POSITIONING OF PRIVATE LABEL CHEESE BRANDS IN THE REPUBLIC OF SERBIA

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SUMMARY

Over the past few decades, private label brands have been gaining market share in numerous retail outlets. This paper first elucidates the concepts of brand positioning, brand management and branding itself. The term brand has been used as a means of identifying the same or similar products or services present in the market. The private label brand is a quality tool providing competitive advantage under modern market conditions. The influence of the basic attributes which, knowingly or not, shape the private brands of local cheeses will be emphasized, as well as the influence of other factors affecting the brand positioning. The purpose of this paper is to highlight the role, importance and concept of private label brands in cheese production, which improve the competitive position of cheese producers.

Key words: Positioning, private label brands, cheese

INTRODUCTION

There are a number of definitions explaining what a trademark is. It is thought to have been introduced for the first time in ancient times, in the Mediterranean region, primarily in ancient Greece and Rome, as well as in Etruria (Clifton et al., 2009), whereas the first articles defining the term *trademark* appeared in the 1960s (Valencia, 2015). One of the accepted definitions in the literature is that given by the American Marketing Association: “A trademark (brand) is a name, term, sign, symbol, or form, or their combination, with the intention of identifying one's products or services or groups of sellers, and differentiate them from competitors (products and services)” (Keller, 2003). Therefore, it is a sign of differentiation between products from different retailers and products chains. Private label brands can be defined as brands owned by intermediaries who hire manufacturers to produce products to which the brand will be awarded (Vranešević, 2007). The concept of branding has evolved into a powerful means by which it is possible to influence consumer awareness using different brand positioning strategies. Therefore, its role in the company is to communicate with consumers in order to differentiate products from competitors. Private label products are usually cheaper and less publicized than existing national brands (Hoch & Banerji, 1993). A well-created brand assures quality and a clear market position of the product, emphasizing a close relationship between the positioning of a product and the consumer (Rapo, 2016). According to Leva et al. (2015), the term *trademark* is associated with the opportunity to differentiate one retail chain from the others and build the image of a store. Differentiating from competitors also entails stimulating store loyalty (Kumar & Steenkamp, 2007). It can be said that the brand represents the way the consumer sees, perceives and understands a particular brand. Therefore, brand image is of paramount importance, i.e. the brand position in the minds of consumers (Veljković, 2009). Admittedly, the brand exerts different impacts on the consumers themselves, the (value of the) company and its overall business.

Brand creation begins by examining consumer wishes and preferences and exploring competitors' market positions. Simultaneously, the resources that the company has at its disposal for creating and developing the brand are examined, such as financial resources, as well as the time required for developing new branded products, technological opportunities, etc. Upon selecting the target segment, decisions are made on the elements of the marketing mix, followed by the brand positioning, i.e. creating a sense of diversity among consumers and providing a special place for the product in their minds. By recognizing differences between national and private label brands, researchers are devoting increased attention to market competition and development prospects in different retail segments (within different product categories). The internalization of retail activities has a positive effect on the expansion of private label brands into new markets (Končar et al., 2010).

There are numerous definitions of the term *positioning* and one of them argues that positioning is "an organized system for finding windows in the mind, using a variety of strategies, including pricing, promotion, distribution, packaging and competitiveness" (Ries & Trout, 2000). The term *positioning* was first used by advertising connoisseurs, Ries & Trout (2000), and is, in their view, a matter of brand communication. Positioning is a complex strategy (Petković, 1995), i.e. a process which seeks to find a unique position among competitors while meeting corporate goals (Akpyomare et al., 2013). Product positioning involves a greater focus on changes in the product image as opposed to changes in the physical product (Milisavljević, 2010; Renko, 2009). It represents "a complex set of perceptions, impressions and feelings that consumers have about a product versus competing products" (Milisavljević et al., 2012). The positioning strategy is a synthesis of three strategies: consumer, customer-oriented segmentation and competitive differentiation strategies. Positioning is a concentration on an idea, or just a word that defines the conception in the minds of consumers (Trout, 1996). It is an act of creating an image and value of a company, which aims to take a distinctive place in the awareness of the target market segment (Kotler, 2002). Positioning requires a clear definition of brand similarities and differences in the market, which implies identifying the target market and competitors. Accordingly, successful product positioning depends on understanding the needs of the consumer, leading to a brand that is well positioned in their minds.

The main motive behind this research is the fact that milk production and processing occupy a central place in the global food system, both economically and socially, and their importance is particularly pronounced in the sustainable development of rural areas, which creates significant opportunities for successful positioning of domestic products. However, the basic premise for improving the competitiveness of cheese producers is making the right strategic choice. Therefore, the purpose of the paper is to assist in the selection of appropriate strategies for brand segmentation, differentiation and positioning, based on the review and synthesis of the brand assortment. The main research problem is the creation of brands with market-recognizable benefits, which ensure the economic satisfaction, growth and development of cheese producers. This paper analyzes the trademarks of local cheeses in the Serbian retail chains, as well as the cheese features of crucial importance to product positioning.

MATERIALS AND METHODS

The case study method was used in this research. The research itself was based on the qualitative analysis of relevant scientific literature, information obtained from the Internet and information gathered in the field. The purpose of the research is to present the process of positioning of private label cheese brands with an emphasis on features affecting the cheese selection in retail stores. The exact time frame was not relevant for the research because priority was devoted to a semantic evolutionary analysis of the private labels.

RESULTS AND DISCUSSION

Depending on the identified target segment, companies develop individually tailored marketing products and programs. As a product is the first and the most important element of the marketing mix, the product strategy requires coordinated decisions on the product mix, brands, product line, packaging and declaration (Kotler, 2001). The following cheese producers are considered most important in the Republic of Serbia (in alphabetical order): Imlek a.d. Beograd, Meggle Srbija d.o.o. Kragujevac, Mlekara a.d. Subotica, Mlekoprodukt d.o.o., Zrenjanin, Niška mlekarica d.o.o. Niš, Somboled d.o.o. Sombor and Mlekara Šabac a.d. Šabac. With the exception of Šabac and Niš dairy farm, all of the cheese producers stated above are foreign companies. There are also other significant cheese manufacturers: Granice d.o.o. Granice, Ekomlek d.o.o. Kaonik, Kuč Company d.o.o. Kragujevac, Lazar d.o.o. Blace, Milkop d.o.o. Raška, PK Zlatibor d.o.o. Čajetina, PP Sava Kovačević a.d. Vrbas etc. The contribution of retail chains such as Idea, DIS, Univereksport, Metro, etc. is evident and noteworthy.

Private label brands of local cheeses

Low consumer purchasing power, a large number of imported cheeses, limited export opportunities, insufficient systematic incentives for cheese production and exports, lack of raw materials, lack of marketing and other reasons, have led to the underutilization of production capacities of numerous cheese producers in Serbia. To cover the cost, manufacturers allocate available spare capacities to the production of cheese for well-known customers, which are marketed under their brand names. Depending on the brand owner's strategy, these products are generally competing in the lower price segment with a slightly lower quality. However, they have been increasingly found in the so-called premium segment, where they offer products at lower prices with the same quality as the manufacturers' brands. A number of private label cheese brands exist in the Serbian market: K plus, Baš Baš, Premia, Aro, Dobro etc. Table 1 presents an overview of the cheese assortments according to retail chain brands in the Republic of Serbia.

Table 1: Overview of the cheese assortments by retail chain brands in the Republic of Serbia

Product name	Brand	Retail chain	Manufacturer
Kačkavalj	K plus	Idea d.o.o.	Ekofil d.o.o., Beograd
Topljeni sir, Gauda, Edamer, Trapist	K plus	Mercator S d.o.o.	Mlekoprodukt d.o.o., Zrenjanin
Zlatiborski kačkavalj	K plus	Mercator S d.o.o.	PK Zlatibor d.o.o., Zlatibor
Fetina, punomasni meki beli sir	K plus	Mercator S d.o.o.	Mlekara Maestro d.o.o., Sakule
Aretos, beli sir	K plus	Mercator S d.o.o.	Niška mlekara a.d, Niš
Pizza Mozzarella, Kačkavalj	Baš Baš	Univerexport d.o.o.	ZTR Muza, Deč
Meki beli sir	Baš Baš	Univerexport d.o.o.	Niška mlekara a.d, Niš
Pizza Mozzarella, Gauda sa 25% mm	Premia	Delhaize	Niška mlekara a.d, Niš
Gauda sa 45% mm	Premia	Delhaize	Mlekoprodukt d.o.o., Zrenjanin
Gauda, Trapist, Edamer, sirni namaz	Aro	Metro	Niška mlekara a.d, Niš
Kačkavalj sa 25% mm	Aro	Metro	Mlekara a.d. Loznica, Loznica
Kačkavalj sa 45% mm	Aro	Metro	Ekofil d.o.o., Beograd
Edamer, Gauda	Dobro	DIS	Bayerland, Nürnberg
Srpski sir	Dobro	DIS	Somboled d.o.o., Sombor

Source: Author's research

The retail chains in Serbia have their own cheese brands, which are mainly produced and packed by local producers (an example of the exception to this rule is the DIS chain, i.e. the Good brand, which imports cheese from Germany and packs it in Serbia). The example of the Gaud cheese, which is produced by Nis Dairy (25% mm) and Mlekoprodukt (45% mm) for Delhaize (with different milk content), indicates a product differentiation strategy as a result of market segmentation (as is the case of the Aro brand). A high level of differentiation from a competitor is an indicator that the brand will achieve greater profitability. The increasing involvement of brands has greatly affected the bargaining power of retailers. Traders control the shelf space in their retail stores and load products with different entry and other fees, which further raises the product cost of other cheese makers. Conversely, in order to increase price competitiveness, manufacturers of national brands are trying to reduce costs by eliminating marketing and promotion expenditures, ultimately leading to a decrease in the value of these cheeses. Trademarks, which are not burdened with promotion costs and various other input costs of distribution, are sold at approximately the same or lower price (which under the conditions of low purchasing power of the population, lack of differentiation and unclear image and products, adversely affects the marketing of the cheese from domestic producers). Under such market conditions, manufacturers of national brands need to invest in consumer research, resulting in new products and brands, as well as maintain a high level of brand recognition and brand loyalty.

One of the prerequisites of the positioning concept is that the company must be aware of the favorable market opportunities and consider the position relative to its competitors. In order to carry out effective segmentation, selection of target segments, differentiation in cheese offer and positioning, as complementary strategic marketing activities, it is necessary to be cognizant of the consumers' views and opinions on specific cheese attributes that are relevant to make marketing decisions.

Brand attributes are not only the result of product features, but also of the overall brand-related marketing activities, especially marketing communication activities (Krstić et al., 2014). Product-related attributes include the functional features of the product, as well as the aesthetic features that affect its appearance and enable it to achieve a basic function (namely design, style and fashion). Table 2 shows an overview of the research findings on sensory characteristics and external properties of cheese that consumers consider essential. Each of the identified characteristics reflects the views and opinions of specific consumer segments and is an effective means of the favorable positioning of cheese products in the minds of consumers. Kotler et al. (2007) distinguishes between product/service differentiation, personnel and image. This means that the differentiation of cheeses can be based either on the physical difference from other products, which is easily noticed and demonstrated, or on the psychological difference created by the promotion, i.e. the brand reputation built-up. The physical differentiation of products is significant when customers are rationally motivated, whereas the psychological product differentiation gains priority when customers are emotionally motivated to purchase a product (Milisavljević, 2010).

Table 2. Cheese attributes as elements of positioning

	Sensory characteristics	Exterior attributes
Chiciudean et al., (2016), Romania	Taste, natural ingredients, i.e. absence of preservatives, artificial colors and other additives	Quality labels, declaration information, attractive design and brand reputation
Matijević et al., (2015), Croatia and Slovenia	Taste, natural ingredients, freshness	Price, declaration information
Johansen et al., (2011), Norway, Denmark, California	Low fat content, taste, nutritional value, natural ingredients, texture, no artificial additives, no preservatives, pleasant scent, attractive appearance	Availability in distribution channels, low cost, adequate value for money
Veale et al. (2006), Australia	Taste, texture, appearance, limited quantity	Price, use, brand, country of origin, packaging
Espejel et al. (2007), Spain	Color, taste, shape, overall appearance	Brand name, official quality labels, price, country of origin, place of sale, packaging, declaration information

Source: Author's research

Some of the attributes of cheese that consumers consider to be crucial when choosing cheese are its use, degree of maturity, eco-packaging, transparency, packaging convenience and safety, handmade cheese, degree of innovation, higher price, etc. The perceived values presented are important when selecting cheese, whereas effective positioning requires continuous communication with target segments, as well as conducting motivational and in-depth consumer research. Consumers interact with the brand and build a set of associations (such as price, design, performance, reputation and ambience) and meanings about it that they remember (Hwang et al., 2012). Effective positioning represents an understanding of consumer perceptions, the identification of the most important variables that determine the choice and decision to buy, and the establishment of consumer trust in the brand and company.

When deciding how to position a brand, it is necessary for companies to define appropriate associations related to equality and difference elements in relation to a competitive offering (Keller et al., 2002). In order to achieve the desired level of consumer belief that cheese products in the Serbian market are a good enough choice in a given category of such products, they should be positioned as an equal quality product in relation to the offer of the identified competitor producer with an emphasis of the elements of diversity (e.g. in the category of cheese for sandwiches, a lower fat content may be emphasized; in the category of white cheeses, less salt content should be underlined; in the category of "pizza" cheeses, more meltability and stretchability ought to be drawn attention to, etc. Consequently, the brand can emphasize familiarity with consumer problems (weight reduction, physical appearance), their goals (preserving health), motives (socialization, prestige), etc.

Within the positioning strategy, one or more attributes of the product (cheese with precious molds, organic cheese with spices, etc.) are most commonly used, emphasizing the specific use (salad cheese, fondue, cream cheese, grilled cheese, etc.) and highlighting the user groups the product is intended for (diet cheeses). Furthermore, positioning can be done relative to competitors, so that the main differences with the identified major competitors are highlighted.

Creating a brand and communicating with the target audience of the customer and the consumer is one of the most important activities in the process of product positioning. Brand building goes through three managerial levels: brand representation, elaboration and identification (Park et al., 1986). It is necessary to specify an appropriate positioning strategy and adequate marketing mix for each level as a means of implementing a defined strategy. In the stage of

brand presentation, the information about cheese and its availability in distribution channels is provided, the consumers' willingness to pay the price is encouraged, etc. In the elaboration phase, positioning strategies are aimed at enhancing the value of the brand image in a way that will establish and maintain its superior position relative to the competition. In the presence of abundant cheese brands, consumers may lose the ability to differentiate them, which is why the positioning strategy emphasizes the specific way of using cheese, creating characteristics that allow increased satisfaction of consumer needs, emphasizing exclusivity, limited quantities etc. The main goal of brand positioning is to link the elaborate image of a particular brand to the image of other products from the company so as to affect the overall image enhancement of the business entity.

The primary task of market-oriented companies is to create and deliver value, with the aim of satisfying the needs and desires of consumers and achieving their loyalty to a product or service. A decrease in the market share of cheese from the Republic of Serbia in the market of the Republic of Bosnia and Herzegovina, as a result of the penetration of foreign brands into this market, indicates the need to improve the offer by building and positioning brands of local cheeses, as well as communicating their values. A survey conducted among consumers in Sweden indicates a correlation between brand awareness and perceived cheese quality, as well as a link between low brand loyalty and purchase decision making (Lindén et al., 2015). A brand represents a comprehensive promise and guarantee of the continuity and quality of products and services, and can have six levels of meaning (Kotler et al., 2006):

Properties - Properties represent the properties of cheese, that is, the idea of its properties. At this level, the cheese brand can suggest the quality of the manufacture, the quality of the milk, the exclusivity, the uniqueness of the geographical location where it is produced and other properties. In the construction of a brand, one or more properties, shaped by a slogan, can be used as a material promise of brand value.

Benefits - A brand is more than a combination of attributes, because consumers do not buy properties but benefits. The properties can be translated into benefits, so that, for example, the quality of milk can be expressed as a health benefit achieved by consuming the cheese from mountain pastures. Exclusivity, especially for cheeses with geographical indications, can be translated into emotional benefit that encourage the consumer to feel "important" and "worthy of admiration".

Value - The brand speaks of the value that the manufacturer offers to consumers, which is why the job of marketers is to identify the market segments that seek such value. Cheese is a foodstuff with wide use potential and is an integral part of many meals, offering high nutritional value while fostering a family and tradition. Exclusive cheeses with history and tradition, various ripening cheeses, sheep's milk cheeses, buffalo's, autochthonous breeds, donkey's milk cheese, etc., can offer consumers a certain prestige.

Culture - A brand can represent a certain culture, thus the Serbian cheese brands can also become recognized for the Serbian hospitality, sociability, traditional values and more.

Personality - A particular brand of cheese can be the personification of a fun, ever-present member who keeps a family together or a friend who is always there when needed (cheese is such food that blends well with almost any other food). A brand can take on the character and personality of a celebrity and thus establish and maintain relationships with target segments and the public.

Customer - The brand, in a particular way, frames the consumer who buys or uses the product. Exclusive cheese, high prices are expected to be consumed by people of higher income and sophisticated taste, cheeses in various forms made as snacks for the younger, dynamic consumers, and cheeses combined with fruits for athletes and more.

The pronounced market competition among cheeses, especially in the presence of a large number of imported ones, makes packaging, as an important feature of products, one of the most effective instruments of communication with the target segments of buyers and consumers. In 2015, a survey was conducted in Romania on consumer attitudes and opinions on the so-called internal and external characteristics of the cheese (Chiciudean et al., 2016). The results show that in the process of making a purchasing decision, among the product's internal promises, the most important for consumers is the taste, as well as natural ingredients, the absence of preservatives, artificial colors and other additives. Similar results were noted in a comparative study conducted in Norway, Denmark and California (Bølling Johansen et al., 2010), where the most important motivators for dairy choices were related to health and taste. Fat content is the least important attribute for Romanian consumers, whereas it is the most important for the three countries mentioned above. Among the external labels, the most important are the quality labels and the information on the declaration, followed by the attractive shape and brand reputation.

Geographical origin protection of domestic cheeses

The brand is a kind of origin designation: one wants to be sure that what they have purchased is truly an original, not a copy or an imitation (Veljković & Đorđević, 2009). From the marketing perspective, it is very important to classify cheese by origin/geographical indications. The designation of geographical origin is a significant marketing tool,

which brings recognition and competitive advantage over market competition (Vlahović, 2015). The increasing attention paid to the quality of agri-food products is the result of a number of factors such as the rise in food safety awareness, the socio-cultural status resulting from the consumption of certain foods, and the renewed interest and nostalgia for culinary heritage (Ilbery & Kneafsey, 2000).

Many cheeses in the world have a long tradition of production. Some of them have retained the names of the cities, as well as the entire regions, where they were produced. From ancient times, traders distinguished them by the place they originated in (Brie de Meaux, Comtè, Lancashire, etc.) and emphasized their unique features precisely by the specific locality of origin. Due to natural, geographical and climatic conditions, local production practices, cultural and historical heritage and other factors, these cheeses have gained a high reputation among consumers over time. In order to protect them from low-quality imitations, as well as to protect manufacturers from unfair competition, the European Union adopted a set of regulations (EEC 2081/92 and 1084/99) in 1993, which, according to specific criteria, can protect products with the following labels: name of origin (Protected Denomination of Origin, PDO)¹, geographical origin (Protected Denomination of Origin, PGI)² and guaranteed traditional specialty (Traditional Speciality Guaranteed, TSG)³ (Popović-Vranješ, 2015). Many cheeses in the world are already known for the area of origin, such as Parmigiano, Cheddar, Edam and Gauda, all bearing the names of the places they originated in. France has been awarded the European Quality Label (PDO) for 46 cheeses since 2008, whereas Italy has had 41 cheeses with that designation since 2011.

Due to the rich cultural and historical heritage, geographical, climatic and biological diversity and other factors, many autochthonous cheeses have been made over time. The recipe for making them has been passed from generation to generation, but in recent decades, in the face of depopulation of the village and abandonment of livestock production, some of them, such as the Sombor cheese, have almost ceased to be produced. In order to preserve the original form of the various cheeses traditionally produced in the Republic of Serbia, as well as to prevent imitation, abuse and deception of consumers, under the conditions of market globalization and new technologies, harmonization of quality and long specificities of modern business, a set of rules in production was adopted, which enabled their protection at the state level. In accordance with the European regulations and on the basis of the Law on Geographical Indications (Official Gazette RS 18/2010), the following cheese brands have been protected at the national level in Serbia: Krivovirski cheese, Homoljski sheep's milk cheese, Homoljski goat's milk cheese, Homoljski cow's milk cheese, Stara planina cheese, Sjenički cow and sheep's milk cheese, and Pirotski cow's milk cheese.

Each of these cheeses has a rich and attractive history and is a potential lever for activating local human and material resources and enhancing life in the environments where they are produced. The purpose of the geographical indications of origin is to encourage diversification of agricultural production, increase producers' income, decrease the depopulation of rural areas, meet the demand for high-quality products and protect consumers from lower-quality imitations. At a time when consumers are increasingly interested in geographical cheeses, their production represents an opportunity to promote the cultural identity of specific communities, local economic development and the prosperity of society as a whole. Like most branded products, cheeses with geographical indications have a social and emotional value for consumers, which is why they are willing to pay a higher price for these products than for non-branded cheeses. As mentioned above, the production of autochthonous types of cheese is of particular importance to the cheese market in Serbia. They originated in a particular climate as a result of a long-lasting traditional production. Autochthonous cheese production in rural households is a very important source of income and enables people to live off cheese production. Autochthonous cheeses are made mainly from fresh unpasteurized milk, their ripening phase is shorter and they have a more pronounced taste and specific texture. The production capacity is such that it is produced in small batches. It should be noted that consumers, especially foreigners, are increasingly concerned about the quality of the food they use so that the production of autochthonous types of cheese by certain quality standards is a development opportunity for producers of such products. It is of particular importance to the development of the Serbian cheese market to preserve cheese production in mountainous areas such as Zlatar, Zlatibor, Kopaonik, Golija, Stara planina and others. Depending on the geographical origin, the

¹ The status of protected cheeses is similar to protected wines. This means that the cheese is produced in accordance with controlled rules determining a narrow geographical origin, which leads to obtaining the PDO (Protected Designation of Origin) designation. For cheeses, the PDO designation is the most valuable and it marks the correlation between the historical and geographical dimension and production in the exactly defined region. The climate, type of land, natural vegetation, animal management and breeding affect the originality and specificity of the cheese.

² PGI may be used to protect cheeses provided that the production, processing or preparation takes place in the place of origin.

³ TSG cheese labels indicate specific characteristics relative to the production and traditional composition of cheese, regardless of the particular area.

following types of autochthonous cheeses are present in the Serbian market: Homoljski cheese, Pirotski cheese, Sjenički cheese, Zlatarski cheese, Svrljiški cheese, Šarski cheese, Somborski cheese and others. In order to develop the production of autochthonous cheeses, it is necessary to meet certain conditions such as the professional development of producers, standardization of production technology, improvement of hygienic conditions, storage and distribution of cheese, and especially the protection of certain types of cheese or the recognition of geographical origin. With regard to autochthonous types of cheese, it should be noted that one of the most expensive cheeses in the world is produced in Serbia, in the special reserve of nature Zasavica. It is a cheese made exclusively from donkey's milk, and it takes 25 liters of donkey's milk to produce one kilogram of this cheese.

The procedures for establishing the geographical indication and recognizing the status of the authorized user of the geographical indication are the prerequisites for taking advantage of the marketing opportunities of such product labeling. The ultimate purpose of protection is to differentiate and add value to the product, and consequently increase the income of the local population, stop the depopulation of rural areas, preserve tradition and culture, preserve the environment, etc.

According to the data from the Republic Intellectual Property Office, there is only one authorized user of the protected designation of origin in Serbia: MZ Homoljka d.o.o. Žagubica for the Homoljski cow's milk cheese (source: ZIS, data on request, 2018). This is a devastating piece of information and a major failure of all relevant actors in the society, from the competent state authorities, through those entities engaged in the development of the agri-food system and local and regional development, to cheese producers themselves. Provided that key entities in the state administration responsible for agricultural development recognize and understand the importance and a broader context of this issue, the systematic support and communication with cheese producers, especially those whose production takes place in areas protected by the designation of origin, is necessary in the coming period. The financial support allocated for educating the producers, adapting production to the required standards, and cheese branding will also be of utmost importance.

The general problem facing Serbia is the fragmentation of production and a large number of individual brands. Their production is relatively small to meet certain market demands on a continuous basis. This often sheds confusion among foreign consumers. Therefore, the export program must be unified under the designation of origin "Cheese from Serbia", which would represent a product of standard (high) quality. This can be coordinated at the level of the Ministry of Agriculture or Foreign Trade. It is necessary to develop a positive image of cheese from Serbia (product image) with the label "Made in" or "Product of" (without the name of the domestic producer), which would be recognizable to consumers (alongside the Serbian flag on the packaging).

CONCLUSION

Positioning requires target market identification as well as the identification and analysis of competition and optimal points of similarity and brand diversity. The positioning statement defines to whom the brand is intended (target consumers), whereas the market states the promise of the brand and the reasons to gain the consumer trust. Brand positioning is quintessentially based on brand attributes, which indicate what a brand has to offer and why it is superior to other competing brands. Improving the benefits of the market is achieved by emotionally acting on consumers, which is becoming an increasingly important way of connecting with customers and differentiating themselves from competitors. Due to increased competition and increasingly intense promotional activities of retail chains, consumers are looking for reassurances that products will meet their preferences and expectations. It is very important to identify the paying segments of consumers in the markets of economically developed countries and to acquire an identity with an assortment of quality cheeses with protected geographical indications, mountain cheeses, ripened cheeses and others. In addition to custom pricing, high and consistent quality of cheese, as essential elements of branding, for the long-term survival in the market, it is necessary to create and maintain a visual identity for cheese. Functional and attractive packaging, specific shape and size, graphic solutions and other characteristics of cheese can be significant tools for differentiating one cheese brand from the market competition, and can lead to occupying a desired place in the minds of customers and consumers. Home-made (artisanal) cheeses are recognized as low quality and are positioned as cheaper products compared to industrial world-renowned cheese brands (in a segment where they cannot, in a profitable way, achieve favorable competitiveness, which is one of the significant limiting factors in the international market).

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