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## **CHAPTER 9**

# Food marketing and food supply chains – marketing strategies and tools

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#### 9.1 Introduction

In order to turn a basic agri-food product into something affordable, useful, tasty or just attractive to the end consumer, it needs to be refined and equipped with added properties that will make it different from the same or similar products of the competition.

In addition, it is very important to initiate and encourage such processes in the short supply chain, and the only possible way is with a customized marketing strategy that includes customized tools and procedures.

Short food supply chains are local or regional networks of food producers that work together to build locally based, independent food economies<sup>[1]</sup>. These local food networks emphasize the sustainable production, processing, distribution and consumption of food that are integrated to improve economic, environmental and social health in a particular place and are considered part of the global sustainability movement<sup>[2]</sup>. Local food networks include organizations that produce, distribute and promote domestically produced products. Although grocers, restaurants and other organizations may include locally produced products, the local primary production and processing market is uniquely positioned in local food networks<sup>[3]</sup>. One of the key aspects is the emphasis on the local origin of the product, which can be defined as the tendency of consumers to buy locally produced goods and services. Local food networks are an alternative business model to global corporate models in which producers and consumers are separated by a chain of processors, producers, deliveries and retailers. As the food industry grows, consumers are not always able to assess the quality of food.

On the other hand, local food chains have re-established a direct relationship between producers and consumers to emphasize product quality characteristics that include freshness and durability, but also features such as the way and place of production. Traditional grocers also respond to high demand for local products, but there is potential for consumer cooperatives to have an advantage in scope, customer focus, and credible community orientation for local products.

## 9.2 Food marketing strategies

Marketing in the context of the agricultural domain traditionally refers to activities that take place from the field or threshold of the agricultural producer to the final consumer. Large systems think differently about marketing, so they are focused only on those activities that are directly related to the sale of their products.

The marketing strategies used by agricultural and food companies manage the price, volume and range of products they sell. Likewise, marketing strategies can affect both price and product quality. Thus, the strategies available to businesses that sell food are different from those used by primary food producers. But they all have a common goal, and that is the economic growth of their businesses. Growth requires an adequate financial return in order to be achieved on a sustainable basis, but it also affects the financial return. Marketing strategies are developed to achieve the goal of growth, which is the main concern of companies in the food industry<sup>[4]</sup>.

The company's business is defined by the depth and breadth of its product range, market and target segments that are served. The segments are based on differences in consumer needs and ways of meeting those needs.

Clearly profiled marketing strategies in accordance with the basic principles of the segmentation process affect the growth of product sales and markets. These strategies are interrelated, and consistency in their use is essential to achieving the company's growth goals<sup>[5, 6]</sup>:

- Geographically diverse sales enable the expansion of retail space and increase consumer exposure to
  food products and lead to increased sales. With higher sales, economies of scale, increased sales and
  production can also be achieved. However, a larger sales area can bring regional differences in consumer
  preferences, which must be met.
- The desired product diversification can be achieved by developing new products or redesigning or rebranding an existing product. Companies need to develop new products or change existing ones because most products have a generally limited life cycle. Sales increase after the introduction of a new product, then reach a high level, followed by a decline. The company's total sales would thus be reduced if new products were not introduced. The company has products in its range that differ in design, packaging, ingredients, quality or other properties. Each product or its variation is aimed at a specific group of consumers. Although product diversification strategies increase the variety of food products available to consumers, they may result in the proliferation of products with only minor differences in quality or other properties. A company can maintain or expand its market share by producing and marketing several product variations that might otherwise present a rival company.
- Food producers can label products with their own brands or distributor's brands (private label) or sell products without a brand. This decision is greatly influenced by the intermediaries in the distribution channels that will use the products. A company must be able to distinguish its brands from competing products and communicate those differences to consumers. As a result of this communication, consumers develop brand loyalty, which gives customers (wholesalers and retailers) some bargaining power and reassures processors that their products will find their way to retail shelves. The development of strong brands requires attention to packaging and product positioning with respect to competition. Private labeled and unbranded products are often those that are difficult to distinguish and for which there may be few direct customers. Efficiency and low cost are important for companies that sell these types of products.
- Advertising costs for food products are less intensive, and the content is more informative. Examples of
  such products are products such as milk, meat, salads, etc. For products that can differ significantly from
  each other, more convincing advertising content is used. Advertising informs consumers about product
  attributes and is often aimed at attracting certain groups of consumers. Establishing a consumer franchise through brands and introducing new products requires high costs for advertising and promotion.
  Promotions can take many forms.

The prices that food producers can achieve contain relatively low profit margins, especially for products that are difficult to distinguish, non-branded products and private label products. Efficiency and low

production and distribution costs are therefore important for the survival of agri-food businesses. The prices of branded products are more flexible, but manufacturers are still subject to competitive forces. Uncertainty about how competing firms will react to the pricing strategy means that the firm must be prepared to take countermeasures. Prices are influenced by product design and the market segment to which the product is targeted. Grocery stores and restaurants also set prices that are in line with the product range.

The marketing strategies devised by food producers are very convincing and this implies that consumers who are exposed to food marketing campaigns easily accept the messages intended for them, including those for choosing unhealthy food<sup>[7]</sup>. Television and the Internet seem to be the most powerful ways to influence food consumers<sup>[8]</sup>, especially through the use of neuromarketing techniques that, for example, encourage consumers to favor taste when choosing food. The same thing happens on websites and social media. Taste is a crucial ingredient in food marketing strategies<sup>[9]</sup> and usually, food marketing uses contexts associated with this attribute to design its plans and influence consumers.

The main focus on building local food supply systems is to raise awareness of the impact of local food on the social, economic, environmental and public health of the community<sup>[10]</sup>. These activities are carried out in the form of simple educational activities, public events, presentations, media campaigns, etc. Sales promotion includes tactics that can influence consumer buying behavior.

From a managerial point of view, sales promotion is gaining in importance as a marketing strategy<sup>[11]</sup>. Marketing strategies in the form of sales promotion most often include tools such as advertising, sales promotion, personal selling, public relations and publicity.

# 9.3 Management of marketing in agriculture and food marketing

Agriculture and related sectors can play a significant role in the economic transformation of individual societies and economies, especially in the areas of rural development and national food security. Agriculture by food production meets the basic needs of the human species. About a century ago, the farmer produced food mainly for his own consumption or for direct exchange, and in this way he was self-sufficient and self-sustaining. But in the meantime, the economic environment and production conditions have changed significantly. Technological progress in the form of high-yielding varieties, the use of fertilizers, insecticides, pesticides, mechanization has led to a significant increase in agricultural production, and thus greater market surplus. Improved production is accompanied by increasing urbanization, income, changing lifestyle and eating habits of consumers, and increasing connectivity with foreign markets. Today, consumers are not limited to rural areas where food is produced. Furthermore, the growing demand for processed products requires added value to raw agricultural products. These developments require the movement of food products from producers to consumers in the form of value-added products

Marketing in the domain of agricultural production most certainly includes its food component, so it is much easier to talk about food marketing. Food marketing covers all aspects of classical marketing management related to its main subject, which is food. Therefore, such marketing is not limited to primary agricultural products, but much wider. It is a process that begins with a decision to produce marketable agricultural goods, involving all aspects of the market structure or system, financial and institutional, based on technical and economic considerations.

Food marketing is an important tool<sup>[13]</sup> to build and maintain markets by creating bonds of trust and loyalty between producers / sellers and consumers. Food marketing depends on several different dimensions, especially those related to the specificities of the food and services sector. In any case, food marketing as an external factor influencing consumer choice is a powerful instrument that can be used to promote public campaigns, such as those related to healthy eating<sup>[14]</sup>.

Agricultural marketing is a slightly broader term than food marketing, but it definitely doesn't rule it out. It covers all those activities that are involved in supplying agricultural inputs to farmers and the movement of agricultural products from farms to consumers. The agricultural marketing system includes two main subsystems, ie product marketing and input (factor) marketing. The product marketing subsystem includes farmers, rural/primary traders, wholesalers, processors, importers, exporters, marketing cooperatives, etc.

The input subsystem includes input producers, distributors, related associations, importers, exporters and others who provide farmers with various inputs in agricultural production. A dynamic and growing agricultural sector requires fertilizers, pesticides, agricultural equipment, machinery, diesel, electricity, packaging materials and repair services produced and supplied by industry and non-agricultural enterprises. Expanding the size of agricultural production encourages advanced connections by providing surplus food that requires transport, storage, processing, packaging and retail sale to consumers. These functions are performed by non-agricultural enterprises. Furthermore, if the increase in agricultural production is accompanied by an increase in real incomes of agricultural families, the demand of these families for non-agricultural consumer goods increases as the share of income spent on non-food and durable goods increases with increasing real per capita income. Several industries are therefore finding new markets for their products in the agricultural sector. The subject of agricultural marketing includes marketing functions, agencies, channels, efficiency and costs, price range and market integration, surplus producers, government policy and research, training and statistics on agricultural marketing and import/export of agricultural products. The general objective of agricultural marketing is to help primary producers, ie farmers, to obtain appropriate prices for their products<sup>[15]</sup>.

Agricultural marketing plays an important role not only in stimulating production and consumption, but also in accelerating the pace of economic development. It is the most important multiplier of agricultural development. In the process of transition from traditional to modern agriculture, marketing emerges as the biggest challenge due to surplus production resulting from change. The importance of agricultural marketing is revealed from the following<sup>[16]</sup>:

- An efficient agricultural marketing system leads to optimization of resource use and output management. An efficient marketing system can also contribute to increasing market surplus and reducing losses resulting from inefficient processing, storage and transportation. A well-designed marketing system can effectively distribute the available stocks of modern inputs and thus maintain a faster growth rate in the agricultural sector.
- An efficient marketing system provides higher income levels to farmers by reducing the number of
  intermediaries or limiting the costs of marketing services and abuses in the marketing of agricultural
  products. An efficient system guarantees farmers better prices for agricultural products and encourages
  them to invest their surpluses in purchasing modern inputs to increase productivity and production.
  This in turn results in an increase in market surplus and farmers' income.
- An efficient and well-connected marketing system expands the product market by expanding the market inside and outside the country. Expanding the market helps to constantly increase demand and thus guarantees higher revenue to the manufacturer.
- Improved and efficient agricultural marketing system helps the growth of agricultural industries and stimulates the overall development process of the economy.
- An efficient marketing system helps farmers to plan production in accordance with the needs of the economy.
- The marketing system helps farmers to adopt new scientific and technical knowledge related to production and the market.
- The marketing system ensures the creation of new jobs in the field of packaging, transport, storage and processing
- Marketing activities add value to the product thus increasing the national gross national product and the net national product.
- The marketing system is essential for the success of development programs that are designed to increase economic well-being within rural areas and beyond.

## 9.3.1 Local marketing of food/characteristics of agricultural production and products

The subject of food marketing can be treated as a separate discipline because agricultural products as well as processed products contain some special features that make them different from other consumer products<sup>[17]</sup>:

- 1. Most fresh and unprocessed products are perishable in nature, and their perishability period varies from a few hours to several months. Due to their perishability, it is almost impossible for manufacturers to set a reserve price for their products. The extent of perishability of fresh and unprocessed products can be reduced by the processing function. Perishable products require quick handling and often special cooling, which increases marketing costs.
- 2. Agricultural products are produced in a certain season. They cannot be produced all year round. This leads to the emergence of seasonality of prices. During the harvest season, prices of agricultural products fall. But the supply of manufactured products can be adjusted or balanced throughout the year.
- 3. The bulkiness characteristics of most agricultural products make their transport and storage difficult and expensive. Often the place of primary production is not close to the place of sale or processing, which then includes additional costs, ie these costs affect the formation of the final price. The price of bulky products is higher due to higher costs of transport, handling and storage.
- 4. There are large differences in the quality of agricultural products, which makes it somewhat difficult to evaluate and standardize them. There is no such problem in industrial products, ie processed products, because uniform qualities can be produced.
- 5. The supply of agricultural products is uncertain and irregular due to the dependence of agricultural production on natural conditions. With variable supply, while demand remains almost constant, prices of agricultural products can be significantly higher and subject to fluctuations.
- 6. Agricultural products are produced throughout the country, and most small producers have small holdings, and thus their production quantities offered on the market are small and sometimes economically uncompetitive. This makes it difficult to evaluate the offer and creates a problem in marketing.
- 7. In addition to the problems in estimating the total agricultural supply of small farms, individual farmers face a typical market situation because they cannot influence the market supply. Furthermore, due to the inelastic nature of demand for most agricultural products, the market price for their product is determined independently of supply. In this context, the individual farmer should operate in the consumer market. In contrast, larger companies, due to their higher market share, can to some extent control the supply and thus influence the price of the product.
- 8. Most agricultural products need some form of processing before they are bought and consumed by final consumers. The processing function, although it adds value, increases the price range of agri-food products. Processing companies enjoy market advantages. This situation sometimes creates disincentives for producers.

### 9.3.2 Short food supply chains as an alternative to promoting local food production

Initially, short food supply chains were associated primarily with the demand for social proximity. Consumers wanted direct contact and a relationship of trust with producers. The growing interest in short food supply chains also reflects consumer demand for quality and traceability, given the growing need for a person's sense of security that includes that health component. This trend also marks the so-called ethical consumption of food aimed at encouraging social, economic or environmental change through individual decisions about what, how and when to buy<sup>[18]</sup>. For farmers, short food supply chains are attractive because of the opportunities to diversify production, achieve greater added value and ensure more stable incomes. For local communities, short food supply chains are a means of relocating value chains to maintain added value in their territories, create jobs, create added value from intangible assets, strengthen the resilience of their territories in times of crisis, and become an important vector for human growth and attraction, material and financial capital. Although short food supply chains are usually associated with better product quality or more sustainable production and commercial practices, these characteristics do not develop automatically as the place of production alone does not guarantee quality and safety properties, nor do products have low environmental impact or include social responsibility attributes.

These alternatives are useful for improving the market position of family farms and the living conditions of small farmers. Therefore, it could be concluded that the real marketing impact of short food supply chains on the performance of small farms can be reflected in the following:

- Recognize the value of local cultural and nutritional characteristics of products that serve as a basis for diversification and added value.
- Identification of market trends enables the development of the potential of short food supply chains in relation to demand trends.
- Shorter distances between farmers and consumers mean that farmers will have to take on one or more stages of the distribution and marketing process, activities for which they usually do not have the experience or the necessary logistics.
- One thing common to all food supply chain policies and projects is the creation of partnerships and networks in a wide variety of areas and for different purposes, such as increasing scope, diversifying supplies, adding value or improving logistics efficiency.
- Given the nature of family farms and the products they produce and sell, the success of short food supply chains depends to a large extent on the design and implementation of flexible regulations and legal norms that facilitate their operation.
- To a lesser extent Peru and the United States, show that coordination between multiple ministries, agencies and levels of government is needed to ensure comprehensive and sustainable results.

# 9.4 Marketing decisions for small food producers

Marketing is the key to the success of any business. To start any successful entrepreneurial venture, a precise and detailed business and marketing plan needs to be developed. A marketing plan will help identify the market and potential demand for the product. Product demand determines the amount of product that consumers will buy in the market at a certain price. The core part of every marketing plan is the marketing mix, ie marketing instruments. Marketing instruments are basically an instrument of marketing management and consist of products, distribution and sales, price and promotion.

#### 9.4.1 Product

After determining the production process and the shape of the product, it is necessary to design the packaging and labels with which it will be equipped. Proper packaging and labeling of products will help ensure shelf life, but other marketing elements are also important. Packaging is not only something that contains a product until the consumer buys it, but it is also a form of marketing communication in the function of product promotion.

Many times the look, shape, convenience and style of packaging are the reasons why a consumer buys a product for the first time. Packaging becomes a silent seller when a product is on the shelf in a store with several other identical or similar competing products. Packaging must attract the attention of consumers. Of course, product quality is also important, as repeat purchases will be made based on quality. However, packaging, packaging and labels can significantly affect the creation of a brand image for a product and a company.

The goal is to create a brand in the minds of consumers that will promote loyalty and encourage repurchase. Packaging material, color combinations and design are important elements in the marketing process of creating a product and communicating its values to the consumer.

#### 9.4.2 Distribution and sales

Location includes the distribution or physical path of the product from the place of production to the final consumer. Different levels or phases of distribution create opportunities for different markets and product marketing strategies. A simple example of the flow of goods from production to the consumer is the following: from the manufacturer to the wholesaler to the retailer to the final consumer. One marketing option would be to sell wholesale to the food service industry. The food service industry includes companies such as restaurants, hospitals, schools and other major food suppliers. This requires a different marketing plan than

selling directly to retailers or directly to end consumers. In general, packaging and labeling requirements vary, and the margin between processing costs and sales price will decrease. Every step in the distribution supply chain offers product marketing services. Wholesale distributors offer the benefits of their sales force to sell products at multiple outlets. The manufacturer can use wholesalers or contract with intermediaries to find buyers.

The manufacturer can also place the product at a retail point without the help of wholesalers or any other intermediary. This method usually requires the manufacturer to have a dedicated point of sale. Specialized retail markets generally require more time and effort from manufacturers, but usually allow for higher margins.

Finally, direct sales to end consumers can be achieved in many ways: through home sales, mail ordering, social media networking, or through websites. The place to place a product on the market can be any of the different stages of distribution or a combination of several marketing channels. A marketing plan should help identify the market or combination that offers the highest possible profitability.

#### 9.4.3 Price

The price depends on the cost of production and delivery of the product to the market. The price must cover the total costs, return the profit and be competitive in the market. When determining the prices of products, the total costs must be taken into account. They are equal to the variable cost plus the fixed cost. Variable costs are costs that vary in proportion to the amount of product produced. Fixed costs are costs associated with the business, which are fixed for a certain period of time regardless of the amount of production. Fixed costs include rent, insurance, property taxes, depreciation and interest on debt. Variable costs can be divided into two categories: cost of goods sold and operating costs. The cost of goods sold is all costs related to the processing of the product and its preparation for sale. The cost of goods sold includes raw materials and supplies used directly in the production of products, work on product processing, direct utilities used in the process and packaging. Operating costs include office supplies, other utilities, advertising, repair and maintenance, bookkeeping and more. In other words, operating costs include all variable costs that are not directly involved in product production but are required in day-to-day operations. The price must always be based on cost first, and then it can be adjusted for other factors. Some other reasons that can influence the definition of different prices are the price of competition, seasonality of products, specialization and location, etc.

#### 9.4.4 Promotion

What's so great about the product? What consumer needs does the product meet? How can a product improve the lives of consumers? These are just some of the questions that can help build a promotional campaign. Advertising is one way to promote a product. Advertising can be achieved through a variety of media. Radio, television, newspapers, magazines, posters, social networks and the Internet are some of the common media used for advertising. However, paying for advertising can be expensive and even in some situations be too expensive for small businesses.

There are some online tools that can be used to determine the sociodemographic characteristics of potential advertising-targeted markets. Free advertising is great if available. It is important to build a relationship with local media outlets and encourage them to create informative stories about the company or product. The media should be regularly informed about any special activities related to the product or company. It is important to participate in food exhibitions, specialized sales fairs or tourism promotional events throughout the region because such events imply a multitude of direct contacts with potential and actual consumers. This is a great way to encourage consumers to try a product, and retailers generally love any activity that encourages consumer traffic.

With the help of smart mobile technologies, it is possible to make the food business visible on the Internet and social networks. Promotion refers to brand exposure and awareness. Promotion requires creativity, but also provides good visibility of the product in the local market.

## 9.5 Food product branding

Marketing is a priority for the success of any business, especially in the food production sector, from small independent farms to large multinational producers. Food marketing involves different actions and may include building relationships with consumers, raising brand awareness, developing new products, promoting them through advertising, and even paying stores for prominent shelf space, all in order to boost sales<sup>[19]</sup>. Food marketing also has the role of a kind of agent that can regulate and channel patterns of food consumption, which can also have an impact on consumer health. Certainly, in the not-so-distant past, marketing served as an instrument exclusively for stimulating consumption, up to its maximum limits, without caring about the consequences for man, nature or society. In this sense, its role was negative, as obesity, diabetes, cardiovascular disease, etc. emerged as negative consequences related to food consumption, which was causally related to excessive consumption, primarily unhealthy foods. Today, marketing has a role not only to stimulate sales, but to stimulate socially and healthily desirable patterns of food consumption in a responsible and sustainable way. Therefore, the potential of marketing to affect nutrition and health raises some important questions, and one of these ways is communication through branding and labeling of food products.

Recently, the importance of the brand in the function of stimulating the financial growth of agri-food companies has been increasingly recognized. In order for this link to be clear and work, it is necessary to identify the factors influencing the creation of a strong consumer franchise by branding food products<sup>[20]</sup>. The consumer franchise represents the consumer's awareness of his relationship and willingness to repurchase a brand as a result of a cumulative image of the product as a result of long-term product exposure or product marketing<sup>[21]</sup>. Therefore, when it comes to the product brand, ie its acceptance by consumers, and in the field of food production, two factors are very important, and these are the order of entering the market and investing in promotion. Companies that are the first to enter the market with their products have more pronounced competitive advantages than those that follow it<sup>[22]</sup>. That is, this logic also applies to product brands, leading product brands obviously have added value compared to brands that are in another or some further position. Products launched under a new brand early in the life cycle of the product category earn a higher market share than those introduced later<sup>[23]</sup>. Although most food products are present on the market, those who were the first to develop a brand, i.e. a strong consumer franchise, are successful. In addition, advertising, ie the variable of promotion, plays a very important role.

High perception of quality, including consistency of quality, is a characteristic of strong brands. Product quality consists of two dimensions: expected product quality and perceived product quality<sup>[24]</sup>. These dimensions are closely related to quality indicators and quality properties, as well as to the different stages of quality assessment. For example, the properties of fruit quality can be, taste and juiciness. They can be judged only at the time of consumption. Therefore, consumers will look for other signs to assess the quality of fresh fruit at the time of purchase. Therefore, a brand may be particularly suitable for products that are difficult for consumers to assess. However, consumers can also assess the quality of the fresh product at the time of preparation. In fact, in some cases, the quality of the product may be affected during preparation. Improper or improper preparation, such as overcooking, can spoil or degrade the product. On the one hand, this can reduce the value of the brand because the brand image is easily damaged. On the other hand, in such cases, consumers can look for strong brands to reduce risk. Specific product characteristics that may affect the successful branding of a fresh food product therefore include: product quality, ease of quality assessment and risk of spoilage during preparation. For the first two variables, a positive brand relationship is assumed. No relationship is assumed for the latter.

Price is considered a separate (independent) variable. It is expected to be positively correlated with a strong consumer franchise.

As said, an important feature of many well-known brands is their high quality and consistency of quality. However, it is difficult to meet consistent quality standards for food products because they are natural products. Differences may be due to genetic variations, changes in weather (for fruits/vegetables) or variations in diet (for meat and dairy products). Short-life products are particularly sensitive to changing conditions, making it difficult to create and maintain an image of consistent quality. Negative consumer attitudes can

easily be encouraged. Many of these potential problems can, however, be removed by quality control of the food supply chain. Quality control of the entire food supply chain involves close cooperation and synchronization of the processes of all entities in the vertical marketing system in order to create a more stable consumer output. Thus, two additional factors may affect the success of a food brand, i.e., quality control of the food supply chain and shelf life. Creating supply chain control and a longer shelf life will make it easier to build a consistent brand image and will therefore be positively correlated with a stronger consumer franchise.

Packaging is also an important marketing tool<sup>[25]</sup>. It communicates the brand name and all the elements it implies, and also has the role of passive non-verbal communication of the product<sup>[26]</sup>. However, in the case of fresh food, packaging is somewhat ambiguous. On the one hand, it can convey information to the consumer and facilitate product handling. On the other hand, this can have a negative impact on consumers 'perception of the product as fresh, as consumers associate packaging with processed food. Shelves with fresh food have the best image for selling fresh quality products. However, such shelves make it difficult for manufacturers to brand their products, as they have limited control over the packaging material used by retailers on such shelves. So, it is obvious that there are situations when the problem is the branding of certain food products, especially fresh ones, without the use of packaging.

# 9.6 Digital marketing and food marketing

Digital marketing is the act of selling products and services through channels such as social media, SEO, email and mobile applications. Basically, digital marketing is any form of marketing that involves electronic media. Digital marketing means its online and offline versions, and in fact both types are important for a well-rounded digital marketing strategy. Digital marketing targets a specific segment of the customer base and is interactive<sup>[27]</sup>. Digital marketing is on the rise and includes search results ads, email ads and promoted tweets, or anything that involves marketing with consumer feedback or two-way interaction between the marketing organization and consumers.

Internet marketing is different from digital marketing. Internet marketing advertising is exclusively on the Internet, while digital marketing can take place via mobile devices, video games or via a smartphone application<sup>[28]</sup>.

In digital marketing terminology, advertisers are usually referred to as sources, while members of targeted ads are commonly referred to as recipients. Sources often target highly specific, well-defined receivers. Digital marketing is a comprehensive term that encompasses all types of internet marketing. It consists of video marketing, email marketing, content marketing, social media marketing, SEO, PPC, display advertising and mobile marketing. In fact, these are digital marketing channels. Digital marketing channels are platforms that you can use to reach your target audience with information about a brand, product or service and appear as:

- *The website* is the center of all digital marketing activities. In itself, it is a very powerful channel, but it is also a medium needed to run various online marketing campaigns. The website should present the brand, product and service in a clear and memorable way. It should be fast, mobile-friendly and easy to use.
- Pay-Per-Click advertising allows marketing professionals to reach Internet users on a number of digital
  platforms through paid ads. Marketing professionals can set up pay-per-click campaigns on Google,
  LinkedIn, Twitter, Pinterest, or Facebook to show their ads to people searching for terms related to products or services. Pay-per-click campaigns can segment users based on their demographic characteristics
  (such as age or gender), or even target their specific interests or location. The most popular PPC platforms are Google Ads and Facebook ads.
- *Content Marketing.* The goal of content marketing is to reach potential consumers by using content. Content is usually posted on a website and then promoted through social media, email marketing, SEO or even as a pay per click campaign. Content marketing tools include blogs, e-books, online courses, infographics, podcasts and webinars.

- *E-mail Marketing or marketing via E-mail* is still one of the most effective channels of digital marketing. Many people confuse email marketing with unsolicited email, but that is not the essence of email marketing. Email marketing is a medium for getting in touch with potential consumers or people interested in a product or service. Many digital retailers use all other digital marketing channels to add leads to their email lists, and then use email marketing to create customer acquisition streams to turn those leads into real customers.
- Social Media Marketing is a social media marketing campaign to raise brand awareness and build social trust. As it goes deeper into social media marketing, it can be used to reach potential consumers or even as a direct sales channel
- Affiliate marketing is one of the oldest forms of marketing, and the Internet has brought it a new broader
  meaning. In addition to affiliate marketing, influencers promote other people's products and receive a
  commission every time a sale is made or a trail is introduced. Many well-known companies have affiliate programs that pay large sums of money each month to websites that sell their products.
- *Video Marketing* YouTube has become the second most popular search engine and many users turn to YouTube before making a purchase decision, learning something, reading a review or just relaxing. There are several video marketing platforms, including Facebook Videos, Instagram or even TikTok that you can use to launch a video marketing campaign. Companies achieve the greatest success with video by integrating it with SEO, content marketing and broader social media marketing campaigns.
- SMS messages Businesses and non-profit organizations also use SMS or text messages to send information about their latest promotions or give opportunities to willing consumers. Political candidates for elections also use SMS campaigns to spread positive information about their own platforms. As technology has advanced, many texting campaigns also allow users to pay directly or give via a simple text message.
- *Digital Marketing Challenges* Digital marketing poses special challenges for its suppliers. Digital channels are expanding rapidly and digital retailers need to monitor how these channels work, how recipients use them, and how to use them to effectively market their products or services. In addition, it is becoming increasingly difficult to attract the attention of recipients as receivers are increasingly flooded with competing ads. It is also a challenge for digital retailers to analyze the vast amounts of data they collect and then harness that data in new marketing efforts.

Using these channels provides your clients with help or support regarding any issues or challenges. The challenge of data collection and use effectively emphasizes that digital marketing requires a marketing approach based on a deep understanding of consumer behavior. For example, it may require businesses to analyze new forms of consumer behavior, and so on.

The food industry is at the forefront of interactive marketing research and innovation, collaborating with dozens of advertising agencies, marketing companies and high-tech experts to design digital marketing campaigns<sup>[29]</sup>.

Digital technologies allow marketing professionals to create and distribute content related to products or brands. In this way, consumers are no longer passive viewers of commercial messages, but active stakeholders in universal marketing communication. Business-driven media campaigns use a variety of techniques to encourage consumers to get involved in creating marketing messages<sup>[30]</sup>. This practice converts the conventional advertising model, transforming food consumers from passive consumers of marketing communication into creators and distributors of advertisements<sup>[31]</sup>.

Through continuous data collection and monitoring, it is possible to create personalized marketing and sales content based on unique preferences, behaviors and psychological profiles of users <sup>[30]</sup>. Personalized marketing evolved from consumer relations marketing, a practice that preceded the creation of the World Wide Web, but became exponentially more sophisticated in the digital age with the advent of a new generation of media platforms and software. Personalization creates a whole new set of issues that were not part of the traditional advertising and marketing paradigm, which requires taking into account the individual nature of commercial transactions in the digital environment, which often includes techniques that are not transparent to the user<sup>[32]</sup>.

Web platforms, and especially social networking sites such as Facebook and the like, further increase the ability of marketing professionals to understand the nature and scope of an individual's social relationships and use them for highly sophisticated marketing campaigns to promote and sell food on social media. Social networking platforms have added a special and important feature to digital marketing, the ability to integrate into the social matrix, which is a complex network of relationships between individuals enabled and monitored online, allowing marketing organizations to access and influence individuals and their communities in ways never before were possible<sup>[33]</sup>.

Using a multitude of new measurement techniques and tools, marketers can learn about the breadth and depth of these social relationships on the Internet, as well as how they work, understanding who is influencing whom, and how the impact process works.

Behavior in food consumption is very complex, and is the result of the interaction of several factors that affect health and nutrition, as well as the connection of people with their social, physical, and macrolevel environments<sup>[34]</sup>. Therefore, it must be considered how digital marketing intertwines with social, psychological and biological factors that play an important role in food consumption. While marketing is generally considered part of the macro-level environment, digital media is linked to all three areas of sustainability.

Unlike television, where exposure to promotional messages is limited to relatively short intervals while watching programs, the ubiquity of digital media culture allows marketers to reach out and engage consumers in more contexts<sup>[35]</sup>. Marketing is now woven into the very fabric of consumers 'everyday experiences, integrated not only into their media content but also into their social and personal relationships. Therefore, one can no longer talk about marketing messages as isolated, measurable units, but one must take into account the synergistic nature of marketing interactions on different platforms.

Marketing is no longer limited to a specific time and place, its action and its content can be widely distributed and constantly multiplied through a viral process that has no boundaries. Exposure to marketing may be less important than the nature and degree of engagement with classic marketing and brands. In some cases, consumers are actively involved in product development, packaging design, and creation and distribution. Personalization means that each individual has their own unique interactions and relationships with the brands and companies that produce and promote them<sup>[36]</sup>. The ever-deepening nature of all digital media means that consumers not only watch content, but create a media environment in which entertainment, communication and marketing combine in a seamless array of compelling impressions and experiences.

The impact of marketing is further enhanced in new forms of monitoring and measurement that were not possible before the advent of digital media. Measurement is fully integrated into content, delivery systems and customer interactions. With web analytics, conversation targeting, and other forms of surveillance, marketing organizations can now track individuals online, in the media, and in the real world, monitoring their interactions, social relationships, and locations. These different forms of analysis can increasingly take place in real time, tracking the movement and behavior of users from moment to moment and assessing their reactions to marketing techniques. As a result, different marketing approaches can be tested, refined and customized for maximum performance.

Branding strategies, even outside the digital context, are increasingly focused on infusing more emotional responses than conscious or intentional ones. But in addition to digital marketing, there are additional elements that are intentionally designed to bypass deliberate elaboration or conscious processing of product properties. The role of influence in persuasion has generally been interpreted as a mediator in two-process models. That is, the role of emotions has been studied in terms of the impact of emotional attraction on product use<sup>[37]</sup>. Unconscious or automatic processes can be the basis of the response to emotionally oriented advertising.

Given the ubiquity of digital media, exposure to marketing has become a common occurrence, creating a level of knowledge that may go unnoticed but results in significant marketing effects. According to the performance model, only people who are exposed show inclination for things because they are familiar with them. Thus, consumers are likely to develop positive associations to logos they encounter in various forms throughout their daily lives.

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