

## THE LABEL - AN ESSENTIAL TOOL FOR KEEPING THE CONSUMER INFORMED AND FOR PROMOTING PRODUCTS IN THE ECONOMIC AREA

Victoria-Mihaela BRÎNZEĂ<sup>1</sup>, Olimpia Elena Mihaela OANCEA<sup>2</sup>

<sup>1</sup> Faculty of Economics, University of Pitesti, Romania, [mihaelabranzea@yahoo.com](mailto:mihaelabranzea@yahoo.com)

<sup>2</sup> Faculty of Economics, University of Pitesti, Romania, [olimpiaoancea@yahoo.com](mailto:olimpiaoancea@yahoo.com)

***Abstract:** The lifestyle and the technology evolution have significantly changed the consumers' expectations and behaviors for the alimentary products. Paying more attention to health and welfare, consumers are looking for healthy products, which induces a special sensitivity to all information on the packaging and to the guarantees offered by the presence of official signs of quality. The quality of the product itself is undoubtedly the key to success, but before arriving there, the consumer must be convinced that the product should be bought from all the others that are available in the same category, moment at which the visual appearance of the product must fulfill his role. Deepening the analysis, we can say that although the shape, color, packaging originality are particularly important points, finally, the element that will really make the difference for consumers, today, is the label and the containing information.*

**Key words:** label, branding, advertising, nutrition information, design.

**JEL Classification Codes:** M31, M38.

### 1. INTRODUCTION

The imperatives of fierce competition and the evolution of lifestyles have prompted producers to mobilize resources in order to provide the required quality of goods, at present, the concept of "quality" becoming a signal word in most countries.

Addressing the quality of the products is made along their entire trajectory, starting with the planning - design phase and until the post-consuming phase, in this context, information on the products representing a significant element underpinning the ethical principles of trade.

Even if a large quantity of information on the label may reduce the asymmetry of information between the consumer and the producers and, therefore, the potential opportunistic behaviour of producers, on the other hand, a surplus of information may represent a potential source of danger for optimal choices of consumption, given the cases in which the use of label may be discouraged which can lead to information overload. Therefore, one must try to find the optimal "value" of information that should be placed on labels.

### 2. RESEARCH METHODOLOGY

In order to draw our paper out, aiming to outline a clear image of the label, as a tool to promote products and to correctly inform consumers, we studied a number of articles and studies representative in this field, present in scientific databases (SpringerLink, Emerald, ScienceDirect), searchable via search engines such Google and Google Scholar. Due to the large volume of information, we identified an adequate search strategy, by using key words, such as:

label, communication, branding, esthetics, advertising, information and other synonyms of these words, using as inclusion criteria:

- availability of the abstract or of the whole article;
- written in Romanian, English, Spanish, French or Italian;
- description of the label, as a powerful tool to inform and to promote a product;
- inclusion of key factors that might favour the label role as promoter of a product.

We also opted to achieve a quantitative research in order to test the consumer perception of the usefulness of the label as a mean of information and promotion. As a tool to collect information we used a questionnaire, consisting of 9 questions, which was applied to the students of the Faculty of Economics. The questions employed were closed questions.

For the analysis and interpretation of the information relative frequencies have been used for an easier interpretation of the distribution of the sample according to the variables investigated.

The results of the processing, and also the analysis and interpretation of the information obtained from the questionnaire highlighted a number of issues, which we will detail in the following chapters.

### **3. ROLE AND FUNCTIONS OF THE LABEL IN MODERN SOCIETY**

According to the Romanian Government Decision no. 106/2002 on food labelling and to the Law 296/2004 on the consumption code, the label is “any material that is written, printed, lithographed, engraved or illustrated, containing elements of identification of the product and which accompanies the product or is adhered to its packaging.”

Food labelling has evolved to a great extent in the last decades especially in terms of implementation methods and graphical qualities of the label, but also a permanent enrichment of its informational content. Thus, the label has become an element that companies use as a valuable informational and promotional tool in the competitive battle to attract major consumer segments, providing them with the premises of a genuine physical protection. (Bobe, 2008)

Altmann says that “branding strategies and labelling of food products are designed to differentiate products from those of competitors, to extend the appeal of the product and to guarantee consumers a certain level of quality.” (Altmann, 1997)

In a time when more than 80% of food products are bought in supermarkets, so mainly through self-service, brand names and identifying marks on the packaging plays the role of sales assistance, replacing the advice of the seller, busy with other tasks at the point of sale.

The label has a number of main functions, as follows (ACIA, Santé Canada, 2011):

- allows identification of marks;
- provides basic information on the product (name, ingredients, quantity etc.);
- provides information on the product’s health and nutritional aspects (instructions for storage in safe conditions and use, information on the amount of fats, proteins, carbohydrates, vitamins and minerals etc.);
- helps in product classifications (e.g., fruit compote, depending on the category they fall into, is marked with the letters A, B or C);
- serves as a tool for marketing, promotion and advertising, through attractive images and an attractive design.

According to other experts, “labels have four functions: they allow identification, classification, description and product promotion” (Verbeke & Viæne, 1999).

The differentiation and insurance objectives are particularly important to food products, labels being able to provide consumers, producers and distributors with a series of functional benefits, including:

- Ensuring traceability and authenticity of food products;
- Differentiation of food products available on the market with similar levels of quality;
- Protecting possible counterfeits or imitations.

The importance and role of information contained by the label of a food product consist of (The National Association for Consumer Protection and Promotion of Programs and Strategies from Romania-InfoCons, 2009):

- improving the choice of a product by consumers and influencing these choices through a full knowledge of product information;
- correct information, in particular of the categories of consumers who suffer from allergies or adverse reactions to certain substances;
- choice of food products to achieve a healthy diet able to meet the consumer’s desire;
- growth of consumer’s confidence in the product by means of fairness and amount of information transferred via the label;
- encourage food produces to communicate information additional to those required by law, to be mentioned on the label of products in order to meet the consumer’s desire for information

#### **4. THE LABEL, AS AN ESSENTIAL INFORMATIONAL TOOL FOR CONSUMERS AND A PROMOTING TOOL FOR PRODUCTS IN THE ECONOMIC AREA**

As the saying goes that “clothes make the man”, so we can say that the label makes the product offered to the customer. The first thing the consumer does is to take product in his hand, turn it on all sides and, before making his mind, to read whatever he finds on the label.

In this period when we are witnessing an escalating competition, the battle is lead in the domain of labels as well, their design turning into a real industry. Thus, in addition to other aspects regarding the product, the printing techniques, the supports used and other aspects strictly related to labels, the companies in the domain have been selected, those dedicated to the client, positioning, naturally, on the leading positions. (Pop, 2015)

The label should be regarded as an integral part of the package, as bearing the brand’s visit card, representing a powerful advertising tool.

As a tool for advertising, the label distinguishes itself through the ability to call attention on the product, to differentiate it and determine the one who checks it to take the decision to purchase it.

Also, the label is an engine which aims to inform consumers by means of textual elements, graphics, drawing, colour, expression, brand personality, as well as to facilitate and accelerate sales by quickly identifying the label of the brand.

During the times we live in, the marketing value of the label is constantly growing, leading to a transformation of optics on the label, which, from a simple auxiliary of the product is metamorphosed into an industrial product representing a whole of interconnected components,

an organized set of knowledge and concepts, aiming at the successful achievement of specific economic objectives.

The labels have gone from being simple pieces of paper with some information, to becoming, for consumers, real benchmarks that allow them to know everything about the product they want to buy. Sometimes, the label is an underestimated mean of communication, even if it offers the opportunity to present the product in a unique way, as a tool of communication that can make the difference from the products in the crowd. (Gouw, 2013)

In this context, the role of advertising engine of the label acquires new meanings, both because of the multitude of mandatory information to be mentioned on the packaging, as well as due to the requirements of potential buyers to benefit from ample and accurate information concerning the product and its nature and characteristics.

The label must highlight the main features of the product, so that consumers can easily distinguish it from similar ones.

According to Franck Celhay, a “consumer enters the store with an idea of the price he wants to pay and, within this price range, the second criterion of choice is the label”. However, we must remember that not all consumers have the same expectations and it would be better not to try to create a label that could “please everyone”, because the opposite effect could be reached, due to lack of originality. In such circumstances it is preferable to concentrate on one aspect of the product that can persuade a certain category of buyers and to create a package that will address this specific category. (Dupont, 2014)




*The design of the labels* is seen as a tool that distinguishes between products and communicates effectively their image, the basics of label design being: the form, colour, graphics, and the communicated informational message.

The form of the label can suggest quality of the product (luxury, superior or lower quality) and must be adapted to the content. For example, the detachable labels are suitable for all types of products, glossy labels ensure a high-quality image, the labels in the form of a cathedral adapts perfectly to rounded forms, such as bottles, opaque labels allow reading QR codes, labels with attachment are convenient for products that cannot be labelled directly.

The colour is the predominant element of the label’s aesthetics and one of the most important ways the designers hold to make an effective means of communication out of the label. Through colour, at the level of the unconscious, the consumer may form a first impression of the product, impression that may lead to the detection of other features, which may cause the product to be chosen a priori.

Graphics include all photographs, drawings, slogans and symbols, helping to the initial impact that a product (through its label) has on consumers, playing an important role in conveying information and impressions about the product. Modern trade requirements call for expressive graphics that include the following styles: commercial graphics, intellectual graphics, humorous graphics (Table no. 1).

**Table no. 1 Typology of graphics used for labelling products**

TYPE OF GRAPHICS	PARTICULARITIES OF LABEL GRAPHICS	EXAMPLES
<p><b>COMMERCIAL GRAPHICS</b></p>	<p>Enhances and presents the image of the product, the manner of use, its destination through photos, drawings, various figure-like combinations</p>	
<p><b>INTELLECTUAL (SYNTHETIC) GRAPHICS</b></p>	<p>It is characterized by a tendency to be schematic, simple from a chromatic point of view, with visual symbols easy to decipher, avoiding confusion</p>	
<p><b>HUMOROUS GRAPHICS</b></p>	<p>By cartoons, cartoon characters, puns related to nutrition or other elements, the product is brought closer to the consumer (examples: products for children', soft drinks, coffee)</p>	

Source: Voicu, 2003, p. 88.

The informational message complements the information and promotion function of the label by linking the image to the advertising text and the colours, materializing in:

- communicating an amount of data through which the product to be recognized or identified;
- emphasizing the characteristics of quality and of destination;
- detailed information on the nature, recycling, recovery and environmental implications of packaging;
- mediating emotional involvement of the prospective buyer.

The label's design features to be considered in terms of ergonomics are: the font size, label placement, language comprehension, the background colour of the label, visibility and essential information and the colour of the essential font. According to a survey, a little more than half of the respondents (53.33%) was not comfortable with the background colour of the label, the majority of the sample (82.5%) being not comfortable with the font size and visibility of essential information on the label. 65 % expressed discomfort with the colour and font size. Thus, the factors that caused discomfort for consumers, while they were reading the label, were the font size, the visibility of essential information, the font colour and background colour of the label. (Kodali & Telaprolu, 2014)

The results showed a significant association between reading habits of the label and the font size and visibility of key information. Thus, to encourage consumers to read the label is essential to provide a suitable font size on the label. The visibility of key information allows the reader to read, understand and analyse information on the label and also reduces the visual discomfort.

Another extremely important aspect when it comes to the label is the legibility, but one can make some improvements in this area as well, “playing” with the writing funds and colours, so that the label to look as attractive as possible, such as:

- one can choose large colourful characters for a product designed for children;
- one can use cute letters, sophisticated enough for a product designed for women;
- one can use a serious and elegant font for a typical product designed for men.

In addition to these important aspects, most consumers believe the label informs on values or personality of the company selling the product.

Finally, the label behind the product must not be neglected, which, if it can afford to be less impressive from a visual point of view, must contain the mandatory information.

Beyond the name of the food product, communication about nutrients content and the presence (and number) of specific macro-nutrients or ingredients (especially fat content, but also energy contribution, fibres, sugar content, unknown ingredients) may have a strong impact on expectations regarding the food product. (Oakes & Slotterback, 2005) As with any communication, information classification counts for nutritional information as well. The food is perceived as lighter and of higher quality when is labelled “75% fat free”, rather than when is labelled “25 % fat content”. (Levin & Gaeth, 1988)

Although nutritional and health specifications are regulated, the decision to use them or not belongs the food sellers. In the past few years, retailers have become more likely to make use of nutrition specifications (including “low content of fat” or “rich in omega 3”) and health specifications (“supports immunity”). Some of these specifications may improve brand evaluation and sales, although these effects are not universal and are influenced by comparisons with other foods in the same category, as well as by how they influence expectations in terms of taste. (Kozup & Burton, 2003)

Studies have shown that elementary health specifications which are more prescriptive, such as colour-coded traffic lights, have a stronger effect. Following an experiment, it was found that the mere codification of food from a coffee shop with a green label, yellow or red (for “healthy” food, “less healthy” and “unhealthy”) led to increased sales of healthy products and reduced sales of unhealthy products. Providing benchmarks for each ingredient and nutrient (medium or range) helps consumers to process nutrition information, while summarizing information in a graphical format is particularly useful for illiterate consumers. (Chandon & Wansink, 2012)

In addition, the promotional message can be positioned on the label; this message may vary from time to time. This way, consumers will be surprised and interested to “follow” labels to see interesting things that the company has to say. A good example of this technique are cornflakes producers publishing on the label parts of comic books or a series of events, puzzles etc. that the children are excited to read. This trick turns out to be an additional incentive for consumers to choose that particular product from the overcrowded shelves.

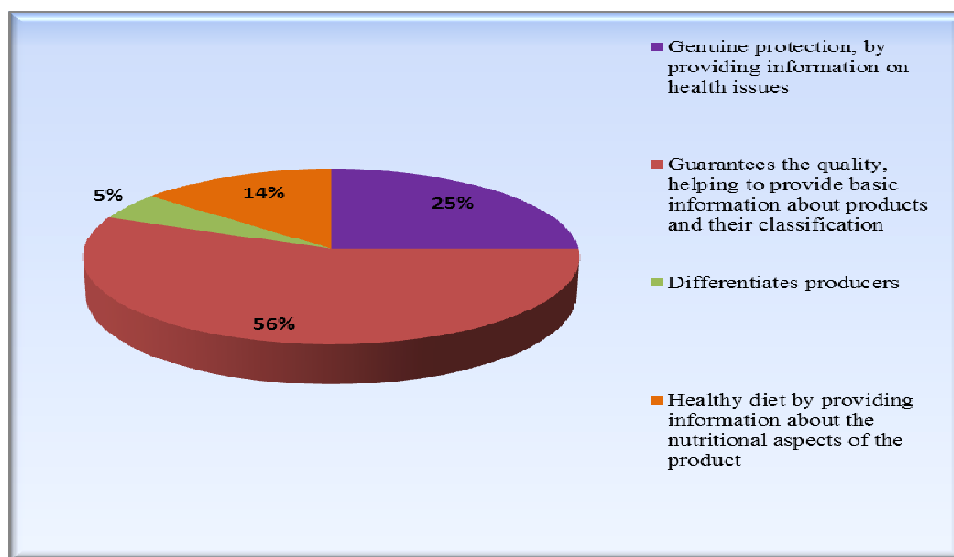
We can say without fear of being mistaken that a clean, orderly, accurate label, having the proper colours, gives the product a certain magic. If we think of a product that is sold in supermarkets, then it must stand out from a distance, which is why labelling itself must be

carried out perfectly, all the labels to be exactly at the same height on products, with no air bubbles under the labels, no folds or wrinkles. (Gouw, 2013)

## 5. THE CONSUMERS' PERCEPTION OF THE USEFULNESS OF THE LABEL AS A MEAN OF INFORMATION AND PROMOTION - ANALYSIS OF THE RESULTS OBTAINED

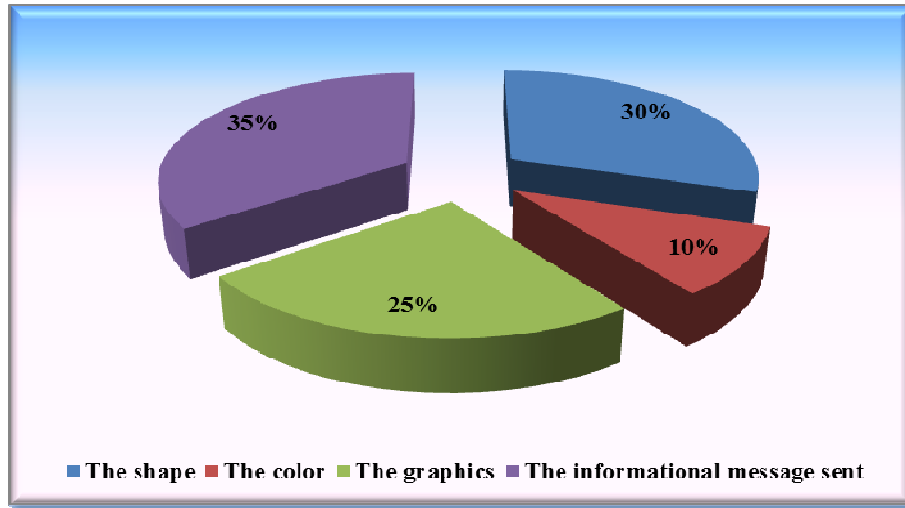
The results show that when it comes to purchasing a product, the respondents pay great attention to the company's and brand's reputation. They also are concerned about food safety and correlated with this, about the existence of potential GMOs in the products consumed. Also related to food safety appears as a concern the "traceability", or the ability to track any food, feed, food-producing animal or substance that will be used for consumption, through all stages of production, processing and distribution.

When asked what is, in their opinion, the primary role played by the label, most respondents felt that it is the role of guarantor of quality, being followed by that of protector, of insurer of a healthy diet and, lastly of an element which provides manufacturers differentiation. (Figure no. 1)



**Figure no. 1 The roles played by the product label**

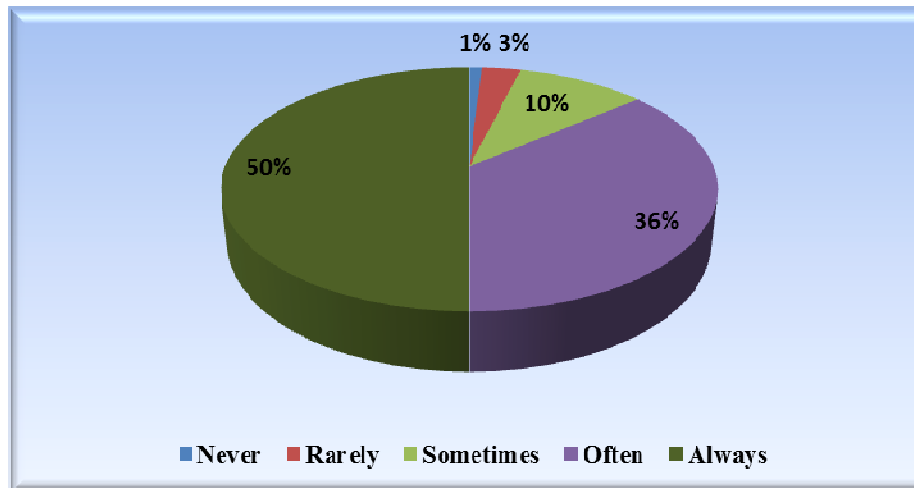
Among the label design features appreciated when it comes to buying, on the first position comes the informational message, on the following places coming the shape, the graphics and the color. (Figure no. 2)



**Figure no. 2 The importance of the characteristics of the design of the food in the purchase decision**

We can also say, analyzing the data, that the habit of reading labels is rooted among respondents (Figure no. 3), and, when they read the label, they aim mainly to get an idea of the nutrition information contained and to see what brand to choose.

Some respondents believe the label helps them identify a series of product ingredients that could be harmful to any member of their families. This is seen especially at respondents who have children or younger brothers or sister.



**Figure no. 3 The frequency with which the respondents read the product labels**

Also, some respondents read the label in order to verify the truthfulness of advertising made by the manufacturer (Table no. 2).



**Table no. 2 The purposes of reading a food label**

	ALWAYS	OFTEN	SOMETIMES	RARELY	NEVER
To help you decide which brand to buy	50%	30%	15%	4%	1%
To see if something said in advertising is true or false	30%	25%	18%	14%	13%
To get an idea of the nutritional content of the food	55%	30%	10%	5%	0%
To see if there is some ingredient that somebody in your family should avoid	45%	20%	15%	10%	10%

There are a number of issues which impede reading the labels, and among the most frequently mentioned ones are that reading the label takes too much time or that respondents are not simply interested in the nutrition information on the label. It is also noticed in our case, as in the case studies outlined above, that among the reasons that discourage respondents on reading the label include the hardness of reading the information on the label and the difficulty of understanding the information recorded. (Table no. 3)

**Table no. 3 Reasons for not using the food label**

	Strongly agree	Agree	Neither - neither	Disagree	Strongly disagree
I'm not interested in the nutrition information on the food label	40%	25%	5%	20%	10%
It takes too much time to read the food label	43%	18%	12%	22%	5%
The information on the food label is hard for me to understand	25%	15%	15%	25%	20%
The information on the food label is hard for me to read	35%	30%	15%	15%	5%

## 6. CONCLUSIONS, LIMITATIONS AND PERSPECTIVES OF THE RESEARCH

Food labelling registered over the past decades a particular evolution in terms of implementation methods and graphical qualities of the label, but also a permanent enrichment of its information content. Thus, the label has become an item that food manufacturing and distribution companies use as a valuable information and promotional tool in the competitive battle to attract major consumer segments, providing them with the premises of a genuine physical protection. Regarding food products, buying decisions are predominantly finalized in the store, and food labels, as well as the packaging play a vital role at the selling point in communicating information on products that can help convince consumers to select specific products. Apart from the functional protective value of the package, the packaging - including the size of the package labelling - has become in the recent years an increasingly important marketing tool, indicating, for example, the condition and quality. Internationally, companies spend more money on food packages (style, type and design) rather than on advertising, as part of their marketing strategies.

The visuals such as graphics, colour, size and shape of the packaging, and the informational elements, such as product information printed on labels or employed packaging technologies, can influence consumers' decision to purchase a certain product. Notwithstanding the considerable attention given to the visual qualities of food labels to ensure that they call attention and enhance the image of products, in the presence of several competitors on the

shelves in the store, some authors believe that the informational value of food labels is still prevailing during decision making by consumers.

Despite the difficulty to accommodate so much information on one label, often quite small, consumers are demanding increasingly more information on the food they consume, such as associating a product with a geographic region, its traceability, and even production methods. This puts pressure on producers to design food labels that address consumers' concerns and curiosity in an easily understandable and readable format.

Also, a large number of companies, including Unilever have set as purpose to provide plain and reliable nutrition information, and, in conformity with this goal, the nutrition labelling is seen as a powerful tool to assist consumers in making informed choices about the food they buy. Unilever recognizes the consumer's need for brief and comprehensible information, developing, in this regard, a global approach to nutrition labelling that is part of the Unilever sustainable living plan, including as key elements of this approach (Unilever, 2016).

Also, Unilever is committed to being a transparent company, going forward with its commitment to nutrition labelling, based on the belief that it takes wider consumer research to find out what motivates people to change their diet and to improve eating habits.

The study presents a number of limitations, arising mainly from the use of the closed questions, which do not offer a wide range of options to the respondents, confining them to the predefined assessments.

In the future, we prospect appealing to more advanced statistical processing methods, taking into account, in addition to quantitative research, the use of the instruments of the qualitative research methods category, such as interviews.

## REFERENCES

1. ACIA, Santé Canada, *Guide d'étiquetage et de publicité sur les aliments*, 2011, [http://www.alimentheque.com/divers/GuideEtiquetagePubliciteAliments\\_ACIA\\_dec2011.pdf](http://www.alimentheque.com/divers/GuideEtiquetagePubliciteAliments_ACIA_dec2011.pdf), consulted on 03.05.2016.
2. Altmann M., *Product Policy*, in *Agro-Food Marketing*, CABI International, Wallingford, pp. 279-294, 1997.
3. Bobe M., *Ethical considerations on food labeling (Considerații etice privind etichetarea alimentelor)*, Journal "Amfiteatrul Economic", no. 23, February 2008.
4. Chandon P., Brian W., *Does food marketing need to make us fat? A review and solutions*, *Nutrition Reviews*, 10/2012, 70(10), pp. 571-593, <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3495296/>, consulted on 03.05.2016.
5. Dupont G., *L'étiquette : un outil de marketing efficace*, 2014, <http://www.matthieu-tranvan.fr/marketing-traditionnel/distribution/etiquette-outil-marketing.html>, consulted on 03.05.2016.
6. Gouw R., *Labeling as a marketing tool*, 2013, <http://www.kolibriologistiek.com/labeling-as-a-marketing-tool/>, consulted on 03.05.2016.
7. Kodali and Telaprolu, *Ergonomic Evaluation of Labels on Ready to Eat Meal Products and their Impact on Consumer's Perceived Visual Comfort*, *Research Journal of Family, Community and Consumer Sciences*, Vol. 2(2), February, 2014.
8. Kozup J.C., Creyer E.H., Burton S., *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 Mark*, Vol. 67, April 2003, pp. 19-34.

9. Levin I.P., Gaeth G.J. *How consumers are affected by the framing of attribute information before and after consuming the product*, Journal of Consumer Research, 1988, 15, pp. 374–378.
10. Oakes M.E., Slotterback C.S., *Too good to be true: dose insensitivity and stereotypical thinking of foods' capacity to promote weight gain*, Food Qual Prefer, 2005, 16, pp. 675–681.
11. Pop Z., *The label makes the product (Eticheta face produsul)*, 2015, <http://zamfirpop.com/blog/2015/01/28/eticheta-face-produsul/>, consulted on 03.05.2016.
12. Verbeke W., Viæne J., *Consumer attitude to beef quality labelling and associations with beef quality labels*, Journal of International Food Agribusiness Marketing, vol. 10, n°3, 1999, pp. 45-65.
13. Voicu Oana-Luminiþa, *Food labeling within the European area (Etichetarea alimentelor în spaþiul European)*, Bren Publishing House, Bucureþti, 2003.
14. The National Association for Consumer Protection and Promotion of Programs and Strategies from Romania-InfoCons, *Then let's decipher the mysteries of the labels (Atunci sã descifrãm tainele etichetelor)*, 2009, <http://o9atitudine.ro/info/atunci-sa-descifram-tainele-etichetelor/>, consulted on 03.05.2016.
15. \*\*\* *DIRECTIVE 2000/13/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 March 2000 on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs*, Official Journal of the EU, 15/vol. 6, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2000:109:0029:0042:EN:PDF>, consulted on 03.05.2016.
16. \*\*\* *Romanian Government Decision no. 106/2002 from 07.02 / 2002 regarding the food labeling (Hotãrârea Guvernului României nr. 106/2002 din 07/02/2002 privind etichetarea alimentelor)*, [http://www.anpc.gov.ro/anpcfcp/anpc\\_junior/hg106\\_2002\\_cu\\_modificari.pdf](http://www.anpc.gov.ro/anpcfcp/anpc_junior/hg106_2002_cu_modificari.pdf), consulted on 03.05.2016.
17. \*\*\* *Law no. 296/2004 on Consumer protection*, republished in the Romanian Official Journal, Part I no. 224 of 24/03/2008, [http://www.dreptonline.ro/legislatie/codul\\_consumului.php](http://www.dreptonline.ro/legislatie/codul_consumului.php), consulted on 03.05.2016.
18. \*\*\*Unilever, 2016, <http://www.unilever.com/sustainable-living-2014/improving-health-and-wellbeing/improving-nutrition/labelling-and-responsible-marketing/>, consulted on 03.05.2016.
19. \*\*\*[http://www.avery.fr/avery/fr\\_fr/Produits/Merchandising-&Publicite-Prese-Produits.htm?int\\_id=businessbuilders\\_banner](http://www.avery.fr/avery/fr_fr/Produits/Merchandising-&Publicite-Prese-Produits.htm?int_id=businessbuilders_banner), consulted on 03.05.2016.
20. \*\*\*<https://www.surveymonkey.com/r/PLGRLYJ>, consulted on 10.05.2016.
21. \*\*\*<http://www.fda.gov/Food/FoodScienceResearch/ConsumerBehaviorResearch/ucm193895.htm#FOODLABELUSEALL>, consulted on 10.05.2016.