

# The perceived positioning of the Algerian firm's image: The case of Algerian agro-food industry

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**Abstract**— Our work aims to determine the positioning perceived of the Algerian company through its perceived image in an environment marked by the competition of foreign enterprises.

To achieve such a goal, we will engage the theoretical input in order to determine a conceptual model. Then, we present the results of an empirical study on the image of the Algerian companies in the agro-food industry which led us to make an inquiry involving a random sample of 182 homes across several regions of the country.

**Index Terms**— corporate image, perceived image, positioning, Algerian company, foreign company.

## INTRODUCTION

The concept image has become a particularly important issue in the research on consumer behavior. The image has become the ultimate benchmark for the consumer

in the general sense of the term, the image is considered as a physical and mental representation of the object perception or event (Leclair, 1992). In addition, Decaudin (2003) sees that the image as a set of rational representations and emotional associated by a person or a group of individual to a company, a brand or a product. Therefore, the image is a multidimensional concept. Researchers such as Barbara Stern (2001, Zinkhan (.) and Anupam (.) see that you cannot find a general definition the term image because the concept is multidisciplinary (etymology, psychology etc).

In effect, the image can be split into three main images: the image of the point of sale, brand image/product and the corporate image. Our research is concerned with the corporate image and, more specifically, to the enterprise image because the term of corporate image involves both the institutional image and the enterprise image.

Our research focuses on this corporate image and, more particularly, the perceived image of the Algerian companies in the face of the foreign companies operating in the sector of agro food industry and Algerian who is regarded as the second largest sector after the oil industry.

The objective is to explore the perceived image of the Algerian company and the foreign company through the following problem: how to position the image of the Algerian company in face the competing foreign firms foreign?

This problem is based on three important assumptions

The product agro-food of the Algerian company is of good quality in relation to the foreign companies.

The communication policy of the Algerian company is at the same level as the foreign firm

The perception of the country of origin improves or reduces the image to the company

To establish a panorama on the perceived image. We would prefer the method of exploratory analysis through a survey of 182 homes.

## LITERATURE REVIEW

The concept of image of the company was explored till in the early days of 1950. Since then, various definitions have been proposed. The table below includes a few definitions class in chronological order.

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**Table 1: definition of corporate image in chronological order**

Year	Author	Définition
1961	Tucker	Corporate image is the <i>public attitude</i> toward it.
1961	Spector	The sum <i>total of the public perceptions</i> of the corporation's personality is what we refer to as the corporate image
1962	Hill	An abstraction about a company based upon sensory impressions received by an individual. Company images vary widely from public to public
1971	Britt	This article suggests that a company has several publics' holding images
1978	MartonetBoddewyn	Corporate image has a qualitative nature. It refers to the total impression, perception or reputation of the company.
1979	Sethi	The image of the corporate personality held in the minds of various publics: stockholders, employees, consumers, suppliers, and potential investors
1982	Pharoah	Corporate image refers to the expectations, attitudes and feelings that consumers have about the nature and underlying reality of the company as represented by its corporate identity.
1984	Topalian	Corporate image of an organization is the profile or sum of impressions and expectations of the organization built up in the minds of individuals who compromise its publics.
1984	GuroletKaynak	Corporate image is its reputation credibility among consumers
1984	Gronroos	The corporate image is the result of how consumers perceive the firm.
1986	Dowling	An image is the set of meanings by which a company is known and through which people describe and relate to it. It is the net result of the interaction of a person's beliefs, ideas, feelings, and impressions about the company. A company will not have an image – people hold images of the company.
1986	Kilbourne etMowen	Image refers to the <i>public's general perception or feelings</i> about the company
1986/88	Winters	The article describes corporate image as public attitudes toward the company.
1987	Abratt et Clayton	The article makes reference to public perception of the company.
1988	Cottle	Corporate image is the mental picture people have of the company.
1988	Dowling	Corporate image is the total impression an entity makes on the minds of people. It is linked to the corporate personality
1988	Selame	Image is intangible impressions that are shaped and reshaped to produce the most favorable public perceptions ... they are gradually perceived and evolutionary – tend to be made up of small, often unrelated parts
1990	Johnson and Zinkhan	It is the <i>overall impression</i> of the company held by the segments of the public.
1991	Gregory	It is the public's perception of a company – the preconceived ideas and prejudices that have formed in the minds of the

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		customers. This perception may not always reflect accurately a corporation's true profile, but to the public it's the reality.
<b>1993</b>	Fearnley	Image is the collective experience of those who work for and deal with the organization
<b>1997</b>	Van Rekom,	The corporate image is the net result of the interaction between a person's beliefs, ideas, feelings and impressions about a company.
<b>1998</b>	Garone	'It is an amalgamation of an organization's reputation, brands and messages ... It rests on a foundation of factors – value of its product or services, employee treatment, community responsibility, reaction in a crisis and so on ... It's a reservoir of goodwill
<b>2001</b>	Balmer 2001	corporate image is a way of creating sustainable competitive advantage
<b>2004</b>	Chattananon et al	The corporate image is the set of perceptions of how an organization presents itself through its mix of corporate identity
<b>2006</b>	Brown et al.	corporate image is considered an emerging mental image of a society based on the feelings and opinions of individuals
<b>2007</b>	Cretu et Brodie	corporate image is considered a sustainable belief
<b>2010</b>	ElifKaraosmanog˘luetJi ngyun (Kay) Zhang,	the image of the company is defined as the overall evaluation of an organization by stakeholders
<b>2010</b>	Roland K. Yeo	Corporate image is generally perceived as: the equivalent of reputation; an important component within reputation; or a broader term that encompasses reputation.
<b>2010</b>	James J. H. LiouMei-Ling Chuang	Corporate image is the mental picture of the company held by its audiences

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Source: adapted from Barbara Stern *&al* (2001)<sup>1</sup>, pp 212-213

The chronological classification of definitions of corporate image reveals three common points. First, the image is defined as a feeling or perception located in the spirit of stakeholders (ElifKaraosmanog˘lu, Jingyun& al, 2010). Secondly, the different groups form different images (James J. H. Liou& al, 2010). Last, the image is an idea "overall" (Chattananon& al, 2004).

The images of the company may vary both individuals and different interest groups. They may have different deadlines (perception past, present and future-oriented), and can be so wrong, unfair and fanciful as well as good, bad or even non-existent.

In the case of our research, we are going to base on the perception to determine the perceived image and its positioning.

The overall perception of a brand or a company by the customer constitutes then what is commonly called the brand image or the image of Enterprise, supported by mental associations attributed to the mark or to the enterprise (lambin& al, 2007). According to Marion (1989), the image is

decomposed into desired image, transmitted image and perceived image.

Michel Ratier (2002) was able to identify six neighboring concepts to the image: the notoriety, the reputation, the attitude, values, perception and positioning. In the case of our research we are going to base on the perception to determine the perceived image that represents the whole of opinions more or less structured, encountered on the subject of the undertaking (Aurore INGARAO, 2004) through the perceptual process authorized to develop symbolic judgments and emotional who are building the perceived image (Libaert, Thierry, 2010). This perceived image is determined by a positioning perceived in the mind of the consumer (hyang-junglee, 2006).

The literature review has helped to identify the media of perception of the corporate image in the field of agro-food .they can be grouped into two categories.

The work of Jean-Louis (2010) has linked the image of the business to the quality. Other researchers such as Fabian Berges& al. (2007) have emphasized that the corporate image is linked directly to the communication. Others have motioned that the enterprise image is linked to the country of origin of the business (Marc Dedeire, 2007).

The second category is based on the combination between the variables. We can cite the work of (Bernard Mondy, 2010)

<sup>1</sup>Barbara Stern *&al* (2001), marketing images: construct definition, measurement issues, and theory development ,pp. 212-213

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which include both the quality and the country of origin to determine the corporate image. Or even the research that suggests that the image is formed by the quality and communication (report Mediteraa, 2007)<sup>2</sup>.

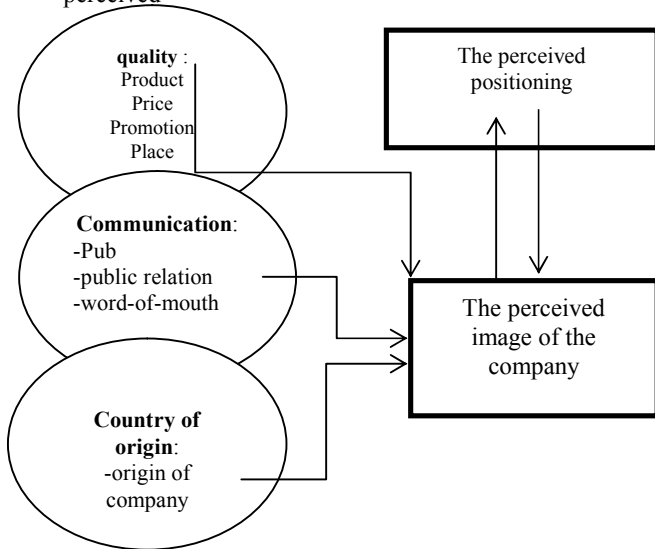
In our research, we are going to try to consolidate the three variables to explain the perceived image of company which carries out in the agro food industry. The first variable relates to quality. This variable covers four sub-variables which are:

- The quality of product intrinsic and extrinsic;
- The quality of the price;
- The quality of distribution;
- The quality of communication and the intervals of communication (advertising, event and effect word-to-mouth)

The perception of the country of origin of company.

On this theoretical basis, our explanatory model of the image positioning perceived is presented as follows in figure 1

La figure 1: Explanatory Model of the positioning of the image perceived



Source: prepared by the authors

### RESEARCH METHODOLOGY

Our research methodology is to make the choice of sector, to identify the instruments of the survey and the analysis mode.

#### 1. Choice of sector

Our choice of sector was raised on the agro-food sector in Algeria. This sector has experienced an important development in recent years, in particular thanks to the upgrade of local firms, and the installation of foreign enterprises.

That is the reason that it has become the second industrial sector in Algeria after the energy industry<sup>3</sup>.

On the other hand, the Algerian households spend an average of 45% of their expenditures to food. Which revealed a large competition between local and foreign enterprises particularly in small segments.

<sup>2</sup>Collect research on marketing agro-food

<sup>3</sup>Economic Report on Africa 2013

The agro-food sector in Algeria, Broadsheet reflection number of January 3rd, 2014

Our study focuses on the segments of yoghurt, soft drinks and biscuits because of the strong competition between local and foreign companies.

The choice of firms in each segment is the result of a test of notoriety achieved with 30 persons in the food stores general of the western region of the country. Table 2 presents the creation efforts by encouraging new investments chosen by segments.

Table 2: The enterprises chosen by segment

Segments	Business
yoghurt	Soummam Danone Trèfle
soft drinks	Coca cola Pepsi cola Hamoud Boualem L'exquise
biscuits	Bimo Major Lu

Source: prepared by the authors

#### 2. Research Instrument and analysis mode

A survey using a questionnaire was conducted to collect data. This research tool was inspired by Alain d'Astous

The questionnaire was administered to 182 households in the western region of Algeria. This sample is made from a balance between women and men 15 to 59 years. The respondents are in their majorities of employees who have an income between 18000 and 54000 Da.

The questionnaire contained four kinds of questions

- Questions related to the character socio-demographic household;
- Questions relating to the measurement of the quality of the product, packaging and packaging among the firms studied ;
- Questions regarding the extent of the communication carried out by the firms studied;
- Questions about the relationship of the company to the country of origin

In the present study, the Likert Scale is used for the items relating to the test of the first and second hypothesis. The responses have been entered on the IBM software SPSS versions 20 which will allow the statistical data processing.

The first results of our work will be presented in three times. First of all we are proposing a general description of the sampling and the answers relating to the quality, communication and to the countries of origin. Then, we present a comparison of trends of central<sup>4</sup> components of

<sup>4</sup> The method used to measure the central tendency is the median since it is not affected by extreme values

quality and communication between the enterprises of the same segment:

- Yoghourt (Soummam, Danone et Trèfle)
- soft drinks (coca cola, Pepsi, HamoudBoualem, L'exquise)
- Biscuits (Bimo, Major et Lu)

Finally, we undertake the design of perceptual map of each segment and determine the position of the local company in face of the competing company foreign.

### RESULTS AND INTERPRÉTATION

The criteria which characterize our sampling are:

- Half the households is composed of 3 to 5 persons;
- The other half of the homes is divided between small focus of two persons and large fireplace with more than six people

This distinction between small and large fireplace in terms of numbers coincides perfectly with the national average. The average age in homes is between 15 and 44 years, with a balance between women and men. The majority of respondents are employees who receive between 18000 and 54000 Da.

On the other hand, a rate of 57% of respondents live in towns against a rate of 23% which is housed in the periphery (secondary zone) of the city and the rest live in the provinces. The respondents are regular users of the yoghurt, biscuits and soft drinks that this either at home or outside home. The median consumption of yoghurt, biscuits and soft drinks is four times per week with a respective amount of two pots and a bottle for the yogurt, and a bottle of drinks per day.

#### I. Segment yogurt

The firms studied are known by our respondents for more than five years. This confirms the results of test notoriety. Most of the respondents confirm having to know businesses Soummam and Danone through the media with the exception of Trèfle, or the replies were shared between media and through other persons through word-of-mouth.

The sampling is unanimous that the price in the segment yoghurt is less expensive and the product is available.

In terms of product quality, Danone and Soummam have a good quality with the exception of innovation and packaging which have an average quality among Soummam. Trèfle has an average quality of the product except the good hygiene.

For the communication, Danone has a good quality compared to Soummam and Trèfle which have an average quality. (See figure 2).

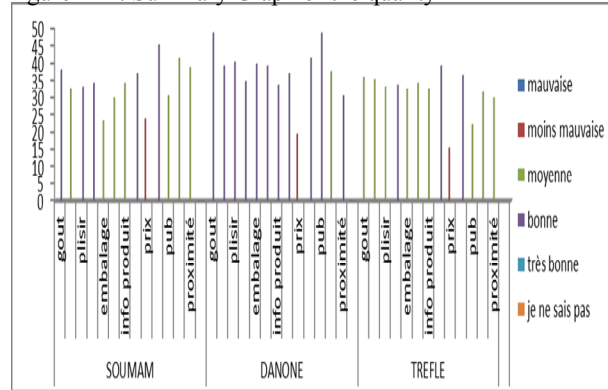
When it comes to intervals of communication for Soummam the opinion of respondents are shared between less than six days and more than 30 days the last pub look. They confirm for not having heard of the company or become aware of event organized by the company of more than 30 day. The same case for the company Danone with an advantage in the number of respondents who confirmed having seen the pubs in an interval of less than six days.

In the case of the company Trèfle, our sampling is unanimous not to remember any action of communication before a period of 30 days.

The central tendency relative to the number of times where consumers have watched an advertising lead by the Soummam, Trèfle and Danone is as follows: more than five

times for Danone at least three times for Soummam and twice for Trèfle.

Figure n° 2: Summary Graph of the quality



Source: prepared by the authors

The responses related to the country of origin show that the absolute majority of respondents know the country of origin of yoghurt Soummam and Danone contrary to Trèfle that the answer is shared between Algeria and the non-knowledge

#### II. Segment of soft drinks

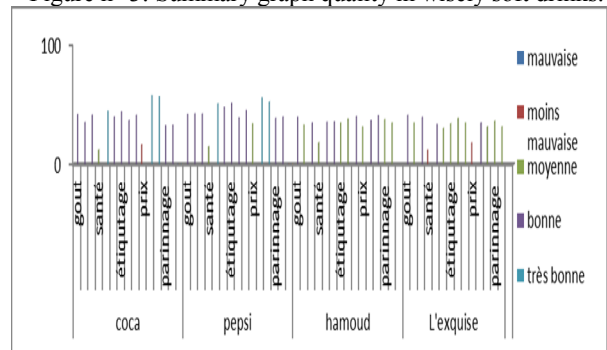
In the case of companies which are engaged in the production of soft drinks the foreign companies (coca and Pepsi) were known through the media by the majority of the respondents. But for local businesses the answers were shared between media and mouth to ears with a small advantage for the mouth to ears in the case of the exquisite.

The respondents were unanimous that coca cola shares the same level of quality that Pepsi with a good quality of product and communication on the other hand advertising is considered as very good with a product very available. The only deference is found at the level of price, that the price coca is less expensive than the price Pepsi.

For hamoudboualem the central tendency of quality is shared between good to the taste, pleasure, freshness, packaging, and hygiene is advertising and a medium quality for innovation, health, labelling, info product and communication. The respondent see that the price adopt by hamoudboualem is average is the product is available.

The quality of L'exquise is average with the exception of the taste and the freshness that have a good quality. The price is cheaper with a product which is available. The figure below contains the graphs da the quality among each company.

Figure n° 3: Summary graph quality in wisely soft drinks.



Source: prepared by the authors

When it comes to the intervals of communication Our respondents claim to have watched or of course a publicity of Pepsi and coca cola in a space of less than 6 days with a frequency of more than five times unlike hamoudboualem and L'exquise or the last advertising dates back more than 30 days with a respective frequency of three and once.

For the events and the word to mouth opinions were shared between an interval of less than 6 days and more than 30 days in the case of enterprises coca and Pepsi the answer is unanimous for an interval of more than 30 days in the case of hamoud and L'exquise. The majority of respondents were able to respond correctly to questions relating to the country of origin.

### III. Segment biscuits

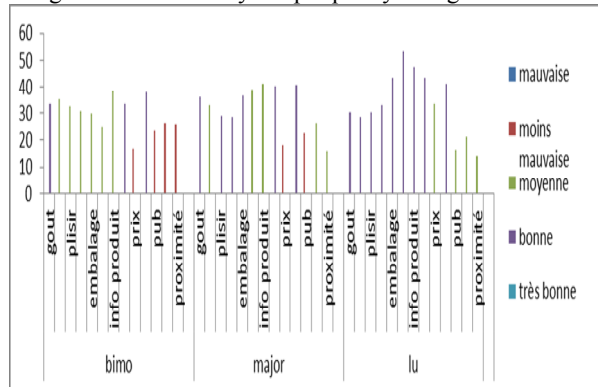
The respondents claim to have known the enterprises Bimo, Major and Lu through the media and the word of mouth. For Major the quality of taste, pleasure to eat, packaging and hygiene is good while the quality of innovation, labeling, information on the product is average. The general trend of quality of the product among Lu is good against the price is average is this gives an advantage to Bimo and Major who practice a price was less expensive.

When it comes to communication Major, Lu and Bimo have a communication medium; see a poor quality of advertising among Bimo. (See figure 4 which summarizes the quality in the segment biscuits).

For the intervals of communication, the respondents claim not to have taken knowledge of no action of communication lead by bimo, major and Lu before more than 30 days.

The advertisements of Bimo and Major were watched only once according to our respondents and two times for ads conducted by Lu.

Figure n° 4: Summary Graph quality in segments biscuits



Source: prepared by the authors

The redesigned related to country of origin indicate that the country of origin of Bimo is known by the sampling unlike the Major or only 20% of respondents identified the country of origin. In the case of the company Lu the half of the respondents was able to identify.

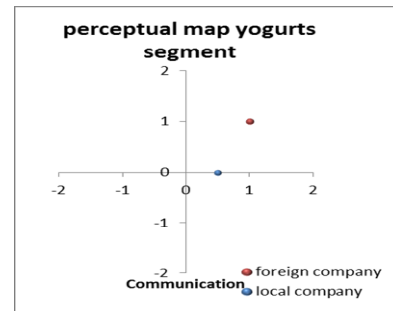
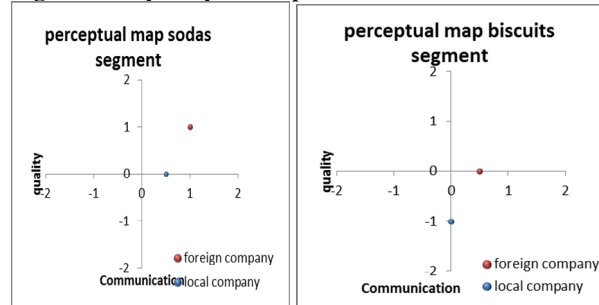
The perceptual maps are established in two times. The first phase is to determine the position of each undertaking local or foreign. In the second phase, we will bring together the local firms and foreign firms by using the technique of the distance between each local company and each foreign firm

$$\text{Distance} \left( \frac{x_1+x_2}{2}, \frac{y_1+y_2}{2} \right)$$

The scale of measurement is going to: -2 (bad) up to +2 (very good) in knowing that a value of zero represents a medium quality or a medium communication.

The result of this grouping is presented in the perceptual maps following:

Figure n° 5: perceptual maps



Source: prepared by writers

For the segments of yoghurts and soft drinks, we note that the foreign firm has a good quality and communication in contrast to the local company which is distinguished by a quality above average and a medium communication.

In the case of the segment biscuits, we note that the local company has the same level of communication that the foreign company with a quality advantage for this last.

The calculation of the distance (ab) will allow us to measure the gap between local business and foreign in terms of quality and communication.

$$ab \begin{pmatrix} xb - xa \\ yb - ya \end{pmatrix}$$

For the segments yoghurt, biscuits and soft drinks, the communication gap is the double of the quality gap. The foreign firm has a quality product by report to the local company and the communication policy conducted by the foreign firm is more efficient than the company.

### CONCLUSION

The investigation carried out cleared of 182 home aims to determine the perceived position of the image of Algerian business face to the company foreign concurring in the Algerian market and more specifically the agro-food sector which is characterized by strong competition including the segments of yoghurt, biscuits and soft drinks.

The realization of perceptual maps has helped found that consumers considered that the product of the foreign firm is better than the product of the Algerian company. On the other hand the communication carried out by the Algerian business is a lower level than the communication carried out by the foreign firm. The gap is minimal in terms of quality unlike the commination.

Households consider that foreign firms have superiority by contribution to the Algerian companies despite the considerable efforts of this past. The investigation revealed that the perception of the country of origin has an effect on the corporate image. This perception led to improved or reduce the image of a company.

Our prospects of research aim to propose an ideal positioning for the Algerian company face to the competing foreign company through the communication policy and the quality of product.

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