An Investigation into the Factors Influencing Consumer Perceptions of the No Name Brand Food Items

By

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TO WHOM IT MAY CONCERN

RE: CONFIDENTIALITY CLAUSE

Due to the strategic importance of this research it would be appreciated if the contents remain confidential and not be circulated for a period of five years.

Sincerely

Ghebremariam A.E

DECLARATION

I declare that this research report is entirely my own work. It is being submitted in partial fulfilment of the requirements for the Master of Business Administration degree at the University of Kwazulu-Natal, Durban, South Africa. It has not been submitted before for any degree or examination in any other University.

ARON

Gebremariam Aron Embaye

28th of July 2004

DEDICATION

To my beloved mother Akberet Negusse and My late father Embaye Ghebremariam, for making me the man I am now.

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I wish to express my gratitude to my supervisor Prof. Elza Thomson, for her valuable comments and guidance throughout the work. She also deserves my warmest thanks for providing me with the opportunity to work on this interesting topic.

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ABSTRACT

In South Africa, Store brands are sold throughout retailers in the country and categories are widespread - from beverages (milk, coffee, water, etc); including most confectionary categories; most household and toiletry categories; and from premium brands, to the more cost effective. Compared to the U.S and Europe, the South African market for store brands is not well developed; however, there are still mega opportunities in the own brand category, as the market is far from being saturated.

Even though South African retailers are utilizing own brands as a means of differentiation, some studies are also indicating the lack of well tuned major store brand strategies and own brands were not perceived as of value by consumers as well. Therefore, this study is undertaken to establish a greater insight into consumer perceptions toward The No Name Brand food items by investigating the influence of selected economic, psychosocial and demographic variables.

Without a solid understanding of the consumer, the available growth opportunities in the store brand category are likely to be missed.For retailers to take advantage of the opportunities in the store brand category a greater understanding of consumer behaviour is required. For that purpose, relevant theories and concepts of consumer behaviour are included in the literature review for the study.

Table of contents

LIST OF TBLES

LIST OF FIGURES

Chapter One - Introduction

1.1 Introduction

In today's complex business environment, doing business is no longer business as usual; it has evolved into quick change, quick response, and quick results. In such an environment it is only those business enterprises which understand these trends and position themselves for tomorrow can survive and grow successfully. Nowhere is this reality truer than in the retail industry, where changes on the consumer side are creating new challenges and opportunities at a frantic pace.

In the past, the consumers' demand for high-profile brands let a retailer capitalize on the foundation of those solid, reputable brands to build its own reputation. This brand centric-approach to retailing meant strong competition, which has resulted in tight profit even to the bigger players of the industry. In response to the increased challenges, there has been a significant movement by most prominent retailers towards store brand solutions to improve margins and better meet the changing needs of the consumer. By creating high-quality product tied to the retailer's own brand, retailers are reaping the benefits of brand loyalty for themselves. Leading global retailers like Wal-Mart, Aldi, Asda, Marks & Spencer, Migros, Tesco, Loblaw and many others now have two or three store brands, which allow for appeal across a wider variety of price points. According to recent studies, in Europe, store brands already represent over 45 Percent of the product mix, while in the U.S., store brands represent 25 percent (Internet 5).

Compared to the U.S and Europe, the South African market for store brands is not well developed and is far from being saturated. Store brands are sold throughout retailers in the country and categories are widespread - from beverages (milk, coffee, water, etc); including most confectionary categories; most household and toiletry categories; and from premium brands, to the more cost effective. Leading retailers like Spar, Shoprite, and Pick n' Pay and others have various store brands. Even though South African retailers are utilizing own brands as a means of differentiation, some studies are also indicating the lack of well tuned major store brand strategies and own brands were not perceived as of value by consumers as well (Internet 2).

Like in the case of national brands, retailer's brands have also evolved into many different forms (McGoldrick, 2002). The focus of this study is on the No Name Brand food items which are one form of the store brands offered by the Pick n' Pay Group in their discount supermarkets. In other countries the No Name Brands are also offered by leading retailers such as the Loblaws of Canada (Internet 4).

The Pick n' Pay Group has both commercial and non commercial objectives to be attained with offering the No Name Brand food items. However, the successes of these objectives largely depend on the consumer's trust in the company and particularly on the No Name Brand products themselves. Therefore, this study is undertaken to establish a greater insight into consumer perceptions toward those products by investigating the influence of selected economic, psychosocial and demographic variables. There after, based on the empirical findings, necessary recommendations are forwarded which could help the company to deliver relevant product and service benefits to the consumer while gaining true customer loyalty to its retail brand.

1.2 Background for the Research

This section provides a brief overview on: the definition of store brands, the store brand market around the world and South Africa and the opportunities as well as challenges for retailers of store brands.

1.2.1 The Distinction between Manufacturer's and Retailer's Brands

Brands are commonly divided in at least two groups: manufacturers' brands (commonly known as national brands) and distributors' brands (also known as retailer brands).
De Chernatony and McWilliam (1988:4) present a very complete definition of these two types of brands. According to the authors, a distributors' brand is:

"An added value entity, produced by or on behalf of a distributor following the distributor's specifications. It is targeted at specific consumers and portrays a unique relevant and distinctive personality, which is clearly associated with the distributor and is backed by a coherent use of marketing resources."

The authors also define a manufacturer's brand as:

"An added value entity conceived and primarily developed by a manufacturer for a specific group of customers and consumers, which portrays a unique relevant and distinctive personality through the support of product development, promotional activity and an appropriate pricing and distribution strategy" (De Chernatony and McWilliam, 1988: 4).

Those two definitions show the ownership of the brand is the basis for classification. However, retailer's brands have also evolved into many different forms. In fact, finding a comprehensive terminology was a serious problem in this study. For example, KPMG (Internet 3) has identified the following different 'species' of retailer brands:

Store brands: - carry the retailer's name, but no additional sub-brand. For example, Tesco's standard store brands.

Store sub-brands:- carry both the retailer's name and a sub-brand. For example, Tesco's Finest range.

Generic brands: - have a name independent from the store name. For example, Euroshopper's range of products. These are not named store brands; they can be used across differently named stores and chains

Individual product brands: - are owned by the retailer and are treated by the company like individual brands. For example, Aldi uses individual product brands. The retailer's name may be visible in the background but is not emphasized.

Exclusive products: - are not, by definition, private label products, but possess some similar characteristics. For example, Migros in Switzerland has a number of exclusive agreements with suppliers (for example, with Del Monte).

In this study the term used is 'store brand'; and according to ACNielsen, it is broadly defined as: "A brand name owned by the retailer or a wholesaler for a line or variety of items under exclusive or controlled distribution" (Internet 1).

1.2.2 An Overview of Store Brands: other Countries versus South Africa

The development of the retailer's name as a brand rather than simply a name over the shop is among the major corner stones in the modern retail marketing (McGoldrick, 2002). The role and importance of store brands have changed dramatically over the past decades. Cheap imitations of major brands and store and private brands are evolving into full-fledged alternatives, capable of competing successfully with manufacturer's brands on quality as well as on price (Quelch and Harding, 1996).

The global breath of store brands during the period of 2002-2003 is well demonstrated by ACNielsen on the research conducted across five regions, focusing on 36 specific countries with established store brand markets. From a category perspective, the study looked at the presence of Private Label across 80 different categories which were selected from 14 larger product areas. According to the findings, store brands showed stronger growth and outpaced manufacturer branded products in nearly two-thirds of the markets studied (22 out of 36 markets). The study also indicated the European and North American markets accounted for 95 percent of the aggregated store brand market and the three less developed regions accounted only for 5 percent. It is equally important to note, however, that of the top ten countries worldwide that experienced the fastest store brand sales growth (over 20 percent growth in the last year); nine were from these same regions of Emerging Markets, Latin America and Asia Pacific (Internet 1).

ACNielsen's study also shows that South Africa was number twenty one in the market ranking, with a store brand share of 6 percent and was one of the world's fastest growing markets in store brand sales, with a 28 percent growth rate versus year ago(Internet 1).

1.2.3 Risks and Benefits of Store Branding for Retailers

A review of the literature on store brands identified a number of factors that explained the necessity for developing marketing programs for store brands. Carrying store brands come with numerous advantages, one of which is the relatively high gross margin, which can be 25 to 50 percent higher compared to manufacturer brands (Keller, 1993). This high margin mainly results from the more efficient marketing effort, the reduction of middlemen, and economies of scale obtained in distribution. Moreover, they present value to consumers by offering a combination of 'good quality' and 'better-value' products, and reinforce the retailer's name both on the store shelves and in consumers' homes (Fitzell, 1992). One of the leading private label consultant companies, the QRS Corporation (Internet 5), also summarized the potential rewards associated with effective store brand programs. Well-designed store brand strategies:

- ***Create more interest and dependence on the retailer by the customer***: by offering products that aren't available at the competition, a retailer creates a sense of variation and choice that can attract and keep customers.

- ***Generate customer loyalty and avoid product and retailer comparisons***: by offering unique offerings, a retailer can avoid price comparisons and earn customer loyalty.

- ***Give the retailer more freedom on pricing strategies***: creative pricing strategies and strategic assortment management can truly take place if goods are under the retailer's price control. In branded scenarios most prices are standard and have no flexibility, even if the point goods are marked down.

- ***Develop supplier relationships that are able to adapt quickly to new concepts and create products to the retailer's specifications***: many times, suppliers are quite open, willing and able to produce new lines tailored to the retailer's own customers' needs and generally produce a tremendous cost savings to both the retailer's gross margin and the customer's wallet.

- ***Offer significantly increased margins***: improved gross margin is a clear benefit of a successful store brand program.

Parallel to the potential paybacks, retailers can also face various potential risks emerging from weak store brand strategies. According to Thompson (1999), for retailers, there are multiple risks associated with the introduction of new products under store label. Store brands are typically umbrella brands, including various product categories. A negative experience with one product category can prevent consumers from buying store brands in other categories, and even erode customer confidence in the store as a whole. Sullivan (1990) also underlined that the larger the numbers of categories marketed by an umbrella brand, the more negative the spill-over effects that occur.

According to McGoldrick (2002), majority of retailers use price as a major tool of achieving competitive advantage in the store brand categories. However, consumers also have a tendency to impute a quality on the bases of price. Consequently, it may be difficult to convince consumers that a cheaper store brand is of good quality, even if it does score top marks in laboratory tests (De Chernatory et al. 1992). Taking in to account the instrumental role store brands play within the overall image of retail companies, the QRS Corporation emphasized the importance of quality and image monitoring program as follows:

"Quality becomes even more critical for a store brand than a national brand because a retailer's reputation is at stake. If the customer has a bad experience with a national-brand product, he may return it to the store for a refund but he won't hold the retailer responsible for the quality of the product. A store-brand product, though, carries the reputation of the retailer on every package, if the quality is below par, the customer will think twice about buying the product" (Internet 5).

In conclusion, as many researchers on this area indicated, adequate planning, accurate forecasting, and appropriate brand managing are the requisites for retailers to achieve the growth opportunities that store brands offer. As highlighted by Smart Marketing (Internet 6), commitment to quality along with delivering produce to meet the standards of today's consumers' expectations on a permanent basis, and ensuring that the product being packaged corresponds to the image of the store are among the major challenges store brand retailers should tackle. Moreover, as indicated by Hoch and Banerji (1993), no store brand program is complete without a solid consumer research process. Focus groups, taste testing, occasional surveys and other activities usually conducted by manufacturers should be adopted by retailers for their own brand products.

1.3 Motivation for the Research

Based on the findings of ACNielsen, the South African Fast Moving Consumer Goods (FMCG) described the prevailing store brand environment and opportunities in South Africa as follows:

"Store brands are sold throughout retailers in South Africa and categories are widespread - from beverages (milk, coffee, water, etc); including most confectionary categories; most household and toiletry categories; and from premium brands, to the more cost effective. There are still mega opportunities in the own brand category, as the market is far from being saturated. Though South African retailers are utilizing own brands as a means of differentiation, for various reasons, there were currently no major own brand strategies and own brands were not perceived as of value by consumers as yet. Consumer perception of the value and quality of own brands are low and branded goods were seen as of a better quality by consumers" (Internet 2).

These findings clearly showed that there is limited understanding of the factors influencing the South African consumer in relation to store brands consumption. The reasons behind consumer's unfavourable perception on store brands need to be investigated. With out solid understanding of the consumer, the available growth opportunities in the store brand category are likely to be missed. Therefore for retailers to take advantage of the opportunities in the store brand category a greater understanding of consumer behaviour is required.

1.4 Value of the Project

The prime focus of this study is to investigate the dominant factors which influence consumer favourable and/or unfavourable perceptions on the No Name Brand food items. The results of the study will contribute towards a greater insight into consumer perceptions on the No Name brand food items which can help the Pick n' Pay Group in formulating effective retail marketing strategy for those specific products. Furthermore, the No Name brand is also one form of store brands; hence, the findings of the study will have some implications toward other store brand categories prevailing in the South African retailing market.

1.5 Problem Statement

The Pick' n Pay Group claims that its No Name Brand food items are designed to provide the consumer with greater value for money. However, previous studies also indicated that consumers have the general tendency of attributing the lower price of store brands to a lower quality. Does this also apply to the No name brand food items?

1.5.1 Sub Problem

What is the role of psychosocial factors such as family and peer approval and demographic factors such as age, education and income on consumer perceptions toward the no name brand food items?

1.6 Objectives of the Study

The main objectives of the study are:

- To evaluate consumer's overall awareness and usage level of the No Name Brand food items

- To determine consumers' perception toward the economic benefits such as saving and quality the No Name Brand food items offer

- To determine the influence of psychosocial factors such as family and peer approval on consumer perceptions towards the No Name Brand food items

- To establish the influence of the 3 demographic variables i.e. Age, Education and Income on consumer perceptions toward the No Name Brand food items.

1.7 Research Hypothesis

For the purpose of this study a null hypothesis (Ho) and an alternative hypothesis (Ha) were formulated in relation to the problem statement of the study. The null hypothesis (Ho) and the alternative (Ha) hypotheses were:

- Null hypothesis (Ho): Consumer perception toward the quality of the No Name Brand food items is influenced by the general tendency of attributing the lower price of store brands to a lower quality.

- Alternative hypothesis (Ha): Consumer perception toward the quality of the No Name Brand food items is not influenced by the general tendency of attributing the lower price of store brands to a lower quality.

The decision rule applied to reject or accept the null hypothesis is stated in the following manner: Reject Ho if computed or observed F value (Fov) is greater than the critical F value (Fcv); retain Ho if otherwise.

1.8 Limitations of the Research

The field of consumer behavior is so wide and consumer perception toward various products can be affected by many interlinked variables. However, this study is limited by time and resources; hence, limited variables are used in investigating consumer perceptions toward the No Name Brand food items. Moreover, the this study is also limited to Durban Metro area and majority of the sample for the study is obtained from consumers shopping at Pick' n Pay stores located in the Workshop and Musgrave Centre and Some of the sample is obtained from the staff and student community at the University of KwaZulu-Natal.

1.9 Structure of the Study

An overview of the sections of this study is presented below.

Chapter two of this study provides a brief overview of consumer behavior theory and some literature on previous studies conducted on store brands. The literature on consumer behavior focuses on consumer decision making process as well as on individual and environmental determinants of the consumption behavior. Some basic literature on store brands is already included in chapter one; and in chapter two previous studies concerning some of the factors which influence consumer acceptance of store brands are included.

Chapter three concentrates on the research methodology of this study. It mainly focuses on sampling and sampling procedures, data collection methods, data analysis methods and procedures and the issues of validity and reliability of the study.

Chapter four presets the results as well as their analysis. The results are presented in graphic and tabular forms.

Chapter five of the study provides the major findings of the study in relation to the objectives of the study.
The final chapter deals with the conclusions as well as the recommendations made from a marketing perspective.

1.10 Summary

Chapter one has detailed the motivations for the research and how this study will attempt to contribute to the body of research on store brand food items in the South African context.

The core objective of the study is to investigate the role of some selected economic, psychosocial and demographic variables on consumer perceptions toward the No Name Brand food items. The assumption made in this chapter is that consumer perceptions toward the quality of the No Name Brand food items is influenced by the general attitude consumers have on the quality of low priced store brand food items.

Consumer perceptions toward national or store branded products can be affected by many interlinked variables. The second chapter of the study includes the major individual and environmental determinants of the consumption behavior.

Chapter two - Consumer Decision Making

2.1 Introduction

Engel *et al.* (2001: 6) defined consumer behaviour as "...those activities people undertake when obtaining, consuming, and disposing of products and services" Thus in the marketing context, the term 'consumer behaviour' refers not only to the act of purchase itself but to any pre- and post-purchase activities. According to Foxall (1997), pre-purchase activities would include the growing awareness of a want or need, and the search for and evaluation of information about the product and brands that might satisfy it. Post-purchase activities would include the evaluation of the purchased item in use, and any attempt to reduce feelings of anxiety after the purchase. Each of these has implications for purchase and repurchase and they are amenable to marketing communications and the other elements of the marketing mix.

2.2 The Decision Making Process

The goal of marketing is to understand consumer and to influence buying behavior. There are various models and perspectives which can be applied to analyse consumer buying behavior. In this study, the model suggested by Engel *et al.* (2001) will be used as a base for understanding the consumer buying behavior and decision making process. As depicted in figure 2.1, this model captures the activities that occur when decisions are made and also shows how different internal and external forces interact and affect consumer behavior.

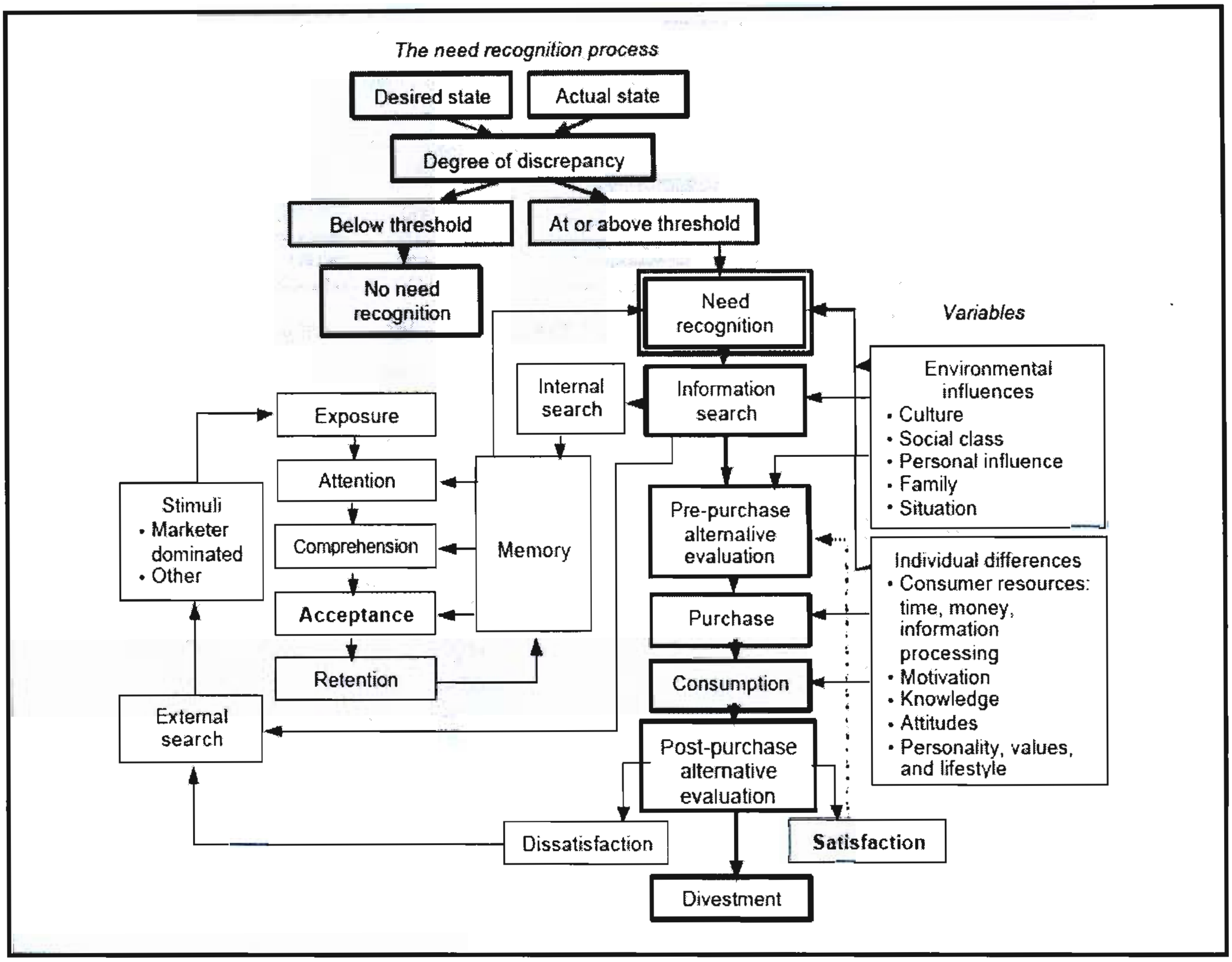

Figure 2.1: The Consumer Decision Process Model, adopted from Engel et al. (2001, pp 71-83).

The model shows that a major part of consumer behaviour is the decision process used in making purchases. This decision-making process, according to Engel et al. (2001), includes the following seven stages:

- ***Need recognition***: this includes realisation of the difference between desired situation and the current situation that serves as a trigger for the entire consumption process. Search for information - search for data relevant for the purchasing decision, both from internal sources (one's memory) and/or external sources.

- ***Pre-purchase alternative evaluation***: it involves assessment of available choices that can fulfill the realised need by evaluating benefits they may deliver and reduction of the number of options to the one (or several) preferred.

- ***Purchase***: it includes acquirement of the chosen option of product or service.

- ***Consumption***: this refers to utilisation of the procured option.

- ***Post-purchase alternative re-evaluation***: it includes assessment of whether or not and to what degree the consumption of the alternative produced satisfaction.

- ***Divestment***: it is the final step and involves disposal of the unconsumed product or its remnants.

An obvious criticism of this conceptualisation, however, would be that not every purchase will involve such an extensive decision-making exercise. The extent to which each of these steps is followed in the precise form and sequence can vary from one situation to the next. Some decisions are rather simple and easy to make, whereas others are complex and difficult. Consumer decisions can thus be classified into one of three broad categories: routine response behaviour, limited decision-making and extensive decision-making (Brassington and Pettitt, 1997; Solomon, 1993).

Routine response behaviour occurs in purchasing situations which the consumer is likely to experience on a regular basis. The items that fall into this category do tend to be low risk, low priced, frequently purchased products such as food and household products. In this situation, the actual identification of a need may not occur explicitly; there may be little or no information search and the consumer may rely heavily on brand loyalty. Over-time, the repeat purchase becomes habitual, with little or no re-evaluation of the decision. Consumers engage in limited decision-making when they buy products occasionally and when they need to obtain information about an unfamiliar brand in a familiar product category. This type of decision-making requires a moderate amount of time for information gathering and deliberation. Typical examples include electrical goods, furniture and holidays. Finally, extensive decision-making comes into play when a purchase involves unfamiliar, expensive or infrequently bought products like cars or houses. Extensive decision-making is usually initiated by a motive that is important to the buyer's self-concept and the eventual decision is perceived to carry a high degree of risk. Moreover, the consumer will engage in extensive information search and evaluation prior to purchase and the purchase itself will be a relatively long process (Wilkie, 1994; Brassington and Pettitt, 1997; Solomon, 1993).

2.3 Individual Determinants of Behaviour

The manner in which the individual consumer influences the decision-making process is central to an understanding of consumer behaviour. Following Kotler (1997), these influences can be broadly categorised into psychological and personal factors.

2.3.1 Psychological Factors

Psychological factors operating within individuals partly determine people's general behaviour and thus influence their behaviour as consumers. The primary influences on consumer behaviour are (1) personality and self-concept, (2) motivation, (3) learning, (4) perception and (5) the impact of attitudes.

Personality and self-concept provide the consumer with a central theme. That is, they provide a structure for the individual so that a consistent pattern of behaviour can be developed (Brassington and Pettitt, 1997; Kotler, 1997).

According to Foxall and Goldsmith (1994), *motives* are reasons why people take action. A motive can have both strength and direction, and can be positive or negative. Consumers can be motivated to engage in behaviour, make decisions or acquire information, and this motivation can be seen in the context of acquiring, using or disposing of an offering. The outcomes of high motivation include goal-relevant behaviour, high information processing and decision making (Hoyer and MacInnis, 2001).

Most human behaviour is *learned.* Consequently, what consumers learn how they learn and what factors govern the retention of learned material in memory are all issues of considerable importance for understanding consumers. Not only do consumers acquire and remember product names and characteristics, but they also learn standards for judging products, places to shop, problem-solving abilities, behaviour patterns and tastes. Such learned material, stored in memory, significantly influences how a consumer reacts to each situation that he/she faces (Engel et al., 1993; Wilkie, 1994).

Perception represents the process by which an individual selects, organises and interprets information inputs to produce meaning (Blythe, 1997). Information inputs are the sensations received through the senses, i.e. sight, taste, hearing, smell and touch. However, each consumer receives, organises and interprets this sensory information in an individual way. Consequently, three perceptual processes can be distinguished: selective attention, selective distortion and selective retention. Selective attention refers to the selection of inputs that people expose to their awareness. Selective, on the other hand, is the changing and twisting of currently received information. Finally, selective retention is the process of remembering information inputs that support personal feelings and beliefs and of forgetting those that do not (Kotler, 1997; Brassington and Pettitt, 1997).

Attitudes guide a consumer's basic orientation toward objects, people, events and his/her activities. As such, attitudes strongly influence how consumers will act and react to products and services, and how well they will respond to communications that marketers develop to convince them to purchase their products (Kotler, 1997). Attitude lead consumers to behave in a consistent manner and they are very difficult to change. A change in a single attitude may require major adjustments in other attitudes (Foxall and Goldsmith, 1994).

2.3.2 Personal Factors

The other categories of individual factors influencing consumer decision-making are personal factors. These personal factors include demographic and situational variables.

Demographic variables are individual characteristics such as sex, age, race, ethnic origin, income, family life cycle and occupation. A consumer's income, for example, determines his/her spending power and therefore influences whether it is possible for him/her to satisfy a particular need.

Situational factors are the external circumstances or conditions that exist when a consumer is making a purchase decision. For example, the amount of time a consumer has available for decision-making is a situational variable that strongly influences consumer decisions. A consumer may therefore quickly decide to buy a readily available brand if there is little time available for selecting and purchasing a product (Dibb et al., 1997; Kotler, 1997).

2.4 Environmental Influences

Consumers are not isolated units but are members of a society, interacting with others and being influenced by them. These social attachments include culture, social class and reference groups.

2.4.1 Culture

Culture has the broadest of all environmental influences on consumer behaviour. According to Assael (1992: 319), culture is "... the values, norms, and customs that an individual learns form society and that leads to common patterns of behaviour within that society." As this definition indicates, culture includes both material and abstract elements. Culture mandates the success or failure of specific products and services. A culture can be divided into sub-cultures based on age, geographic regions or ethnic identity. Within these, there are even greater similarities in people's attitudes, values and actions than within the broader culture (O'Shaughnessy, 1995; Dibb et al., 1997).

A product that provides benefits consistent with those desired by members of a culture has a much better chance of attaining acceptance in the marketplace (Solomon, 1993). Finally, the prevailing culture will also determine how consumers react to certain aspects of the marketing mix (Dibb et al., 1997).

2.4.2 Social Class

Within every society, people rank others into higher or lower positions of respect. This rankings result in social classes. A social class is a social category, usually defined by its members having roughly equivalent socio-economic status. Typically, occupation and income serve to distinguish social classes but some researchers stress other factors such as education, lifestyle, prestige or values as better descriptive measures (O'Shaugnessy, 1995).

Social classes show distinct product and brand preferences in many areas, including leisure activities, clothing and cars. Some products may even be considered as status symbols which serve to associate a consumer with a particular social class (Kotler, 1997).

2.4.3 Reference Groups

Consumers do not behave as isolated individuals. They belong to various groups. Traditionally, a group is referred to as "... a set of two or more individuals who are in reciprocal communication or associate with each other for some purpose" (O'Shaughnessy, 1995: 128). According Engel *et al.* (2001), it is possible to identify different generic types of groups: primary and secondary groups, formal and informal groups as well as aspirational and dissociative groups. In the consumer behaviour literature, the groups of interest are reference groups and the family.

Reference groups: a group becomes a reference group when an individual identifies with it so much that he/she takes on many of the values, attitudes or behaviour of group members (Dibb et al., 1997). Most people have several reference groups, such as friends, families, colleagues, religious and professional organisations. The consumer need not be a member of the group since some groups are those to which the consumer aspires to join (aspirational group). For example, a young junior manager might aspire to the middle management ranks. A group can also be a negative reference group for an individual (dissociative group). Such a group is one whose values or behaviour an individual rejects.

A reference group may serve as a point of comparison and a source of information for an individual. A consumer's behaviour may change to be more in line with the actions and beliefs of group members. Generally, the more conspicuous a product, the more likely it is that the brand decision will be influenced by reference groups (Dibb et al., 1997; Kotler, 1997). An individual may also seek information from the reference group about other factors regarding a prospective purchase, such as where to buy a particular product. The degree to which a reference group will affect a purchase decision depends on an individual's susceptibility to its influence and the strength of his/her involvement with the group (Dibb et al., 1997, Kotler, 1997). Reference groups can on occasions influence what product is bought but not the brand while, on other occasions, they can influence the brand bought but not the decision to buy the particular product (Assael, 1992). Conformity to group norms is motivated both by social conformity and informational conformity. Social conformity arises from the desire for acceptance. It is expressed by an individual's desire to harmonise his/her relations with others. Social conformity is more common if the purchase is socially visible like a car or if the purchase has relevance for the consumer's reference group such as clothing. Informational conformity, on the other hand, results from the desire to make sense of the world around. In other words, while social (normative) conformity to group norms emanates from the desire to be accepted, informational conformity is a way of seeking a more accurate view of reality. Much conformity, however, involves informational as well as normative influence (O'Shaughnessy, 1995).

In most reference groups, one or more members stand out as opinion leaders. Marketers trying to use reference group influence, therefore, attempt to reach and influence the opinion leaders in the reference group of their target customers. Generally, an opinion leader provides information about a specific sphere that interests reference group members who seek information. Opinion leaders are viewed as being well informed about a particular area. However, they are not necessarily the foremost authorities on all issues (Dibb et al., 1997; Kotler, 1997).

Family: The family is the most obvious example of a strongly influential primary group (Engel *et al. 2001.)* As it is explained by (Brassington and Pettitt, 1997), the needs of the family affect what can be afforded, where the spending priorities lie and how a purchase decision is made. All of this evolves as the family matures and moves through the various stages of its life-cycle.

Regardless of the structure of the family unit, members of a household can participate in each other's purchasing decision-making. In some cases, family members may be making decisions that affect the whole family and thus a family can act as a decision-making unit where individual members play different roles in reaching the final decision (Kotler, 1997).

2.5 Previous Studies on Store Brands

There is a considerable body of literature concerning store brands. Taking in to consideration the objectives of this dissertation, the second part of the literature is limited to studies done concerning the role of consumer demographic variables, quality, price and in-store promotion on consumer perceptions toward store brands.

2.5.1 The Role of Consumer Socio-Economic Variables

There are various studies which attempted to identify the types of consumer who are most prone to purchase store brands. For example, according to earlier studies conducted in UK and USA, a slightly higher propensity to purchase store brands was observed among up-market and young consumers (McGoldrick, 2002). On the other hand, Dhar and Hoch (1997:208-227) showed that store brand categories located in demographics characterized by "less wealthy and more elderly" households tend to be more successful. However, other studies have also found very low-income consumers reluctant to purchase store brands (Fitzell, 1992). According to Sethuraman (2000), low-income consumers stand to benefit the most from store brands as store brands are lower-priced reasonable alternatives to national brands. Yet, low income consumers are unwilling to buy store brands because they are attracted by the imagery of national brands and use it to reflect their status.

According to the report by FMCG, in South Africa, at present LSM 1 - 4 were buying store brands at Score and Shoprite outlets. However, growth was also observed among LSM 5, 6 and 7, who were moving to basic commodity items and store brands due to price sensitivity and debt. The study also mentioned that all consumers buy own brands at least twice and the upper LSMs buy up to 130 packs a year (Internet 2).

The literature concerning types of consumers who are most prone to purchase store brands are somewhat mixed. Therefore, for this study it was decided to include respondents from the two genders and various age, race, education and income groups.

2.5.2 The Role of Quality, Price and Promotion

Fundamental to the formulation of retail marketing strategy is a clear understanding of a customer needs, motives and patronage decisions process (McGoldrick, 2002). Although it is a very logical first step, the successful identification of needs does not itself guarantee success unless it is accompanied by competitive marketing strategy. There are various ways in which retailers can achieve competitive advantage against national brands and other retailers of store brands. Improved quality and continuous innovation, competitive price and strategic use of shelf space are among the major strategic tools to increase consumer acceptance of store brands.

2.5.2.1 Quality

Improved quality is credited throughout the marketing literature as a major reason for the growing acceptance of store brands. Hoch and Banerji, (1993) found that private brand's market shares were greatest where its quality relative to national brand's was high. They have also observed that most successful store brands have been those with clearly differentiated 'product pluses' compared with existing brand products. These pluses may relate to several factors including quality, convenience, innovation assortment and price. Leading global retailers like Tesco, J. Sainsbury and Mark & Spencer are quite famous in this matter.

In a revealing piece of research, Sethuraman (2000) made several recommendations for retailers wishing to increase their store brand share. According to his findings, retailers must ensure that the objective quality of store brands is close to that of the national brands. The research also indicates that objective quality is positively related to perceived quality. With most major retail companies there is a trend towards more involvement in specification and quality control (McGoldrick, 2002). According to Omar (1999) top retailers like Tosco, J. Sainsbury and Mark & Spencer employ highly qualified food technology staff working in close collaboration with buyers.

2.5.2.2 Price

According to McGoldrick (2002), majority of retailers use price as a major tool of achieving competitive advantage. Recent findings by ACNielsen (Internet 1) also showed that in most countries with established private brand markets, store brands were found to offer the consumer on average a discount of 31 percent versus the manufacturer counterparts. As shown in the report the private label price differential in South Africa is 24 percent.

Though cutting the store brands price against competing national brands is still the most obvious weapon by retailers, its effectiveness is often overstated. As it is explained by McGoldrick (2002), presenting the store brands as a lower-price alternative does not lead to a competitive advantage if most competitors are doing the same, and if leading brands are also being heavily discounted. This proved to be the fate of a number of generic range, such as those of euromarch`e and Carrefour.

Perceptions of value are also influenced by price perceptions, which may or may not reflect actual prices. Consumers also have a tendency to impute a quality on the bases of price. Consequently, some shoppers may be difficult to convince that a cheaper store brand is of good quality, even if it does score top marks in laboratory tests (De Chernatory et al. 1992). Therefore, as McGoldrick (2002) indicated, if a store brand is differentiated only by its lower price, its sustainability should also be backed by the buying power and low cost structures like in the case of Aldi and Wal-Mart.

2.5.2.3 Feature and Display Promotion

As Steiner (2002) emphasised it, retailers have power to decide on the placement of national brands and their own-label brands on the store shelves, endcaps, and island displays for everyday sale and during promotional periods. This prerogative distinguishes competition between national brands and private labels from competition among national brands. Unlike manufacturers, retailers have a direct control of the selling environment for their own brands. It is quite usual to for leading brands to be displayed alongside the own brand alternatives, to provide attraction to the section and to emphasize own brand advantages.

Cotterill and Putsis (2000:36) described the effort of store brands to combat national brands price promotions by lowering store brand prices as "a meager way to capture volume from national brands." According to their study, feature and display promotion appear more effective ways of gaining share for store brands. On the other hand, McGoldrick (2002) also advised that excessive bias in space allocations can damage the retailer's image for product choice.

2.6 Summary

The idea of understanding consumer behaviour as a sequential decision-making process is one that is common in marketing. The decision-making process itself is presented as a logical flow of activities, working from problem recognition to purchase to post-purchase evaluation. This decision-making process is affected by a number of other more complex factors. Some of these influences relate to the wider environment in which the decision is being made while others relate to the individual who makes the decision.

Proper understanding of consumer behavior is also essential for the successful identification of consumer needs and in formulating competitive marketing strategy for store brands. Improved quality and continuous innovation, competitive price and strategic use of shelf space are among the major strategic tools which enhance consumer acceptance of store brands.

Chapter 3 - Research Methodology

3.1 Introduction

This chapter details the research approach used in this study. The research design, sampling technique used and steps followed in the construction of the research instrument and the methods applied for data analysis are elaborated.

3.2 Research Design

According to Cooper and Shindler (2001), research design is the blueprint for the collection, measurement and analysis of data. The aim of this research was to identify and analyse the factors which influence consumer perceptions towards the No Name Brand food items. For this it was decided that a quantitative study would be most appropriate.

3.3 Secondary Data

Research for this study began with the exploration of secondary data. Journals, articles Internet search engines, publications, books and case studies, were reviewed. According to Cooper and Shindler (2001), the review of prior studies assists with identification of methodologies which can be proved successful or unsuccessful. The stated objectives of the study, the hypothesis and the questionnaire used for this study were built on the information compiled form the secondary sources.

3.4 Sampling

According to Cooper and Shindler (2001), the basic idea behind sampling is that by selecting some of the elements of a population, conclusions can be drawn about the entire population. In situations where the population of interest is large and variability within the population is also high sampling is proffered to census (Harry and Steven, 1994).

This study deals with consumer perceptions on the No Name brand food items. Therefore, the relevant population for the study includes all pick' n Pay's customers in South Africa which is considerably large with high variability. Hence, sampling was the best approach for its various advantages including lower cost, greater accuracy of results and greater speed of data collection.

3.4.1 Sample Population

The sample population of this study was drawn from Pick' n Pay customers who stay in the Durban metro area only. Pick' n Pay stores in the Durban Metro area are patronised by consumers of both genders, different ages, levels of education, income disparities and race groups which are important variables for the study.

3.4.2 Sample Size

Due to various resource constraints the sample size in this study was limited to 80 respondents. While Majority of the sample was drawn from consumers shopping at Pick' n Pay stores located in the Workshop and Musgrave Centre, some sample was also taken from the student and staff community at the University of KwaZulu-Natal.

According to Cooper and Shindler (2001:164), the ultimate test of a sample design is how well it represents the characteristics of the population it purports to represent. In measurement terms, the sample must be valid. Validity of a sample depends on accuracy and precision. Accuracy is the degree to which bias is absent from the sample and precision deals with the standard error of estimate. Bias in this particular study has been accounted for and the following measures were taken in selecting the sample population.

- Primarily, it was made sure that all the respondents which were included in the sample were Pick' n Pay' customers and are residents of Durban metro area.

- In order to find a representative sample, respondents from both genders and all racial groups of South Africa were included.

- The questions presented in the survey instrument were clear and unambiguous to avoid distortion. Respondents were also provided with the necessary assistance whenever clarifications were required with regard to the questions. The assistance was provided with a precaution not influence the respondent's answer.

- Respondents may be dishonest about their age, education and income levels. However, the questionnaire was designed in a structured way which helped the respondents to complete sensitive information.

3.4.3 Sampling Design

Members of a sample can be selected either on a probability or nonprobability basis. Probability sampling is based on the concept of random selection which assures that each population element is given a known nonzero chance of selection. In contrast, nonprobaility sampling is arbitrary and subjective (Joseph *et al.*, 2000). Taking into consideration the nature and objcctives of the study and in order to make probability based confidence estimates of various parameters, it was decided that probability sampling would be the best approach.

3.4.4 Complex Probability Sampling

Probability sampling includes the unrestricted simple random sampling and four alternative techniques under the complex probability sampling. Simple random sampling is often impractical as it requires a complete population list and considerable resources including time and money. This study is limited in time and other resources and the sampling frame for the population of interest was not also readily available. The complex probability sampling in contrast comprises various alternatives which can provide the required precision with a smaller sample size at a lower cost. Among the four alternative sampling approaches within the complex probability sampling, systematic sampling was chosen for this particular study (Cooper and Shindler, 2001; Harry and Steven, 1994).

3.4.5 Systematic sampling

Systematic sampling is a versatile form of probability sampling. In this approach, every *K*th element in the population is sampled beginning with random start of an element in the range of 1 to *K*. The major advantage of systematic sampling is its simplicity and flexibility (Cooper and Shindler, 2001).

The sample for the study was obtained on the first week of April. During the 3 sampling days, every fifth consumer shopping at Pick' n Pay stores located in the Workshop and Musgravc Centre was surveyed. The same procedure was also applied for the sample obtained from the staff and student community in the University of KwaZulu-Natal, Durban.

3.5 Administration

In order to accomplish the envisaged objectives of the study, the research instrument used for the collection of primary data was a structured questionnaire. A questionnaire was preferred for the associated efficiency and economic advantages. Further value includes the depth and detail of the information secured.

During the administration of the questionnaire, respondents were provided with the necessary assistance. The assistance was provided with a precaution not influence the respondent's answer.

3.6 Questionnaire Design

The research instrument for this study included four sections:

Section 1- Demographics

The first section of the questionnaire was designed to capture the demographic details of respondents. The sample population was stratified in to the designed age, education and income sub groups based on the answers provided to demographic questions. Categorizing respondents in to age, education and income groups also helped in establishing concurrent validity. Multiple choice scales are used to determine respondent's age, education and income level. The multiple choice scale allows the respondent to select one or several alternatives with out disclosing specific details (Cooper and Shindler, 2001).

Section 2 - Awareness and Usage Level

Section 2 included statements that measure consumer's overall awareness and usage level of the No Name Brand food items. Except for the first two questions with a multiple chose scale, the second section of the questionnaire progressed through to LiKert scale ratings. A LiKert scale rating with 5 levels of agreement i.e., strongly agree, agree, neutral, disagree and strongly disagree was used. Values were assigned to each possible response so that a favourable response to the No Name Brand food items would be indicated by a greater value.

With the LiKert technique a total numerical value can be calculated from all the responses and the questionnaire can be produced very rapidly on a spreadsheet package. It facilitates transferring of the data from completed questionnaires straight to the spreadsheet, which allows rapid calculation of results (Joseph *et al.*, 2000).

Section 3 - Price and Quality

Section 3 included statements that measure consumers' perception toward the economic benefits, i.e., price and quality of the No Name Brand food items. Fro that purpose a Likert scale is used.

Section 4 - Psychosocial Factors

A LiKert scale is used to measure the influcnce of psychosocial factors such as family and peer-group approval on consumer perceptions toward the No Name Brand food items.

3.7 Pilot Questionnaire

The pre-test questionnaire was administered to 10 Pick' n Pay customers all from the Durban metro area. The respondents were requested to complete the questionnaire and provide their comments on the time taken to complete the questionnaire, length of the questionnaire, clarity of the questions and their understanding of the questions. Based on the forwarded comments the necessary modifications were made to improve the measurement instrument.

3.8 Data Analysis

According to Gibbons (1993), there are two fundamental purposes to analyzing data: the first is to describe a large number of data points in a concise way by means of one or more summary statistics; the second is to draw inferences about the characteristics of a population based on the characteristics of a sample.

In order to achieve the envisaged objectives of the study, the raw data produced from the questionnaire was coded, edited and then captured onto the S.P.S.S statistical package for the required analysis. The analysis was done through descriptive and inferential statistics.

3.8.1 Descriptive Statistics

Descriptive statistics comprises the statistical methods dealing with the collection, tabulation and summarization of data, so as to present meaningful information. By conveying the essential properties of the aggregation of many different observations, these summary measures make it possible to understand the phenomenon under study better and more quickly than would be possible by studying a multitude of unprocessed individual values (Harry and Steven, 1994).

The results obtained form the data analyses are presented in the form of frequency distribution tables and bar graphs. Moreover, among the measures of central tendency the mean was applied to understand the elevation, high or low the scores on each question tend to be. A standard deviation was also used to measure the variability of the sample data around the mean.

However, descriptive statistics although informative, are not sufficient for full understanding of the relationship among a set of variables. Based on the results obtained form descriptive statistics one can not make generalizations about populations. Therefore the gap was filled with the help of inferential statistics.

3.8.2 Inferential Statistics

Inferential statistics allow one to draw conclusions about the unknown Parameters of a population based on a statistics which describe a sample from the population. Inferential statistics involves parametric and nonparametric statistical methods. Parametric tests are applied to data collected at interval or ratio levels of measurement and nonparametric inferential tests can be applied to data collected at the nominal or ordinal levels of measurement (Gibbons, 1993).

The levels of measurement used in this study are nominal and ordinal scales. Nominal scale was used in identifying the demographic characteristics of respondents and interval scale was used to determine the factors that influence consumer perceptions toward the No Name Brand food items. Therefore, the nonparametric test was applied in testing the research hypothesis and in determining the influence of age, education and income on consumer perceptions toward the no name brand food items.

Among the nonparametric techniques, the statistical test used was the Chi-Squire test and critical value (alpha) for significance was set at 0.05.

3.9 Validity and Reliability

The following discussions will reflect the issues of reliability and validity in this particular study.

3.9.1 Reliability

According to Cooper and Schindler (2001), reliability is concerned with estimates of the degree to which a measurement is free of random or unstable error.

In this study, internal consistency within the questionnaire is used to establish reliability. The measuring instrument contains similar questions to which respondents can respond thus establishing consistent results.

Statistically, the questionnaire was also tested for internal consistency using the alpha (Cronbach) model. The test was conducted to measure the degree to which the instrument items were homogeneous and reflected the same underlying constructs. According to the model, a value greater than 0.5 usually indicates good internal consistency and for the instrument as a whole Cronbach's alpha was 0.5401.

3.9.2 Validity

Validity determines whether the research instrument truly measures that which it was intended to measure or how truthful the research results are. Validity is explained in various forms.

In this study content validity was established by administering a pre-test questionnaire on 10 Pick' n Pay customers.

Internal validity was also established with the alpha (Cronbach) model. The internal consistency of the research instrument as a whole was .5401 which is reflected in appendix 6.

3.10 Summary

This chapter illustrated that among the probability sampling techniques the systematic sampling was used in selecting the sample of respondents for the study. It was also indicated among the non nonparametric tests, the Chi-Squire test was applied in testing the two research hypotheses and in determining the influence of age, education and income on consumer perceptions. For validity and reliability purposes the questionnaire was also tested for internal consistency using the alpha (Cronbach) model.

Chapter 4 -Analysis of Results

4.1 Introduction

The results of the statistical analysis are presented in this chapter in line with the four objectives of the study.

The results of the descriptive statistical analysis are presented in the first part of this chapter. The discussion begins with a description of the demographic profile of the respondents and discussion of responses given for each item in the questionnaire follows. The results are presented in tabular form and bar graphs.

The results of the inferential statistical analysis are presented in the second part of this chapter. Techniques within the inferential statistics are applied in testing the hypothesis of the study and in determining the influence of age, education and income on consumer perceptions toward the No name Brand food items.

Taking in to consideration the nominal and ordinal levels of measurement used in the research instrument, the null hypothesis is tested with one of the nonparametric tests of significance, the chi-square test. The respondents for this study are also grouped into nominal categories of age, education and income. As explained by Cooper and Shindler (2001: 499), for such cases the appropriate nonparametric test of significance is the chi-square test.

The statistical decision rule followed in rejecting or retaining the null hypothesis is based on relating the calculated or observed F value (Fov) to the critical F value (Fcv). According to Cooper and Shindler (2001: 493), the most common level of significance (critical value of alpha) is .05, which is also adopted for this study.

According to reviewed literature on store brand, there are various studies which attempted to identify the types of consumer who are most prone to purchase store brands (McGoldrick, 2002; Dhar and Hoch, 1997; Fitzell, 1992; Sethuraman, 2000). However, all these studies are conducted in other countries and their applicability in the South African situation can not be taken for granted. Therefore, in this study an attempt is made to determine if the respondents under the various age, education and income categories differ in their responses to the statements in the questionnaire, which are designed to measure perceptions on the No Name Brand food items. For that purpose also a nonparametric test of significance, the chi-square test is conducted and the critical value (alpha) for significance was set at 0.05.

The three factors, i.e., age, education and income were treated as independent variables and the responses given to the selected key questions from the four sections of the questionnaire were taken as dependent variables. An observed value (Fov) greater than the significance level (α) shows the absence of significant difference between the respondents under the surveyed age, education and income groups in their responses to the key perception measurement statements selected for the chi-square test.

4.2 Sample Demographics

The sample consisted of 80 respondents and the demographic profile is presented in the form of frequency tables with percentages.

Table 4.1: Age Category of Respondents

Age Categories	*Frequency*	*Percent*
18-30	21	26.3
30-40	26	32.5
40-50	18	22.5
50&over	15	18.8
Total	80	100.0

26.3 percent of the respondents fell within the 18-to-30 age group, 32.5 percent fell within the 30-to-40 age group, 22.5 percent fell within the 40-to-50 age group and 18.8 percent were grouped in the 50 and above category.

Table 4.2: Education Category of Respondents

Education Categories	*Frequency*	*Percent*
Incomplete Schooling	17	21.3
High School	19	23.8
Matric	29	36.3
Tertiary Education	15	18.8
Total	80	100.0

Approximately 45 percent of the sample fell within the incomplete schooling and high school categories. The rest, 55 percent of the sample fell within the matric and tertiary education categories.

Table 4.3: Income Category of Respondents

Income Categories	*Frequency*	*Percent*
under 2000	18	22.5
2001-4000	21	26.3
4001-6000	16	20.0
6001-8000	14	17.5
over 8000	11	13.8
Total	80	100.0

22.5 percent of the respondents fell within the R2000 and below income category, constituting the low income segment. 26.3 percent of the sample fell within the R2001-to-R4000 income category and 20 percent of the sample fell with in the R4001-to-R6000 income category, both constituting the low-to-middle income segment. Approximately 31 percent of the sample fell within the R6001-to-R8000 income category and the over R8000 category. These two income categories constitute the middle to high class segment.

4.3. Descriptive Statistical Analysis

The first three objectives of the study are achieved with the help of descriptive statistics. Measures of central tendency i.e. the mean and the standard deviation are used. The mean is used to understand how high or low the elevation of the scores obtained on each question tend to be and the standard deviation is applied to measure the variability of the sample data around the mean. In order to give a clear insight of the obtained responses on each question, bar graphs are used.

4.3.1 Consumer awareness and usage level of the No Name Bran food items

The measurement questions in the first section of the questionnaire are designed to measure consumer awareness and usage level of the No Name Brand food items and they are grouped together for a descriptive statistical analysis.

Table 4.4: Consumer awareness and usage level of the No Name Brand food items

Descriptive statistics

Measurement Questions	*N*	*Mean*	*Std. Deviation*
Q.1) I am well aware of the No Name Brand food items.	80	2.0000	.00000
Q.2) I buy No Name Brand food items.	80	1.8500	.50566
Q.3) I include the No Name Brand food items in my shopping list.	80	2.0125	.84933
Q.4) I think of the No Name Brand food items only when I see them in the store.	80	1.9125	.71501
Q.5) Greater knowledge about the No Name Brand food items will lead to greater use.	80	3.8250	.80779
Q.6) Retailers should continue providing No Name Brand food items.	80	3.8750	.78555
Valid N (listwise)	80		

It is perceptible that all the respondents surveyed were significantly aware of the existence of the No Name Brand food items. This is indicated by an overall mean of 2.00, which represent 100 percent of the respondents.

When it comes to the degree of actual purchase or usage level of the No Name Brand food items, a substantial number of respondents indicated they have purchased these products, despite the fact that it was not on a regular base (mean of 1.85).

Although all the approached respondents indicated they were aware of the presence of the No Name Brand food items, majority of them responded that they did not include these products in their shopping list (mean of 2.01). Furthermore, it is obvious form the results above that majority of the respondents think about the No Name Brand food items only when they are in the Pick' n Pay stores for shopping purposes which is indicated by an overall mean of 1.91. Both these results clearly indicate the No Name Brand food items are not well-established in the consumer's mind. This implies that the decision to buy the No Name Brand food items is made at impulse or at the point of purchase in the store.

The majority of respondents felt that if they knew more about the No Name Brand food items they would use those products more, this being indicated by a mean of 3.8.

A mean of 3.87 was achieved on the question whether retailers in general should continue providing No Name Brand food items. This higher mean depicts most of the surveyed respondents supported the continuity of these products and are aware of the benefits such products can offer to the consumer.

4.3.1.1 "I buy the No Name Brand food items"

Figure 4.1: Frequency distribution of responses for statement 2

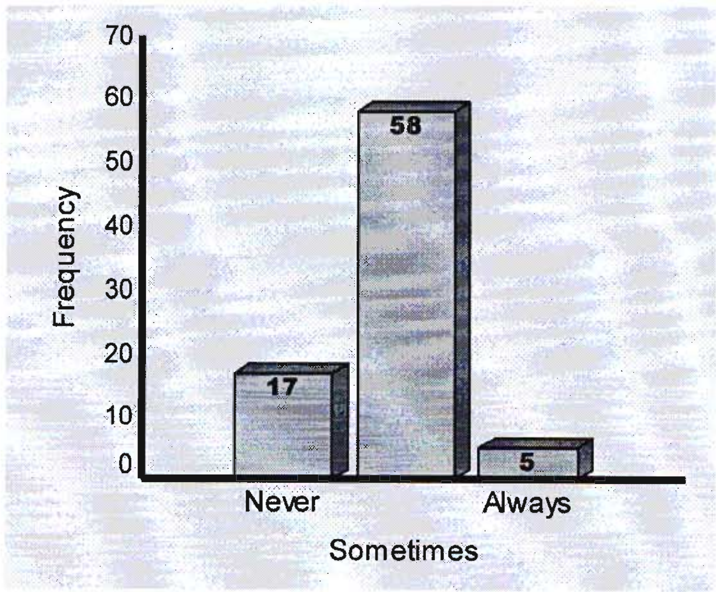

Figure 4.1 depicts that 63 or approximately 79 percent of the sample responded they have bought the No Name Brand food items. The rest 21 percent of the sample indicated they have never bought those products.

4.3.1.2 "I include the No Name Brand food items in my shopping list"

Figure 4.2: Frequency distribution of responses for statement 3

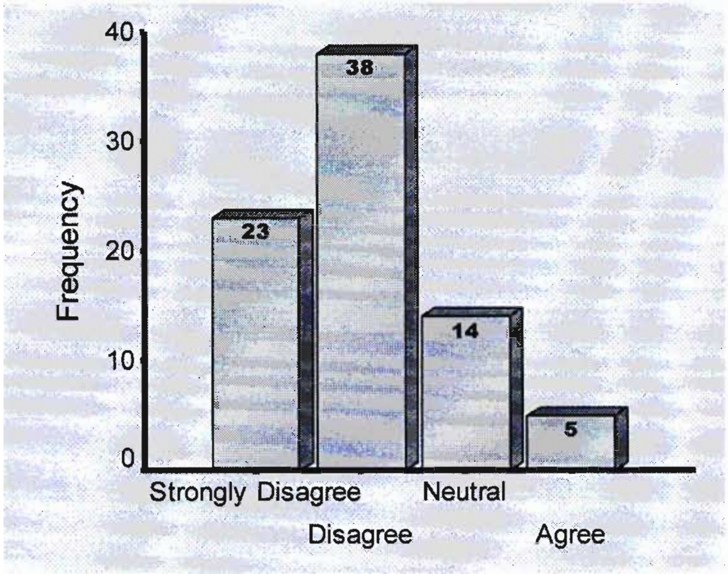

Figure 4.2 indicates that only 5 or about 6.3 percent of the sample agreed with the statement. A large proportion (approximately 76.3 percent) of the sample disagreed or strongly disagreed with the statement. The rest of sample (approximately 17.5 percent) indicated their neutral response to the statement.

4.3.1.3 "I think of the No Name Brand food items only when I see them in the store"

Figure 4.3: Frequency distribution of responses for statement 4

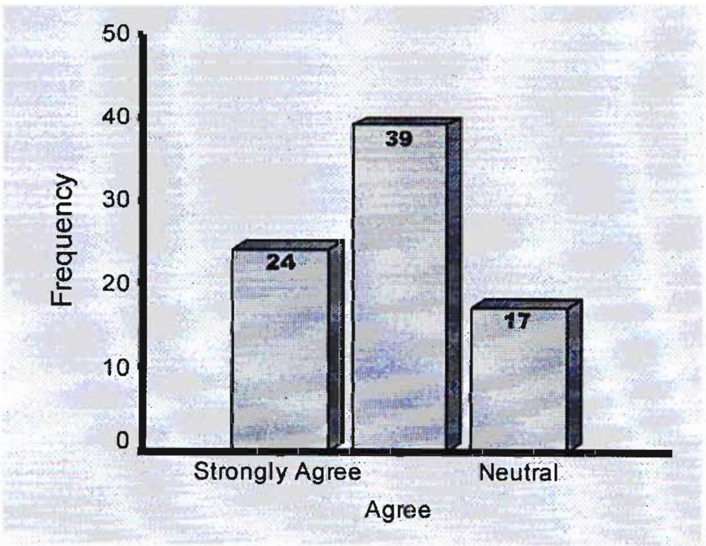

Figure 4.3 portrays 63 respondents or 78.8 percent of the sample agreed or strongly agreed with the statement. The remaining 21.3 percent gave a neutral response to the statement. None of the respondents has shown their disagreement with this statement.

4.3.1.4 "Greater knowledge about the No Name Brand food items will lead to greater use"

Figure 4.4: Frequency distribution of responses statement 5

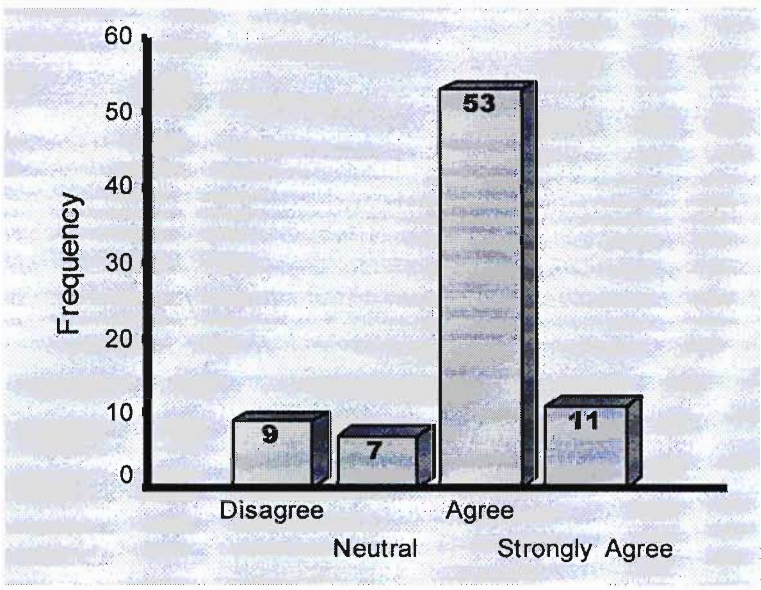

Figure 4.4 shows that 64 or approximately 80 percent of the sample agreed or strongly agreed with the statement. A small proportion of the sample indicated a neutral response (8.8 percent) and the rest 11.3 percent disagreed with the statement.

4.3.1.5 "Retailers should continue providing the No Name Brand food items"

Figure 4.5: Frequency distribution of responses for statement 6

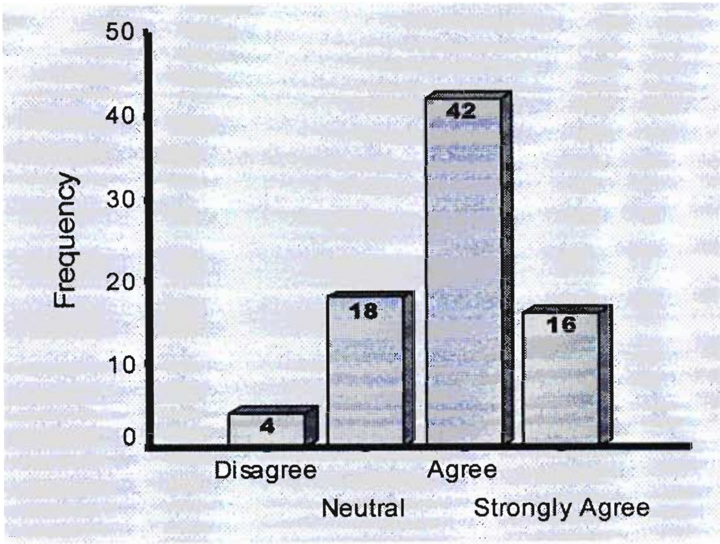

Figure 4.5 depicts 58 or 72.5 percent of the sample agreed or strongly agreed with the statement. 22.5 percent of the respondents indicated their neutrality with regard to the above statement. Only the rest 5 percent expressed their disagreement.

4.3.2 Consumer perceptions on the price and quality of the No Name Brand food items

The measurement questions in the second section of the questionnaire are designed to measure consumer perception on the price and quality of the No Name Brand food items and they are grouped together for a descriptive statistical analysis.

Table 4.5: Consumer perceptions on the price and quality of the No Name Brand food items

Descriptive Statistics

Measurement Questions	**N**	**Mean**	**Std. Deviation**
Q.7) Buying No Name Brand food items saves a lot of money.	80	3.7375	.82283
Q.8) Buying No Name Brand food items provides a high quality product.	80	2.5875	.77449
Q.9) Buying No Name Brand items requires a lot of planning before shopping.	80	3.6250	.73562
Q.10) Buying no name brand food items requires a lot of searching in the store.	80	3.6750	.77582
Q.11) Generally speaking, the lower price of food items indicates lower quality.	80	2.7250	.92743
Q.12) No Name Brand food items are good substitutes to other food items under national brands.	80	2.6625	.92700
Valid N (listwise)	80		

The mean score of 3.73 was attained form the responses to the statement concerning the perceived saving which consumers could get by purchasing the No Name Brand food items. This higher mean shows the respondents' overwhelming good perception on the saving which the No Name Brand food items offer to consumers.

Despite the fact that respondents' perception on saving was positive, quality of the No Name Brand food items seems to be underrated and it is shown by a lower mean of 2.58. This indicates the respondents' reservation or lower perception toward the quality of the No Name Brand food items.

On the other hand, most respondents have indicated their positive perception toward the convenience associated with purchasing the No Name Brand food items. Majority of the sample are convinced that buying No Name Brand does not require much planning before shopping and it is not difficult to find those products in the store. The favorable perception of respondents regarding the two convenience indicators are indicated with a mean of 3.62 for the ease of planning and a mean of 3, 61 for the ease of searching the No Name Brand food items in the Pick n' Pay stores respectively.

The descriptive analysis also revealed that majority of the respondents correlate the lower price of food items with a lower quality (mean of 2.72). Based on the response of the sample population to this general question, it is logical to point out the possibility that the relative lower price of the No Name Brand food items might convey an image of lower quality to consumers. Further more, a substantial number of the respondents indicated that they do not perceive the No Name Brand food items as good substitutes to other similar products under the national brands. This is indicated by an overall mean of 2.66.

4.3.2.1 "Buying No Name Brand food items save a lot of money"

Figure 4.6: Frequency distribution of responses for statement 7

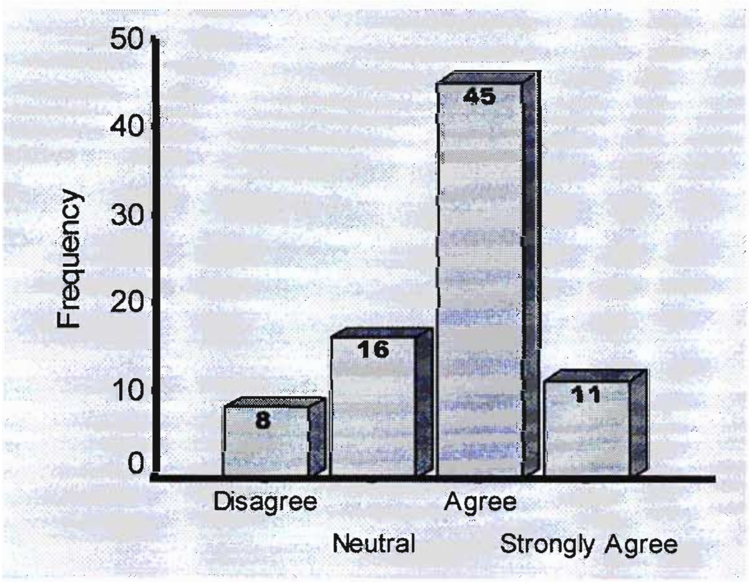

Figure 4.6 indicates that 56 or 70.1 percent of the respondents agreed or strongly agreed with the above statement that buying No Name Brand food items helps in saving some money. 16 or 20 percent of the sample gave a neutral response and only 8 respondents or 10 percent of the sample disagreed with the statement.

4.3.2.2 "Buying No Name Brand food items provides a high quality product"

Figure 4.7: Frequency distribution of responses for statement 8

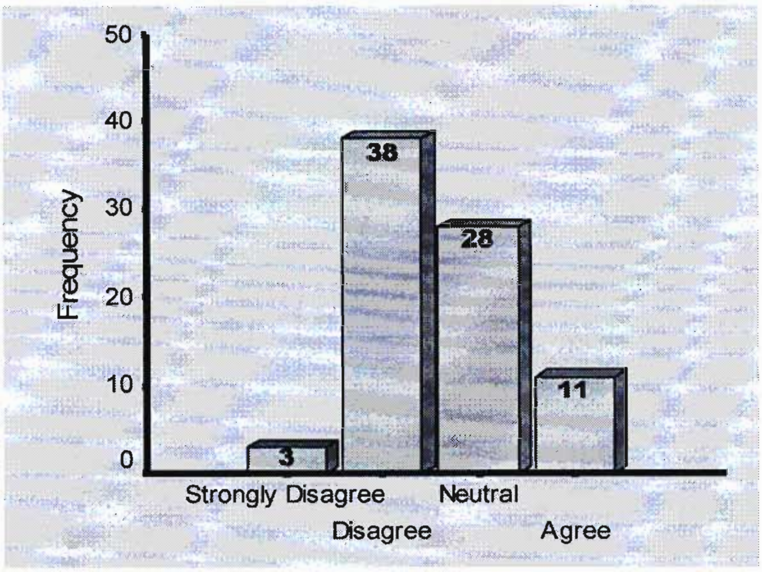

Figure 4.7 shows that 11 or 13.7 percent of the sample agreed with the statement regarding the quality of the No Name Brand food items. 28 or 35 percent of the sample indicated a neutral response to the statement and 41 respondents or 51.3 percent of the sample disagreed or strongly disagreed with the statement.

4.3.2.3 "Buying No Name Brand items requires a lot of planning before shopping"

Figure 4.8: Frequency distribution of responses for statement 9

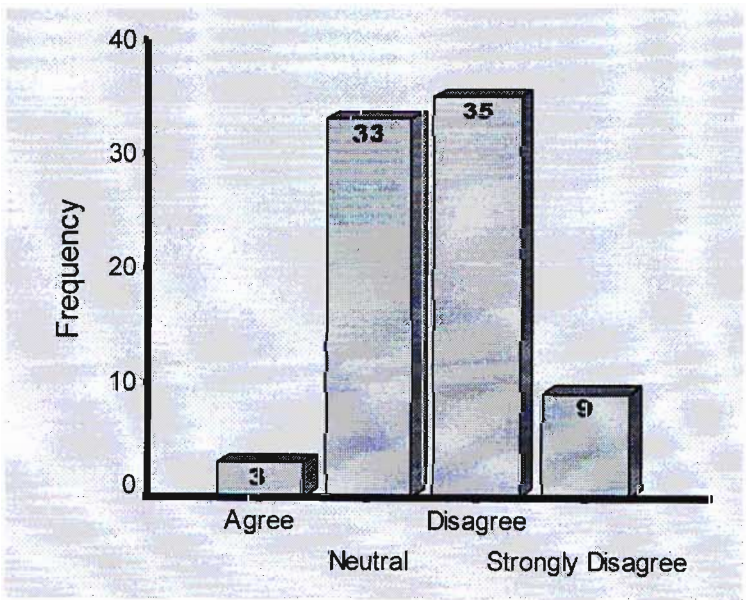

Figure 4.7 portrays that only 3 or 3.8 percent of the respondents felt that buying No Name Brand food items requires a lot of planning before shopping. 33 or 41.2 percent of the sample gave a neutral response and 44 or 55 percent of the respondents disagreed or strongly disagreed with the statement.

4.3.2.4 "Buying No Name Brand food items requires a lot of searching in the store"

Figure 4.9: Frequency distribution of responses for statement 10

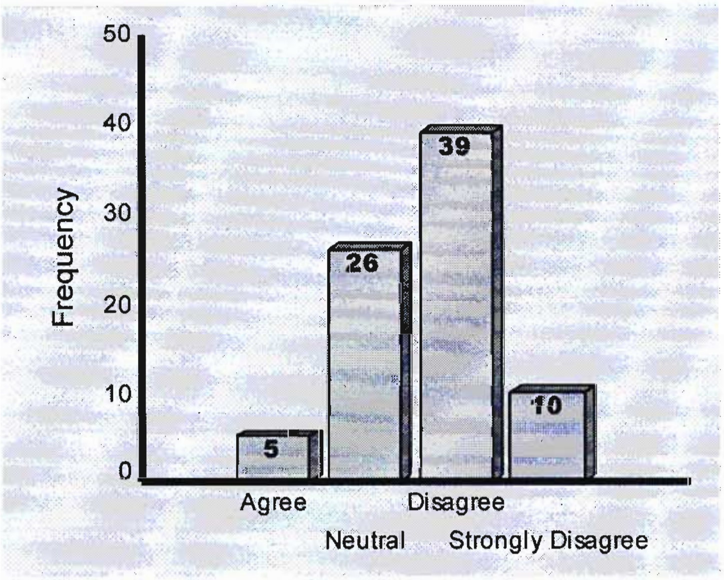

Figure 4.9 shows that only 5 or 6.3 percent of the respondents felt that buying No Name Brand food items requires a lot of searching in the store. 26 or 32.5 percent of the sample indicated their neutral response and a large portion of respondents (approximately 61.7 percent) disagreed or strongly disagreed with the statement.

4.3.2.5 "Generally speaking the lower price of food items indicates lower quality"

Figure 4.10: Frequency distribution of responses for statement 11

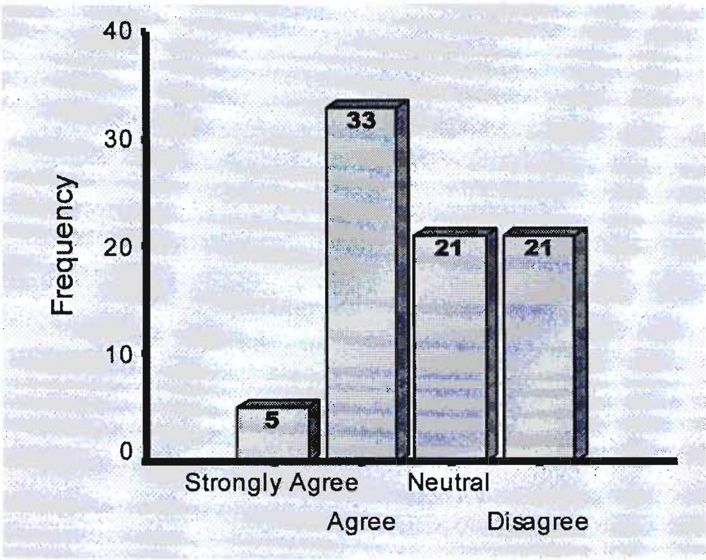

Figure 4.10 depicts that 38 or about 47.5 percent of the sample have agreed or strongly agreed that they perceive the lower price of food items as an indicator of lower quality. 21 or 26.3 percent of the sample indicated a neutral response to the statement. The rest of the sample (approximately 26.2 percent) disagreed with the statement.

4.3.2.6 "No Name Brand food items are good substitutes to other food items under national brands"

Figure 4.11: Frequency distribution of responses for statement 12

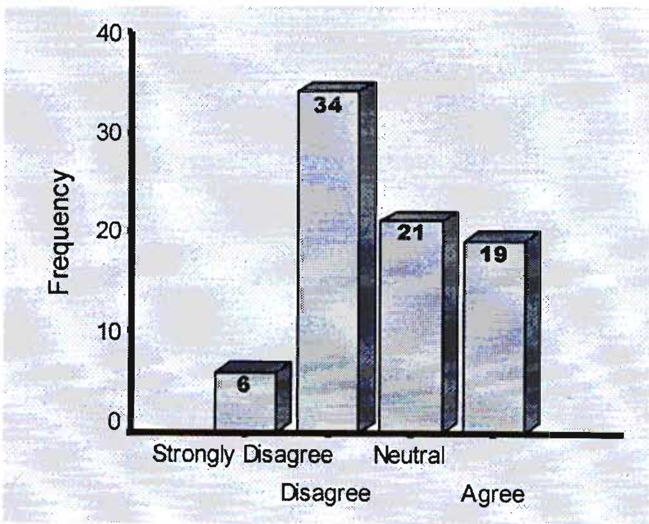

Figure 4.11 shows that 19 or 23.8 percent of the respondents agreed with the statement that they perceive the No Name Brand food items as good substitutes to other food items under national brands. 21 or 26.3 percent of the sample indicated neutral response. 40 respondents (approximately 50 percent) within the sample population do not perceive the No Name Brand food items as good substitutes to other food items under national brand. This is indicated by disagreeing or strongly disagreeing to the statement

4.3.3 The influence of Psychosocial Factors on consumer perceptions toward the No Name Brand food items

The measurement questions in the fourth section of the questionnaire are designed to measure the influence of psychosocial factors such as family and peer-approval on consumer perceptions toward the No Name Brand food items. They are grouped together for a descriptive statistical analysis.

Table 4.6: The influence of psychosocial factors such as family and peer-approval on consumer perceptions toward the No Name Brand food items

Descriptive Statistics

Measurement questions	***N***	***Mean***	***Std. Deviation***
Q 13) Buying no name brand food items is something my family likes me to do	80	2.3250	.88267
Q.14) Buying no name brand food items is something people may look down upon	80	2.3000	.84793
Q.15) I would not mind serving no name brand food items to my guests(visitors)	80	2.6750	1.07650
Valid N (listwise)	80		

A mean of 2.32 was achieved for the statement regarding the role of the family in influencing consumer's decision to buy and use the No Name Brand food items. This lower mean implies that majority of the respondents were not encouraged by their family to buy and use the No Name Brand food items at home.

It is apparent from the analysis that majority of the respondents felt that buying No Name Brand food items is something people may look down up on (mean of 2.30). This implies that consumers might be reserved form buying or using those products for image concerns. This clearly shows that in addition to the immediate family, respondents' perception toward the No Name Brand food items is also influenced by reference groups such as friends.

The results also demonstrate that many of the respondents had reservations when it comes to serving the No Name Brand food items to their guests (visitors). This is indicated by an overall mean of 2.67. Taking in to consideration the above discussions, respondents' lack of enthusiasm to serve those products to other people could also be related with the concern of being perceived as lower-class by other people.

4.3.3.1 "Buying No Name Brand food items is something my family likes me to do"

Figure 4.12: Frequency distribution of responses for statement 13

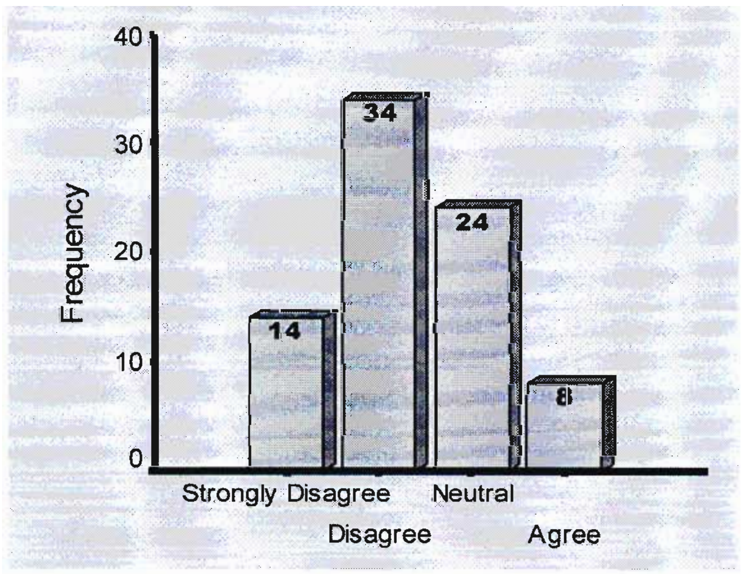

Figure 4.12 depicts that 48 or 60 percent of respondents disagreed or strongly disagreed with the statement. A considerable proportion of respondents indicated a neutral response (approximately 30 percent) and only 8 or 10 percent of the sample agreed with the statement.

4.3.3.2 "Buying No Name Brand food items is something people may look down upon"

Figure 4.13: Frequency distribution of responses for statement 14

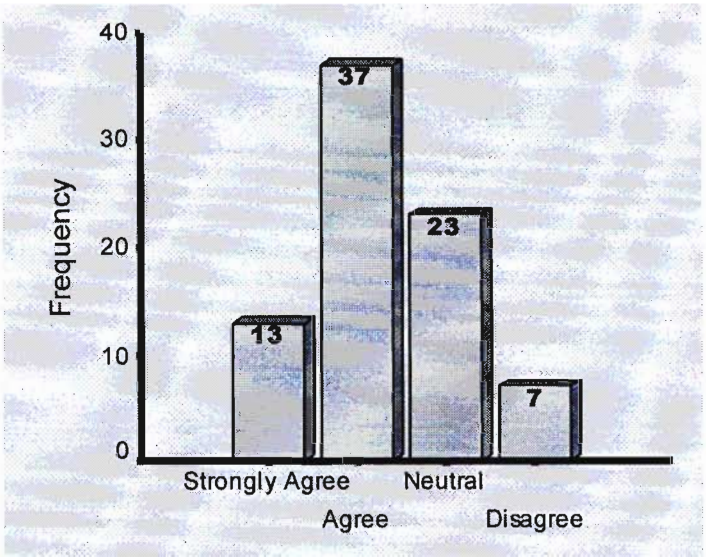

Figure 4.13 shows that 50 or 62.5 percent of the sample felt that buying No Name Brand food items is something people would look down up on. 23 or 28.8 percent of the respondents indicated a neutral response and approximately 8.7 percent of the respondents disagreed with the statement.

4.3.3.3 "I would not mind serving No Name Brand food items to my guests (visitors)"

Figure 4.14: Frequency distribution of responses for statement 15

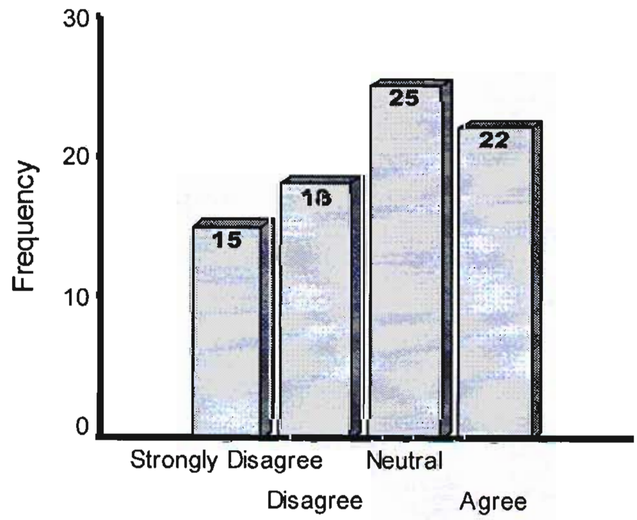

Figure 4.14 depicts that 33 or 41.3 percent of the sample disagreed or strongly disagreed with the concept of serving the No Name Brand items to other people. 25 or 31.3 percent of the respondents gave a neutral response to the statement. 22 respondents or 27.4 percent of the sample indicated their agreement with the statement of serving the No Name Brand food items to visitors.

4.4 Inferential Statistical Analysis

Determining the influence of the three demographic factors i.e., age, education and income on consumer perceptions toward the No Name Brand food items and testing of the research hypothesis were among the stated objectives of the study which are achieved with the help of inferential statistics. In both cases a nonparametric test of significance, the chi-square test is used in accordance with the detailed statistical procedures discussed in chapter three and the introduction of this chapter.

4.4.1 Chi-square test to determine the impact of Age, Education and Income on consumer awareness and usage level of the No Name Brand food items

The second section of the questionnaire consisted statements dealing with consumer awareness and usage level of the No Name Brand food items. Among the six statements, one key question (question two) is selected for the chi-square test. The three demographic factors: age, education and income are treated as independent variables and the responses given to the key question are treated as dependent variables.

A cross tabulation is used to show which particular age, education or income category responded differently to the key question in comparison to the other age, education and income categories.

4.4.1.1 "I buy No Name Brand food items" –The impact of Age

Table 4.7: "I buy No Name Brand food items" * Age - Crosstabulation

			Age				Total
			18-30	30-40	40-50	50&over	
I buy No Name Brand food items	Never	Count	3	8	3	3	17
		%within Age	**14.3%**	**30.8%**	**16.7%**	**20.0%**	**21.3%**
	Sometimes	Count	16	17	13	12	58
		%within Age	**76.2%**	**65.4%**	**72.2%**	**80.0%**	**72.5%**
	Always	Count	2	1	2	0	5
		%within Age	**9.5%**	**3.8%**	**11.1%**	**.0%**	**6.3%**
Total		Count	21	26	18	15	80
		%within Age	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.333(a)	6	**.632**

a. 7 cells (58.3%) have expected count less than 5. The minimum expected count is .94.

According to the result from the chi-square test, there were no significant differences between any of the surveyed age groups in their response to the statement concerning the actual purchase of the No Name Brand food items (Fov = .632 > .05). Table 4.7 also shows that majority of the respondents under the surveyed age categories buy the No Name Brand food items occasionally.

4.4.1.2 “I buy No Name Brand food items” –The impact of Education

Table 4.8: “I buy no name brand food items” * Education Level- Crosstabulation

			Education Level				Total
			Tertiary Education	Matric	High School	Incomplete Schooling	
I buy No Name Brand food items	Never	Count	3	5	6	3	17
		% within Education Level	**20.0%**	**17.2%**	**31.6%**	**17.6%**	**21.3 %**
	Sometimes	Count	11	20	13	14	58
		% within Education Level	**73.3%**	**69.0%**	**68.4%**	**82.4%**	**72.5 %**
	Always	Count	1	4	0	0	5
		% within Education Level	**6.7%**	**13.8%**	**.0%**	**.0%**	**6.3%**
Total		Count	15	29	19	17	80
		% within Education Level	100.0%	100.0%	100.0%	100.0%	100.0 %

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.505(a)	6	**.369**

a. 7 cells (58.3%) have expected count less than 5. The minimum expected count is .94.

The chi-square test shows that there were no significant differences between the respondents under the different education categories in their response to the statement concerning the actual purchase of the No Name Brand food items (Fov = .369 > .05). Table 4.8 also shows that majority of the respondents within the surveyed education categories buy the No Name Brand food items occasionally.

4.4.1.3 "I buy No Name Brand food items" – The impact of Income

Table 4.9: "I buy no name brand food items" * Income Level – Crosstabulation

			Income Level					Total
			under 2000	2001-4000	4001-6000	6001-8000	over 8000	
I buy No Name Brand food items	Never	Count	0	2	3	6	6	17
		% within Income Level	**.0%**	**9.5%**	**18.8 %**	**42.9 %**	**54.5 %**	**21.3 %**
	Sometimes	Count	14	18	13	8	5	58
		% within Income Level	**77.8 %**	**85.7 %**	**81.3 %**	**57.1 %**	**45.5 %**	**72.5 %**
	Always	Count	4	1	0	0	0	5
		% within Income Level	**22.2 %**	**4.8%**	**.0%**	**.0%**	**.0%**	**6.3%**
Total		Count	18	21	16	14	11	80
		% within Income Level	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.339(a)	8	**.001**

a. 10 cells (66.7%) have expected count less than 5. The minimum expected count is .69.

The chi- square test revealed that there is a significant difference with regard to the purchase level of the No Name Brand food items between the surveyed income groups (Fov = .001 < .05). Table 4.9 also depicts that the frequency of purchasing the No Name brand food items decreases as the respondents' income level increases. in this regard, respondents with lower-to- middle income levels (below 2000, 2001-4000 and 4001-6000 rand) purchase more No Name Brand food items compared to the respondents in the two higher income brackets (6001-8000 and over 8000 rand).

4.4.2 Chi-square test to determine the impact of Age, Education and Income on consumer perception toward the price and quality of the No Name Brand food items

The third section of the questionnaire consisted statements on consumer perceptions toward the economic benefits associated with purchasing of the No Name brand food items. Among the six statements, two key questions (question five and question six) are selected for the chi-square test. The three demographic factors: age, education and income are treated as independent variables and the responses given to the two key questions are treated as dependent variables.

A cross tabulation is used to show which particular age, education or income category responded differently to the key questions in comparison to the other age, education and income categories.

4.4.2.1 "Buying No Name Brand food items saves a lot of money" – The impact Age

Table 4.10: "Buying No Name Brand food items saves a lot of money" * Age-Crosstabulation

			Age				Total
			18-30	30-40	40-50	50&over	
Buying No Name Brand Food items saves a lot of money	Disagree	Expected Count	2.1	2.6	1.8	1.5	8.0
		% within Age	**4.8%**	**15.4%**	**5.6%**	**13.3%**	**10.0%**
	Neutral	Expected Count	4.2	5.2	3.6	3.0	16.0
		% within Age	**23.8%**	**15.4%**	**16.7 %**	**26.7%**	**20.0%**
	Agree	Expected Count	11.8	14.6	10.1	8.4	45.0
		% within Age	**61.9%**	**50.0%**	**61.1 %**	**53.3%**	**56.3%**
	Strongly Agree	Expected Count	2.9	3.6	2.5	2.1	11.0
		% within Age	**9.5%**	**19.2%**	**16.7 %**	**6.7%**	**13.8%**
Total		Expected Count	21.0	26.0	18.0	15.0	80.0
		% within Age	100.0%	100.0%	100.0 %	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.613(a)	9	**.867**

a. 11 cells (68.8%) have expected count less than 5. The minimum expected count is 1.50.

According to the result from the chi-square test, there were no significant differences between any of the surveyed age groups in their perception toward the saving associated with purchasing the No Name brand food items (Fov = .867 > .05). Table 4.10 also shows that majority of the respondents under the surveyed age categories agreed or strongly agreed that there is a saving advantage related with purchasing of the No Name Brand food items.

4.4.2.2 "Buying No Name Brand food items saves a lot of money" – The impact of Education

Table 4.11: "Buying No Name Brand food items saves a lot of money" * Education - Crosstabulation

			Education Level				Total
			Tertiary Education	Matric	high school	Incomplete schooling	
Buying No Name Brand food items saves a lot of money	Disagree	Expected Count	1.5	2.9	1.9	1.7	8.0
		% within Education Level	**20.0%**	**6.9%**	**15.8%**	**.0%**	**10.0%**
	Neutral	Expected Count	3.0	5.8	3.8	3.4	16.0
		% within Education Level	**20.0%**	20.7%	21.1%	17.6%	20.0%
	Agree	Expected Count	8.4	**16.3**	**10.7**	**9.6**	**45.0**
		% within Education Level	**46.7%**	62.1%	47.4%	64.7%	56.3%
	Strongly Agree	Expected Count	2.1	4.0	2.6	2.3	11.0
		% within Education Level	**13.3%**	**10.3%**	**15.8%**	**17.6%**	**13.8%**
Total		Expected Count	15.0	29.0	19.0	17.0	80.0
		% within Education Level	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.574(a)	9	**.782**

a. 11 cells (68.8%) have expected count less than 5. The minimum expected count is 1.50.

According to the result from the chi-square test, there were no significant differences between any of the surveyed education groups in their perception toward the saving associated with purchasing the No Name brand food items (Fov = .782 > .05). Table 4.11 also shows that majority of the respondents under the surveyed education categories agreed or strongly agreed that there is a saving advantage related with purchasing of the No Name Brand food items.

4.4.2.3 "Buying No Name Brand food items saves a lot of money"– The impact of Income

Table 4.12: "Buying No Name Brand food items saves a lot of money" * Income-Crosstabulation

			Income Level					Total
			under 2000	2001-4000	4001-6000	6001-8000	over 8000	
Buying No Name Brand food items saves a lot of money	Disagree	Expected Count	1.8	2.1	1.6	1.4	1.1	8.0
		% within Income Level	**.0%**	**.0%**	**12.5 %**	**14.3 %**	**36.4 %**	**10.0 %**
	Neutral	Expected Count	3.6	4.2	3.2	2.8	2.2	16.0
		% within Income Level	**11.1 %**	**14.3 %**	**31.3 %**	**28.6 %**	**18.2 %**	**20.0 %**
	Agree	Expected Count	10.1	11.8	9.0	7.9	6.2	45.0
		% within Income Level	**50.0 %**	**71.4 %**	**56.3 %**	**57.1 %**	**36.4 %**	**56.3 %**
	Strongly Agree	Expected Count	2.5	2.9	2.2	1.9	1.5	11.0
		% within Income Level	**38.9 %**	**14.3 %**	**.0%**	**.0%**	**9.1%**	**13.8 %**
Total		Expected Count	18.0	21.0	16.0	14.0	11.0	80.0
		% within Income Level	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	28.838(a)	12	**.004**

a. 15 cells (75.0%) have expected count less than 5. The minimum expected count is 1.10.

The chi square test shows that there is a significant difference with regard to the perception of saving that could be gained form buying the No Name Brand food items between the respondents within the surveyed income groups (Fov = .004 < .05). The results from table 4.12 also portray that respondents with lower- to- middle income levels (below 2000 and 2001-4000 rand) are more convinced that buying No Name Brand food items saves a lot of money compared to those respondents within the two high income categories (6001-8000 rand and over 8000 rand). Looking at the percentage of respondents who agreed or strongly agreed with the key statement, it can be said that the perception toward the saving benefits associated with the No Name Brand food items diminishes as the respondents' income level increases.

4.4.2.4 "Buying No Name Brand food items provides a high quality product"– The impact of Age

Table 4.13: "Buying No Name Brand food items provides a high quality product" * Age-Crosstabulation

			Age				Total
			18-30	30-40	40-50	50&over	
Buying No Name Brand food items provides a high quality product	Strongly disagree	Count	1	2	0	1	4
		% within Age	**4.8%**	**7.7%**	**.0%**	**6.7%**	**5.0%**
	Disagree	Count	11	11	10	6	38
		% within Age	**52.4%**	**42.3%**	**55.6%**	**40.0%**	**47.5%**
	Neutral	Count	7	9	4	7	27
		% within Age	**33.3%**	**34.6%**	**22.2%**	**46.7%**	**33.8%**
	Agree	Count	2	4	4	1	11
		% within Age	**9.5%**	**15.4%**	**22.2%**	**6.7%**	**13.8%**
Total		Count	21	26	18	15	80
		% within Age	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.306(a)	9	**.807**

a. 8 cells (50.0%) have expected count less than 5. The minimum expected count is .75.

According to the result from the chi-square test, there were no significant differences between any of the surveyed age groups in their perception toward the quality of the No Name brand food items (Fov = .807 > .05). Table 4.13 also shows a considerable number of the respondents under the surveyed age categories have reservations toward the quality of the No Name Brand food items.

4.4.2.5 "Buying No Name Brand food items provides a high quality product"– The impact of Education

Table 4.14: "Buying No Name Brand food items provides a high quality product"*Education- Crosstabulation

			Education Level				Total
			Tertiary Education	Matric	high school	Incomplete schooling	
Buying No Name Brand food items provides a high quality product	Strongly Disagree	Count	1	1	1	1	4
		% within Education Level	**6.7%**	**3.4%**	**5.3%**	**5.9%**	**5.0%**
	Disagree	Count	7	14	9	8	38
		% within Education Level	**46.7%**	**48.3%**	**47.4%**	**47.1%**	**47.5%**
	Neutral	Count	6	10	6	5	27
		% within Education Level	**40.0%**	**34.5%**	**31.6%**	**29.4%**	**33.8%**
	Agree	Count	1	4	3	3	11
		% within Education Level	**6.7%**	**13.8%**	**15.8%**	**17.6%**	**13.8%**
Total		Count	15	29	19	17	80
		% within Education Level	100.0%	100.0%	100.0%	100.0%	100.0 %

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.351(a)	9	**.998**

a. 8 cells (50.0%) have expected count less than 5. The minimum expected count is .75.

The results from the chi-square test reveals that there were no significant differences between any of the surveyed education groups in their perception toward the quality of the No Name brand food items (Fov = .998 > .05). Table 4.14 indicates that a significant number of the respondents under the surveyed educational categories gave responses which underrate the quality of the No Name Brand food items.

4.4.2.6 "Buying No Name Brand food items provides a high quality product"– The impact of Income

Table 4.15: "Buying No Name Brand food items provides a high quality product"*income- Crosstabulation

			Income Level					Total
			under 2000	2001-4000	4001-6000	6001-8000	over 8000	
Buying No Name Brand food items provides a high quality product	Strongly Disagree	Expected Count	.9	1.1	.8	.7	.6	4.0
		% within Income Level	**.0%**	**4.8%**	**6.3%**	**.0%**	**18.2%**	**5.0%**
	Disagree	Expected Count	8.5	10.0	7.6	6.7	5.2	38.0
		% within Income Level	**38.9%**	**42.9%**	**50.0%**	**64.3%**	**45.5%**	**47.5%**
	Neutral	Expected Count	6.1	7.1	5.4	4.7	3.7	27.0
		% within Income Level	**38.9%**	**33.3%**	**37.5%**	**28.6%**	**27.3%**	**33.8%**
	Agree	Expected Count	2.5	2.9	2.2	1.9	1.5	11.0
		% within Income Level	**22.2%**	**19.0%**	**6.3%**	**7.1%**	**9.1%**	**13.8%**
Total		Expected Count	18.0	21.0	16.0	14.0	11.0	80.0
		% within Income Level	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.810(a)	12	**.633**

a. 12 cells (60.0%) have expected count less than 5. The minimum expected count is .55.

The chi-square test indicates that there were no significant differences between any of the surveyed income groups in their perception toward the quality of No Name Brand food items (Fov = .663 > .05). Table 4.15 also shows that majority of the respondents under the surveyed income categories have disagreed or gave a neutral response to the key statement concerning the quality of the No Name Brand food items.

4.4.3 Chi-square test to determine the influence of Psychosocial Factors on consumer perception toward the No Name Brand food items

The fourth section of the questionnaire consisted statements concerning the impact of psychosocial factors on consumer perceptions toward the No Name brand food items. Among the three statements, one key statement i.e., question six is selected for the chi-square test. The three demographic factors: age, education and income are treated as independent variables and the responses given to the key question are treated as dependent variables.

A cross tabulation is used to show which particular age, education or income category responded differently to the key question in comparison to the other age, education and income categories.

4.4.3.1 "Buying No Name Brand food items is something people may look down upon" - the impact of Age

Table 4.16 "Buying No Name Brand food items is something people may look down upon" * Age-Crosstabulation

			Age				Total
			18-30	30-40	40-50	50&over	
Buying No Name Brand food items is something people may look down upon	Strongly Agree	Count	7	6	0	0	13
		% within Age	**31.8 %**	**23.1 %**	**.0%**	**.0%**	**16.3%**
	Agree	Count	11	12	10	4	37
		% within Age	**50.0 %**	**46.2 %**	**55.6%**	**28.6%**	**46.3%**
	Neutral	Count	3	6	5	9	23
		% within Age	**13.6 %**	**23.1 %**	**27.8%**	**64.3%**	**28.8%**
	Disagree	Count	1	2	3	1	7
		% within Age	**4.5%**	**7.7%**	**16.7%**	**7.1%**	**8.8%**
Total		Count	22	26	18	14	80
		% within Age	100.0 %	100.0 %	100.0%	100.0%	100.0 %

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.579(a)	9	**.015**

a. 9 cells (56.3%) have expected count less than 5. The minimum expected count is 1.23.

It is obvious from the chi square test that there is a significant difference between the respondents within the surveyed age groups in their response to the statement concerning the image related with purchasing or using the No Name Brand food items (Fov = .015 < .05). Based on the results from table 4.15, it can be said that the concern for the perceived lower-class image associated with buying or using the No Name Brand food items is shared mainly by the respondents within the 18-30, 30-40 and 40-50 age groups. Furthermore, the results on table 4.16 also highlighted that compared to the respondents within the 30-40 age category, the matter of perceived image seems to be an issue for the younger age group (18-30) and for the respondents under the 40-50 age group.

4.4.3.2 "Buying No Name Brand food items is something people may look down upon"- the impact of Education

Table 4.17 "Buying No Name Brand food items is something people may look down upon" * Education- Crosstabulation

			Education Level				Total
			Tertiary Education	Matric	high school	Incomplete schooling	
Buying No Name Brand food items is something people may look down upon	Strongly Agree	Count	3	6	1	3	13
		% within Education Level	**20.0%**	**20.7 %**	**5.3%**	**17.6%**	**16.3 %**
	Agree	Count	8	13	10	6	37
		% within Education Level	**53.3%**	**44.8 %**	**52.6%**	**35.3%**	**46.3 %**
	Neutral	Count	4	7	5	7	23
		% within Education Level	**26.7%**	**24.1 %**	**26.3%**	**41.2%**	**28.8 %**
	Disagree	Count	0	3	3	1	7
		% within Education Level	**.0%**	**10.3 %**	**15.8%**	**5.9%**	**8.8%**
Total		Count	15	29	19	17	80
		% within Education Level	100.0%	100.0 %	100.0%	100.0%	100.0 %

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.519(a)	9	**.687**

a. 10 cells (62.5%) have expected count less than 5. The minimum expected count is 1.31.

According to the results from the chi-square test there were no significant differences between the respondents under the surveyed education categories in their response to the statement concerning the influence of psychosocial factors on consumer perception toward the No Name Brand food items (Fov =.687 > .05).

4.4.3.3 "Buying No Name Brand food items is something people may look down upon" - the impact of Income

Table 4.18 "Buying No Name Brand food items is something people may look down upon" * Income - Crosstabulation

			Income Level					Total
			under 2000	2001-4000	4001-6000	6001-8000	over 8000	
Buying No Name Brand food items is something people may look down upon	Strongly Agree	Count	6	1	5	1	0	13
		% within Income Level	**33.3%**	**4.8%**	**31.3%**	**7.1%**	**.0%**	**16.3%**
	Agree	Count	9	9	9	5	5	37
		% within Income Level	**50.0%**	**42.9%**	**56.3%**	**35.7%**	**45.5%**	**46.3%**
	Neutral	Count	3	9	2	4	5	23
		% within Income Level	**16.7%**	**42.9%**	**12.5%**	**28.6%**	**45.5%**	**28.8%**
	Disagree	Count	0	2	0	4	1	7
		% within Income Level	**.0%**	**9.5%**	**.0%**	**28.6%**	**9.1%**	**8.8%**
Total		Count	18	21	16	14	11	80
		% within Income Level	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.628(a)	12	**.017**

a. 13 cells (65.0%) have expected count less than 5. The minimum expected count is .96.

The result from the chi-square test reveals that there is a significant difference between the respondents under the surveyed income groups in their response to the statement concerning the image related with purchasing or using the No Name Brand food items (Fov = .017 < .05). According to the results from Table 4.18, compared to the sample under the other income groups, respondents within the income level of 4001-6000 rand the lowest income level (below 2000 rand) seem to agree much with the statement that there is a perceived lower-class image associated with buying the No Name Brand food items.

4.4.4 Results of Hypothesis Testing

A nonparametric test of significance, the chi-square test is used in testing the research hypothesis of the study. The statement on the column side of the crosstabulation, is taken as an independent one and the statement on the row side of the cross tabulation is taken as a dependent one.

Table 4.19 "Buying No Name Brand food items provides a high quality product" * "Generally speaking the lower price of food items indicates lower quality"- Crosstabulation

			Generally speaking the lower price of food items indicates lower quality				Total
			Strongly Agree	Agree	Neutral	Disagree	
Buying No Name Brand food items provides a high quality product	Strongly Disagree	Count	2	1	0	0	3
		% within Generally speaking the lower price of food items indicates lower quality	**40.0%**	**3.0%**	**.0%**	**.0%**	**3.8%**
	Disagree	Count	1	21	7	9	38
		% within Generally speaking the lower price of food items indicates lower quality	**20.0%**	**63.6%**	**33.3%**	**42.9%**	**47.5 %**
	Neutral	Count	2	8	9	9	28
		% within Generally speaking the lower price of food items indicates lower quality	**40.0%**	**24.2%**	**42.9%**	**42.9%**	**35.0 %**
	Agree	Count	0	3	5	3	11
		% within Generally speaking the lower price of food items indicates lower quality	**.0%**	**9.1%**	**23.8%**	**14.3%**	**13.8 %**
Total		Count	5	33	21	21	80
		% within Generally speaking the lower price of food items indicates lower quality	100.0%	100.0 %	100.0%	100.0%	100. 0%

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.355(a)	9	**.001**

a. 10 cells (62.5%) have expected count less than 5. The minimum expected count is .19.

The chi-square result is significant (Fov = .001 < .05). Based on the decision rule, the null hypothesis for this study is accepted as the observed F value (Fov) which is .001 is less than the critical F value (Fcv) which is .05. the result from the Chi-square test implies that consumer's perception toward the quality of the No Name Brand food items is influenced by the general bias consumers have toward the lower priced store brand food items.

The results from table 4.19 also indicate that majority of those respondents who underrated the quality of the No Name Brand food items also agreed or strongly agreed with the concept of lower price as an indicator of lower quality when it come to food items.

Chapter 5 - Summary and Discussion of the Findings

In this chapter the major findings of the study along with their implications are outlined. The findings are summarized under the four objectives of the study.

5.1 Introduction

The main objective of this study is to get greater insight into consumer perception toward the No Name Brand food items by investigating the influence of those selected economic and psychosocial factors and to determine the role of the 3 important consumer variables i.e. age, level of education and income category in the resulting favourable or unfavourable consumer perception toward those products. For that purpose three objectives were identified and the overall findings are presented in this section.

5.2 Findings on consumer awareness and usage level of the No Name Brand food items

- The results show that all the surveyed consumers are aware of the No Name Brand food items.

- It was found that the majority of the respondents from all the surveyed age, education and income groups buy the No name Brand food items. However, it was also found that majority of the respondents buy those products sporadically.

- Though the awareness level seems to be high among all the surveyed consumers, the image of the No Name Brand food items is not established on a solid ground for consumers to include them in their shopping list.

- Majority of the respondents have shown their agreement that greater knowledge about the No Name Brand food items would lead to greater use.

5.3 Findings on consumer perceptions toward the Price and Quality the No Name Brand food items

- It was found that most respondents perceive that buying No Name Brand food items provide with an opportunity to save some money.

- It was found that quality of the No Name Brand food items were not very highly rated by majority of the respondents.

- Majority of the respondents indicated they could make the decision of buying No Name Brand food items easily with out spending much time and energy for planning. Moreover, the analysis showed that it is not as such difficult for many of the respondents to locate the No Name Brand food items in the Pick n' Pay stores.

- It was found that many of the respondents equated lower price of food items with poor quality.

- It was found that there is a general view among majority of the respondents that the No Name Brand food items are not good substitutes to other similar products under the national brands.

5.4 Findings on the influence of psychosocial factors on consumer perceptions toward the No Name Brand food items

- It was found that most respondents were not encouraged by their family to buy the No Name Brand food items. This clearly shows the negative influence family had in shaping the respondents perception and willingness to buy the No Name Brand food items.

- It was also found that majority of the respondents had concerns regarding the perceived negative image which others can implicate up on them with buying and using the No name Brand food items.

- Majority of the sample indicated their hesitation to serve the No Name Brand food items to their guests (visitors). This lower enthusiasm might be related to the above stated respondents' general predisposition that an open consumption of the No Name Brand food items might lead to being perceived as lower class by other people.

5.5 Findings on the influence of Age, Education and Income on consumer perceptions toward the No Name Brand food items

- It was found that Age, Level of Education and Income have no bearing on consumer awareness of the No Name Brand food items. However, it was found that Level of Income did play a role on the actual usage and frequency of purchase of the No Name Brand food items. Respondents with lower- to- middle income levels (below 2000, 2001-4000 and 4001-6000 rand) purchase more No Name Brand food items compared to the respondents in the two higher income brackets (6001-8000 and over 8000 rand).

- It was found that the perception toward the saving obtained from purchasing the No name Brand food items varied with income. The results also showed that the perception toward the saving benefits associated with the No Name Brand food items diminishes as the respondents' income level increases.

- It was found that majority of respondents within the surveyed age, education and income groups underrated the quality of the No Name Brand food items.

- It was found that both age and income have an impact on the strength of the concern consumers have regarding the perceived lower image associated with using the No Name Brand food items

- The hypothesis testing showed significant correlation between consumer's unfavourable perception toward the quality of the No Name Brand food items and the general bias consumers have toward the lower priced store brand food items.

5.6 Summary

Overall there is a good indication that most respondents surveyed were well aware of the No Name Brand food items and buy the products occasionally. However, majority of the respondents were not ready to include those products in their shopping list. This implies that, so far, the image of the No Name Brand food items is not well established to create a strong base of loyal consumers.

When it comes to the price of the no name brand food items, consumers are well convinced about the availability of saving associated with buying those products. On the other hand, consumers do not have an overwhelming favourable perception towards the quality of the No Name Brand food items. On the top of that, a large number of respondents also associated lower price of food items with lower quality. This implies that the lower price of the No name brand food items might have its own contribution toward the prevailing consumer perception of quality of those products. The literature review has indicated consumers have a tendency to impute a quality on the bases of price and the findings of this study seem to agree with it.

The findings also revealed that the consumption behaviour of No Name brand food items is greatly influenced by psychosocial factors including the immediate family, friends and the general perception the general public have on lower priced food items which also include the no name Brand food items.

With regard to the influence of the three demographic variables, the findings are showing that compared to education; age and income have more bearing on various aspects of the No Name Brand consumption behaviour.

Chapter 6 - Conclusion and Recommendations

Based on the findings of the study relevant conclusions and recommendation are drawn.

6.1 Conclusion

The literature review showed that there are ample opportunities for South African retailers to maximize on the store brand category as the market is far from being saturated. However some studies also indicated that for various reasons, there were currently no major store brand strategies and store brands were not perceived as of value by consumers as yet. The reasons as to why store brands are not perceived of value and why the usage level is not as much as it should be are not clearly known. This study tried to uncover some the reasons by investigating consumer perceptions on the No Name Brand food items which is one form of store brands prevailing in South Africa.

Experiences form other countries with well established store brand markets showed that achieving the growth opportunities on the store brand category require retailers to have the greatest commitment to quality, along with delivering a product which meet the standards of today's consumer expectations on a permanent base . Moreover, the product being packaged should correspond to the image of the store. The findings of this study do indicate that as much as consumers are aware of the No Name brand food items, they are not entirely convinced about the attributes of those products such as the quality and the perceived lower self image which they feel those products convey. One important finding though, is that the No Name Brand food items are occasionally purchased by consumers with various socio-economic backgrounds which is a very encouraging factor for the future growth of those products. With increased commitment to quality and higher consumer awareness level, it is still possible to positively influence consumer perceptions to a larger degree.

Finally this study also tried to show the importance of market research in developing a clear understanding of consumer needs and motives which is fundamental to the formulation of successful marketing strategy for store brands and the strong need for future research on this area.

6.2 Recommendations

Drawing form the conclusions of this study the following recommendations can be made. Recommendations are made in line with the following three elements of the marketing mix: product, price and promotion

6.2.1 Product

Product is regarded as the key variable in the marketing mix and all product decisions impact on the other decisions of the marketing mix. The findings of the study showed that consumers had reservations on the quality of the No name Brand food items. Therefore the first step for the Pick' n Pay Group should be undergoing quality assessments. Such assessments will help the company to ensure that its products live up to consumers' expectations and that negative consumption experiences do not undermine the brand promise that is being developed and executed.

Category management is also the key to success as factors that influence product selection varies widely across categories. Currently the company has various food items under the No Name brand categories. However, experience in other countries also shows that carrying more store brands does not guarantee success. Therefore, the company is advised to look at each category individually and understand what factors drive purchase. In this manner, the company should focus on the winning categories by providing all the necessary marketing support. The decision on the category assortment could be based on market research and past sales.

While discussing the product strategy it is also important to mention about packaging. The company should undertake an investigative research on consumers' view on the present packaging of the No Name Brand food items. Many leading store brand retailers have gained a successful result by applying package designs that clearly project their store brand image and identity, attract attention at the shelf, promote value and quality and reinforce the brand message with the consumer at the point-of-purchase.

6.2.2 Price

It is obvious that price as an important marketing tool sells products and services. The findings of the study revealed that consumers are well convinced that purchasing No Name Brand food items help to save some money. This can be interpreted as a positive support for the Pick' n Pay Group to maintain the current value for money pricing strategy for those products. However, it is also important to emphasise the impact of the pricing strategy on how the products would be perceived in terms of quality.

The findings of the study have indicated that most of the respondents have the tendency of attributing lower price to lower quality. Therefore, the company should consistently analyse the pricing strategy for the No Name Brand food items and ensure that it is defined in line with the overall resonant functional and emotional attributes and benefits which consumers expect form the products.

6.2.3 Promotion

Various studies are indicating that effective marketing strategy for store brands requires a combination of preferential merchandising, displays, advertising and promotions. The findings of the study have indicated that most respondents think of the No Name Brand food items only when they come to the Pick' n Pay's discount stores. This clearly shows that the need for aggressive in-store and out-store promotional activities.

The in-store promotional activities could include with a combination of trial-generating promotions and brand messages. Optimizing the No Name Brand food items awareness at the point-of-purchase and providing in-store samples could help the company to attract more consumers.

Advertising on various media plat forms should also be part of the promotional campaign with reminding and persuading objectives. The advertising appeals should focus eliminating the low equality perceptions and issues concerning public usage of the products.

6. 3 Recommendations for Future Study

As this survey was limited to Durban metro area, another survey could be carried out in other cities and provinces to determine whether consumer perceptions toward the No Name Brand food items are consistent.

It is also possible to increase the depth of the analysis by investigating the impact of other demographic variables such as sex and race on consumer perceptions towards those products.

The primary date collection method can also be improved by including open ended questions and a bigger sample size could be used in a follow up study.

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8. APPENDICES

Appendix 1

Research Questionnaire

The aim of this questionnaire is to obtain a clear understanding of your feelings (perceptions) toward the No Name Brand food items.

Demographic details

1. Age:

18-30 ☐ 30-40 ☐ 40-50 ☐ 50 &over ☐

2. Educational qualification:

University/ Technicon ☐ Matric ☐ High school ☐ other ☐

3. Income category:

Under 2000 ☐ 2001- 4000 ☐ 4001-6000 ☐ 6001-8000 ☐ over 8000 ☐

Please put a tick in the box that most accurately indicates your response for each of the following questions. Please feel free to give your response, there is no right or wrong answer.

Awareness and Usage Level of the No Name Brand food items

1. I am well aware of the No Name Brand food items

Yes ☐ No ☐

2. I buy No Name Brand food items

Always ☐ Sometimes ☐ Never ☐

3. I include the No Name Brand food items in my shopping list

Strongly agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4) I think of the No Name Brand food items only when I see them in the shop

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5) Greater knowledge about the No Name Brand food items will lead to greater use

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6) Retailers should continue developing and providing generic products such as the No Name Brand food items

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ strongly Disagree ☐

Perception toward the Price and Quality of the No Name Brand food items

7) Buying No Name Brand food items saves a lot of money

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8) Buying No Name Brand food items provides a high quality product

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9) Buying No Name Brand food items requires a lot of planning before shopping

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10) Buying No Name Brand food items requires a lot of searching in the store

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

11) Generally speaking the lower price of food items indicates lower quality

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

12) The No Name Brand food items are good substitutes to other similar food items under national brands

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

The Impact of Psychosocial Factors

13) Buying No Name Brand food items is something my family likes me to do

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

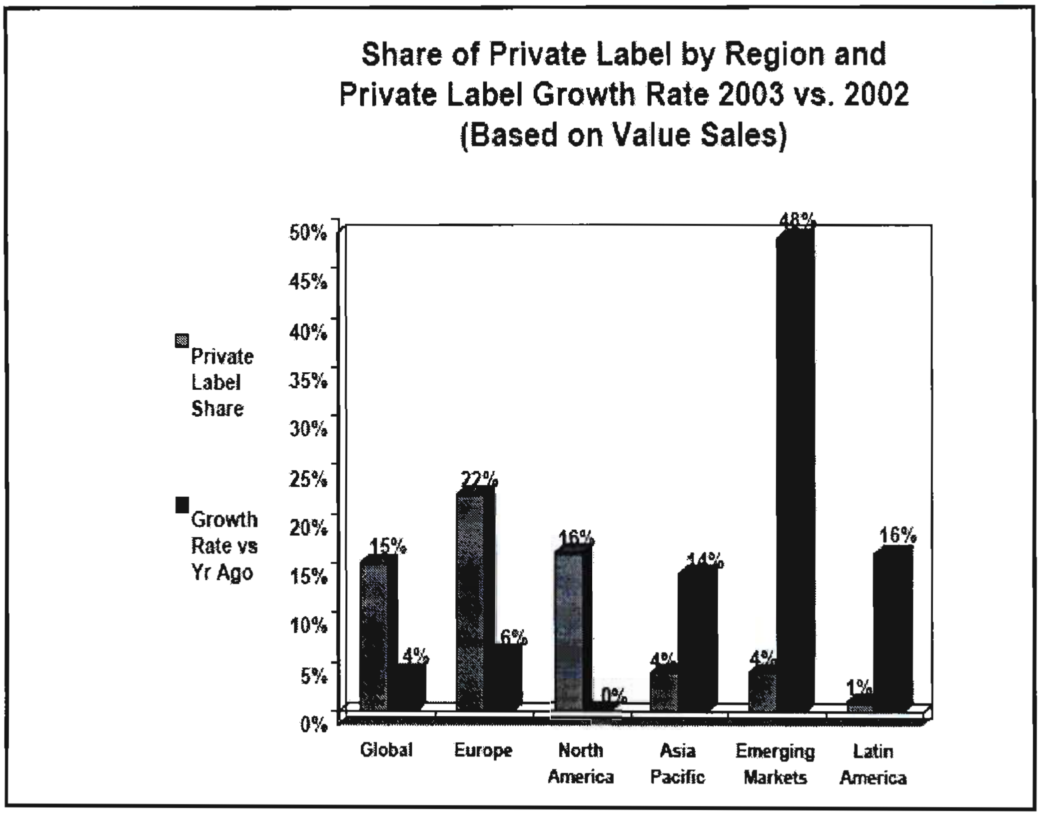
14) Buying No Name Brand food items is something people may look down upon.

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

16) I would not mind serving No Name Brand food items to my guests (visitors)

Strongly agree ☐ Agree☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Appendix 2



Adopted form: ACNielsen, (2003) The power of Private label: a review of growth trends around the world [Online]. Available from: http://www.acnielsen.fi/tiedotteet/ThePowerofPrivateLabel.pdf [Accessed 20th March 2004].

Appendix 3

Value Shares of Private Label by Country

	COUNTRY	REGION	PL SHARE		COUNTRY	REGION	PL SHARE
1	Switzerland	Europe	38%	19	Ireland	Europe	7%
2	Great Britain	Europe	31%	20	Finland	Europe	7%
3	Germany	Europe	27%	21	South Africa	Emerging Markets	6%
4	Belgium	Europe	24%	22	Czech Republic	Emerging Markets	4%
5	Spain	Europe	23%	23	Japan	Asia Pacific	4%
6	France	Europe	21%	24	Hong Kong	Asia Pacific	3%
7	Canada	North America	20%	25	Greece	Europe	3%
8	Netherlands	Europe	19%	26	Puerto Rico	Latin America	3%
9	United States	North America	15%	27	Colombia	Latin America	2%
10	Denmark	Europe	13%	28	Argentina	Latin America	2%
11	Austria	Europe	12%	29	Chile	Latin America	2%
12	New Zealand	Asia Pacific	11%	30	Poland	Emerging Markets	2%
13	Australia	Asia Pacific	11%	31	Singapore	Asia Pacific	1%
14	Portugal	Europe	11%	32	Mexico	Latin America	1%
15	Sweden	Europe	11%	33	Thailand	Asia Pacific	1%
16	Italy	Europe	10%	34	Brazil	Latin America	1%
17	Hungary	Emerging Markets	8%	35	South Korea	Asia Pacific	<0.5%
18	Norway	Europe	8%	36	Philippines	Asia Pacific	<0.5%

Adopted from: ACNielsen, (2003) The power of Private label: a review of growth trends around the world [Online]. Available from: http://www.acnielsen.fi/tiedotteet/ThePowerofPrivateLabel.pdf [Accessed 20th March 2004].

Appendix 4

Top Ten Fastest Growing Private Label Markets (Based on Value Sales)

	COUNTRY	REGION	PL GROWTH	MANUF GROWTH	PL VALUE ($000)	PL SHARE
1	Poland	Emerging Markets	115%	4%	171,413	2%
2	Philippines	Asia Pacific	48%	2%	158	0%
3	Czech Republic	Emerging Markets	44%	-2%	114,006	4%
4	Hungary	Emerging Markets	44%	8%	250,227	8%
5	Thailand	Asia Pacific	35%	9%	38,123	1%
6	Colombia	Latin America	31%	11%	48,632	2%
7	Argentina	Latin America	31%	19%	96,526	2%
8	South Africa	Emerging Markets	28%	7%	272,987	6%
9	Sweden	Europe	25%	2%	640,663	11%
10	Japan	Asia Pacific	23%	3%	1,252,454	4%

Adopted from: ACNielsen, (2003) The power of Private label: a review of growth trends around the world [Online]. Available from: http://www.acnielsen.fi/tiedotteet/ThePowerofPrivateLabel.pdf [Accessed 20th March 2004].

Appendix 5

Price Differential Between Private Label and Manufacturer Brands by Country

	COUNTRY	REGION	PL PRICE DIFFERENTIAL		COUNTRY	REGION	PL PRICE DIFFERENTIAL
1	Poland	Emerging Markets	- 50%	19	Thailand	Asia Pacific	- 31%
2	Australia	Asia Pacific	- 46%	20	Argentina	Latin America	- 29%
3	Germany	Europe	- 45%	21	Switzerland	Europe	- 29%
4	Belgium	Europe	- 45%	22	Netherlands	Europe	- 28%
5	Spain	Europe	- 43%	23	Canada	North America	- 28%
6	Greece	Europe	- 41%	24	Japan	Asia Pacific	- 27%
7	Ireland	Europe	- 40%	25	Mexico	Latin America	- 27%
8	Portugal	Europe	- 39%	26	Italy	Europe	- 26%
9	Hungary	Emerging Markets	- 38%	27	Sweden	Europe	- 26%
10	Austria	Europe	- 36%	28	Singapore	Asia Pacific	- 25%
11	Philippines	Asia Pacific	- 35%	29	Denmark	Europe	- 24%
12	Finland	Europe	- 34%	30	France	Europe	- 24%
14	Czech Republic	Emerging Markets	- 33%	31	South Africa	Emerging Markets	- 24%
15	Norway	Europe	- 32%	32	Chile	Latin America	- 23%
13	United States	North America	- 31%	33	Brazil	Latin America	- 22%
16	New Zealand	Asia Pacific	- 31%	34	Colombia	Latin America	- 15%
17	Puerto Rico	Latin America	- 31%	35	Hong Kong	Asia Pacific	- 10%
18	Great Britain	Europe	- 31%	36	South Korea	Asia Pacific	n/a

Adopted from: ACNielsen, (2003) The power of Private label: a review of growth trends around the world [Online]. Available from: http://www.acnielsen.fi/tiedotteet/ThePowerofPrivateLabel.pdf [Accessed 20th March 2004].

Appendix 6 - Results of the Reliability Analysis

E L I A B I L I T Y   A N A L Y S I S   -   S C A L E   (A L P H A)

Analysis of Variance

Source of Variation	Sum of Sq.	DF	Mean Square	F	Prob.
Between People	100.8325	79	1.2764		
Within People	1209.4667	1120	1.0799		
Between Measures	445.8367	14	31.8455	46.1232	.0000
Residual	763.6300	1106	.6904		
Nonadditivity	10.5361	1	10.5361	15.4595	.0001
Balance	753.0939	1105	.6815		
Total	1310.2992	1199	1.0928		
Grand Mean	2.9758				

Tukey estimate of power to which observations
must be raised to achieve additivity = -.4782

Reliability Coefficients

N of Cases = 80.0   N of Items = 15

Alpha = .5401