Food Labels (Quality, Origin, and Sustainability): The Experience of Czech Producers

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Abstract: Food labels allow producers to promote the unique selling points of their products and help consumers buy products with value-adding qualities. The aim of the present article is hence to explore Czech food producers’ expectations and experience with selected food labels. The selection was narrowed down to enterprises that had succeeded in the certification processes within the food labeling systems of European quality and origin labels (protected designation of origin (PDO), protected geographical indication (PGI), and traditional specialty guaranteed (TSG)), as well as schemes that fall under the remit of the Ministry of Agriculture of the Czech Republic, such as Klasa (Česká potravina/Czech food, Regionální potravina/regional food, and BIO). The research was made using an online questionnaire in January–February 2018, and was focused on determining possible discrepancies in expectations that the companies had before applying for quality/origin labels and their actual experience with the labelling systems, the benefits they had gained, and their overall experience with the labels. To compare the respondents’ expectations and their actual experience, both the non-parametric Wilcoxon test and t-test were used. The results show that the respondents positively evaluated the effects of marketing communication, but their expectations had been higher than what they experienced.

Keywords: food labeling schemes; sustainability labels; quality labels; labels origin; Czech food producers

1. Introduction

Food labels are gaining more importance as they assist millions of people in making better food choices [1–3]. They may also prove to be beneficial to food producers, as the labels allow them to promote the products’ unique selling points [4]. However, with the growing number of labels appearing on food products, some products have labels conveying redundant or minimum information, while other ones have multiple labels that contain overlapping information [5,6]. It is therefore questionable which labels are relevant for the consumers’ buying decisions, and as such, actually represent a benefit for the producers as a tool for their competitive advantage.

Over the past few decades, policy-makers around the world have introduced various strategies to help consumers in their buying decisions, including food quality schemes and quality labeling [7,8] or origin labeling [9,10], or systems focused on sustainability [11–13]. In the European Union (EU), differences in policies regarding food labeling reflect the diversity in historical evolution, development, and organization of food industries [14,15], as well as variations in consumers’ markets in terms of the customers’ buying behavior, their attitudes, and interests [16,17]. In general, the purpose of the food labeling schemes is to provide information to consumers about certain aspects of the food or its production.
method, often in the form of a logo or a statement on the product [18–20]. It should inform the consumer clearly that the food meets the standards of the respective scheme, e.g., that the food is produced in a certain geographic region or in accordance with additional requirements [21], or signal the specifics of the food production—e.g., inform about the impact the food production has on the environment [22]. It is common that food labels strive to signal more than one major characteristic. BIO labels illustrate the perception of the food’s impact on the environment and its quality [3,23–26]. Regional labeling schemes that primarily aim to label and signal the origin of the products may also ask the producers to meet sustainability standards [27,28], which leads to the question whether the local labeling complements or competes with other sustainable labels [29].

Czech producers may choose from a vast number of labels that signal the product’s origin, quality, or organic character (or a combination of these characteristics), with their number having risen significantly over the last two decades [30,31]. Czech food producers have reacted to the lasting trend on the market, increasing their interest in the labels that could become their competitive advantage [32]. However, Vělovská and Hadro [33], who compared respondents’ perceptions and expectations of food quality labels in the Czech Republic and Poland, suggest that Czech consumers consider the number of food quality labels too high, finding them confusing. Consumers hence only pay limited attention to them when buying food [4,34]. With the limited impact of labels on the food purchases, producers may not be able to acquire the benefits of the labels in full range.

In spite of the growing academic interest in research on food producers and their attitudes and use of the various types of labels, the number of such studies remains quite limited. For this reason, the article aims to fill the research gap by investigating the experience of Czech producers with the food quality labels, focusing on their evaluations of the benefits of the selected labels and identifying discrepancies in expectations the respondents had before applying for the food labels, as well as their actual experience with the labeling systems and the benefits they had gained.

Major Food Labeling Systems in the Czech Republic, with Focus on Origin, Quality, and Sustainability

Czech producers can choose from a substantial number of different food-labeling systems that signal origin and quality. The various systems provide labels that could be divided, based on their spatial characteristics, into three major groups: EU, national, and regional levels [30]. Another option is to classify food quality labels by the type of organizations that provide the certification (state institutions, external independent companies, or private producers’ initiatives), as suggested by Haenraets, Ingwald, and Haselhoff [35].

At the EU level, there are schemes of geographical indications: protected designation of origin (PDO) and protected geographical indication (PGI). These indications are connected to a particular product, which may originate from different producers. Seven Czech products bear the PDO logo (e.g., Chamomilla Bohemica or Czech caraway seeds), while the PGI logo may be found on 23 Czech products (such as Českobudějovické pivo or České Budějovice beer), Valašský frgál (Wallachian pie), and five Czech specialties may boast the traditional specialty guaranteed (TSG) logo, such as Špekáčky (sausages) or Lovecký salám (hunters’ salami) [36]. However, these labels are not very well known among the Czech consumers [37,38]. Also, Grunnert and Aachman [16], as well as Skubic, Erjavec, and Klopcič [7], have suggested that the role of these labels in the consumer decision-making within the EU is still relatively low.

At the national level, an amendment to the Food Act of the Ministry of Agriculture sets uniform criteria for the labelling of food produced in the Czech Republic. Unprocessed food, such as meat, fruit, vegetables, which originate from the Czech Republic, as well as processed food made out of at least 75% Czech ingredients and produced in the Czech Republic, may be labeled Czech food (in the form of the Czech flag). The “Klasa” label has a long-term, dominant position, and can be seen as the main quality program in the Czech Republic [30,38–40]. This label has a strong marketing support from the state authorities,
such as the Czech Ministry of Agriculture (MoA) and State Agricultural Intervention Fund; paradoxically, the label is subject to strong criticism from the public for not meeting its goals, i.e., labeling food of superior quality [41]. The label “Czech product—guaranteed by the Federation of the Food and Drink Industries of the Czech Republic” (Český výrobek—garantováno Potravinářskou komorou ČR) signals that the product was manufactured in Czechia and contains a certain share of Czech ingredients, the production company is owned by a Czech citizen, and the revenue is not transferred outside of the country [4].

Launched in 2010, the Regional Food project of the Ministry of Agriculture of the Czech Republic (and its State Agricultural Intervention Fund) is a top-down scheme. An important outcome of this project is the “Regional Food” label, present in all Czech regions at the NUTS 3 level [14]. It has a form of a competition for local small and medium producers and farmers. The project aims to improve the consumers’ awareness of regional food and communicate its benefits, emphasizing the advantages of consuming local food for the development of the region, such as the support of employment, tourism, etc. [42].

Representing 27 regional and microregional labels, the Association of Regional Brands (ARB) is a nonprofit organization that associates the coordinators of the members’ regional labels, and is a bottom-up scheme. The first regional labels were established in 2005 (Krkonoše, Beskydy Mts., and Šumava Mts.), and the ARB was created three years later. All labels associated in the ARB have a unified graphic design and common granting principles, such as guaranteed origin, respect for the environment in all phases of both production and sales, proportion of manual or mental work, and local raw materials. The certificates can be obtained by SMEs producing food and handicrafts, as well as service providers within tourism [43]. Several researchers have shown that the labels are not really recognized and are not very successful in attracting the consumers’ attention [31,34,44,45]; these researchers studied the motives for choosing products with origin labels (regional labels as well as PDO- and PGI-labeled products), and identified that customers have several motives for buying these labeled products. The motives may be emotional (pleasant experience and memories related to the country/region or attachment to the region/country), sensory (specific appearance, texture, flavor, and taste), and social (support for national/local producers).

As for BIO food, producers in the Czech Republic must use a regional logo (called the “green zebra” for the green stripes on the logo) and the EU label (the green leaf with twelve stars). The national BIO label for food was established in 2005 and is guaranteed by the Czech Ministry of Agriculture, in cooperation with the Association of Organic Farmers (PRO-BIO). There are two general underlying levels to organic product shopping: egoistic and altruistic [46]. The egoistic motivation is driven by a consumer’s perception of the higher quality of organic food, and the belief that it has a higher nutritional level, is healthier, and has more overall benefits than standard (non-organic) products. The driving force behind the altruistic motivations are environmental reasons, consciousness of the impact on rural and regional areas, and animal welfare considerations. The same driving factors were identified by Kareklas et al. [47] or Yadav [48]. Looking at the Czech organic market, substantial research has been carried out by Zámková and Prokop [49], confirming increasing interest on the side of Czech consumers. Drexler et al. [50] affirmed that ecolabels attract consumers’ attention, and suggested that producers should strive for good quality and composition of their products so that they could apply for the BIO certification.

2. Materials and Methods

Quantitative research was conducted in January–February 2018 using an online questionnaire. The respondents were food-producing enterprises that had been successful in their applications of the selected quality and origin food labels. The selection was narrowed down to enterprises that had succeeded in the certification processes within the food labeling systems of European quality labels (PDO, PGI, and TSG), as well as schemes that fall under the remit of the Ministry of Agriculture of the Czech Republic, i.e., Klasa,
BIO, Czech food, and regional food (logos and short descriptions of the individual labels are provided in Figure 1). The selection was narrowed down due to the accessibility of public databases with the enterprises that had been certified with the food labels. Another important criterion was the importance of the individual food labels on the market. The “Klasa” label can be viewed as the main food quality labeling program in the Czech Republic [38–40]; the “regional food” label has gradually gained significant importance as well [30], as a result of strong marketing support from the Ministry of Agriculture [41]. The BIO label derives its importance on the Czech market from the increasing interest of the consumers in bio-food production [49]. The EU labels are still relatively unknown among consumers, as the national labels are better recognized and perceived as more credible than the EU ones [37,38]. The “Czech food” label (in the form of the Czech flag), was created in an amendment to the Food Act of the Ministry of Agriculture in 2016. It provides uniform criteria for the labelling of food produced in the Czech Republic, as mentioned above [42]. Various researchers have proven that the Czech customers in general are willing to pay a premium price for labeled food products, if the labels signal quality [38], sustainability [37], and to some extent, regional origin [31,34].

| Logo | Description |
|------|-------------|
| ![European Union](image) | European Union schemes: protected designation of origin (PDO)—every part of the production, processing, and preparation process must take place in the specific region; protected geographical indication (PGI)—for most products, at least one of the stages of production, processing, or preparation takes place in the region; and traditional specialty guaranteed (TSG)—label uniqueness, origin, and quality. Used in the Czech Republic since 2003. |
| ![Czech Food](image) | Czech Food (Česká potravina): voluntary label; the place of production should be in the Czech Republic, and the product should contain a specified proportion of Czech raw materials (label origin). All of the unprocessed ingredients must be domestic in origin, or processed food made out of at least 75% of Czech ingredients and produced in the Czech Republic. Established in 2016. |
| ![Klasa](image) | Klasa: label awarded by the Czech Ministry of Agriculture to high-quality food and agricultural products. Primarily labels quality (does not relate to the Czech origin of the food; however, the logo uses the Czech national colors). Only for food producers. It must have “exceptional qualitative characteristics”, as defined by Czech Ministry of Agriculture. Established in 2003. |
| ![Regional Food](image) | Regional food label awarded by the Ministry of Agriculture to quality food and agricultural products that win in regional competitions in all 13 regions of the Czech Republic, with the exception of the capital city Prague. Represents regional origin, sustainability, and uniqueness. Domestic raw materials must be at least 70% of the total, and the main ingredient(s) must be 100% domestic in origin. Not for large enterprises (only for SMEs, up to the 250 employees). Established in 2009. |
| ![BIO](image) | BIO: product of ecological agriculture (the green zebra). Nationwide trademark; includes a code of one of the three certified control organizations authorized by the Ministry of Agriculture. Primarily labels sustainability and quality. Certification criteria are defined by act no. 16/2006. Established in 2005. |

Figure 1. Logos of the selected labels. Source: [www.eagri.cz](http://www.eagri.cz).
The respondents (representatives of marketing departments and owners/management of food-producing companies) were selected from publicly accessible databases of labels and public sources, such as websites of the selected labels. Specific addressees were identified on the websites of the label holders. The online questionnaire mainly consisted of closed questions, using a five-degree Likert scale (1 = strongly agree and 5 = strongly disagree).

A total of 547 representatives of these companies were approached; 102 questionnaires were included in the statistical analysis, with the response rate being 18.6%. Table 1 shows the basic characteristics of the enterprises involved.

Table 1. Respondents’ basic characteristics.

| Territory in which the Respondent Enterprise Operates |       |
|-----------------------------------------------------|-------|
| Czech Republic (the whole country)                  | 30.4% |
| Bohemia                                             | 46.1% |
| Moravia                                             | 18%   |
| Silesia                                             | 1.6%  |
| Prague                                              | 3.9%  |
| Moravia and Silesia                                 | 9.8%  |

| Enterprise Categories                                |       |
|-----------------------------------------------------|-------|
| Large enterprise                                     | 7.8%  |
| Medium enterprise                                    | 43.2% |
| Small enterprise                                     | 35.3% |
| Micro-enterprise                                     | 13.7% |

| Product Category for which the Enterprise Received the Label |       |
|------------------------------------------------------------|-------|
| Mill, bakery, and confectionery products                    | 21.6% |
| Meat and meat products                                     | 20.6% |
| Milk and dairy products                                    | 20.4% |
| Alcoholic beverages                                        | 13.7% |
| Fruits and vegetables                                      | 12.7% |
| Fish and fish products                                     | 4.9%  |
| Non-alcoholic beverages                                    | 3.9%  |
| Other                                                      | 2.2%  |

Source: authors.

As is visible from Table 1, the research mainly involved small and medium enterprises (78.4%), which either operate nationwide (30.4%) or in the Bohemian part of the Republic (46.1%), and focus primarily on bakery and confectionery production (21.6%) or meat and meat products (20.6%). We decided to examine the opinions of the companies’ representatives specifically with regard to the size of the respective enterprises, as most of them applied for more than one label (see Supplementary), and the labels signal overlapping characteristics (see Figure 1).

To evaluate the significant differences in the respondents’ expectations and their experience after obtaining the certificate for their products, the Wilcoxon test and \( t \)-test were used (paired tests). Various researchers \([51,52]\) established that the \( t \)-test has a power advantage for normal distribution with equal variances, and that it has robust to modest deviations from the test assumptions. The results showed that the two tests had equivalent power for most pairs. Dependence on trying to get another certificate and the shortcomings of the current quality systems was tested using the Spearman’s rank correlation coefficient. The data were processed using IBM SPSS Statistics 22.0 at VSPJ in Jihlava in The Czech Republic.

3. Results

This research focused on determining possible discrepancies in expectations that companies had before applying for quality/origin labels and their actual experience with the labelling systems, as well as the benefits they had gained. The respondents were
asked to express whether they had expected and then noticed improvement in ten areas: increase in profits, increase in sales volumes, higher promotion of the labeled product, higher promotion of the entire business and product range, better (in terms of frequency and quality) flow of information towards customers about the quality/origin of the labeled product, competitive advantage gain, increase in distribution possibilities, the label as a link to a premium price (after being awarded a label, the business should have an objective reason to increase the price), increasing prestige, and opportunity to participate in events organized by the labeling authorities. Both the expectations and experience of the enterprises were measured at the same time. For each option, the respondents were first asked to indicate to what extent the ten areas had been important for their decision to apply for the labels. They expressed their degree of agreement on a five-point Likert scale (1 = strongly agree and 5 = strongly disagree). Also, the respondents from various enterprises had the same options for the subsequent question: to what extent had the benefits of the quality/origin label actually been achieved? To compare their expectations and actual experience, we used both the non-parametric Wilcoxon test and a \( t \)-test.

Table 2 shows the test statistical values (\( t \) and \( Z \)) for both tests and \( p \)-values for the one-tailed test, where we tested whether the mean values of expectations and results for a given criterion were the same as the one-tailed alternative. In all cases, except for the opportunity to participate in events organized by the labeling authorities (\( t \)-test: \( p = 0.309 \), Wilcoxon test: \( p = 0.275 \)), we rejected the null hypothesis at a significance level of 5% and proved that the expectations of the respondents had been higher than what they had experienced.

Table 2. Comparison of expected and actual benefits for the enterprises in connection with the label.

| Pair Comparison: Expectation vs. Reality | Paired \( t \)-Test | Paired Wilcoxon Test |
|-----------------------------------------|---------------------|---------------------|
|                                         | \( t \)  | \( p \)-Value | \( Z \)  | \( p \)-Value |
| Increase in profits                     | −4.514 | 0.000         | −4.180 | 0.000         |
| Increase in sales volume                | −8.032 | 0.000         | −6.115 | 0.000         |
| Greater promotion of a labeled product  | −7.396 | 0.000         | −6.034 | 0.000         |
| Greater promotion of the entire business and product range | −5.213 | 0.000         | −4.800 | 0.000         |
| Better flow of information towards customers | −8.153 | 0.000         | −6.473 | 0.000         |
| Competitive advantage                   | −6.424 | 0.000         | −5.391 | 0.000         |
| Increase in distribution possibilities  | −5.886 | 0.000         | −5.057 | 0.000         |
| Label as a link to a premium price      | −2.525 | 0.007         | −2.567 | 0.005         |
| Increasing the prestige                 | −8.653 | 0.000         | −6.614 | 0.000         |
| Opportunity to participate in events organized by the labeling authorities | −0.501 | 0.309         | −0.597 | 0.275         |

Source: own calculations.

Interestingly, the opinions presented in Table 2 do not seem to have a significant impact on the respondents’ overall evaluation of the effect the labels had on their businesses. As can be seen from Figure 2, the majority of businesses of different sizes evaluated the overall effect of the labels as positive. The most satisfied were the respondents from the micro (78.6%), small (75.0%), and medium (81.8%) businesses. Also, Figure 2 shows that the respondents from the small (22.2%) and large (25.0%) businesses expressed that their evaluation may be rather negative; this illustrates that large enterprises may benefit less from those labels, as they have already build strong brands [32].
Figure 2. Overall evaluation of the effects of obtaining a label (five-degree Likert scale: 1 = strongly agree and 5 = strongly disagree). Source: own calculations.

When asked about the current value they see in the labels obtained, the respondents positively evaluated the benefits the labels represent in terms of marketing communication. As is visible from Table 3, the respondents agreed that the labels had helped them better inform the consumers about their products (mean = 3.44). Also, they appreciated the label’s effect on their image boost (mean = 2.29). As is also clear from Table 3, the labels did not serve as an argument positively evaluated the benefits the labels represent in terms of marketing communication. What is the current value that you see in the labels you gained? (Five-degree Likert scale: 1 = strongly agree and 5 = strongly disagree).

Table 3. What is the current value that you see in the labels you gained? (Five-degree Likert scale: 1 = strongly agree and 5 = strongly disagree).

| Tool / Opportunity                                    | Median | Mean  |
|--------------------------------------------------------|--------|-------|
| Tool to increase profits                               | 4      | 3.65  |
| Tool to increase sales volumes                         | 3      | 3.08  |
| Tool for greater promotion of a labeled product        | 2      | 2.08  |
| Tool for a better flow of information towards customers | 2      | 2.00  |
| Competitive advantage                                  | 2      | 2.82  |
| Tool to increase distribution possibilities             | 4      | 3.44  |
| Label as a link to a premium price                     | 4      | 3.94  |
| Increasing the prestige                                | 2      | 2.29  |
| Opportunity to participate in events organized by the labeling authorities | 3      | 2.95  |

Source: own calculations.

The respondents were also asked about the deficiencies they saw in the labels (labeling schemes) they had applied for. It is visible from the cobweb chart (Figure 3), there are no significant differences in the answers of the respondents representing food enterprises of different sizes. The representatives of the small (mean 1.6), medium (mean 1.86), and large (mean 1.5) businesses agreed that the excessive number of food labels might be problematic.
Only the respondents from the micro-businesses did not tend to think there were too many labels on the Czech market (mean = 2.36).

![Diagram](image)

**Figure 3.** Deficiencies of the current labels from the business perspective. Source: own calculations.

The respondents rather strongly disagreed with the statement that the labels did not have marketing benefits for their companies, as shown by the following results: micro-businesses, mean = 3.86; small business, mean = 3.46; medium businesses, mean = 3.5; and large businesses, mean = 3.88. This is in line with the strong marketing campaigns that the Czech MoA finances. However, in February 2019, the Association of Private Farming Czech Republic (APF CR) [53] criticized MoA, claiming that the vast majority of the funds spent on the marketing communication of the Klasa label were often misplaced: according to them, the media budget was illogically targeted on advertising in periodicals intended for food industry professionals, rather than the general public [53].

As for the labels’ non-existent economic benefits, small (mean = 2.83), medium (mean = 2.93), and large (mean = 2.88) businesses occupied a rather middle position, while the respondents representing micro-businesses (mean = 3.29) signaled that the labels might have a higher value for them. This may be viewed as a positive outcome—that the respondents did not evaluate the labeling authorities as incompetent, and they also agreed that the legislative regulation was rather sufficient. Also, they did not consider challenging the fact that the labels overlap in their characteristics. The labelling requirements might be problematic for the micro-businesses (mean = 3.36) compared to the small (mean = 2.71), medium (mean = 2.88), and large (mean = 2.38) businesses.

We further examined if there was a correlation between whether a company was striving to obtain another label and what shortcomings the company saw in current labelling systems. Because all the investigated variables were measured using the five-point Likert scale, we measured the dependence using the Spearman’s correlation coefficient.

At the 5% level of significance, we were unable to prove dependence on any of the perceived shortcomings or efforts to obtain another certificate. We can conclude that even though the respondents perceive some mild shortcomings, this does not affect their judgment, and they would apply for other, additional labels.

Based on our research findings and a literature review, we can present a SWOT analysis for the labeling authority that we focused on—the Czech Ministry of Agriculture—reflecting the perspective, experience, and opinions of the respondents: the Czech food producers that applied for the food labels that fall under the remit of the Ministry. For the SWOT analysis, see Supplementary.
4. Discussion

The data show that from the food producers’ perspective, the major motive to apply for a label that signals origin, quality, or sustainability may be the pursuit of an economic benefit—increased demand (sales) and profitability in connection with more effective marketing, higher visibility, and a possible increase in the prestige of their products. Nevertheless, a label may be viewed as a nexus of not only economic, but also psychological and functional benefits for customers, and therefore the focus on economic metrics seems to be inadequate for “label performance” [43,54,55]. The respondents’ expectations in the chosen areas (Table 2)—increase in profits, increase in sales volumes, higher promotion of the labeled product, higher promotion of the entire business and product range, better flow of information towards customers about the quality/origin of the labeled product, competitive advantage gain, increase in distribution possibilities, the label as a link to a premium price, and increasing the prestige—had not been met. The only improvement that the respondents had experienced was in marketing communication, in the form of the opportunity to participate in events organized by the labeling authorities. We may suggest that the exaggerated expectations may be caused by overstatements about the labels’ benefits, which could be improved by well-targeted marketing communication based on the actual situation on the market [32].

Our research has shown that the respondents thought (Table 3) that the labels did not really contribute to an increase in distribution possibilities. This might be explained by the extent of the retailers’ bargaining power towards their suppliers in the EU [56]. In the Czech Republic, the food market is considered highly competitive, and so the retailers have become more concentrated and have significantly developed their own brands (private labels) [57]. In particular, regional (micro-, small, and medium) businesses face various difficulties placing their certified products on the Czech market, especially in the traditional marketing channels [45]. Big retailing chains in the EU make regional and local food non-profitable and non-competitive [58]. Micro- and small producers especially choose to use alternative marketing channels, e.g., farmers’ markets, cooperatives, or local selling networks [59], which excludes broader consumer segments [60]. This may be the reason why respondents rather disagreed with the statement that the labels were a tool to increase profit. The results in Table 3 also suggest that examined labels did not serve as an argument for increasing the products’ price—the producers did not use the label as a reason to use premium pricing.

The representatives of the small, medium, and large businesses expressed an opinion that the large number of food labels on the Czech market might be problematic (Figure 3), as suggested by Chalupová et al. [30], Sadílek [4], and Velčovská and Hodra [33]. However, examining a possible correlation between whether the respondents were striving to obtain another label and what shortcomings they saw in the current labelling systems (Table 4), we found that the food producers were inclined to apply for more labels, even though they saw some mild shortcomings in the food labelling systems they had joined. This signals that the Czech food market will probably continue to experience a strong competition between various labeling systems, which is common in other EU markets as well [5,6].

| Table 4. Correlation between whether a company is striving to obtain another label and shortcomings the company sees in current labeling systems. |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|                                  | Excessive Number of Food Labels | Insufficient Legislative Regulation | Low Labeling Requirements | Incompetent Labeling Authorities | Labels Overlap in Their Characteristics | No Economic Benefits | No Benefit for the Company’s Marketing |
| Correlation Coefficient         | −0.100                          | −0.087                           | −0.092                         | 0.006                           | −0.115                         | 0.012                           | −0.143                          |
| p-value                          | 0.321                           | 0.391                            | 0.363                           | 0.952                           | 0.257                           | 0.904                           | 0.154                           |

Source: own calculations.
5. Conclusions

The study is based on data from an original survey designed to investigate how the Czech food producers evaluate the benefits of the labels that signal quality, origin, and sustainability. The research focused on enterprises that have succeeded in the certification process within the food labeling systems of European labels (PDO, PGI, and TSG) and schemes falling under the remit of the Ministry of Agriculture of the Czech Republic, i.e., Klasa, BIO, Czech food, and regional food, specializing in origin, quality, and sustainability. Apart from these, there are currently more than 40 other food labels in the Czech market that signal the same characteristics or some specific process of production [4]. Even though this situation is perceived as confusing for the consumers [33], our research indicates that the food producers evaluate the situation on the Czech market differently. The respondents agreed that the labels they had applied for had a positive impact on their marketing (in terms of their image, visibility, and prestige, with regard to marketing communication); however, they did not experience strong economic benefits. The businesses had, for instance, anticipated an increase in profits and sales volume, as well as gaining a competitive advantage, new distribution opportunities, etc., after obtaining a certificate, but this expectation had not been met. As has been suggested by many studies [45,56,61], retailers, distribution networks, or alternative marketing channels have a major influence on the food producers’ profitability. It would be appropriate for the future research to concentrate on this topic and carry out a larger study, in order to compare the situation across multiple EU countries. In the context of a detailed examination, it would be interesting to focus on the metrics the food producers use to evaluate the labels’ economic performance.

The research outcomes suggest that authorities have managed to develop a relatively successful labeling system (the respondents did not point out strong deficiencies), and the respondents’ overall evaluation of the labels is also positive. However, our data suggest that the inflation of the food labels on the Czech food market may continue, as the respondents showed rather strong inclination to apply for additional labels as a means of marketing communication.

We would suggest the following: (i) initiating a discussion about reducing the number of food labels on the Czech market, (ii) making changes to the packaging laws, and (iii) limiting support of newly established labels and labeling systems on the Czech market. There is a need for sophisticated joint marketing that would address the different needs of current and prospective customers. The labeling authorities should aim to find solutions in the form of qualitatively better plans and better information about the systems (more information or better transfer of information, sharing of relevant information, etc.). Fragmented activities may be a key element in the poor performance evaluation of the umbrella labeling schemes. The authorities should come up with systematic management of the planned activities, with emphasis on brand management and focused marketing, to build stronger awareness and trust in labels and attract consumers, as well as develop a better functioning distribution system in the form of a network of specialized shops that would offer certified regional food.

Further research could also focus on the effectiveness of the marketing communication around the various labeling schemes, in order to identify what tools and forms of communication could be more relevant to consumers.

Supplementary Materials: The following are available online at https://www.mdpi.com/2071-1050/13/1/318/s1, Table S1: Czech labels of origin and quality—producers perspective, Table S2: SWOT Analysis.

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