defense industrial base.

Even though we can consider the creation of PESCO, the introduction of a defence review process at European level, and the opening up of the Union's funding for pure military development projects as qualitative steps forward, we can hear from time to time strong arguments that a deeper integration is required in the area of security and defence policy.

Similarly to Union residents, but even more so, Hungarian citizens are in favor of a common EU defence and security policy, as well as a common immigration policy. At the same time, a closer defence policy cooperation requiring greater effort divides respondents, approximately two fifths respectively are for and against it. Those who believe that the Union's cooperation is proven already, since EU membership is rather advantageous for the country, are likely to vote in significantly larger numbers for closer cooperation, than those who feel that our country's EU membership is disadvantageous. But it can be stated that according to those, who believe that from the perspective of the Union's future, the two primary priorities include a common defence and security policy, they support its specific implementation in greater proportion, even if that requires additional effort.

The opinion of those who are leery of more intensive defence-policy cooperation can be partially explained by the rejection of more strenuous efforts, something we can value as thriftiness or a divergent priority, and can be witnessed not just in the case of EU cooperation, but in the case of more support for the Hungarian Armed Forces. Another potential explanation,

which also has explanatory power for the shaping of opinions, is that respondents are more likely to expect NATO, not the EU, to ensure and contribute to the defence of the country.

The proportion of those, who theoretically consider Hungary's closer defence cooperation within the EU as important, cannot be neglected, but controversially, this support is not automatically matches the support for practical implementation and its consequences. The exploration of the reason for this ambivalence would require additional research.

**BIBLIOGRAPHY**

Biscop, Sven (2017). European Defence: What's in the CARDs for PESCO? Egmont Security Police Brief, No. 91, October

COM (2016). Communication from the Commission to the European Parliament, the European Council, the Council, the European Social and Economic Committee and the Committee of the Regions. European Defense Action Plan. Brussels, 30. 11. 2016. COM(2016) 950 final

COM (2018): Proposal for a Regulation establishing the European Defense Fund. COM(2018) 476

Council Conclusions (2017). Council Conclusions on Security and Defence in the context of the EU Global Strategy, Brussels, 18 May 2017 9178/17

Council Decision (2017). Council Decision on establishing Permanent Structured Cooperation (PESCO) and determining the list of Participating Member States. Brussels, 8 December 2017. 14866/17

Council Decision (2018). Council Decision (CFSP) 2018/340 of 6 March 2018 establishing the list of projects to be developed under PESCO

Európai polgárok (2016). Európai polgárok 2016-ban: vélemények és elvárások, a terrorizmus és a radikalizálódás elleni küzdelem. Az Európai Parlament tematikus Eurobarométer felmérése. http://www.europarl.europa.eu/at-your-service/files/be-heard/eurobarometer/2016/europeans-in-2016-perceptions-and-expectations/analytical-overview/hu-analytical-overview-europeans-in-2016.pdf. Accessed 7 January 2019.

Hack-Handa, József (2013). Válságban, válaszúton: magyar várakozások az EU jövőjével kapcsolatban. In: *Jel-Kép: kommunikáció közvélemény média* 1-2. p. 21. http://communicatio.hu/jelkep/2013/1_2/hack_handa_jozsef.htm Accessed 7 January 2019.

Parlaméter (2016a). Tájékoztató elemzés. Az Európai Parlament tematikus Eurobarométer-felmérése. http://www.europarl.europa.eu/at-your-service/files/be-heard/eurobarometer/2016/parlemeter-2016/analytical-overview/hu-analytical-overview-parlemeter-2016.pdf. Accessed 7 January 2019.

Parlaméter (2016b). Magyarország. http://www.europarl.europa.eu/at-your-service/files/be-heard/eurobarometer/2016/parlemeter-2016/national-factsheets/hu-hu-national-factsheets-parlemeter-2016.pdf Accessed Accessed 23 January 2019.

Witney, Nick (2017). EU defence efforts miss the open goal again. ECFR Commentary, 15 November

# AN INVESTIGATION OF PROBLEM GAMBLING AND YOUNG SPORTS PLAYERS IN AN IRISH AMATEUR SPORTING ORGANISATION

Maurice Murphy

maurice.murphy@cit.ie, School of Business, Cork Institute of Technology

## ABSTRACT

The gambling industry is huge in Ireland. The betting firm Paddy Power alone had an operating profit of €163.8million in 2014. The activity has become more popular and accessible in recent years due to its move online. In fact, anybody with a smartphone can gamble wherever they may be. While research within Ireland has been limited, there are some startling statistics related to gambling addiction in Ireland with roughly 7% of gamblers at risk of developing a gambling problem and approximately 30-35% of the gambling industry's revenues coming from those who have gambling issues. According to the Institute of Public Health in Ireland, gambling addiction affects young people at 2-3 times the rate of adults. This research aims to investigate the extent of gambling and problem gambling in an amateur sporting organisation (Gaelic Athletic Association – GAA) in Ireland using the Health Belief Model.

## KEY WORDS

Problem gambling; sporting organisations; social marketing; Health Belief Model

## 1. INTRODUCTION

Gambling is an activity which may be summarised as involving participation in games of chance for money (Fulton, 2015). Gambling is an activity that has a long history (Downs, 2010), and is a prominent feature of most cultures (McMillen, 1996). If viewed as a consumer product, gambling has one of the highest penetrations in populations where the product is legal. Gambling is also one of the most frequently purchased products among consumers (Mizerski, *et al.,* 2004). Approximately 80% of the US, 68% of the British, 71% of Canadians and 80% of the Australian 18+ population gambled in the past year (Gambling Commission, 2007).

With gambling available in varied venues, ranging from the internet to casinos, game machines in pubs, and scratch cards in shops, opportunities to gamble are many (Fulton, 2015). Gambling is rapidly emerging as an important global public health issue, with gambling products causing considerable health and social harms for individuals, their families, and the broader community (Thomas and Thomas, 2015). Estimates of the numbers of individuals for whom gambling becomes a problem vary. It is generally considered that while many may take part in gambling as a pastime, a relatively small cohort may find that participation in gambling leads to addiction (Fulton, 2015).

Problem gambling can lead to complete social breakdown, with devastating financial losses, property losses, and alienation of family and friends (Fulton, 2015). Often problem gambling is a behaviour conducted in secret, becoming known to the gambler's social network only when negative financial and social difficulties arise. With the addition of casino, mobile phone and Internet gambling to the more traditional forms of gambling (e.g., lotteries, scratch card tickets, horse and dog racing, bookmakers' shops, etc.), gambling opportunities, both publicly and covertly, can be easily accessed (Fulton, 2015).

The Rutland Treatment Centre in Ireland (www.rutlandcentre.ie) states that while research within Ireland has been limited, there are some startling statistics related to gambling addiction in Ireland:

- Roughly 7% of gamblers are at risk of developing a gambling problem (Freyne, 2015).
- Roughly less than 1% of gamblers have a gambling addiction - however, approximately 30-35% of the gambling industry's revenues comes from those who have gambling issues (Freyne, 2015).
- Gambling is moving online, making it harder to track the behavioural activity of a loved one. In 2008, there were 1,365 betting shops in Ireland, which reduced to 948 in 2015. Paddy Power says that 77% of its profits comes from the online side of the industry (www.rutlandcentre.ie)
- According to the Institute of Public Health in Ireland, gambling addiction affects young people at 2-3 times the rate of adults (Institute of Public Health, 2010).
- Over €5bn each year is gambled in Ireland - that's €10,000 every minute (www.rutlandcentre.ie).

Researchers argue that the harms associated with gambling are on a par with the harms associated with major depressive disorder, and substance use and dependence (Browne *et al.,* 2016), and have spoken about numerous links between harmful gambling and a range of health and social issues (Williams *et al.,* 2012; Suomi *et al.,* 2013). While it is difficult to determine causal direction, research has demonstrated that problem gamblers experience significant comorbidities relating to other mental health problems (Cook *et al.,* 2015) and dependence on other substances (Cowlishaw *et al.,* 2014). Debates around the legalisation and regulation of gambling typically include consideration of the propensity for harm (Reith, 2011).

Research suggests that increased availability and accessibility to gambling opportunities is related to increased levels of problems, although the impact is moderated by other factors (Reith, 2012). Technological advances, wide usage of new devices, and innovation led by the gambling industry has led to a plethora of new internet gambling products available constantly via mobile and other non-computer devices. This has led to the situation where regulators attempt to devise policies that take into account forms of gambling that may not yet be developed (Orford, 2005).

Much of the research in the gambling field has considered gamblers as a homogeneous population or has studied a single gambling activity in isolation (Gainsbury *et al.,* 2015). These studies fail to reflect the heterogeneous nature of gambling and to account for subtypes of gamblers based on how they engage with gambling in various ways (Nower *et al.,* 2013). Research also shows that some population subgroups, including older adults, young men and children, are more vulnerable to developing harm with a range of different gambling products (Pitt *et al.,* 2016).

International research studies have suggested that single men under the age of thirty-five are at greatest risk of problem gambling (Analytical Services Unit DSD, 2010; Wardle *et al.*, 2011). It has been estimated that between 28,000 and 40,000 people in Ireland suffer from a gambling disorder (The Irish Institute of Public Health, 2010) and that adolescent gambling is two to three times greater than for adults, in particular as a consequence of online gambling (The Irish Institute of Public Health, 2010). The UK Prevalence Studies (Wardle *et al.,* 2011) and Forrest and McHale (2012) have reported that adolescent gambling is up to two to four times greater than for adults.

Research also shows that some population subgroups, including older adults, young men, and children, are more vulnerable to developing harm with a range of different gambling products (Kerber *et al.,* 2008). Problem gambling can lead to complete social breakdown, with devastating financial losses, property losses, and alienation of family and friends. Often problem gambling is a behaviour conducted in secret, becoming known to the gambler's social network only when negative financial and social difficulties arise. With the addition of casino, mobile phone and Internet gambling to the more traditional forms of gambling (e.g., lotteries,

scratch card tickets, horse and dog racing, bookmakers' shops, etc.), gambling opportunities, both publicly and covertly, can be easily accessed (Fulton, 2015).

## 2. GAMBLING AND SPORTS PEOPLE

Gambling and problem gambling, a condition associated with financial consequences and severe mental health complications (Ronzitti et al., 2018), may intuitively have an association with a typical competitive mind-set that is fostered and seen as a normal and desirable part of sports. This potential link between sports and gambling has frequently been reported in the popular media detailing sports stars and their addictive gambling, such as the Swedish multiple Olympic and world champion medallist in table tennis, Jan-Owe Waldner (Moldovan, 2011). Altogether, several factors suggest that the context of competitive sports may be a potential risk factor for problem gambling.

More recently, there has been an increasing involvement of gambling marketing in sports (Lopez-Gonzalez and Griffiths, 2018); gambling operators have been reported to represent some of the most common sponsorships in national and club level sports (Maher *et al.,* 2006), and this includes the involvement of well-known athletes in gambling-related marketing. Also, the age span of elite level athletes (i.e., the years they compete at national or international level) typically corresponds well to the age where problem gambling has been found to be the most pronounced (Allen and Hopkins, 2015), and personality traits of competitiveness have been suggested to be a risk factor of problem gambling (Harris *et al.,* 2015).

However, despite this potential link between sports and gambling, studies in the area have been few. Stillman and co-workers reported that problem gambling may be more prevalent in athletes than in the general population (Stillman *et al.,* 2016), and higher in male athletes than in their female counterparts (Huang *et al.,* 2010). Grall-Bronnec and colleagues reported 8.2% of lifetime prevalence of problem gambling in European professional athletes in a number of team sports (Grall-Bronnec *et al.,* 2016), and this can be compared to the prevalence of problem gambling in the general population, reported to be between 0.7 and 6.5% world-wide, although definitions and instruments have varied across studies (Calado and Griffiths, 2016). However, no research has studied whether problem gambling differs between team sports and individual sports, a relevant research question based on the large involvement of gambling marketing in particularly team sports (Maher *et al.,* 2006).

## 3. AMATEUR SPORT IN IRELAND

The Gaelic Athletic Association (GAA) is an Irish international amateur sporting and cultural organisation, focused primarily on promoting indigenous Gaelic games and pastimes, which include the traditional Irish sports of hurling, camogie, Gaelic football, Gaelic handball and rounders. The Gaelic Players Association represents the interests of all GAA players. According to the Gaelic Players Association (GPA) of the GAA, Irish people are estimated to gamble over €5 billion per year; that's €14 million per day or €10,000 per minute (GPA, 2018). In 2017, gambling addiction made up 33% of the cases that presented to the GPA counselling service for treatment (GPA, 2018).

The new code of conduct on gambling enacted by the GAA in 2018 has been funded by the European Commission and developed in partnership with EU Athletes (of which the GPA is a member), the European Gaming and Betting Association, the Remote Gambling Association and the European Sports Security Association. It compliments any rules provided by national laws, international conventions and sport regulations, both national and international. The new code of conduct is designed and tailored to give specific advice for GAA county players.

## 4. RESEARCH QUESTION AND RESEARCH OBJECTIVES

The research question for this research is:
- Is there a problem with gambling in GAA amateur sports in Ireland?
- The research objectives are:
- Are amateur sports people more prone to problem gambling?
- Why are amateur sports people more prone to problem gambling?
- What can be done to prevent amateur sports people becoming problem gamblers?

The aim is to conduct this research using 8 focus groups and 10 semi-structured interviews with GAA players in Cork Institute of Technology, Cork, Ireland as well as conducting semi-structured interviews with leading members of the GAA, GPA and addiction counsellors to ascertain the extent of problem gambling among young players in this sporting organisation and what can be done to tackle this issue.

## 5. METHODOLOGY

A model derived from the fields of health psychology and health education that adds to the understanding of the motivation to quit or cut-back is that of the Health Belief Model (HBM). This model suggests six factors that influence the probability that a person with an addictive disorder will quit of cut back (Becker, 1974). There are six beliefs central to this theory. This research will test the Health Belief Model that attempts to explain the conditions that are necessary for behaviour change to occur. The model states that an individual will take action to prevent, screen for, or control a disease or condition based on the following factors:
- Perceived susceptibility – the individual must believe that he or she is susceptible to the condition.
- Perceived severity – the individual must believe that getting the disease or condition leads to severe consequences.
- Perceived benefits – the individual must believe that engaging in the preventive behaviour will reduce the threat or provide other positive consequences.
- Perceived barriers – the individual must believe that the tangible or psychological costs of performing the behaviour are of less magnitude than its benefits.
- Cues to action – the individual must encounter something that triggers readiness to perform the behaviour.
- Self-efficacy – the individual must believe he or she can take action.

(Strecher and Rosenstock, 1997, pp 41-59)

Perceived susceptibility may be understood as a person's subjective understanding of their vulnerability to engaging in a health destructive behaviour, and to the consequences of engaging in that behaviour (Stroebe and Stroebe, 1996). In the context of the current study, this would be an individual's beliefs about their ability to become a problem gambler. Those who believe that they have a high level of control over their betting behaviour will not see themselves as susceptible to the consequences of problematic gambling. However, those who recognise that they have impaired control over how much they gamble will see themselves as more susceptible to engaging in excessive gambling according to this model. They will also associate negative life consequences associated with this health destructive behaviour. Following from the HBM's predictions, this perception will influence the level of motivation to resolve their problematic behaviour.

The second factor which influences motivation to change is perceived severity. This factor may be understood as the subjective understanding of the seriousness of the consequences of

engaging in a health destructive behaviour (Armitage and Conner, 2000). Therefore, in the context of this study, when an individual believes that continuing to gamble will make them highly likely to experience serious negative consequences, such as loss of one's job, they will be more likely to become more motivated to resolve their gambling problem.

Health-related behaviours are also influenced by the perceived benefits of taking action (Glanz, *et al.,* 2008). Perceived benefits refer to an individual's assessment of the value or efficacy of engaging in a health-promoting behaviour to decrease risk of disease (Janz and Becker, 1984). If an individual believes that a particular action will reduce susceptibility to a health problem or decrease its seriousness (in this case, problem gambling), then he or she is likely to engage in that behaviour regardless of objective facts regarding the effectiveness of the action (Rosenstock, 1984). For example, individuals who believe that disengaging from problem gambling will result in benefits (financial and otherwise) are more than likely to stop gambling.

Health-related behaviours are also a function of perceived barriers to taking action (Glanz, *et al.,* 2008). Perceived barriers refer to an individual's assessment of the obstacles to behaviour change (Janz and Becker, 1984). Even if an individual perceives a health condition as threatening and believes that a particular action will effectively reduce the threat, barriers may prevent engagement in the health-promoting behaviour. In other words, the perceived benefits must outweigh the perceived barriers for behaviour change to occur (Glanz, *et al.,* 2008; Janz and Becker, 1984). Perceived barriers to taking action include the perceived inconvenience, expense, danger (e.g., side effects of a medical procedure) and discomfort (e.g., pain, emotional upset) involved in engaging in the new behaviour (Rosenstock, 1974). For instance, lack of access to addiction services and the issue of the addiction itself may act as barriers to changing problem gambling behaviour.

The health belief model argues that a cue, trigger or stimulus, is necessary for prompting engagement in health-promoting behaviours (Rosenstock, 1974). Cues to action can be internal or external (Janz and Becker, 1984). Physiological cues (e.g., pain, symptoms) are an example of internal cues to action (Glanz *et al.,* 2008). External cues include events or information from close others (Janz and Becker, 1984), the media (Carpenter, 2010), or health care providers (Janz and Becker, 1984) promoting engagement in health-related behaviours. Examples of cues to action include a reminder postcard from a dentist, the illness of a friend or family member, and product health warning labels. The intensity of cues needed to prompt action varies between individuals by perceived susceptibility, seriousness, benefits, and barriers (Rosenstock, 1974). For example, individuals who believe they are at high risk for a serious illness and who have an established relationship with a primary care doctor may be easily persuaded to get screened for the illness after seeing a public service announcement, whereas individuals who believe they are at low risk for the same illness and also do not have reliable access to health care may require more intense external cues in order to get screened.

Self-efficacy was added to the four components of the health belief model (i.e., perceived susceptibility, severity, benefits, and barriers) in 1988 (Glanz *et al.,* 2008). Self-efficacy refers to an individual's perception of his or her competence to successfully perform a new behaviour (Glanz *et al.,* 2008). Self-efficacy was added to the health belief model in an attempt to better explain individual differences in health behaviours (Rosenstock *et al.,* 1988). The model was originally developed in order to explain engagement in one-time health-related behaviours such as being screened for cancer or receiving an immunization (Rosenstock *et al.,* 1988). Eventually, the health belief model was applied to more substantial, long-term behaviour change such as diet modification, exercise, and smoking (Rosenstock *et al.,* 1988). Developers of the model recognized that confidence in one's ability to effect change in outcomes (i.e., self-efficacy) was a key component of health behaviour change (Glanz *et al.,* 2008).

The aim is to conduct this research using focus groups and semi-structured interviews with GAA players in Cork Institute of Technology, Cork, Ireland as well as conducting semi-structured interviews with leading members of the GAA, GPA and addiction counsellors to ascertain the extent of problem gambling among young players in this sporting organisation and what can be done to tackle this issue.

**REFERENCES**

Allen, S. and Hopkins, W. (2015), "Age of peak competitive performance of elite athletes: A systematic review", *Sports Medicine*, 45(7), 1431-1441.

Analytical Services Unit, DSD. (2010), *Northern Ireland Gambling Prevalence Survey 2010.* Belfast, Northern Ireland: Department for Social Development.

Armitage, C. and Conner, M. (2000), "Social cognitive models and health behaviour: A structured review", *Psychology and Health,* 15(2)*,* 173-189.

Becker, M. (1974), "The health belief model and personal health behaviour", *Health Education Monographs,* 2, 324-473.

Browne, M., Langham, E., Rawat, V., Greer, N., Li, E., Rose, J., Rockloff, M., Donaldson, P., Thorne, H., Goodwin, B., Bryden, G. and Best, T. (2016), *Assessing Gambling Related Harm in Victoria,* Victorian Responsible Gambling Foundation, Melbourne, Australia.

Calado, F. and Griffiths, M. (2016), "Problem gambling worldwide: An update and systematic review of empirical research (2000–2015)", *Journal of Behavioral Addictions*, 5(4), 592-613.

Carpenter, C. (2010), "A meta-analysis of the effectiveness of health belief model variables in predicting behavior", Health Communication, 25(8), 661–669.

Cook, S., Turner, N., Ballon, B., Paglia-Boak, A., Murray, R., Adlaf, E., Ilie, G, Dunnen, W. and Mann, R. (2015), "Problem gambling among Ontario Students: Associations with substance abuse, mental health problems, suicide attempts and delinquent behaviours", *Journal of Gambling Studies,* 31(4), 1121-1134.

Cowlishaw, S., Merkouris, S., Chapman, A. and Radermacher, H. (2014), "Pathological and problem gambling in substance use treatment: A systematic review and meta-analysis", *Journal of Substance Abuse Treatment,* 46(2), 98-105.

Downs, C. (2010), "Mecca and the birth of commercial bingo 1958–1970: A case study", *Business History*, 52(7), 1086–1106.

Forrest, D. and McHale, I. (2011), "Gambling and problem gambling among young adolescents in Great Britain", *Journal of Gambling Studies,* 28(4), 607-622.

Fulton, C. (2015), *Playing Social Roulette: The Impact of gambling on Individuals and Society in Ireland, Summary Handout*, Irish Research Council, Dublin, Ireland.

Freyne, P. "Gambling 24/7: The Addiction Ireland Doesn't Know Enough About". The Irish Times. N.p., 2015.

Gainsbury, S., Liu, Y., Russell, A. and Teichert, T. (2015), "Is all Internet gambling problematic? Considering the relationship between mode of access and gambling problems", *Computers in Human Behavior*, 55, 717-728.

Gambling Commission (2007), *British Gambling Prevalence Survey*. Available at http://www.gamblingcommission.gov.uk/research_consultations/research/bgps/bgps

Glanz, K., Rimer, B. and Viswanath, K. (2008), Health Behavior and Health Education: Theory, Research, and Practice, (4th ed.). San Francisco, CA: Jossey-Bass.

GPA (Gaelic Players Association), (2018), *Gambling – A Guide for County Players and our Games*, Dublin, Ireland.

Grall-Bronnec, M., Caillon, J., Humeau, E., Perrot, B., Remaud, M., Guilleux, A. and Bouju, G. (2016), "Gambling among European professional athletes. Prevalence and associated factors, *Journal of Addictive Diseases*, 35(4), 278-290.

Harris, N., Newby, J. and Klein, R. (2015), "Competitiveness facets and sensation seeking as predictors of problem gambling among a sample of university student gamblers", *Journal of Gambling Studies*, 31(2), 385-396.

Huang, J., Jacobs, D. and Derevensky, J. (2010), "Sexual risk-taking behaviors, gambling, and heavy drinking among U.S. college athletes", *Archives of Sexual Behavior*, 39(3), 706-713.

Institute of Public Health in Ireland (IPH). (2010). Developing a Population Approach to Gambling: Health Issues. Dublin, Ireland.

Janz, N. and Becker, M, (1984), "The Health Belief Model: A decade later", Health Education & Behavior, 11(1), 1–47.

Kerber, C., Black, D. and Buckwalter, K. (2008), "Comorbid psychiatric disorders among older adult recovering pathological gamblers", *Issues in Mental Health Nursing,* 29(9), 1018-1028.

Lopez-Gonzalez, H. and Griffiths, M. (2018), "Betting, forex trading, and fantasy gaming sponshorships – A responsible marketing inquiry into the 'gamblification' of English football", *International Journal of Mental Health and Addiction*, 16(2), 404-419.

Maher, A., Wilson, N., Signal, L. and Thomson, G. (2006), "Patterns of sports sponsorship by gambling, alcohol and food companies: An internet survey", *BMC Public Health*, 6, 95

McMillen, J. (1996), *Gambling Cultures: Studies in History and Interpretation*. London: Routledge.

Mizerski, R., Miller, R., Mizerski, K., and Lam, D. (2004), "The stochastic nature of purchasing a state's lottery products", *Australasian Marketing Journal*, 12(3), 56–69.

Moldovan, I. (2011), "The fire that burns from within: Tales of legendary Swedish table tennis players", Master thesis in Sport Psychology. School of Health and Social Sciences, Halmstad University, Sweden

http://www.diva-portal.se/smash/get/diva2:430980/FULLTEXT01.pdf, Accessed 1st Aug 2018.

Nower, L., Martins, S., Lin, K. and Blanco, C. (2013), "Subtypes of disordered gamblers: Result from the National Epidemiologic Survey on Alcohol and Related Conditions, *Addiction*, 108(4), 789-798.

Orford, J. (2005), "Disabling the public interest: Gambling strategies and policies for Britain", *Addiction*, 100(9), 1219-1225.

Pitt, H., Thomas, S., Bestman, A., Stoneham, M. and Daube, M (2016), "It's just everywhere! Children and parents discuss the marketing of sports betting in Australia", *Australian and New Zealand Journal of Public Health,* 40(5), 480-486.

Reith, G. (2011), "Regulating harm – gambling technology and the challenges for Great Britain", *Addiction*, 106(1), 9-10.

Reith, G. (2012), "Beyond addiction or compulsion: The continuing role of environment in the case of pathological gambling", *Addiction*, 107(10), 1736-1737.

Ronzitti, S., Kraus, S., Hoff, R., Clerici, M. and Potenza, M. (2018), "Problem-gambling severity, suicidality and DSM-IV Axis II personality disorders", *Addictive Behaviors*, 82, 142-150.

Rosenstock, I. (1974), "Historical origins of the Health Belief Model", Health Education & Behavior, 2(4), 328–335.

Rosenstock, I., Strecher, V. and Becker, M. (1988), "Social learning theory and the health belief model", Health Education & Behavior, 15(2), 175–183.

Stillman, M., Brown, T., Ritvo, E. and Glick, I. (2016), "Sport psychiatry and psychotherapeutic intervention, circa 2016", *International Review of Psychiatry*, 28(6), 614-622.

Strecher, V. and Rosenstock, I. (1997), The Health Belief Model. In, Glanz, K., Lewis, F. and Rimer, B. (Eds), *Health Behavior and Health Education: Theory, Research and Practice* (2nd ed., pp. 41-59). San Francisco: Jossey-Bass.

Stroebe, W. and Stroebe, M. (1996), *Social Psychology and Health.* Buckingham, UK: Open University Press.

Suomi, A., Jackson, A., Dowling, N., Lavis, T., Patford, J., Thomas S., Harvey, P., Abbott, M., Bellringer, M., Koziol-McLain, J. and Cockman, S. (2013), "Problem gambling and family violence: Family member reports of prevalence, family impacts and family coping", *Asian Journal of Gambling Issues and Public Health,* 3(13), 1-15.

Thomas, S. and Thomas, S. (2015), "The Big Gamble: The need for a comprehensive research approach to understanding the causes and consequences of gambling harm in Australia", *Australasian Epidemiologist*, 22(1), 39-42.

Wardle, H., Sproston, K., Orford, J., Erens, B., Griffiths, R. and Pigott, S. (2011), *British Gambling Prevalence Survey 2010.* Birmingham, U.K.: The Gambling Commission.

Williams, R., West, B. and Simpson, R. (2012), *Prevention of Problem Gambling: A Comprehensive Review of the Evidence, and Identified Best Practices,* Ontario Problem Gambling Research Centre and the Ontario Ministry of Health and Long-term Care. Retrieved 11 June 2018, http://hdl.handle.net/10133/3121.

www.rutlandcentre.ie (Rutland Addiction Treatment Centre, Dublin. Accessed 01/05/2019.

# THE LONG-TERM CORRELATION BETWEEN INCOME LEVEL AND FOOD CONSUMPTION HABITS IN HUNGARY. IS TURNING THE TENDENCIES AN OPTION?

Péter Huszka
huszkap@sze.hu, University of Győr

Petra Platz
platz@sze.hu, University of Győr

Andrea Aguirre
andrea.a.aguirre94@gmail.com, University of Győr

## ABSTRACT

The food consumption habits have changed during recent years. The cause of this phenomenon is that the households' income level has increased, as well as the level of food prices, in general. According to last years' experiences the food products' price index was lower or equal to the consumer price index. Due to these factors, the food consumption has increased. Food consumption is generally influenced by two parameters: one of them is the income, the other is the changes in consumer prices. Since 2013 the Hungarian economy has been expanding: the employment-to-population ratio has become better: the level of unemployment has decreased, while the level of income has increased. According to the Central Statistical Office's analysis (2017), the living costs are still decreasing. As a side effect of these circumstances, the food consumption's volume has increased. The goal of this article is to describe the way in which food consumption has changed in Hungary. According to the results, despite the positive tendencies, the ratio of the most valuable basic food (like meat products and dairy products) consumption, as well as the overall volume of consumption, still has not reached the food consumption quality in the times of the End of the Communism. During that era, the food consumption was healthier. Nowadays, the situation of food consumption habits is causing social problems, primarily in health conditions and the health care system. The authors' point is that raising awareness would help to turn the food consumption volume and quality in the right directions. With the help of an integrated marketing communication campaign, through ambassadors and influencers, the message of how food consumption influences civilization diseases and the mortality rates could be communicated. The application of co-creation practices could support the campaign's efficiency by finding the right content for the campaign. Representatives of various segments could orientate marketing experts on how to articulate the right message.

## KEY WORDS

consumer behavior, food consumption, trends, co-creation

## 1. INTRODUCTION

The national economies of the developed countries have radically changed since the second half of the 20th century. After WW II, the food industry's main goal was to supply the hungry population (Szakály, 2001). This strategy was mainstream for 10-20 years, but in-between early researches were conducted on the correlation between nutrition and health. The next era dates back to the 70s and to the 80s when the companies in the food production started to completely renew their product portfolios, as they noticed the changes in consumer behavior. This strategy dominated until the middle of the nineties and resulted in an overall expansion of the product

range. Parallel with this phenomenon in the food industry other influencing factors have also changed during the years: the relationship between supply and demand, the prices, the incomes, so as consumer preferences. During the last decade of the 20th century and in the first decade of the 21st-century scientific researches focused on the food topic.

The experiences of the developed countries confirmed that the only market strategy that can be fruitful is the one that can handle the product development, the price strategies and the consumer needs, meaning, that the market strategy flexibly responds to the globalizing local markets.

The consequence is the following: the marketing strategies need to be aware of the status quo and the processes on the local food market.

The national food consumption's indicator is the quantity of bought and consumed food products. There are various methodologies to carry out this measurement. One of them is the household-statistics: the amount of households' food product consumption is registered. Another methodology is based on the comparison of the food balance sheets: the households' quantitative consumption can be derived (Huszka, 2006).

Food consumption is mostly influenced by the income level and the food price index. A general trend is that the price index of food products is lower than or equal to the price index of the consumer price index. This constellation results in the growth of food consumption. It must be admitted that the increase in the food prices was different in the case of various food products; like some food products' price increase (for example meat, leg of pork) is 15-20% less than the average price increase in the food industry. In contrast, the price increase of food products, like bread, cottage cheese, milk, was far higher than the average (Central Statistical Office, 2019).

The characteristic of the consumption is dependent on the income situation. The higher is a household's income, the more is a household's discretionary income. In 2016, the households from the highest income segment spent 3,6 times more for their individual consumption than the households from the lowest income segment. The poorest households' spending was less than half (47,8%) of the national average, while the richest households' spending was 1,7 more than the national average (Central Statistical Office, 2017; Lehota, 2017).

The income influences the spending on food products in terms of macroeconomic facilities: the proportion of consumption – saving has an effect of food purchases, and the GDP per capita influences the variety of food product purchases.

As it was stated before, the food consumption is influenced by the income level and the food price index. The Hungarian nation economy has been growing since 2013. The GDP's annual growth was 2,2% in 2016 (Central Statistical Office, 2017) compared to 4,9% in 2018. Parallel with the GDP's annual growth the employment rate has also grown, while the unemployment rate has decreased. The proportion of the cost of living (for example expenses on food, living, transportation) is decreasing. The proportion of the cost of living was 56,7% of the overall expenses in 2017. This represents 3,7% less than the proportion of the cost of living in 2012; which is a negative peak with its 60,4% (Central Statistical Office, 2017).

There is a growing consumer segment, called LOHAS on the market. They are characteristic for their high level of consciousness. According to Szakály and his research group's findings (2015) they care for the environment. Sustainability represents a primary value for them. The LOHAS consumer has a holistic view: s/he wants to be whole and healthy and take only those products or services which support the health conditions of their bodies, minds and souls. However, as individuals they are truly goal-oriented, as a consumer segment, they can not organize themselves very well: they need assistance to get reliable market information about what is really healthy or environment friendly. Kovács and her research fellows (2015) also found pretty much examples that brands' CSR can be very weak. The authors reckon that

the LOHAS segment's value is almost greater in social sense than in a short-term profit maximizing sense. As public information is not the companies' main interest the authors believe that the LOHAS segment needs mediators, like non-profit organizations who support them by delivering realistic information about a brand's healthiness or environment-friendliness. In the upcoming chapters the authors share such realistic information related to a special field, which can be interesting orientation for the LOHAS consumers. The authors trust that in case of an exact delivery, the communication of the following content would form the attitude of LOHAS consumers towards the meat and dairy product category.

## 2. METHODOLOGY

In the literature review part, the article gave an overview of food consumption habits and indicators from the economists' perspective. This publication aims to describe how the indicators of the food consumption have changed in Hungary in the last years.

The authors work with the food consumption quantity per capita, which is a derived indicator from the comparison of the food balance sheets. Besides national and international sources, this description was mostly supported by the official data of the Central Statistical Office. The authors calculated a base index.

## 3. FOOD CONSUMPTION TRENDS IN HUNGARY SINCE THE END OF THE COMMUNISM

As the data from the Central Statistical Office's database shows (see Table 1a below) the food consumption was 517,7 kg in 1989 (which is the last year of Communism in Hungary), which means 14.637 KJ/nutrient content a day). In 1995 it was only 419,8 kg, which takes daily 12.350 KJ. These values were 465,7 kg and 13.719 KJ a day in 2005. According to the Statistical Handbook, in 2007, a slight decrease can be still experienced nowadays. It is demonstrated in Table 1a below.

**Table 1a. Examples of basic food and nutrient consumption per capita in Hungary (kg per capita)**

|  | Meat, meat products, and fish | Milk and dairy products | Fats | Flour and rice | Sugar | Potato | Sum. (kg) | Nutritient kJ/day |
|---|---|---|---|---|---|---|---|---|
| 1989 | 81,0 | 189,6 | 39,2 | 112,2 | 40,5 | 55,2 | 517,7 | 14 637 |
| 1990 | 75,8 | 169,9 | 38,6 | 110,4 | 38,2 | 61,0 | 493,9 | 14 164 |
| 1991 | 74,1 | 167,4 | 37,0 | 102,6 | 35,0 | 55,3 | 471,4 | 13 420 |
| 1992 | 75,2 | 159,1 | 37,5 | 105,6 | 39,5 | 56,0 | 472,9 | 13 741 |
| 1993 | 70,5 | 144,2 | 36,8 | 97,4 | 35,8 | 59,3 | 444,0 | 13 002 |
| 1994 | 69,0 | 140,0 | 38,1 | 91,3 | 34,2 | 58,2 | 430,8 | 12 669 |
| 1995 | 65,2 | 132,1 | 36,7 | 88,2 | 37,3 | 60,3 | 419,8 | 12 350 |
| 1996 | 61,9 | 136,4 | 35,7 | 84,6 | 39,8 | 66,2 | 424,6 | 12 164 |
| 1997 | 60,8 | 156,4 | 36,1 | 88,1 | 39,4 | 65,3 | 446,1 | 12 438 |
| 1998 | 63,7 | 149,6 | 36,2 | 84,1 | 41,3 | 67,4 | 442,3 | 12 410 |
| 1999 | 63,3 | 151,7 | 34,2 | 90,4 | 37,7 | 68,0 | 445,3 | 12 553 |
| 2000 | 73,2 | 160,6 | 39,0 | 94,1 | 33,2 | 64,0 | 464,1 | 13 270 |
| 2001 | 70,4 | 144,2 | 37,4 | 95,3 | 32,9 | 68,2 | 448,4 | 12 943 |
| 2002 | 75,4 | 143,1 | 39,0 | 87,8 | 32,6 | 65,3 | 443,2 | 12 859 |
| 2005 | 67,1 | 166,8 | 36,5 | 97,3 | 31,2 | 66,8 | 465,7 | 13 719 |
| 2008 | 65,3 | 138,3 | 39,2 | 88,3 | 32,8 | 64,5 | 435,0 | 13 372 |

*Source: Statistical Handbook 2007 (Central Statistical Office, 2008) / 1.3. basic food and nutrient consumption per capita (in Hungary)*

In our case, the open source databases of the Central Statistical Office are involved in the research; it can be observed that, in 2007, almost every category suffered a relapse. This phenomenon continued in 2008 as well. The previously mentioned databases also show that the cereal, meat and milk consumption in 2006 was 90 kg, 57.9 kg and 56.9 in total respectively, while in 2008 these quantities were 88 kg, 57.3 kg and 56.9. A surprising experience – as Table 1a shows as well – is, that the milk and dairy product consumption per capita decreased by 27%; a relapse can be seen in the case of meat products, by 20%, compared to the year of the End of the Communism. It should be considered that these food products are such basic food product categories, which are serving the national nutrition day by day – influencing the health conditions of the whole nation.

This decrease happened at the time, that the income levels were very low, 4.8% lower compared to the previous year.

In 2007 the Hungarian food industry's situation shared the European trend: a negative spiral. However, in some countries (Russia, China, India) the demand for food products had grown and, at the same time, the increasing demand for eco-fuel changed the interests in the agriculture: the price of the agricultural products had grown, as well as the energy prices. Unfortunately, another factor prevailed: the weather was disadvantageous for the production, with floods, frosts, and drought all over the continent. In 2007, the food production decreased by 4.7%, the sales on a national level decreased by 5.6%, the food export poorly increased by 2.5% (Huszka-Polerecki, 2008; Central Statistical Office, 2008). This tendency continued in 2008. Since the fall season of 2008 a global financial crisis appeared, its effects of the real economy could be felt very strongly: both the national and international demand slightly toned down, sales problems appeared and influenced the production, the consumption decreased, the investments almost stopped, while the unemployment rate raised and the inflation slowed down.

The data supports the disadvantageous tendency: as a consequence of this wide-ranged crisis less basic food was consumed in 2008 than in 1989. Furthermore, the increase of potato consumption indicates that the food consumption quality between 1997 and 2005 was healthier.

The next years' (2009-2010) national food consumption - and the national/international economy – was driven by the regression. There was a major turning point in 2010 in the national and international economy: the regression seemed to stop, although the consequences could still be felt, as the data of the Central Statistical Office suggests. Figure 1 illustrates that the Hungarian national economy had grown between 2010 and 2016, except 2010-2012, when it stagnated. In this time period, the national consumption grew from 772.5 thousand HUF up to 1 million 22 thousand HUF. This means an expansion of 1.3 times, 18.4% increase in real terms (Central Statistical Office, 2017).

As it was mentioned before, the end of the financial crisis – which was characteristic for the indebted households – made the consumption decrease or stagnate until 2012. Afterward, the economic circumstances got better: the labor market had dynamically developed and the inflation slowed down. As an output, the consumers' trust returned and mirrored in a growing consumption (Central Statistical Office, 2017). The overall outcome of this era was that between 2013 and 2016, the national consumption had grown in real terms approximately by 7%, in terms of non-financial indicators as well. (This latter will be illustrated in Table 1b.)
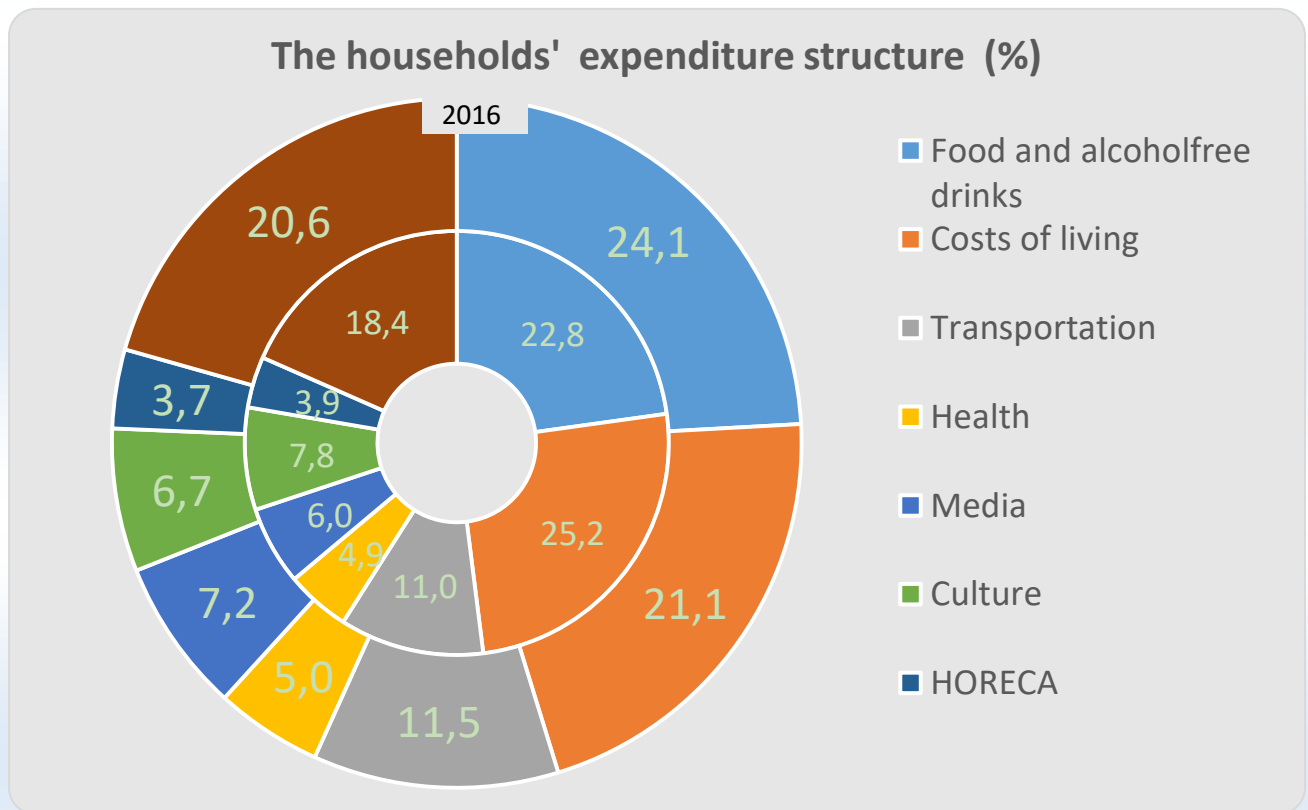
**Figure 1. Income tendencies in Hungary 2010-2016**
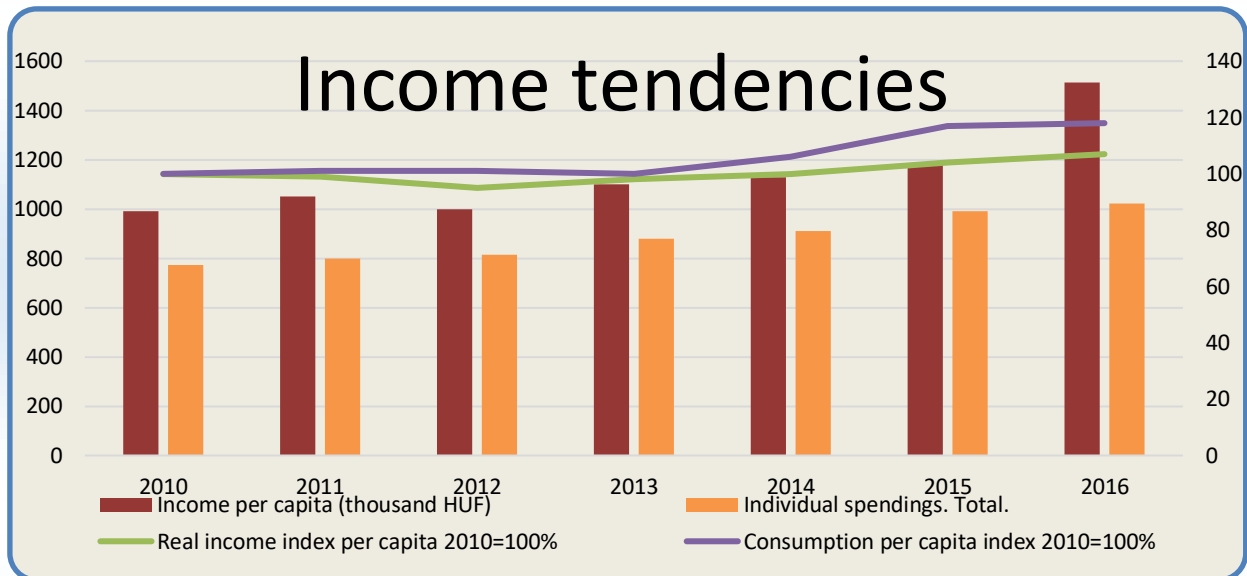
The tendency had to continue besides stagnating consumer prices in 2016. In this year, the private expenditures per capita took 1 million 22 thousand HUF. This means 4.4% in the price category and 4.0% expansion, calculated in real terms, compared to the previous year. Another indicator of life quality is the costs' structure. The cost structure can be seen in Figure 2, below. The ratio of the expenditure on basic needs – like food and living costs – defines the amount of possible expenditure on alternative goods (Central Statistical Office, 2017). The higher life quality a household has, the less have to be spent on food and living costs. The better developed a national economy is, the less have to be spent on basic needs. In the developing countries, the ratio of expenditure on food is relatively high: for example, it is 47.7% in Pakistan and 42.7% in Egypt. In contrast, this ratio in the richer countries takes far less than half of the whole expenditure. It is 6.6% in the USA and 10.9% in Germany (Lehota, 2017). In Hungary, the ratio of food costs (covering food products and alcohol-free drinks) was 26.8% in the first half of 2017, while in 2016 it was 24.1% (Central Statistical Office, 2017). The latest trend of the food industry can be experienced on the Hungarian market as well: the demand for food products is saturating, from the poorer segments towards the richer ones.

The increasing incomes modify the households' cost structures, but it does not mean that less amount of food is purchased. It refers to the opposite: the consumer increases their consumption on a quantity basis until this consumption level saturates, then they improve their consumption on a quality basis. The law of Engel forecasts a stagnating phase in this process, in which the incomes rise, but the expenditure on food products stays on the same level due to the quality improvement.

**Figure 2. The households' expenditure structure per capita in % in 2010 and in 2017**



### The households' expenditure structure (%)

2016

24,1
22,8
25,2
21,1
11,0
11,5
4,9
5,0
6,0
7,2
7,8
6,7
3,9
3,7
18,4
20,6

- Food and alcoholfree drinks
- Costs of living
- Transportation
- Health
- Media
- Culture
- HORECA

*Source: https://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszinv/hazteletszinv16.pdf*
*Downloaded: 28/03/2019*

A long term tendency is that eating out possibilities have become more popular, like having food at the workplace, in a restaurant, food delivery. In the case of some food products, the amount of consumption in the household decreases, which refers to a quality change in the food consumption structure. 7.5 kg less bread was consumed between 2010 and 2016. In the same time period, 4.7 kg more crescent roll, Vienna bread, and pastry was purchased. This phenomenon can refer to the increase of the incomes, as these product's price per kilogram is more than the bread's price per kilogram (Central Statistical Office, 2017).

Back to Table 1a, and Table 1b, the data supports the advantageous economic processes after 2010. Comparing the two tables, two main consequences can be drawn. The first one is advantageous, as the consumption of the described food products has grown. In the case of meat, meat products, fish, milk and dairy products the consumption has increased almost continuously in the past 5 years. In 2016 the consumed amount was even more than before the financial crisis in 2008. We consume almost 7, respectively 30 kg more. This means 10, respectively 20% improvement.

Another advantageous fact is that the proportion of fish consumption is rising in the meat product category. In the last 3 decades, the fish consumption increased by 3 kg, which remains less than the recommended consumption. However, since 2014 the amount of fish consumption exceeded 5 kg. In 2016, 5.7 kg of fish was purchased, so the fish consumption almost doubled. Advantageous as well, that the potato, flour and sugar consumption decreased by the end of the analyzed period.

**Table 1b. Examples of basic food and nutrient consumption per capita in Hungary (kg per capita)**

| | Meat, meat products, and fish | Milk and dairy products | Fats | Flour and rice | Sugar | Potato | Sum. (kg) | Nutritient kJ/day |
|------|------|------|------|------|------|------|------|------|
| 1989 | 81,0 | 189,6 | 39,2 | 112,2 | 40,5 | 55,2 | 517,7 | 14 637 |
| 2008 | 65,3 | 138,3 | 39,2 | 88,3 | 32,8 | 64,5 | 435,0 | 13 372 |
| 2010 | 60,2 | 156,8 | 34,6 | 88,2 | 28,7 | 60,5 | 429 | 12 750 |
| 2011 | 59,4 | 152,3 | 34,4 | 84,7 | 28,1 | 63,5 | 422,4 | 12 429 |
| 2012 | 59,9 | 156,2 | 33,6 | 85,0 | 27,8 | 62,3 | 424,8 | 12 289 |
| 2013 | 59,2 | 147,5 | 33,1 | 85,0 | 28,5 | 58,6 | 411,9 | 12 233 |
| 2014 | 64,0 | 156,7 | 34,8 | 84,2 | 29,0 | 63,0 | 431,7 | 12 639 |
| 2015 | 69,7 | 165,6 | 36,3 | 83,8 | 30,2 | 60,6 | 446,2 | 13 096 |
| 2016 | 72,1 | 169,0 | 37,3 | 88,4 | 30,8 | 59,4 | 457 | 13 513 |

*Source: authors' edition. Based on Statistical Handbook 2007 (Central Statistical Office 2008,2017) https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpt011b.html Downloaded: 28/03/2019*

This article excludes the analysis of fruit and vegetable consumption, as this food product category has such a strong correlation with the health conditions, that it should have an individual analysis. The authors would like to refer to the issue that the Hungarians do not consume enough quantity from fruit and vegetables. However, this phenomenon seems to be constant as the fruit and vegetable consumption was at its minimal in the middle of the 90s as it was in 1989. It is no surprise that the proportion of fruit and vegetable consumption is nowadays still low, in fact, lower than it should be. The fruit and vegetable consumption defines the primary vitamin input. The nutrition pyramid gives an orientation on the desired quantity and variety of fruit and vegetable consumption to support a healthy diet.

Another disadvantageous consequence is that the most valuable basic food products' consumption (meat products, milk, and dairy) lags behind the 90s. Meat products, milk, and dairy are considered valuable as they represent primary protein and vitamin sources. Compared to 1989, the consumed amount of meat and meat products including fish is 9 kg less, regarding milk and milk products is 20 kg less. These data is very disadvantageous because they show that the recommendations related to health and a healthy diet might not reach the consumers in the Hungarian national economy! This raises the questions, what is the worth of the nonprofit commercials and the communication campaigns at schools if they fail to deliver the message?

Of course, the food consumption portfolio is different in households from various social groups, as it is shown by the Central Statistical Office (2017). The strongest correlation is between the income level and the consumption – in accordance with the law of Engel; the higher is a household's income, the more can be spent on food products. The poorest social group spent 148.0 thousand HUF in 2016, while the richest group's spending per capita was 355.1 thousand HUF on an annual basis.

## 4. HEALTH CONDITIONS

Data from the previous chapters, the general eating habits in Hungary, and the fact that one third-of the Hungarian population has to plan their expenses can make life expectancy worse.

The health condition of the Hungarian population is worse than it should be, estimated on the national economy's development level. Healthy lifestyle and health care is not only the individual's responsibility but a social interest as well, as the experience and the knowledge, what an individual possesses represents value for the whole society. The "early illnesses, the

incapacity for work and the death" deprive society of the advantages of those values. Ercsey (2013) emphasizes in her research that due to the decreasing living standards the Hungarian consumers cut their expenditure on culture, at first. This could appear in the negative evaluation of the subjective living standards.

The world is changing. Both society and consumers should follow these changes. This conformity is sometimes uncomfortable, because it requires a change in our habits, especially in our shopping habits.

Unfortunately, Hungary is constantly, year after year, one of the last countries in the EU-28-member ranking. There is a gap in the outcome of the real and the subjective health conditions' evaluation, as it is influenced by the individual's socio-demographic, social, economic and cultural situation. Data from the Central Statistical Office (2002) and Szakály (2011) suggest that female respondents have a more negative review of their health conditions than men. In the EU28 ranking, Hungary came 24th in the life expectancy with 74.4 years. (See Table 2)

**Table 2. EU28 rankings based on various health indicators**

| Country | Life expectancy in birth in years | Mortality rate (/100000) | Overweight (>30 BMI) (kg/m2) |
|---|---|---|---|
| Slovenia | 82,3 | 121,3 | n.a |
| France | 81,7 | 57,5 | 12,4 |
| Spain | 81,6 | 82,4 | 15,6 |
| Cyprus | 81,5 | 114,1 | 12,3 |
| Malta | 81,4 | 214 | 17,2 |
| Holland | 80,9 | 77,5 | 10 |
| Irland | 80,8 | 180,4 | 13 |
| Austria | 80,7 | 195 | 12,4 |
| Luxembourg | 80,7 | 86,1 | 9 |
| UK | 80,6 | 146,8 | 21 |
| Greece | 80,6 | 105,2 | 18,4 |
| Germany | 80,5 | 160,9 | 12,9 |
| Belgium | 80,3 | 91,6 | 12,7 |
| Finland | 80,2 | 243,5 | 15,7 |
| Portugal | 80 | 76,1 | 14,7 |
| Slovakia | 79,7 | 528,6 | 14,3 |
| Denmark | 79,3 | n.a | 11,4 |
| Czech Republik | 77,7 | 327,7 | 15,1 |
| Croatia | 76,6 | 327,2 | 22,3 |
| Poland | 76,4 | 166,5 | 18 |
| Estonia | 75,8 | 393,4 | 7,8 |
| Sweden | 75,5 | 160,6 | 9,2 |
| *Hungary* | *74,6* | *413,3* | *17,7* |
| Bulgaria | 73,8 | 206,4 | 12,4 |
| Romania | 73,8 | 342,9 | 8,6 |
| Lithuania | 73,2 | 593,4 | 15,1 |
| Latvia | 72,9 | 475,7 | 13,7 |

*Source: Soós, 2014, based on WHO*

The ischemic heart diseases' mortality rate is higher only in Slovakia, Lithuania and, Latvia than in Hungary. The proportion in terms of obesity is more or less the same: only Croatia, Poland, Greece and the UK has more overweight inhabitants (Soós, 2014).

In Hungary, the life expectancy at birth (65.3 years for men, 75.7 years for women in 2013) and the mortality rate (13%) could be improved, particularly because the proportion of the inhabitants over 60 year reaches 22% among the whole population (Central Statistical Office, 2015). WHO besides the life expectancy at birth calculates the healthy life expectancy (HALE). In Hungary, inhabitants can expect 64.9 HALE years plus 7.7 "sick" years, in the meantime, in Japan, the HALE is 75 years, plus 6.9 sick years (Szakály, 2011).

The EU average is 83.6 years in the case of women, while men's life expectancy at birth was estimated in 78.2 years in 2016. Observing the EU data there is a difference between west

and east, in addition, between north and south as well. The latest data suggests that in Hungary the life expectancy at birth was 79 years in the case of women, and 72.4 years in the case of men in 2017. The conclusion is that there is still a difference between Hungary and the western EU members in terms of life expectancy at birth, but, it is remarkable that this gap has decreased in the last years. Another positive tendency is that male life expectancy harshly grew compared to the female life expectancy (Central Statistical Office, 2018).

The Hungarians can expect around 66.8 healthy years. In the case of men, this number is 64,1; while for women HALE is 69.5 years. The values are worse in the eastern neighbor countries, such as Romania and Ukraine, while in Austria these values are better, where HALE is 72.4. WHO claims that HALE values are growing overall in the world (Central Statistical Office, 2019).

The conclusion is that the population's health condition and the life expectancy at birth are both improving. The authors reckon that among the Hungarian population, awareness should be raised in relation to the correlation between food consumption – consumerism – health, and life expectancy.

## 5. SUMMARY

The consumers' individual health issues form a social problem. Creating social awareness would help to minimize this problem. The traditional ATL and BTL marketing communication channels are not effective regarding this topic. The health-related message delivery would be more authentic through networking, in a form of value co-creation. Direct communication is more authentic and less aggressive than other media channels – but it still requires involvement and exchanges of ideas. Dialog between conscious consumers and not health conscious society members, or teenagers, whose consumer identity is not fully developed yet, would be fruitful. It would open a platform for both sides: information about the demand on the missing information could be gained, and in the other hand, the strength of a personal influence could be used – for good purposes.

## 6. ACKNOWLEDGMENTS

**REFERENCES**

Central Statistical Office (2016) A háztartások életszínvonala. See also: https://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszinv/hazteletszinv16.pdf Downloaded: 06/01/ 2019

Central Statistical Office (2017) A háztartások életszínvonala. See also: https://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszinv/hazteletszinv17.pdf Downloaded: 06/01/ 2019

Central Statistical Office (2017): A fogyasztói árak alakulása 2017-ben https://www.ksh.hu/docs/hun/xftp/stattukor/fogyar/fogyar17.pdf Downloaded: 06/01/ 2019

Central Statistical Office (2018): A fogyasztói árak alakulása 2018-ben http://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_wdsd008.html Downloaded: 06/01/ 2019

Ercsey I. (2013): A szubjektív életminőség és a kulturális fogyasztás vizsgálata marketing nézőpontból. *Tér Gazdaság Ember*, Széchenyi István Egyetem, Kautz Gyula Gazdaságtudományi Kar tudományos folyóirata, 1, 2, pp. 117-145.

Huszka P. (2006) A tejtermékfogyasztás szerkezetének változása a vásárlói magatartás függvényében. PhD értekezés, Kaposvár

Huszka P., Polereczki Zs (2009): A fizetőképes kereslet és az árak hatása a magyar lakosság élelmiszerfogyasztására. *Élelmezési Ipar Szakfolyóirat*, 63 (8), 241-247,

Kovács, I. – Lehota, J. – Komáromi, N. (2015): A vállalatok társadalmi felelősségvállalásának fogyasztói megítélése. Táplálkozásmarketing. 2015. 2 (2) 3-14.

Lehota J. (2017): Az élelmiszer-vásárlói és - fogyasztói magatartás rendszere. In: Szakály Z (szek.) *Élelmiszer-marketing*. Akadémiai Kiadó, Budapest. pp. 54-62.

Soós M. (2014): Az élelmiszer-fogyasztói magatartás és a testtömeg-menedzselés összefüggései. Doktori (PhD) értekezés. Kaposvári Egyetem, Gazdaságtudományi Kar, Marketing és Kereskedelem Tanszék

Szakály Z. (2011): Táplálkozásmarketing. Mezőgazda Kiadó, Budapest

Szakály S. (szerk.) 2001: Tejgazdaságtan. Dinasztia-ház Rt., Budapest

Szakály, Z. –Pető, K. – Popp, J. – Jasák, H. (2015): The Size and Characteristics of the LOHAS Segment in Hungary. The Hungarian Journal of Nutrition Marketing. 2015. 2 (1) 11-30.

WHO (2019): HALE. https://ec.europa.eu/health/home_hu 2019 Downloaded: 06/01/ 2019

WHO (2018): Poverty rates. https://bbj.hu/analysis/hungary-among-eu-countries-with-highest-poverty-rates_148538 Downloaded: 06/01/ 2019

Further statistical tables from the database of the Central Statistical Office:

http://www.ksh.hu/docs/hun/xstadat/xstadat_evkozi/e_qsf005c.html Downloaded: 06/01/ 2019

https://www.ksh.hu/docs/hun/xftp/idoszaki/hazteletszinv/hazteletszinv16.pdf Downloaded: 06/01/ 2019

https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qpt011b.html Downloaded: 06/01/ 2019

https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qsf001.html Downloaded: 06/01/ 2019

https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qsf003b.html Downloaded: 06/01/ 2019

https://www.ksh.hu/docs/hun/xstadat/xstadat_eves/i_qsf005b.html Downloaded: 06/01/ 2019

# PERCEPTION OF A REGIONAL FESTIVAL AND THE DIFFICULTIES OF INFORMATION GATHERING

Péter Tóth

ptoth@sze.hu, University of Győr

Szilárd Németh

nemeth.szilard@uni-bge.hu, Budapest Business School

Száva Zsigmond

zsigmond.szava@uni-bge.hu, Budapest Business School

## ABSTRACT

In this paper we would like to present the operations of the annual three-day long summer outdoor event called Győrkőc Festival (Győrkőc Fesztivál) designed and organised by Vaskakas Puppet Theatre (Vaskakas Bábszínház) of Győr, Hungary in 2008 and to summarise the main features and views of the visitors. For this purpose, besides the content analysis of the reports, press materials, brochures from the previous years it was necessary to synthetize other opinions and reviews published, and the results of the data collected among the visitors at the festival. Through this process we would like to demonstrate a methodology of how one can gather information on visitors of an entry free event held in an open and public space.

## KEYWORDS

festival marketing, quantitative research, measuring number of visitors,

## 1. INTRODUCTION

Large-scale events (festivals, meetings, fairs) have become important players in the cultural industry in recent decades, especially festivals emerged as major drivers of cultural tourism (Getz 2008) and became solid building blocks of the national and local economies as a multifaceted phenomenon (Mair 2019, Zátori 2017). These cultural events are extremely heterogeneous either in goals, size and the organizer's background. In addition to spending leisure time and cultural consumption, these events can also serve as tools for local community (Biaett 2017, Black 2016) and urban or rural development (Moscardo 2007), and image building in a settlement or region (Gombos 2016). Besides events, festivals, fairs, meetings organized on a market basis, we can meet a significant number of events organized by local governments and institutions using public funds. While there are useful indicators how one can measure the success of market-based events (Long & Robinson 2004) the evaluation of non-profit oriented events are more problematic regarding how success and impact of an event can be measured and benchmarked (Gouthro & Fox 2019 , Kundi 2012, Mair & Withford 2013,).

In this paper below we would like to present the operations of the annual three-day long summer outdoor event called Győrkőc Festival (Győrkőc Fesztivál) designed and organised by Vaskakas Puppet Theatre (Vaskakas Bábszínház) of Győr, Hungary in 2008. While trying to methodologically attempt to estimate the visitor's background as effectively as possible we also summarised the views of the visitors and the residents of Győr concerning the festival. At the same time, we were able to provide a good basis for estimating the primary and spill-over economic effects of the festival we investigated in the next phase of the research.

## 2. BRIEF OVERVIEW OF THE HUNGARIAN FESTIVAL MARKET

The Hungarian festival market is booming, in order to get a better picture of it's characteristics one should use the databases of the Hungarian Festival Association (314 registered Hungarian festivals) or the results of earlier individual national surveys on cultural consumption and free time activities. It has to be emphasized that festivals touch and move a wide range of people: Hunyadi (2004) found that in 2003 4.5 million Hungarians aged between 14-70 participated or visited a major event or a festival in Hungary. It can be stated that festival attendance can be identified as a trend. According to Antalóczy et al. (2009, 312), research on trends and characteristics of Hungarian cultural consumption "festivals, village days, cultural activities are embedded in the everyday life of local communities".

However, this trend cannot be identified by attending large, internationally known domestic festivals as Hunyadi (2004) points out, half of the visitor preferences are related to smaller local festivals. The popularity of festival attendance (both internationally and domestically) has increased in recent years, and this can be attributed to both supply and demand-side factors: between January 2007 and March 2010, 65.1% of the Hungarian population attended at least one domestic festival (Sulyok, 2010).

## 3. BACKGROUND OF GYŐRKŐC FESTIVAL

The festival's appearance and then its regularity surely show the process by which during the last decade the city of Győr consciously started to transform its image and to set new directions besides the industries (car manufacturing, and that of industrial character) determining the city's economy (Kundi 2013). The city's main strategy was characterised by sport-related investments as well as a change of direction in tourism, including the variety and extension of the cultural range as one of its pillars. To increase the number of guest nights spent in the city, Győr had to create such programs and services which increase the time spent there in case of both Hungarian and foreign guests. Among the plans setting up sports events of more days and regional or national festivals can be found. Győrkőc Festival is certainly meant to be an outstanding event in the summer since during its operation of 11 years, its existence enhances these targets above at the most, what is more it became an independent brand and this way an essential part of the city's image.

As you can read in the motto of the event, "*10* places *1000 programs*, no pocket money needed because it is free", the festival programs are free of charge. To organise and operate all of them, the financial support from the City of Győr with County Rights (Győr Megyei Jogú Város) is essential and supplemented by other project sources of less value, and other market players' contributions and sponsorships.

The management of Vaskakas Puppet Theatre presented the idea of the festival to the city where the priority was reforming the cultural program range for the whole year and organising events with a greater scope concerning the development of cultural economy, tourism and touristic attractions at the end of the 2000s. The city of Győr welcomed the idea of creating in the city's public places and parks a three-day long festival having families in the focus and with the aim of evolving the children's personality, strengthening their cultural awareness and self-expressing ability experienced in a community, alongside the principle of the Charter of the Fundamental Rights of the European Union.

The first Győrkőc Festival was held in Győr in 2008. The new program series started under the name *Gyerkőc Festival of Győr* (*Győri Gyerkőc Fesztivál*) but simplified to *Győrkőc Festival (Győrkőc Fesztivál) during the following years* (*Figure 1.*).

**Figure 1. The poster of the first Győrkőc Festival in 2008**



*Source: http://www.fesztivalkalauz.hu/index.php/option/naptar/task/details/faz/10253*
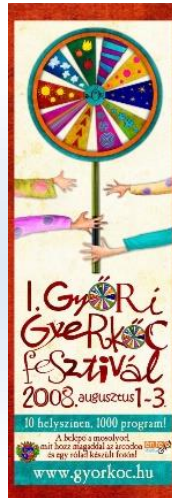
We can find events as the antecedents of the target event in the program range in the city of Győr as well as in Hungary. The main organiser, Vaskakas Puppet Theatre organised one-day outdoor events under the name *Bábliget*, later then *Bábsziget* in early autumn every year to support the promotion of the next theatre season's plays. In case of Bábliget the site was Bisinger sétány and the green area nearby while in case of Bábsziget the site was Radó sziget as the main and central place of Győrkőc Festival. The festivals Bábsziget and Győrkőc took place in parallel for two years, and gradually Győrkőc Festival became Vaskakas Puppet Theatre's only outdoor event.

We can mention as a national forerunner Gyereksziget (Matáv, then T-Com, currently Generali Gyereksziget) organised by the Sziget Festival organisers in 2002 on the site of Sziget Festival on Hajógyári sziget. In the period before Sziget Festival, an event series of four weeks was among the supporters of the event in Győr at the start of Győrkőc Festival.

### 3.1. The operation of the festival

The program's press material wrote about its target like this "The complex programs on 10 sites cover all the segments of the children's world from the classic role of receiving and living artistic experience (plays, concerts, stunts, puppet theatres) to the active creativity of producing something (handcraft playing houses, skill sport games; brain games, logic games, role playing games, etc.)." To organise the whole program package, a wide range of city cooperation was necessary. Most of the festival's costs is covered by the city, and consequently making all the programs of the festival free of charge. Besides Vaskakas Puppet Theatre, the organiser of the festival there are several joint organisers, city associations, institutions in the festival's programs. Xantus János Zoo (Xantus János Állatkert), Rómer Flóris Museum of Arts and History (Rómer Flóris Művészeti és Történeti Múzeum), Zichy Visitor Centre (Zichy Látogatóközpont) are permanent partners of the festival, also The Abbey of Pannonhalma (Pannonhalmi Apátság) and Rába Quelle Spa Bath (Rába Quelle Élményfürdő). The children visiting the festival can visit these sites mentioned during the time of the festival, and there are special programs for them. Hungarian State Railways (Magyar Államvasutak Zrt., MÁV) and Győr-Sopron-Ebenfurth Railway (Győr-Sopron-Ebenfurth Vasút Zrt., GYSEV) have a co-operation of years with the festival, and they can offer 50 per cent discount fares to the children visiting the festival.[6]

---

[6] It provides the children travelling to Győrkőc Festival travelling home from Győr station on the return journey without any charge. The child should have a ticket or season ticket (including passes for travelling for

The festival programs are taking place from Friday to Sunday. During the opening play on Friday afternoon the construction of the festival's main sites is completed, the service providers occupy their designated places. The festival's services are available from 10:00 to 20:00 on Saturday, from 10:00 to 18:00 on Sunday. The closing ceremony takes place after this on the festival site.

The festival's programs and services are set up in several ways. The organisers of Vaskakas Puppet Theatre invite and locate the programs and the services. Or they make an agreement with performers, bands, dance groups, associations, civil organizations, institutions or market players individually about the attractions or outdoor events. There are outdoor programs where the company wishing to appear at the festival organizes the program with the help of a classic sponsorship and experience marketing methods; and this cooperation is meant to have a special agreement.

The companies selling food and drink on the site of the festival and the vendors offering other products are special actors of the festival. They can operate only in the area designated for them if they pay stallage during the festival.

The wristband on the children visitors is one of the festival's most known elements which has more functions. The festival's programs and services are free of charge with this wristband; other discounts on meals, accommodation, buying tickets are also available only with it. Both the child's name and the caretaker's phone number are on the wristband, so if the child is lost, his or her parents or grandparents can be reached easily. This way the number of the visitors may be estimated with the number of the wristbands supplied; this is important information about a free but not enclosed event. Upon supplying the wristbands, the festival staff members have the opportunity to interact with the visitors and collect more information, opinions from them.

## 3.2. The tourism impact of the festival

One of the festival's novelties is definitely that it invited restaurants and companies providing accommodation inside and outside Győr and offered them cooperation. This means that during the festival the children can stay in the partner hotels free of charge, have free dinner in the restaurants meanwhile the cooperating partners appear as recommended service providers on the festival's all surfaces. Companies providing accommodation and restaurants in Győr but also services from Abda, Lipót and Pannonhalma were present among the partners during the past 11 years; we summed them up in *Figure 2*. Several restaurants ceased to exist or were transformed during this period, and even new places supplying food service opened in the city as well, that is why fluctuation is hard to define in this case. It can most surely be stated that among accommodation providers there is a group of six (mainly in the city centre) that apply for partnership every year, besides them new ones come, old ones go.

---

free) to Győr and ask for a wristband at the event. Having a wristband the child can travel free of charge on the return journey. The parents can travel with their own discounts.

**Figure 2. The number of restaurants and accommodations providing discount during the festival 2008-2018**



*Source: own edition (no data from 2010)*

Of course, during the festival other service providers operating in the city contribute to providing food service or accommodation. For a couple of years it could be observed that during the festival that no more rooms left to be booked either inside or outside the city.[7] On top of it between 2008 and 2017 the number of the accommodations increased by 11 per cent, the number of rooms to let by 14 per cent while the number of accommodations to let by some 20 per cent in the city based on the data of the Hungarian Central Statistical Office (Központi Statisztikai Hivatal, KSH). If we are analysing the tourism data in July, then we can see well the increase in the number of national guests, and in the length of stay in the city due to the festival in that month (*Figure 3.*).

**Figure 3. The number of national guests and the average length of stay in July 2004-2018 in Győr**
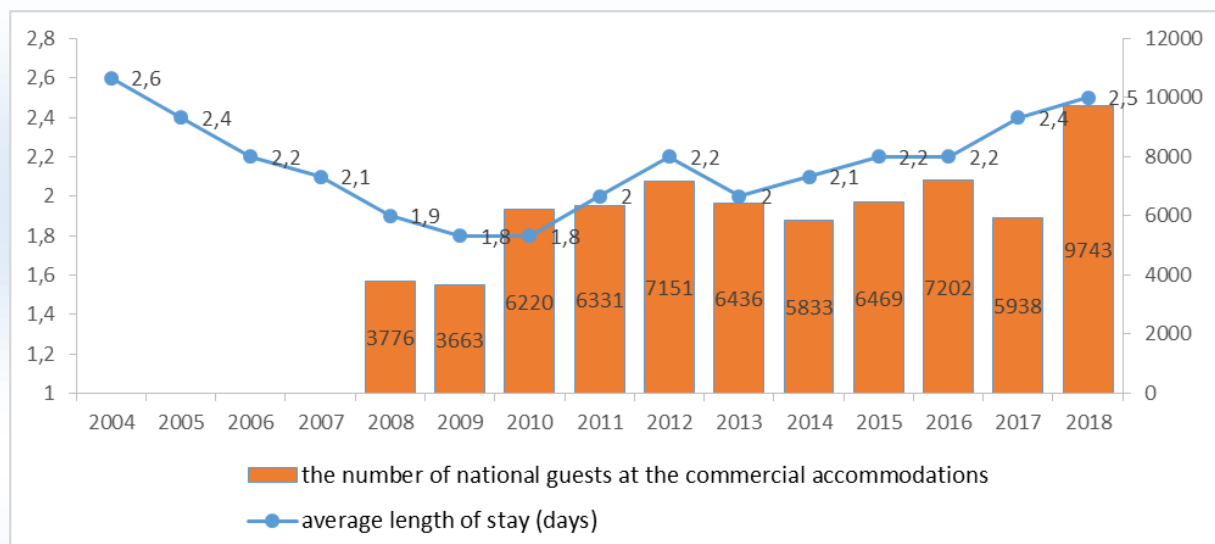


*Sources: own edition based on KSH data*

---

[7] On the websites of www.booking.com it is hard to book an accommodation now for the time of the festival in 2019 (5-7 July 2019), in most cases the following message is waiting for the visitor: *"You missed it! Your dates are popular – we've run out of rooms at the property!"*, or the site says that only 1 or 2 rooms are left.

116

## 4. VISITOR NUMBER, CHARACTERISING VISITORS BASED ON THEIR PLACES OF LIVING

To assess the analysis of the festival's tourism impacts we collected information from more sources in the years of the analysis, and applying more methods was necessary in parallel. The festival takes place on the first week of July every year (venue other than that was only August for the festival in 2008). The programs are taking place in the city centre of Győr from Friday to Sunday during that week. Meanwhile other programs not included in the mainstream programs and not organised by Vaskakas Puppet Theatre but concerning the festival's audience became official ones such as the sport event series of Győrkőc Olimpia taking place in other parts of Győr. This present study deals only with those sites and the visitors where the main organiser of the programs was Vaskakas Puppet Theatre. First of all, we summarise the findings of our data collection related to wristbands (2010, 2016, 2017, 2018).

For a festival the most important question is how many visitors the event's programs had. It is extremely hard in case of an outdoor event taking place on several sites, public places, not excluding the workdays' pedestrian traffic. The programs were taking place on Friday afternoon and evening, on the whole Saturday and Sunday. The site of the program on Friday was Megyeház tér at the beginning, then the opening programs of Friday came here after the renovation of Dunakapu tér. Since wristbands were not sorted out by the organisers on Friday in 2016, the number of visitors can only be estimated on that day. Due to an administration error the questionnaires arrived only after the festival in 2018, and it could not be stated which day they were filled out.

Only the children received wristbands, however, fixing the wristbands on the children the volunteers asked about the adults arriving with them. Our methodological notes on handling the databases with wristbands can be found in Annex I.

### 4.1. The number of the festival's visitors, their registration's patterns

As you can see from the wristband data the festival is getting more and more popular, and the number of visitors is increasing from year to year (*Table 1.*). A bit more than ten thousand visitors in 2010 almost doubled in 2016. The pace of growth is slower in the past two years, however, last year's number of 26123 visitors is two and a half times the value in 2010. These figures should be corrected with those visitors who visit the festival without any children and registration, and with those who register twice because the wristband received earlier was torn or cut.

**Table 1. The number of visitors of Győrkőc Festival asking for wristbands on individual days 2010, 2016-2018**

| | 2010 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Children | Adults | Total | % | Children | Adults | Total | % | Children | Adults | Total | % | Children | Adults | Total | % |
| **Friday** | 1053 | 918 | 1971 | 20 | 0 | 0 | 0 | 0 | 1898 | 1935 | 3833 | 17 | 575 | 597 | 1172 | 4 |
| **Saturday** | 2469 | 2142 | 4611 | 46 | 7116 | 7411 | 14527 | 76 | 6244 | 6757 | 13001 | 58 | 6820 | 6273 | 13093 | 50 |
| **Sunday** | 1851 | 1607 | 3458 | 34 | 2213 | 2436 | 4649 | 24 | 2780 | 2946 | 5726 | 25 | 3972 | 3541 | 7513 | 29 |

| | 2010 | | | | 2016 | | | | 2017 | | | | 2018 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Children | Adults | Total | % | Children | Adults | Total | % | Children | Adults | Total | % | Children | Adults | Total | % |
| missing data | - | - | - | - | - | - | - | - | - | - | - | - | 2270 | 2075 | 4345 | 17 |
| Total | 5373 | 4667 | **10040** | 100 | 9329 | 9847 | **19176** | 100 | 10922 | 11638 | **22560** | 100 | 13637 | 12486 | **26123** | 100 |

*Source: own edition based on Győrkőc Festival wristband registrations (2010, 2016-2018)*

Proportioning can be performed from the data above to tell how many adults are to one child visitor. This proportion is interesting because using the discounts the adults have to pay everywhere where the children do not. The child-parent ratio is between 0.87 (2010) and 1.5 (2017) during these four years meaning that there was one adult visiting or accompanying for every child visitor to the festival.

The time of the registration shows which day of the festival the visitors attend. The earlier is the greater chance they spend more days in the city. Based on the four years' data we can state that almost three quarters of the visitors are present on the first two days, the ratio of those attending on Sunday, the last day makes up 24-29 per cent of all the registered visitors. (As opposed to 2010 when a significant number of visitors registered on Sunday.)

The sites of the registrations can be analysed based on the wristband data from which it is clear how the visitors come to the festival, how they travel in the city. The registration has been available at the same sites since 2016: Széchenyi tér, the walking street in Győr, at the junction of Baross út and Kazinczy utca, in Bécsi kapu tér and at the side of the Rába dual bridge in Újváros. The most registrations are done in the central site of Bécsi kapu tér, namely 30 per cent of all registrations took place here in 2016. Széchenyi tér has the second most registrations where 28 per cent of all registrations were done. The third one is (24%) and the last one is the site in Újváros (18%). Baross út and Széchenyi tér are really close to each other, so to say that most visitors come to the festival walking to the city centre and then to the festival's main sites.

If we are analysing the composition of the groups and their change in time, the following regularities can be observed based on the wristband data collection: the majority of the festival's visitors are nuclear families with one or two children. In 2018 one quarter of the total registered visitors were two adults with two children. Groups of one adult with two children were meant to be another quarter. Groups of one adult with one child gave 22 per cent. Only half per cent was the group of adult visitors without any children, only very few children arrived alone or registered alone. The percentages mentioned here were similar in the period analysed, however, in 2016 half of the visitors registered meant those coming with one child, one third was those with two children while in 2018 these ratios became the opposite, in 2017 the ratios were equal. So to say, all among the festival's visitors the groups of two adults with two children dominate.

## 4.2. The places of living of the festival's visitors

A festival can stand out of local events when its programs raise the attention of the visitors coming from outside the city. In case of Győrkőc Festival the steps of the transition from a city event to a regional then national event can be traced based on the visitor composition during the past eleven years. We have already remarked that how the visitor number increased two and a half times between 2010 and 2018. This increase brought a decrease in the ratio of the visitors from Győr. The number of the visitors from Győr did not change nominally, however, the

increase itself was of those coming from outside Győr, and among them there are more and more families who spend more days in the city and this is valuable for tourism. Among the visitors the ratio of those arriving from Győr gradually decreased, almost to the half of them: 63.2% in 2010, 52.3% in 2016, and in 2017 less than the half of the visitors were the residents of Győr (47.6%) while in 2018 their ratio was only 39.2%.

It is also of importance how far the visitors come from since the majority of those arriving from the agglomeration of Győr can be interpreted seen more or less as those from Győr in terms of tourism.

**Figure 4. The ratios of visitor groups from outside Győr concerning the distance of their place of living 2010-2018 (%)**



*Source: own edition based on Győrkőc Festival wristband registrations (2010, 2016-2018)*

It can be read from the figures presented here that Győrkőc Festival is a festival of regional importance with a strong local catchment area and at the same time it can attract large groups of visitors nationwide targeting families from the capital and big cities. Due to Győr's location close to the border the city's catchment area comprises the Slovakian counties nearby, so during the data collection 3-5% foreign visitors appear in the registrations.

The increasing ratio of the visitors living in the agglomeration of Győr or arriving from more distant places lies behind the decreasing number of visitors from Győr. Two thirds of the total visitors were from Győr-Moson-Sopron county in 2018. High was the ratio of the visitors coming from two neighbouring counties, namely Veszprém and Komárom-Esztergom, also of those from the other side of the border (5-6 per cent for these counties and Slovakia). The ratios of the capital, Vas and Pest counties excel (*Table 2.*).

**Table 2. The counties of the registered visitors' places of living in 2018 at Győrkőc Festival**

| Visitors' places of living | Registered children | Total accompanying adults | Total visitors | Ratio in total visitors (%) |
|---|---|---|---|---|
| **Bács-Kiskun** | 44 | 40 | 84 | 0.3 |

| Visitors' places of living | | Registered children | Total accompanying adults | Total visitors | Ratio in total visitors (%) |
|---|---|---|---|---|---|
| Baranya | | 40 | 45 | 85 | 0.3 |
| Békés | | 34 | 30 | 64 | 0.2 |
| Borsod-Abaúj-Zemplén | | 54 | 53 | 107 | 0.4 |
| Budapest | | 446 | 410 | 856 | 3.3 |
| Csongrád | | 42 | 39 | 81 | 0.3 |
| Fejér | | 245 | 213 | 458 | 1.8 |
| Győr-Moson-Sopron | | 8997 | 8401 | 17398 | 66.6 |
| | *from Győr* | *5257* | *4984* | *10241* | *39.2* |
| | *from outside Győr* | *3740* | *3417* | *7157* | *27.4* |
| Hajdú-Bihar | | 27 | 22 | 49 | 0.2 |
| Heves | | 27 | 25 | 52 | 0.2 |
| Jász-Nagykun-Szolnok | | 21 | 17 | 38 | 0.1 |
| Komárom-Esztergom | | 901 | 793 | 1694 | 6.5 |
| Nógrád | | 8 | 7 | 15 | 0.1 |
| Pest | | 388 | 381 | 769 | 2.9 |
| Somogy | | 40 | 29 | 69 | 0.3 |
| Szabolcs-Szatmár-Bereg | | 36 | 27 | 63 | 0.2 |
| Tolna | | 38 | 30 | 68 | 0.3 |
| Vas | | 420 | 366 | 786 | 3.0 |
| Veszprém | | 711 | 610 | 1321 | 5.1 |
| Zala | | 97 | 83 | 180 | 0.7 |
| Total visitors from abroad | | 734 | 576 | 1310 | 5.0 |
| | *from Slovakia* | *730* | *571* | *1301* | *5.0* |
| | *others* | *4.00* | *5.00* | *9.00* | *0.03* |
| Other unidentified visitors | | 160 | 166 | 326 | 1.2 |
| Total (only rows in bold) | | 13637 | 12486 | 26123 | 100.0 |

*Source: own edition based on Győrkőc Festival wristband registrations (2018)*

The most distant place in Hungary the registration came from in 2018 was Fehérgyarmat lying 430 kilometres far from Győr. The average distance of the visitors' places of living from Győr was 69 km, and among the Hungarian visitors from outside Győr the median of the distance of their place of living was 49 km.

## 5. VISITORS' VIEWS ON THE FESTIVAL

Besides the visitor number the visitors' satisfaction and feedback give also highly important information which can help develop the program range, improve the services' standard, plan new elements in the event series to meet the needs. However, there is a more complex data collection needed to collect the opinions. Besides the wristband data collection there were surveys on the visitors' views three times during the festival history. We will present and analyse the findings of the surveys collected at the festival sites in the city centre of Győr and Újváros organised by Vaskakas Puppet Theatre in 2010, 2016 and 2018. In these cases,

interviewing the visitors was conducted exclusively in the wristband period (on Saturday and Sunday), the survey was focusing on the programs of Győrkőc Festival and its tourism aspects.

## 5.1. Methodology summary

The basic questions of the survey in 2010 were the questions concerning the necessary information for the project of the Ministry of Local Government and the National Cultural Fund of Hungary (Önkormányzati Minisztérium – Nemzeti Kulturális Alap, ÖM-NKA) Major Cultural Programs Professional Association (Kiemelt Kulturális Programok Szakmai Kollégiumok) as a part of the compulsory data provision, supplemented by the questions serving special needs concerning Győrkőc Festival.

While analysing we were interested in the visitors' composition, number, places of living, and their opinions about the festival, the city of Győr and Vaskakas Puppet Theatre. Beyond these we asked questions to reveal what other services' demands in the city the festival itself increases, which of them experience more expenditure. What direct and indirect tourism impacts the festival has in the city, how the image of the event fits the city's image. The festival repeated the survey in 2016 to compare the results. The visitor survey in 2018 can be placed and contrasted next to the two surveys.

In all these three cases besides the number of visitors a deeper data collection about the attitudes concerning the festival and the city as well as the visitors' other activities was necessary, that is why we decided to ask the visitors in person. For our purpose we made and printed the questions and asked and noted by the festival's volunteers (after a short methodological training) during the festival (on Saturday and Sunday) among the adult visitors available on the festival's sites by the method of walking. The visitors asked this way were given a kind of motivation gift after answering the questions. Conducting the survey took 30-45 minutes on average. The method introduced in the 2010s preferred interviewing while waiting for the individual attractions, however, this practice could not be continued in 2016 and 2018 since the duration of waiting decreased dramatically. Based on this methodological hardship that during the past years the organization of the events became more efficient in parallel to the increasing number of visitors at the festival.

We processed and analysed each and every database by SPSS program after data editing and cleaning.

## 5.2. Returning festival visitors and awareness

In a festival's life it is an aspect of great importance if it creates the group of its visitors forming a kind of tradition where with the growing number of its visitors returning from year to year there are new curious visitors not knowing the festival yet. From this point of view Győrkőc Festival is said to be special since the group of its visitors is gradually getting old to visit a festival, and new children will occupy their places. *Figure 5.* shows how the ratio of the older children decreases. If we look at the age group visiting the festival in great numbers (the group of kindergarten and elementary school children aged 4-10), then it is evident that for a child the festival is possibly a good choice for 5-6 or even 7-8 years among the summer events. To prove this, we asked the visitors about the awareness of their visit and earlier experience as well.

**Figure 5. The number of children in the families visiting the festival in age groups in 2010**
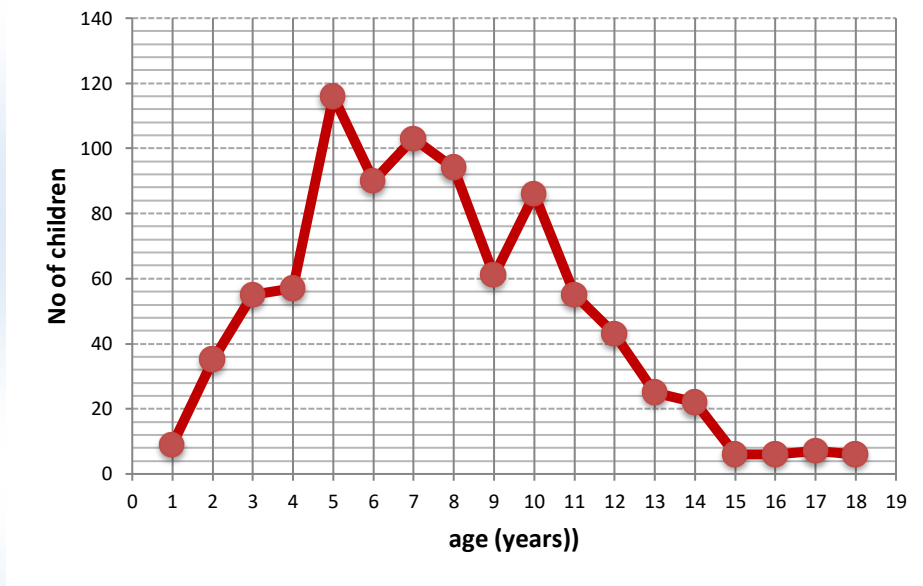


*Source: own edition based on visitors' survey at Győrkőc Festival 2010*

The most significant thing in creating awareness and attendance is the importance of the experiences from the earlier years. In *Table 3.* we presented the attendance figures from 2018 as well as from 2010 and 2016 as a contrast. In 2010 the very young festival did not have visitors with experience of longer years yet. However, the visitors having their first festival had a greater ratio both in 2016 and 2018 as opposed to 2010, possibly because of the growing number of the visitors. In 2016 almost a quarter of those surveyed, and 28 per cent in 2018 were at the event for the first time while in 2010 the ratio of these visitors was a bit less than 20 per cent. That means the festival has a renewing group of visitors whom the city of Győr and the organisers can count on as returning visitors in the following years.

**Table 3. How many times the visitors have been at Győrkőc Festival in 2010, 2016 and 2018 (%)**

| | 2010 | | | 2016 | | | 2018 | | |
|---|---|---|---|---|---|---|---|---|---|
| | From Győr | From outside Győr | Total | From Győr | From outside Győr | Total | From Győr | From outside Győr | Total |
| | N=307 | N=248 | N=555 | N=127 | N=130 | N=257 | N=135 | N=265 | N=300 |
| **Once** | 19.22 | 56.28 | 19.22 | 33.1 | 14.6 | 23.7 | 12.6 | 40.6 | 28.0 |
| **Twice** | 33.22 | 23.08 | 33.22 | 21.3 | 11.5 | 16.3 | 14.1 | 15.8 | 15.0 |
| **Three** | 47.56 | 20.65 | 47.56 | 16.5 | 23.8 | 20.2 | 17.0 | 12.7 | 14.7 |
| **Four** | - | - | - | 12.6 | 17.7 | 15.2 | 12.6 | 9.7 | 11.0 |
| **Five** | - | - | - | 7.1 | 7.7 | 7.4 | 13.3 | 6.1 | 9.3 |
| **More than five** | - | - | - | 9.5 | 24.6 | 17.1 | 30.3 | 21.1 | 22 |
| **Total** | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

*Source: own edition based on visitors' survey at Győrkőc Festival (2010, 2016 and 2018)*

In 2010 those who visited the festival for the third time were present in great number, so a group of devoted and returning visitors was already formed in that year. In 2016 the third attendance still had a high ratio, 20 per cent of the total visitors attended for the third time. On top of that, visitors with more attendances also appeared in that year. 17.1 per cent of the visitors asked were present at the festival more than five times. In the survey of 2018 7 per cent of the visitors surveyed answered that they attended the ten earlier festivals altogether. In the 2018 survey the majority of the visitors with multiple visits had local residence. In the same year more than the half of the visitors (56.3%) were guests in 1-4 years. If we analyse the averages, then in 2018 the visitors questioned from Győr 4.75 times, from the agglomeration of Győr 3.98 times while from more distant places 2.66 times were present at the festival on average. From the data above a group of fanatic visitors can be observed which confirms our notion described earlier namely the children's age makes possible for a family to visit the city of Győr 6 or 7 times as active visitors. It should be highlighted that among those who visited the festival many times are visitors in great numbers arriving from outside Győr. *The festival has a stable but narrowing group of visitors due to the children's aging, and at the same time a lot of families returning with younger children join every year.* This statement is verified by the fact the earlier visitors we are talking about, the older children they have on average. The average age of the visitors' children for the first, second, third and fourth times was between 6 and 8 years while among those with more attendance the children's average age was 8-11 years in 2016. (In the survey of 2018 there was no question related to this.)[8]

Commitment can be measured beyond this if we explore the reasons for coming to Győr as well, and among them we look for the ratio of those travelling to the city because of the festival. The ratio of the visitors arrived exclusively for the festival showed a gradual increase between 2010 and 2016. While in 2010 28.5 per cent of the respondents said that they are in the city not because of the festival, this ratio was only 8.8% in 2016. The remaining groups travelled to Győr (also) because of the festival at the weekend of the festival. In year 2018 we asked the question in a different way where the answer was relevant only for those living outside Győr. In this case 79 per cent of the respondents answered that they came to the city because of the festival, and the remaining 21% marked other programs, activities more important (*Figure 6.*).

---

[8] We should add to the 2018 data that in the same period (5-8 July 2018) the European Athletics U18 Championships took place in the city. 1063 athletes and 458 people accompanying the teams arrived in Győr for the sport event. The family members accompanying their children to the event should also be counted. Young athletes not competing on that day or finishing their rounds appeared at the programs of Győrkőc Festival.

**Figure 6. The destinations of visitors not from Győr but coming to Győr because of the festival in 2018 (%) (N=165)**
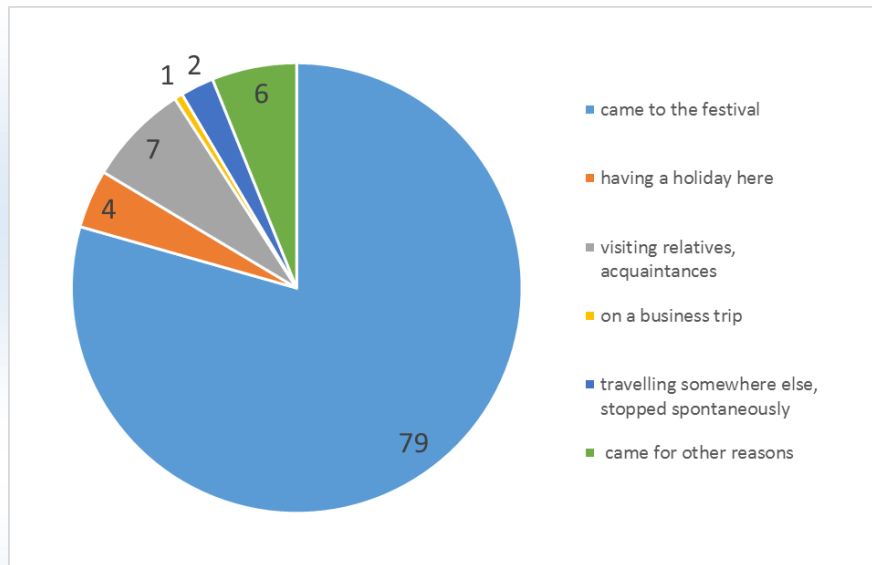


*Source: own edition based on visitors' survey at Győrkőc Festival (2018)*

However, visiting the festival on its own does not generate effects valuable from tourism aspect, this is mainly influenced by the period of time the visitors want to spend in the city as well. Győrkőc Festival offers several programs for a longer weekend for visitors to the city, some of them supplement these with other activities (visiting relatives, travelling further, seeing the city's other sights and using its services). In the 2016 survey the two groups spending the most time at the festival were the local people and those arriving from more than 100 kilometres. In both cases a visit of 2-2.1 days was the average in these two groups (in case of the total visitors asked the average length of stay was 1.87 days). In 2018 the average length of stay at the festival showed a fall both in the whole population of the visitors asked (1.66 days) and among those living in Győr (1.79 days) (*Table 4.*).

**Table 4. Visiting ratio on the festival days in the group of visitors coming from different places in 2018 (% and average)**

|  | Visiting on Friday (%) | Visiting on Saturday (%) | Visiting on Sunday (%) | Average time spent at the festival (days) |
|---|---|---|---|---|
| **Residents of Győr** | 21.5 | 81.5 | 75.6 | 1.79 |
| **Agglomeration residents** | 21.6 | 76.5 | 72.5 | 1.71 |
| **Arrived from other places** | 14 | 71.1 | 63.2 | 1.48 |
| **Total** | 18.7 | 76.7 | 70.3 | 1.66 |

*Source: own edition based on visitors' survey at Győrkőc Festival (2018)*

The opening program on Friday is rather popular among the visitors from Győr and the surroundings, a little bit more than the fifth of them visited the opening ceremony in Dunakapu tér in the afternoon on the first day. The festival's top day is evidently Saturday when the most visitors come; they have the highest ratio in each group. On Sunday the visitors' figures decrease in all groups, the most in the group of those arriving from further places (*Table 4.*).

The festival visiting patterns of the visitors living in Győr and in places nearby are said to be very similar.

## 6. SUMMARY

We have seen above how a traditional festival visitor's survey (Mackellar 2013) can be verified and refined with certain collection techniques in order to specify the total number and composition of visitors. By knowing the exact number of visitors, visitors' opinions on a smaller sample can be weighted and refined. In the future, such information may also provide an appropriate basis for calculating economic effects of the festival. Although the festival under review is a non-profit initiative, using the practice of in-house customer surveys and taking advantage of the specificities of the event will give more accurate information in the future whether the festival has reached the groups it wished to address. Repeating this type of data collection from on a yearly basis can also provide a picture of the festival's life cycle using time series data. In the present case, this meant a reorganization of the visitors in connection with the Győrkőc Festival, where the interest of the local residents remained, but their proportion was outnumbered by the increasing number of visitors arriving from other places.

## ACKNOWLEDGMENTS

**REFERENCES**

Antalóczy T.–Füstös L.–Hankiss E. (2009). Jelentés a magyar kultúra állapotáról–Átfogó körkép. In: Antalóczy T.–Füstös L.–Hankiss E. (szerk.) *[Vész]jelzések a kultúráról*. Budapest, Magna Produkció. pp. 303–319.

Biaett, V. (2017). Festivity, play, wellbeing… historical and rhetorical relationships: implications for communities. In Phillips, R. & Wong, C. (Eds.), *Handbook of Community Wellbeing Research* Dordrecht, the Netherlands, Springer. pp. 189–198.

Black, N. (2016). Festival connections: how consistent and innovative connections enable small-scale rural festivals to contribute to socially sustainable communities, *International Journal of Event and Festival Management*, 7(3), 172–187.

Getz, D. (2008). Event tourism: Definition, evolution, and research, *Tourism Management*, 29(3), 403–428.

Gombos Sz. (2016). A kultúra városimázs-befolyásoló hatásának vizsgálata. Doktori értekezés. Széchenyi István Egyetem, Győr. https://rgdi.sze.hu//images/RGDI/honlapelemei/fokozatszerzesi_anyagok/Disszert%C3%A1ci%C3%B3_Gombos%20Szandra.pdf Last download: 2019. 02. 17.

Gouthro, M. B. & Fox D. (2019). Methodological approaches to festival research. In: Mair, J. (ed): *The Routledge Handbook of Festivals*. Routledge, New York pp. 12-21.

Hunyadi Zs. (2004). A fesztiválok közönsége, helye, szerepe a kulturális fogyasztásban. MTA Szociológiai Kutatóintézet, Budapest. http://mek.oszk.hu/10100/10187/10187.pdf Last download: 2018. 04. 10.

Kundi V. (2012). Fesztiválok gazdasági hatásmérésére alkalmazott nemzetközi és hazai modellek bemutatása. *Tér és Társadalom*, 4 (26), 93–109.

Kundi V. (2013). *Fesztiválok városokra gyakorolt gazdasági és társadalmi-kulturális hatásainak elemzése - A győri Magyar Táncfesztivál és a Miskolci Operafesztivál példáján keresztül.* Doktori értekezés. Széchenyi István Egyetem, Győr.

Long, P., & Robinson, M. (Eds.). (2004). *Festivals and tourism: Marketing, management and evaluation*. Business Education Publishers, Sunderland.

Mackellar, J. (2013). Participant observation at events: theory, practice and potential. International Journal of Event and Festival Management, 4(1), 56–65. doi:10.1108/17582951311307511

Mair, J. (2019). Introduction. In: Mair, J. (ed): *The Routledge Handbook of Festivals.* Routledge, New York pp. 3-11.

Mair, J., & Whitford, M. (2013). An exploration of events research: event topics, themes and emerging trends. *International Journal of Event and Festival Management*, 4(1), 6–30.

Moscardo, G. (2007). Analysing the role of festivals and events in regional development, *Event Management*, 11(1–2), 23–32.

Sulyok J. (2010). A magyar lakosság fesztivállátogatási szokásai. *Turizmus Bulletin*, 3 (14), 2–11.

Zátori A. (2017). A fesztiválturizmus elméleti aspektusai. In: Jászberényi M.–Zátori A.–Ásványi K. (eds.): *Fesztiválturizmus.* [Digitális kiadás.] Akadémiai Kiadó, Budapest. https://mersz.hu/hivatkozas/dj207ft_2_p2#dj207ft_2_p2 Last download: 2019.03.16.

**REVIEWERS**

Jose Luis Vazquez (Univ. of Leon, Spain)

Amparo Cervera (Univ. of Valencia, Spain)

Helena Maria Alves (Univ. Beira Interior, Portugal)

Gonzalo Diaz (Univ. of Las Palmas de Gran Canaria, Spain)

Ida Ercsey (Univ. of Győr, Hungary)

László Józsa (Univ. of Győr, Hungary)

Agota Giedre Raisiene (Mykolas Romeris University, Vilnius, Lithuania)

Ana Claudia Pinto Nave (Univ. Beira Interior, Portugal)

Anna Vanova (Matej Bel University, Slovakia)

César Sahelices-Pinto (Univ. of Leon, Spain)

Clementina Galera (Univ. of Extremadura, Spain)

Edy Lorena Burbano (Univ. S. Buenaventura Cali, Colombia)

Elvira Bolat (Bournemouth University, UK)

Emerson W. Mainardes (FUCAPE Business School, Brasil)

Erzsebet Hetesi (Univ. of Szeged, Hungary)

Isabel Sanchez (Univ. of Extremadura, Spain)

Ivan Georgiev (Trakia University Stara Zagora, Bulgaria)

Maria Mercedes Galan (Univ. of Extremadura, Spain)

Marlize Terblanche-Smit (Stellenbosch University, South Africa)

Maurice Murphy (Cork Institute of Technology, Ireland)

Mirna Leko-Simic (Univ. of Osijek, Croatia)

Oscar Daniel Licandro (Univ. Catolica of Uruguay, Uruguay)

Paulo Duarte (Univ. Beira Interior, Portugal)

Peter Toth (Univ. of Győr, Hungary)

Petra Platz (Univ. of Győr, Hungary)

Rodoula H. Tsiotsou (University of Macedonia)

Veronika Keller (Univ. of Győr, Hungary)

Walter W. Wymer (University of Lethbridge, Canada)

**SZÉCHENYI ISTVÁN UNIVERSITY**

Széchenyi István University is located in Győr, at the centre of Central Europe's "golden triangle". We are halfway between the capital of Hungary, Austria and Slovakia. The main campus of The University of Győr (Széchenyi István University), situated on the banks of the Danube River and only minutes on foot from the downtown has recently undergone a massive infrastructural renewal including expansion of the University's student accommodation with the addition of two new high quality and well-equipped dormitories. As evidence of the University's strong commitment to internationalization, from September 2019, twety-four English-taught programmes at all Academic levels will be on offer.

Three of our four Doctoral Schools also propose English-taught programs as follows: Doctoral Programme in Plant, Animal and Food Sciences, Doctoral Programme in Civil Engineering Transportation & Vehicle Engineering and Informatics Sciences and a Business and Management Sciences Doctoral Programme (SzEEDSM).

We have 50 years of tradition and experience in supporting Hungary ́s leading industries with a strong focus on vehicle engineering, transportation and telecommunication. As a result, our university has become the primary driver of the regional economy provider for the public service sector and supplies the human resources and training needs for the North-Transdanubian region.

In the area of university-industry collaboration, Audi Hungaria and the University of Győr are cooperating on more project. The company's specialist involvement at the University of Győr is intensified by the large extent of direct participation of Audi Hungaria experts in lectures and research.

**University of Győr**
H-9026. Győr, Egyetem tér 1.
https://uni.sze.hu

**SPONSORS**

Terragro Commercial Ltd. (http://www.terragro.hu/)





(https://www.wkw.de/hu/)