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Consumers' preferences for private and national brand food products

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“We also boast of our troubles, because we know that trouble produces endurance, endurance brings God’s approval, and his approval creates hope. This hope does not disappoint us, for God has poured out his love into our hearts by means of the Holy Spirit, who is God’s gift to us (Romans 5:3-5).” “And this small and temporary trouble we suffer will bring us a tremendous and eternal glory, much greater than the trouble. For we fix our attention not to what is seen but to what is unseen. What can be seen lasts only for a time, but what cannot be seen lasts forever (2 Corinthians 4:17-18).”

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CONSUMERS' PREFERENCES FOR PRIVATE AND NATIONAL BRAND FOOD PRODUCTS

SUMMARY

Introduction: The importance of brands and the competition between private and national brands in different food categories increased in recent years. According to literature, except for packaging and price, there is virtually no difference between the contents of food products in the majority of private and national brands. Private brands are usually cheaper than national brands. Previous research indicated consumers' preferences for private and national brand food products to differ between various products and in different regions. **Objective:** The aim of this study was thus to determine the relationship between consumers' brand preferences for different food products, in relation to their demographics and psychographics in a South African context. **Setting:** A mall intercept, interviewer administered questionnaire was used as a quantitative method in this study in Potchefstroom in a South African context. Consumers' preferences for private and national brand food products in different product categories were explored, using preference, psychographics and demographical questions simultaneously. **Results:** Respondents in this study preferred to purchase national brands in all products categories except for cooking oil. Considering eight psychographic factors that were extracted by exploratory factor analysis, two factors could be associated with positive reactions, while neutral reactions were evident for six factors. Respondents being indecisive on the majority of factors could be due to the fact that national brands were preferred for most products by respondents in the present study. **Conclusions:** Although brand preference depended on demographics and psychographics in previous research, the present study did not find significant relationships with psychographics when different products were used. Although a combination of demographic factors (mainly gender, education level, home language and employment status) could be useful in determining brand preference when used with specific products, home language and education level seem to be the most important factors. Therefore, brand preference depended on specific demographics for each product, while psychographic factors did not play a significant role. This implied that brand preference research should be product and region specific using specific demographic variables.

Keywords

Consumers' food preferences, food labelling, national brand, private brand, South Africa

VERBRUIKERS SE VOORKEURE VIR PRIVATE EN NASIONALE HANDELSMERK VOEDSEL PRODUKTE

OPSOMMING

Inleiding: Die belangrikheid van handelsmerke en die kompetisie tussen private en nasionale handelsmerke in verskillende voedselprodukkategorieë het oor die afgelope paar jaar toegeneem. Volgens literatuur is daar behalwe vir die verpakking en die prys geen verskil tussen die inhoud van voedselprodukte van die meeste private en nasionale handelsmerke nie. Private handelsmerkprodukte is gewoonlik goedkoper as nasionale handelsmerkprodukte. Vorige navorsing het aangedui dat verbruikers se voorkeure vir private en nasionale handelsmerk voedselprodukte tussen verskillende produkte en in verskillende streke verskil. **Doelwit:** Die doel van die studie was dus om te bepaal wat die verwantskap tussen verbruikers se handelsmerkvoorkeure vir verskillende voedselprodukte, in verwantskap tot demografiese en psigografiese eienskappe in Potchefstroom in 'n Suid-Afrikaanse konteks is. **Omgewing:** 'n Winkelsentrum onderskepte, onderhoudvoerder beheerde vraelys is gebruik as kwantitatiewe metode in die studie in Potchefstroom in 'n Suid-Afrikaanse konteks. Verbruikers se voorkeure vir private en nasionale handelsmerkvoedselprodukte in verskillende produkkategorieë is ondersoek, deur voorkeure, psigografiese en demografiese vrae gelyktydig te gebruik. **Resultate:** Respondente in hierdie studie het nasionale handelsmerke in al die produkkategorieë behalwe kookolie verkies. In ag genome die agt psigografiese faktore wat deur eksploratiewe faktoranalise verkry is, is twee faktore geassosieer met positiewe reaksies, terwyl neutrale reaksies vir ses faktore verkry is. Die feit dat respondente besluiteloos teenoor die meerderheid van die faktore was, kan daaraan te wyte wees dat nasionale handelsmerke vir die meeste produkte deur respondente in die huidige studie verkies is. **Gevolgtrekking:** Alhoewel handelsmerkvoorkeur van demografiese en psigografiese eienskappe in vorige studies afhanklik was, het die huidige studie nie betekenisvolle verwantskappe met psigografiese eienskappe gevind wanneer verskillende produkte gebruik is nie. Hoewel 'n kombinasie van demografiese faktore (hoofsaaklik geslag, opvoedingsvlak, huistaal en werkstatus) nuttig kan wees om handelsmerkvoorkeur met spesifieke produkte te bepaal, blyk huistaal en opvoedingsvlak die belangrikste faktore te wees. Handelsmerkvoorkeur was dus van spesifieke demografiese faktore vir elke produk afhanklik, terwyl psigografiese faktore nie 'n betekenisvolle rol gespeel het nie. Dit impliseer dat navorsing oor handelsmerkvoorkeur produk- en streekspesifiek behoort te wees en dat spesifieke demografiese veranderlikes gebruik behoort te word.

Sleutelwoorde

Verbruikers voedsel voorkeure, voedsel etiketering, nasionale handelsmerke, private handelsmerke, Suid-Afrika

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CHAPTER 1

INTRODUCTION

CHAPTER 1

INTRODUCTION

1.1 Background and motivation

Packaging communicates important information to consumers, for example the product ingredients, price, manufacturer, grade of the product, as well as protecting products, and is essential to distinguish one brand from another (Silayoi & Speece, 2004:610). Furthermore, consumers' purchase decisions are affected by elements of packaging such as size, shape, written information on food labels and graphics (Wandel, 1997:212; Silayoi & Speece, 2004:624). Preference implies that one product is of greater interest or is more desirable or is better liked than another product (Hornby, 2005:1142). Additionally, the logo of a brand is used by marketers as a form of symbolic communication to create awareness of a product, to induce purchase, to give the product a symbolic meaning or to show consumers how the product can fulfil their need better than a competitive product (Schiffman & Kanuk, 2010:281). However, the type of information most frequently used by consumers when making a purchase decision is brand name and price (Hoyer & MacInnes, 2008:215).

A brand of which the copyright is owned by a party other than the producer of the product such as a retailer, wholesaler or other intermediary is called a private brand (Baker, 1990:196; Sampson, 2006:32). A brand name of a distributor, retailer, or a brand name owned by the seller may be carried by the product, but the name of the producer or manufacturer remains unknown to the customer. Private brands are generally sponsored by large wholesalers, department stores, cooperative chains or consumer cooperatives (Ostrow & Smith, 1988:188). These brands are also known as store brands, private labels, distributor's brands, reseller brands, middleman brands, own brands and dealer brands (Ostrow & Smith, 1988:188; Sampson, 2006:32). Generic products which are also described as brand-free, no-names, housebrands and unbranded products are also a type of private brand (McGoldrick, 1984:5; Sampson, 2006:32). Since there are such a variety of different terms worldwide to describe these brands, the term private brand is used, for the purpose of this study.

A manufacturer brand, which is available nationally and is distinct from a regional or test-market brand, is also known as a national brand (Ostrow & Smith, 1988:140; Baker, 1990:167). National brands are advertised nationally by the manufacturer and often carry a distinctive and widely recognised brand name or trademark (Ostrow & Smith, 1988:140). For the purpose of this study on consumer preferences, the term national brand is used.

Private brand research which focusses on demographic and socio-economic characteristics of consumers has to date not provided a clear indication of consumers' purchase behaviour regarding private brands (Baltas, 1997:316). Demographics may give an indication of who purchases a product, while psychographics reveals why consumers purchase a product (Solomon, 2011:263). Ailawadi *et al.* (2001:86) find that private and national brands attract consumers with distinctly different psychographic characteristics. Psychographics uses psychological, subjective variables to categorize consumers in addition to demographics (Solomon, 2011:261). It explores the thoughts, feelings, lifestyles, values and belief systems of people within the context of a particular consumer behaviour decision-making process (Knipe, 2003:319). Furthermore, psychographic research refers to detailed information regarding consumers' activities, interests and perceptions towards brands (Solomon, 2011:267) and attempts to differentiate consumers in terms of their brand or product preferences (Solomon, 2011:266). Psychographic categorization is suggested in literature since demographic categorizing alone has not been able to significantly determine characteristics of the private brand food purchaser to date (Whelan & Davies, 2006:394). Therefore, psychographics was expected to be able to distinguish between South African consumers' preferences for private and national brand food products. For the purpose of this investigation, a combination of selective psychographic and demographic variables was used to determine the relationship between consumers' psychographics, demographics and their preferences for private and national brand food products.

The greater success of private brands in Europe than in the USA might partially be due to cultural differences (Richardson *et al.*, 1996:181). Private brands have a well-known and familiar status in some European countries. However, it is not clear whether the private brand is also a uniform and established concept in other cultural contexts (Uusitalo, 2001:214). Consumers living in different regions have dissimilar experiences with and expectations about private brand products (Omar *et al.*, 2004:54; Veloutsou *et al.*, 2004:238). It was therefore expected that the experiences,

expectations and preferences of consumers and the success of different brands in an emerging market, such as South Africa might differ from those of more developed economies.

According to trend analyses, emerging markets had the fastest growth of private brands and holds a 6% share of sales in these markets (ACNielsen, 2005:3). South Africa was ranked eighth in ACNielsen's top ten fastest growing private brand markets based on value sales. The growth of the private brand was estimated at 28%, while the growth of national brands was 7% for South Africa (ACNielsen, 2003:9). The reason for the different growth rates between private and national brand products is not clear, which merits an investigation of South African consumers' preferences for private and national brands.

Retailer's expenses may be 25% lower for a private brand than for a national brand (KPMG, 2004:11). This price difference is due to the fact that the national brand has expenses regarding research and development, as well as sales force, which private brand products do not have. The amount spent on advertising and promotion, transport and distribution as well as operating profit, accounts for the rest of the difference in purchase price (Davies & Brito, 2004:44; KPMG, 2004:11). The price difference between private and national brands in emerging markets on average is 40% (ACNielsen, 2005:5), which is more than a 25% price difference as stated above. Although consumers from lower socio-economic groups are expected to purchase private brands, consumers with a higher level of education and a higher income are more likely to purchase private brand products, which contradicts the stereotypes of private brand buyers as being in a lower socio-economic group (Baltas & Argouslidis, 2007:336). Therefore demographic characteristics such as income can not necessarily be used to distinguish between private and national brand consumers and price is not the only product attribute that influences product preferences. The effect of this price difference between private and national brand food products on the preference of South African consumers was investigated in the current study.

Consumers' perception and preferences for private brand products vary with different product categories and retail environments and previous studies limited their investigations to only one or two product categories, which cannot be generalised to all food categories (Hansen *et al.*, 2006:76; Mieres *et al.*, 2006:68; Baltas & Argouslidis, 2007:338; Cheng *et al.*, 2007:370; Herstein & Jaffe, 2007:17; Álvarez &

Casielles, 2008:38). In addition, extant research indicates that the more familiar consumers are with private brand products, the less they differ in terms of perceived risk between purchasing national and private brands, irrespective of the product category (Mieres *et al.*, 2006:76). Therefore, it was necessary to investigate consumers' preference for private and national brands within different food categories and retail environments in Potchefstroom as an exploratory study in the South African context.

1.2 Problem statement

Although previous research indicates that consumers from different socio-economic groups purchase both private and national brands, it does not provide a clear indication of the characteristics of the private and national brand consumers nor their preferences for private and/or national brand products. Due to cultural differences that might be partially responsible for the greater success of private brand products in European countries than in the USA, it was expected that cultural differences in South Africa would also have an influence on preferences of South African consumers. Based on evidence that consumers living in different regions could have dissimilar experiences with and expectations about private brand products, it was expected that South African consumers' preferences for private and national brands would differ from those of Europeans and Americans. Since it seemed that consumers' preferences for private brand products varied with different product categories and retail environments, and that previous studies' investigations were limited to only one or two product categories, it is necessary to investigate South African consumers' preference for private and/or national brands within different food categories and retail environments as being one of the fastest growing private brand markets. In previous studies, consumers' preferences for private and national brand food products could not be distinguished in terms of demographics. Selective psychographic criteria were therefore used to determine the relationship between consumers' psychographics and demographics and their preferences for multiple categories of private and national brand food products. The current study was executed in Potchefstroom as an example of consumers' buying behaviour and choice processes within different product categories in a South African context.

1.3 Aim and objectives

1.3.1 Aim

The aim of this study was to involve consumers in Potchefstroom in an exploratory study, as an example of the situation in a South African context, to determine and describe consumers' preferences for private and/or national brand food products through a study of the psychographic and demographic characteristics, which may influence their preferences for a variety of food products.

1.3.2 Objectives

The following objectives were formulated for this exploratory, descriptive study in order to reach the aim of the investigation:

- The first objective is to determine and describe consumers' preferences for different private and national brand food products in Potchefstroom as an example of a South African context.
- The second objective is to determine and describe the relationship between consumers' brand (private and national) preferences and selected demographic characteristics, namely age, gender, level of education, home language, employment status, marital status, household size and living standard measurement (LSM).
- The third objective is to determine and describe the relationship between consumers' preferences for private and national brand food products and selected psychographic variables as well as selected demographic characteristics.

The findings could be used to make recommendations to manufacturers and retailers to produce food products according to consumers' preferences and to promote products to consumers in a way that would inform them of product benefits so that products that they are less familiar with but that they could benefit from, could appeal to them. Retailers and manufacturers might have a better idea of the characteristics of the consumer who prefers a specific product and would be able to plan better when they know how many of a specific product should be available. This might ensure that these products are available according to consumers' needs, which would contribute to a more satisfying shopping experience for the consumer. Consumers would support retailers who fulfil their needs and thereby enhance their

quality of life. Although this study is limited to Potchefstroom, it will provide a basis for future studies on this topic in South Africa.

1.4 Demarcation of the field of study

The target population were consumers from any race and gender living in Potchefstroom in South Africa. Respondents had to be primary food purchasers, who purchase food at one of the chosen retail outlets which have both private and national brands on their shelves. Respondents had to be 18 years or older and able to speak Afrikaans, English or Setswana. A screening question was asked to ensure respondents met the inclusion criteria.

1.5 Method of investigation

A descriptive research approach in the form of a survey was followed and data were collected at the entrance of the selected retail outlets in Potchefstroom by means of a retail outlet intercept method, using an interviewer administered questionnaire. Purposive sampling, a non-probability method was used, since the target population were primary food purchasers, shopping for food products in retail outlets which sell both private and national brand food products. Six hundred and twenty respondents completed valid questionnaires.

1.6 Conceptual framework

Figure 1.1 provides a conceptual framework of the different concepts and how they fit together in this study. Respondents were asked which brand they prefer to purchase when buying specific food products (milk, frozen vegetables, canned vegetables, frozen seafood, frozen poultry, cheese, jam, cooking oil, rice, dry pasta, ice cream, juices, butter or margarine, yogurt, tomato sauce, coffee, tea, breakfast cereals, sweet biscuits, mayonnaise, chips, savoury crackers, carbonated beverages and soup powder) which were available as national or private brand products in the chosen retail outlets. Specific demographic variables, namely age, gender, level of education, home language, employment status, marital status, household size and LSM, were determined. These demographics were chosen, since literature indicates a relationship thereof with brand preference (Ailawadi *et al.*, 2001:78; Baltas & Papastathopoulou, 2003:503). Selected psychographic characteristics, namely quality conscious store and brand loyalty; conformists; price conscious planner;

storage space; time and financial constraints; mavenism and variety seeking were determined using a psychographic Likert scale from Ailawadi *et al.* (2001:73). The relationship between brand preference for the specific products and the selected demographic characteristics was determined with cross tabulations. The relationship between brand preference, selected demographic and psychographic factors was determined by stepwise logistic regression. Recommendations were made where a relationship was found between preference for either a national or a private brand of a specific product and specific demographic and psychographic characteristics.

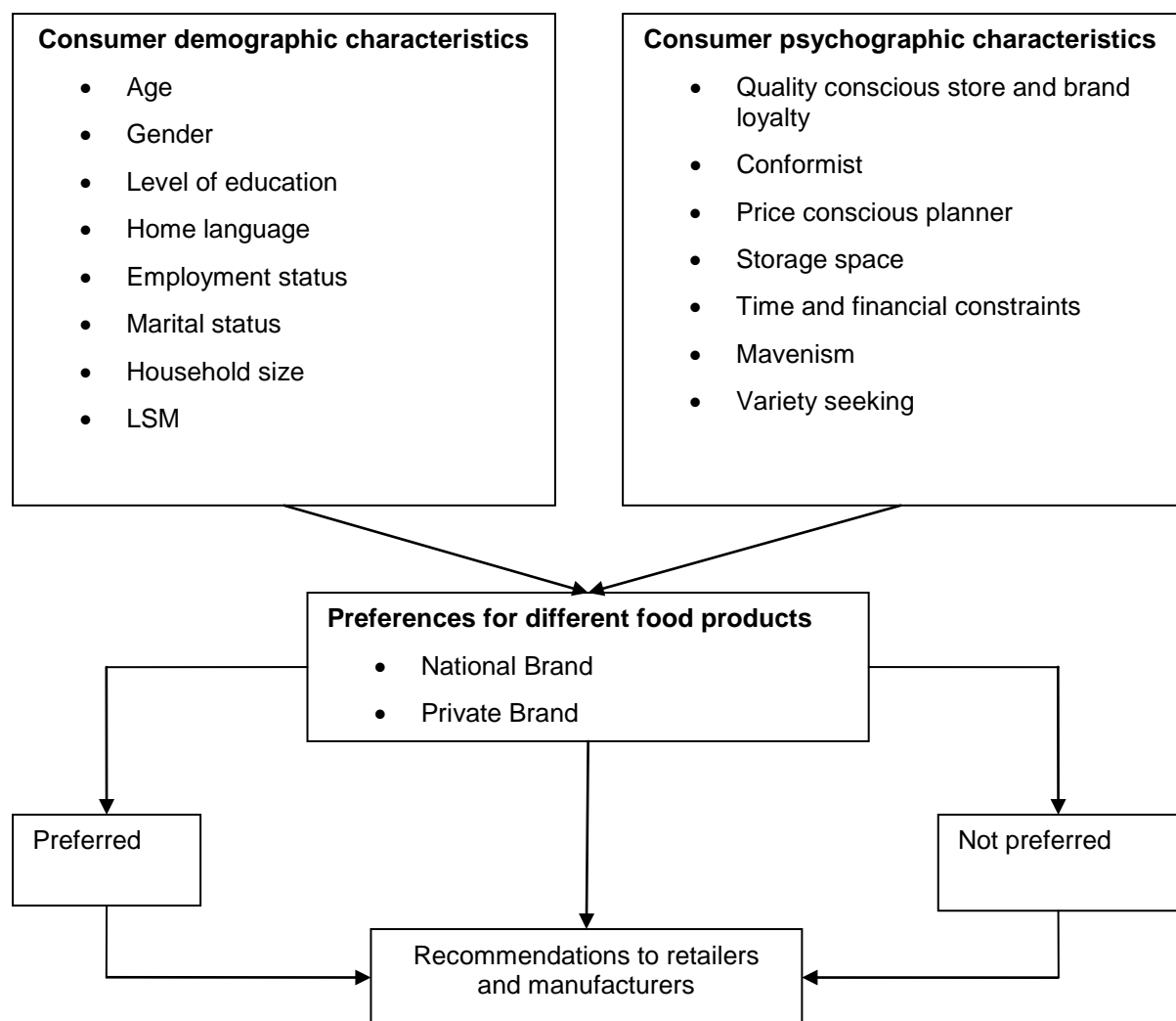


Figure 1.1 Conceptual framework for this study

1.7 Structure of mini dissertation

This mini-dissertation will be presented in article format. Chapter 1 provides an introduction, a brief background, motivation, demarcation of the field of study, method

of investigation, and problem statement emphasising the need for this study. Chapter 2 presents a literature review on the field of study. Chapter 3 is presented in article format according to the guidelines of *The International Journal of Consumer Studies*. The author guidelines are provided in Appendix F. An abstract, introduction, methodology, results and discussion and conclusion are included in this chapter. Due to word restriction on the length of the article, some additional information regarding the methodology, which did not justify a separate chapter, is provided in Appendix A. Letters of consent from the management of the retail outlets are provided in Appendix B. The respondents' letter of consent is provided in Appendix C. The complete questionnaire is available in Appendix D. Correspondence between the retail groups and the researcher is provided in Appendix E. Chapter 4 comprises a concluding discussion, including possible applications of the results and recommendations for future research. The bibliographical references used in chapters 1, 2 and 4 of this mini-dissertation are according to the mandatory style stipulated by the North-West University, while the specific authors' instructions regarding style for the *International Journal of Consumer Studies* were followed for the article in Chapter 3. The numbering of tables and figures was done according to the number of the chapter in this dissertation.

1.8 Authors' contribution

The study reported in this mini-dissertation was planned and executed by a team of researchers. The contribution of each researcher is given in the following table:

Table 1.1 Authors' contributions to the study

Name	Role in the study
L. Wyma	Author, responsible for literature research, collection, analysis and interpretation of data and the preparation of this mini-dissertation.
Prof. M. van der Merwe	Study leader and co-author of the article. Supervised the activities of the first author and writing of this mini-dissertation. Provided funding for this project.
Prof. M.J.C. Bosman	Co-supervisor and co-author of the article. Supervised the activities of the first author and writing of this mini-dissertation.

Name	Role in the study
Prof. A.C. Erasmus	Assistant supervisor and co-author of the article. Supervised the writing of this mini-dissertation.
Prof. H. Strydom	Assistant supervisor and co-author of the article. Supervised the writing of this mini-dissertation.

The following is a statement from the co-authors confirming their individual roles in the study and giving their permission that the article may form part of this mini-dissertation.

I declare that I have approved the article included in this mini-dissertation, that my role in the study, as indicated above, is representative of my actual contribution and that I hereby give my consent that it may be published as part of the Masters' mini-dissertation of Mrs L Wyma.

L. Wyma

Prof. M. van der Merwe

Prof. M.C.J. Bosman

Prof. A.C. Erasmus

Prof. H. Strydom

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CHAPTER 2

LITERATURE REVIEW

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Consumers are highly dependent on extrinsic attributes of food packaging to help them make purchase decisions at the point of purchase (Silayoi & Speece, 2007:1496; Wells *et al.*, 2007:684). Packaging attracts attention and in the case of food products, is important to distinguish one brand from another. It also communicates important information to consumers, e.g. the product ingredients, price, manufacturer, grade of the product, and it protects products, which is very important in terms of foods (Silayoi & Speece, 2004:610). Elements of packaging such as size, shape, written information on food labels and graphics affect consumers purchase decisions (Wandel, 1997:212; Silayoi & Speece, 2004:624). In addition, marketers use the logo of a brand as a form of symbolic communication to create awareness of a product, induce purchase, give the product a symbolic meaning or show consumers how the product can fulfil their need better than a competitive product (Schiffman & Kanuk, 2010:281). Furthermore, the type of information consumers most frequently use when making purchase decisions is brand name and price (Jacoby *et al.*, 1978:540; Hoyer & MacInnes, 2008:215). However, consumers have very complex ways of making decisions and the processes may be too complex to explain or predict consumers' choice between national and private brands (Livesey & Lennon, 1978:169). This research might be updated through a further investigation to explain, describe and possibly predict how consumers' preferences for and choice of private or national brand food products have changed since this study commenced as products have changed significantly over the years and consumers have also had more exposure to these different product categories in the mean time. Furthermore, consumers from different countries may differ in their expectations of different brands.

Consumers living in different regions have dissimilar experiences with and expectations about private brand products (Veloutsou *et al.*, 2004:238). Cultural differences might partially be responsible for the greater success of private brand products in Europe than in the USA (Richardson *et al.*, 1996b:181). Private brands have an established and recognised status in some European countries. However, it is not clear whether the private brand is also a uniform and established concept in

other cultural contexts (Uusitalo, 2001:214). Therefore it can be expected that the experiences, expectations and preferences of consumers and the success of different brands in an emerging market, such as South Africa, might differ from those of more developed economies.

Emerging markets are developing countries with indications of healthy economic advancement (Nakata & Sivakumar, 1997:463; Burgess & Steenkamp, 2006:338). Developing countries are characterised by rapidly growing populations, low levels of per capita income, illiteracy, low labour productivity, poor infrastructure, lack of capital, unsatisfactory amounts and types of food intake, high infant mortality, low life expectancy and a lack of public facilities (Samli & Kaynak, 1984:5). Although South Africa can be described as an emerging market, it is still characterised as a developing country in terms of the latter characteristics.

Emerging markets had the fastest growth of private brands in 2005 and holds a 6% share of sales in these markets (ACNielsen, 2005:3). As an emerging market, South Africa was ranked eighth in ACNielsen's top ten fastest growing private brand markets based on value sales. The growth of the private brand was estimated at 28%, while the growth of national brands was 7% for South Africa (ACNielsen, 2003:9). Furthermore South Africa has a high unemployment rate and the price difference between private and national brands might be related to the growth of private brands here, since consumers without an income are not able to purchase more expensive national brands.

A private brand may cost a retailer 25% less than a national brand (KPMG, 2004:11). Higher income consumers are generally not expected to purchase private brands. However, consumers with a higher level of education and a higher income have been found to be more likely to purchase private brand products (Baltas & Argouslidis, 2007:336). Demographic characteristics such as income are thus not necessarily able to distinguish between private and national brand consumers and price is not the only product attribute that influences product preferences.

Demographics may give an indication of who purchases a product, while psychographics reveals why consumers purchase a product (Solomon, 2011:263). Psychographics explore the thoughts, feelings, lifestyles, values and belief systems

of people within the context of a particular consumer behaviour decision-making process (Knipe, 2003:319). Furthermore, psychographic research refers to detailed information regarding consumers' activities, interests and perceptions towards brands (Solomon, 2011:267) and attempts to differentiate consumers in terms of their brand or product preferences (Solomon, 2011:266).

The purpose of this chapter was to provide an overview of literature related to research on consumers' preferences for private and national brand food products. Different types of brands were defined and discussed in the South African context, whereafter factors that influence brand preferences were investigated. Finally, characteristics of consumers who prefer different brand types were considered.

2.2 Different types of brands

Literature differs in the terminology used to distinguish between different types of private and national brands. Therefore, a differentiation between the terminologies used will be made, whereafter it will be explained in the South African context.

2.2.1 National brand

A manufacturer brand is also known as a national brand since it is available nationally and is distinct from a regional or test-market brand (Ostrow & Smith, 1988:140; Baker, 1990:167). National brands are advertised nationally by the manufacturer and often carry a distinctive and widely recognised brand name or trademark (Ostrow & Smith, 1988:140). For the purpose of this study on consumer preferences, the term national brand will be used.

2.2.2 Private brand

A private brand is any brand name of which the copyright is owned by a party other than the producer of the product, such as a retailer, wholesaler or other intermediary (Baker, 1990:196; Sampson, 2006:32). The product itself may carry a brand name of a distributor or retailer, or it may carry a brand name owned by the seller, but the name of the producer or manufacturer remains unknown to the customer. A private brand is generally sponsored by large wholesalers, department stores, cooperative chains or consumer cooperatives (Ostrow & Smith, 1988:188). Private brands are also known as store brands, private labels, distributor's brands, reseller brands, middleman brands, own brands and dealer brands (Ostrow & Smith, 1988:188;

Sampson, 2006:32). Generic products which are also described as brand-free, no-names, house brands and unbranded products are also a type of private brand (McGoldrick, 1984:5; Sampson, 2006:32). Since there are such a variety of different terms worldwide to describe these brands, the South African context will be discussed and the term private brand will be used.

2.2.3 Private and national brands in the South African context

Little empirical evidence could be found regarding South African consumers' purchase behaviour and preference for private and national brand food products (Erasmus, 1995:16). Generic brands were studied by Forword (1987) and consumers perceptions of generic brands by Erasmus (1992). In South Africa private brand products are not necessarily the lowest priced products on the shelves, but are value for money products sold at a price at least 10% cheaper than the market leader's price (Erasmus, 1993:43). According to Hinchey (as quoted by Erasmus, 1993:41) private brands are advertised in South Africa to build awareness amongst consumers, and to a lesser extent to keep costs low. In economies such as South Africa, national brand manufacturers also supply private brands (Sampson, 2006:33). Therefore quality is a high priority for South African private brand products (Erasmus, 1995:18). The retail situation has changed in South Africa since these studies were conducted and more recent scientific literature on the South African situation could not be found. Available literature on consumers' brand preferences will therefore be discussed.

2.3 Factors influencing consumers' preference for private and national brand food products

Preferences are formed when consumers process available information which ultimately lead to purchase intentions (Schiffman & Kanuk, 2010:481). It implies that one product is of greater interest, is more desirable or is better liked than another product (Hornby, 2005:1142). Preferences may be a reflection of perceptions of brands as opposed to physical characteristics of the goods (Bronnenberg *et al.*, 2007:12). Therefore it is important to distinguish between private and national brand products and factors that influence brand preferences. Factors that influence consumers' brand preferences are retailers' marketing mix activities, the socio-cultural environment, psychographics and perception and will be discussed in the following sections.

2.3.1 Marketing mix activities

The marketing mix activities of organisations refer to the way in which companies' product, promotion, price and channels of distribution (stores) are approached within broader marketing strategies to communicate the benefits of their products and services to potential consumers (Sheth & Mittal, 2004:284; Schiffman & Kanuk, 2010:483). This is done because consumers differ and different stimuli will affect individual consumers differently. For the purpose of this review, the following marketing mix activities will be discussed in more detail: product, promotion, price and channels of distribution.

2.3.1.1 Product as a marketing mix activity

A supermarket or grocery store sells many products, for example perishables and non perishables. In the non perishable category, several brands of the same product, for example coffee, is offered for sale. By using the available information, the consumer has to decide whether to purchase a private brand or a national brand product. Fast moving consumer goods, such a grocery products, especially food products, are of interest here, since consumers' perception of private brand products varies with different product categories (Bellizzi *et al.*, 1981:60-61; Sethuraman & Cole, 1999:342) and may also differ within the grocery sector. Therefore specific products within the grocery sector should be investigated, since a consumer may have different brand preferences for different food products.

Consumers' preferences for private brands vary across different product categories (Erdem *et al.*, 2004:99). Private brands are better positioned in certain categories, since they attract buyers primarily due to strong preferences rather than price concerns (Hansen *et al.*, 2006:88). Therefore differences between product classes with different private brand shares should be investigated (Baltas & Doyle, 1998:796). Previous studies only examined one or two product categories, which is not representative of all categories (Dick *et al.*, 1995:16). Therefore research should include a greater variety of product categories in various stores.

Personal involvement with a product category indirectly affects the decision to purchase private brands (Miquel *et al.*, 2002:12). When consumers are highly involved with the product class, they are more likely to experiment by trying different

brands to be able to form more confident opinions and preferences regarding available alternatives (Baltas, 1997:320). The greater the knowledge a consumer possesses of a product category being evaluated, the greater the possibility that the private brand will be purchased (Miquel *et al.*, 2002:12). In addition, consumers' perceptions of private brand products vary with different product categories (Bellizzi *et al.*, 1981:60-61; Sethuraman & Cole, 1999:342). If the greater knowledge of the category leads to the perception that differences exist in favour of the national brand, the national brand will be purchased (Miquel *et al.*, 2002:12). Therefore, personal involvement and knowledge regarding a product category as well as perceptions of the product category will influence purchase preferences.

When a category's benefits require trial or experimentation instead of searching through package label information, consumers tend not to choose private brands (Batra & Sinha, 2000:188). Furthermore, because private brands work with low budgets, they have difficulties when competing against multiple national brand manufacturers that invest significantly into media advertising (Hoch & Banerij, 1993:65). However, private brand purchases tend to increase when consumers who have actually purchased and tried them, discover that they are satisfied with the products (Batra & Sinha, 2000:187). Therefore private brands will be preferred in categories where experience of the product is not necessary, where there are limited national brands which are not widely advertised. A way in which consumers may become aware of a product is through promotions.

2.3.1.2 Promotions as a marketing mix activity

While national brand products use advertising and promotions to reach the consumer, private brands are able to cut costs by minimizing these expenses (Davies & Brito, 2004:44). National brands use discounts, while private brands are usually offered as products with everyday low prices (Ailawadi *et al.*, 2001:86). Discounts can modify consumers' preferences, depending on the product category and consumers' loyalty towards the brand (Álvarez & Casielles, 2008:38). Therefore the effectiveness of promotional actions depends on the type of product, the type of incentive and the loyalty developed by the consumer to the category of product (Álvarez & Casielles, 2008:40). Although private brands were not initially advertised in South Africa, nowadays they are advertised to increase consumers' awareness of private brands in South Africa across various consumer groups.

Private brand promotions attract consumers with psychographic characteristics related to economic benefits and costs (Ailawadi *et al.*, 2001:86). On the other hand, national brand promotions attract consumers with psychographic characteristics related to hedonic benefits and costs (Martínez & Montaner, 2006:166). Both private and national brand consumers are therefore attracted by promotions' cost-related psychographic characteristics. Whether consumers prefer private or national brand products, they will respond differently to different types of promotions. Therefore, product price is important to consumers who are affected by promotions. However, private brand promotions attract consumers who want to save, while national brand promotions attract consumers who want to save but still have pleasure from the products they purchase. Consumers who respond to in-store promotions are characterised by their price consciousness and attach less importance to product quality (Martínez & Montaner, 2006:166). These consumers enjoy planning and shopping and usually buy impulsively. They switch brands frequently, are attracted to new products and consider that they have enough storage space for extra purchases (Martínez & Montaner, 2006:166). However, consumers who use out-of-store promotions are price conscious, market mavens, who plan their shopping trips and enjoy doing it, but are also not quality conscious (Martínez & Montaner, 2006:166). Price and not quality may therefore be more important to consumers who are prone to promotions.

2.3.1.3 Price as a marketing mix activity

One of the biggest benefits of private brands is that these products are more affordable than many alternatives on the shelves. A private brand may cost a retailer 25% less than a national brand (KPMG, 2004:11). This difference is because the national brand has expenses regarding research and development, as well as marketing. Private brand products generally limit these expenses to the minimum. The amount spent on advertising and promotion, transport and distribution as well as operating profit, accounts for the rest of the difference in purchase price (Davies & Brito, 2004:44; KPMG, 2004:11). In emerging markets, the price difference between private and national brands is even more significant and could be up to 40% on average (ACNielsen, 2005:5). This price difference between private and national brands might be responsible for the growth of private brands in emerging economies such as South Africa.

The influence of price is very important when a consumer decides which brand to choose (Álvarez & Casielles, 2008:38). Private brands are more vulnerable to price fluctuations than national brands (Álvarez & Casielles, 2008:38). These brands are designed to attract consumers who do not want to pay for amenities such as packaging, labelling and variety of choice. However, private brands do not necessarily attract lower income consumers who are more economically disadvantaged (Cunningham *et al.*, 1982:31). Conversely, consumers in the USA, with a higher income are less price conscious and national brands are more readily purchased by higher-income consumers (Ailawadi *et al.*, 2001:80), while consumers with a lower income have a higher preference for lower priced private brands (Akabay & Jones, 2005:628). This contradiction may imply that not only price and income, but also quality influences consumers purchase preferences.

Unfortunately, private brands have been associated as products with lower prices but also by being of lower quality than national brands (Bellizzi *et al.*, 1981:57; Cunningham *et al.*, 1982:27; Richardson *et al.*, 1994:33; Dick *et al.*, 1995:18; Martínez & Montaner, 2008:488). When products are similar to each other and consumers are not familiar with them, they are inclined to use price as a surrogate for quality (Assael, 1998:238). Therefore consumers who use price as an indication of product quality are not expected to purchase private brands irrespective of their income.

Consumers from higher-income groups as well as consumers from lower-income groups are sensitive to product prices (Akabay & Jones, 2005:628) during times of financial difficulty. Recessions in the early 1980s and in 1990 have increased American consumers' price sensitivity (Assael, 1998:104). Price sensitivity is measured as a consumer's price elasticity or response to changes in price (Assael, 1992:652). American consumers' price sensitivity resulted in them paying more attention to unit pricing and checking the media for price promotions and increased purchases of private brand products (Assael, 1998:153). Usually lower income consumers use unit pricing, larger packaging sizes and promoted products during their purchase decisions when purchasing national brands (Akabay & Jones, 2005:628). Although price sensitive consumers are more likely to purchase private brands, families with more members and therefore a limited budget are not necessarily more prone to purchase private brands (Baltas & Argouslidis, 2007:337). Although it could be expected that larger families, with a limited budget will prefer the

cheaper brand, those who purchase national brands may still prefer the national brand, since they attach a high value to national brands. The influence of the current worldwide recession might therefore have a significant influence on consumers' private and national brand purchase behaviour.

Price consciousness and private brand purchase intention differ within product categories (Jin & Suh, 2005:67). This implies that a consumer purchasing groceries may purchase the cheapest product in one aisle, but use different criteria for another aisle's products, and purchases a more expensive product. Price consciousness has a positive influence on private brand purchase intention for food products (Jin & Suh, 2005:67). Consumers who purchase the cheapest brand are likely to purchase private brands, since private brands are usually offered at the lowest prices of the product category (Baltas, 1997:319). Since consumers may be price conscious in one product category, but not necessarily in another, a consumer who purchases a private brand in one category will not be a private brand purchaser in all categories. Therefore different products should be used when private brand preferences are studied. In addition, different stores should be used to insure that the purchase was related to the brand and not the store.

2.3.1.4 Channels of distribution as a marketing mix activity

Retailers or stores are the channels of distribution. Stores and the brands they sell may influence whether consumers purchase their products from one store or from another. Therefore store loyalty and factors that influence store loyalty, store selection criteria, store image as well as the retailers who sell private brands in South Africa will subsequently be discussed.

Store loyal consumers are prone to purchase private brand groceries of the store they patronise regularly because they trust the store/s (Assael, 1998:135; De Wulf *et al.*, 2005:228). When consumers have a strong preference for a particular store, they are store loyal (Assael, 1992:631). Consumers may be store loyal due to divergent factors such as price sensitivity, time constraints, store location and transport. Price sensitivity causes consumers to compare stores, which has a negative effect on store loyalty, while time constraints have a positive effect since consumers do not have time to go to different stores (Assael, 2004:81). Transport can also affect older downscale and lower income consumers who often lack the mobility to engage in

comparison shopping (Assael, 2004:83). Furthermore, considerable importance is attached to store location due to persistent shopping habits and overall high transportation cost (Baltas & Papastathopoulou, 2003:506). Therefore private brands might be purchased from a particular store since the consumer is loyal to the store or the store is situated nearby, rather than selecting the store since private brands are sold by the store.

In countries where private brands are undeveloped and not used as a means of store differentiation, private brand is a store selection criterion of low importance (Baltas & Papastathopoulou, 2003:506). Consumers may be loyal to a store not because it sells private brands, but because the store is close by and convenient. If the service of the store is satisfactory and the consumer starts to trust the store, private brands may be purchased. Consumers who are more familiar with a store and the product category tend to be more private brand prone (Baltas, 2003:1509). Therefore, retailers should select private brand manufacturers carefully, because private brands are umbrella brands and a mistake in one product could negatively affect the store image (Martínez & Montaner, 2008:489). A positive store image can therefore influence store selection, which may result in private brand purchases.

Store image may influence consumers' quality perception of private brand products offered by the store. Consumers who find a store unattractive and poorly kept, may transfer these qualities to the private brands sold by the store because the image of the store is directly associated with the private brand. Therefore a clean store where repairs are immediately done when necessary can help to enhance the overall quality perception of private brands because the image of the store affects everything that is associated with the store, even products that carry the label of the store (Richardson *et al.*, 1996a:24). National brands have to advertise each product individually to remain competitive in terms of the product offering in the stores. Because the image of the store is associated with the products of the store, an improvement in store aesthetics would simultaneously increase the attractiveness of the private brand offered by the store. However, Richardson *et al.* (1996a:25) only use a single product and suggest that different results may be found when other products and brands are used. Although store image may positively affect store loyalty, this will not necessarily lead to private brand purchase: it may, however, positively influence consumers to eventually consider it.

Private brand purchases are affected by store loyalty, since the value oriented private brand consumer looks around for better prices and therefore does not focus on one store (Baltas & Argouslidis, 2007:335). Additionally, product related criteria are the most important in both brand and store choice processes. These criteria include product brand name, price, quality, packaging, country of origin, and product features of which brand quality and attributes dominate the brand choice process, while merchandise quality and variety determine store support (Baltas & Papastathopoulou, 2003:506). Different stores may therefore attach various attributes, which influence consumers' store loyalty and product brand preferences.

The major retailers selling private brand food products in South Africa include Pick n Pay, Checkers, Shoprite, Spar and Woolworths (Joseph, 1996:44). Although these retailers sell private brands, their private brand strategies and target markets differ. Therefore, each retailer will be discussed briefly.

Pick n Pay launched their first private brand products, called "No-name" in 1976. The motive was that only top quality brand leaders should be used as suppliers, no advertising should be done or expensive packaging used and the products should be sold at 10% cheaper than the average branded lines (Forword, 1987:23). A few changes took place since the beginning of Pick n Pay's first private brand products. During 2007 Pick n Pay started launching a new look during a rebranding process. The Pick n Pay brand replaced the Choice and Foodhall private brands and the No-name brand was enhanced, but retained its name (Harrilall, 2007). The difference between the Pick n Pay and the Pick n Pay No-name brands are that Pick n Pay No-name brand products compete on price and quality against other value brands and that the No-name products will always be the cheapest on display with everyday low prices. The Pick n Pay brand products are guaranteed quality products at a better price offered as an alternative to national brands (Wright, 2009). Pick n Pay uses different manufacturers for their private brand products, of which some also manufacture private brands for other retailers. Many of these manufacturers also produce national brands which are sold in Pick n Pay supermarkets (Wright, 2009). The target market for Pick n Pay supermarkets is middle to high-income consumers in LSM groups 4-10 (Harrilall, 2007; Wright, 2009).

Checkers launched their Yellowband generic products in 1978 in addition to their housebrand (Forword, 1987:26). The Yellowband products were positioned as the

cheapest products on their shelves (Forword, 1987:27). The low prices are made possible by bulk purchases, unbranded products and absence of advertising (Forword, 1987:27). Checkers aimed to offer South African consumers Yellowband products of consistent quality at competitive prices (Forword, 1987:30). In 1991 the Shoprite group took over the Checkers chain and was known as Shoprite Checkers. In 2001 Checkers and Shoprite separated again. Although both retailers still belong to Shoprite holdings, they target different markets (Greeff, 2009a). The new Checkers targets consumers in the upper-income groups or LSM groups 7-10 (Greeff, 2009a). Their private brand is called Checkers housebrand and offers an economic brand, with a guaranteed quality at an affordable price (Greeff, 2009a). Shoprite, a chain of no-frill supermarkets, focuses on consumers from the lower- to middle-income groups or LSM groups 4-7 (Greeff, 2009b). The private brand of Shoprite is named Ritebrand and strives to be the cheapest product on the shelf without compromising on quality (Greeff, 2009b).

Spar has more than 800 exclusive Spar brand products in South Africa (Rampersad, 2009). Spar is the only supermarket group that targets all income groups or LSM 1-10 (Howell, 2009), depending on where the store is situated. This private brand offers leading quality products at competitive prices. Their “double your money back quality guarantee” ensures that consumers receive Spar brand products of the highest quality (Rampersad, 2009). Secondary manufacturers are used to produce their private brands, since they believe that primary manufacturers put their brand’s performance ahead of private brands (Howell, 2009). Spar has products in the commodity’s category which are the cheapest on the shelves, but they also have products in the premium categories, which are unique to Spar and could be more expensive than the brand leader. With their pay-off line: “As good as the best for less”, Spar attempts to match the quality of the brand leader in the category (Howell, 2009).

Marks & Spencer, a retailer regarded as a brand in its own right, only markets private brand groceries which are routinely sold at higher price points than equivalent national brands (Davies & Brito, 2004:50). Marks & Spencer has a good reputation for quality and spends heavily on product development even though it is not a manufacturer (Davies & Brito, 2004:50). In South Africa, the equivalent of Marks & Spencer is called Woolworths. The Woolworths or Marks & Spencer brand can be seen as a premium private brand. For consumers who are more quality sensitive than price sensitive, Marks & Spencer provides a private brand with a high or even

higher quality than national brands (Erdem *et al.*, 2004:99). Since the purpose of this brand is not to be in competition with national brands, Woolworths may not be included in a study comparing private and national brands in one retail outlet.

2.3.2 Social cultural environment

Influences such as social class, subcultures and culture are included in the socio-cultural environment (Schiffman & Kanuk, 2010:484). These influences can be explained by using descriptive characteristics of a population that would provide characteristics to describe its profile. For example age, gender, income and occupation are known as demographics (Solomon, 2011:32). Demographic factors such as age, family size, full-time employment and promotion sensitivity are not significant indicators of private brand prone purchasers (Baltas, 2003:1510; Hansen *et al.*, 2006:88). It is important to investigate the demographic variables of a population in terms of the topic under investigation, since literature related to consumer characteristics determining their preferences for private brands is dated and may not describe today's consumer (Baltas & Doyle, 1998:797). Conclusive answers are not possible without data from other countries and product categories that would enable the researcher to set the findings in a specific context (Baltas, 2003:1510). Since South Africa has such a diverse range of cultures and a variety of social classes, the influences of social class and culture will be discussed further.

2.3.2.1 Social class

Grocery shoppers differ in terms of socio-economic status, personal characteristics and brand preference behaviour (Omar *et al.*, 2004:39). Social class can be measured using demographic variables such as education, occupation and income, where individuals with similar values, product preferences and purchase behaviour are hierarchically grouped together (Schiffman & Kanuk, 2010:87). Extant research indicates that private brand loyal consumers have a higher social status, shop more frequently in the product category, are store loyal and tend to spend less on the product category (Baltas & Doyle, 1998:796; Baltas, 2003:1509) in which private brands are purchased. Since consumers who are expected to purchase private brands due to social status do not necessarily do so, the effect of income and education on South African consumers' preferences for private and national brands could be worthwhile to study. In terms of grocery shopping in supermarkets, it must be kept in mind that supermarkets may plan their products in accordance with the

geographic area that it is located in but that a store in a specific area will eventually attend to the requirements and product needs of consumers across a broad socio economic spectrum.

2.3.2.2 Culture

Values, beliefs and customs are shared by consumers from the same culture (Schiffman & Kanuk, 2010:87). Therefore cultural differences might be partially responsible for the greater success of private brand products in Europe than in the USA (Richardson *et al.*, 1996b:181). While private brands have an established and recognised status in some European countries, it is not clear whether the private brand is also a uniform and established concept in other cultural contexts (Uusitalo, 2001:214). Consumers living in different regions have dissimilar experiences with and expectations about private brand products (Veloutsou *et al.*, 2004:238). Differences in market shares across geographic areas could reflect differences in consumer preferences (Bronnenberg *et al.*, 2007:12). Consumers in different countries would therefore inevitably differ in their preference for private brands (Erdem *et al.*, 2004:99). It can be expected that South African consumers' preferences for private and national brands will also differ from preferences in European countries and the USA where studies have been conducted in the past.

Purchase behaviour of consumers differs in various countries due to differing cultural norms and values (Assael, 1998:495). Food consumers' purchases depend on their religious, cultural and socio-economic backgrounds (Omar *et al.*, 2004:39). Furthermore, the perceived importance of product characteristics vary across consumer groups (Cunningham *et al.*, 1982:31). There are also some differences in brand preferences between different cultural groups when purchasing food (Omar *et al.*, 2004:53). British consumers attach greater importance to national brands than do minority groups (Irish, Polish, Greeks, Jews, Turks, Africans, Asians, Caribbean, Chinese and mixed race) consumers when purchasing fruit and vegetables, rice, meat and fish (Omar *et al.*, 2004:39). Therefore preferences of private and national brand food products between various cultural groups and between various food products in South Africa might differ.

Although consumers' preferences for private and national brands differ in various countries, Martínez and Montaner, (2008:489) find the socio-demographic and

psychographic profile of private brand consumers in Spain to be very similar to the one in the USA obtained by Ailawadi *et al.* (2001). Therefore, when a combination of socio-demographic and psychographic variables is used, similarities between South African, American and European data may be possible. Furthermore, if similarities are possible between American and European data when using psychographics, similarities might also be possible between different cultures in an emerging market such as South Africa.

Emerging markets have the fastest growth of private brands and holds a 6% share of sales in these markets (ACNielsen, 2005:3). As an emerging market, South Africa was ranked eighth in ACNielsen's top ten fastest growing private brand markets based on value sales. The growth of the private brands was estimated at 28%, while the growth of national brands was 7% for South Africa (ACNielsen, 2003:9). The reason for the different growth rates between private and national brand products is not clear and no consumer data exist for South Africa. This implies that South African retailers know how much of a specific product was purchased and where it was purchased from, but not by whom or why the purchases were made. Demographics give an indication of who purchases a product, while psychographics reveals why consumers purchase a product (Solomon, 2011:263). Therefore South African consumers' preferences for private and national brand products should be investigated by using psychographics.

2.3.3 Psychographics

Psychographic research refers to detailed information regarding consumers' activities, interests perceptions and preferences towards brands (Solomon, 2011:263). It also attempts to differentiate consumers in terms of their brand or product preferences (Solomon, 2011:269). Psychological, sociological and anthropological factors are used to segment markets (Solomon, 2011:261). These are more subjective variables to categorize consumers in addition to demographics (Solomon, 2011:272). It is also referred to as lifestyle analysis and could be useful to measure lifestyle (Blackwell *et al.*, 2006:270; Schiffman & Kanuk 2010:76). Characteristic market segments are formed by questioning individual traits, values, beliefs and preferred behavioural patterns (Blackwell *et al.*, 2006:41). Individuals differ in several ways which affect their purchase preferences and the use of psychographics might enable marketers to segment consumers according to these preferences.

In predicting consumer behaviour, psychographics go beyond demographic and social-class measurements (Du Plessis, 2003:76). It explores the thoughts, feelings, lifestyles, attitudes, values and belief systems of people within the context of a particular consumer decision-making process (Knipe, 2003:319). Psychographic research refers to detailed information regarding consumers' activities, interests and opinions as well as their attitudes, values and needs and provides an overall picture of an individual's lifestyle, including his or her purchasing behaviour (Rousseau, 2003:290). It is possible to identify similarities among consumers on different continents by using psychographics and consumers may be grouped according to their psychographic characteristics, while demographics will distinguish differences among consumers in different countries. Therefore demographics will not be able to characterise consumers according to their preferences for private and national brand products, while psychographics will be.

Modern psychographic research attempts to group consumers according to a combination of three categories of variables, namely activities, interests and opinions. Large samples are used to characterise consumers in terms of their activities and patterns of product usage. Participants are given a list of statements and have to indicate how much they agree with each statement (Solomon, 2011:266). The statements are designed to identify a consumer's personality, purchasing motives, interests, attitudes, beliefs and values (Schiffman & Kanuk, 2010:76).

Private brand purchasers cannot be segmented into a single segment by using demographic or attitudinal variables (Whelan & Davies, 2006:399). Psychographic categorization of consumers was therefore suggested in literature since demographic categorizing alone was not able to significantly determine characteristics of the private brand food purchaser (Whelan & Davies, 2006:394). Although demographics is not effective for direct prediction of consumer behaviour regarding deal buying, private brand buying and buying with no specific preference, demographics has a significant association with psychographic characteristics and is therefore useful in segmentation (Ailawadi *et al.*, 2001:85). Therefore a combination of demographics and psychographics should be used to determine consumers brand preferences.

Traditional private brand research which focusses on demographic and socio-economic characteristics of consumers does not provide a clear indication of consumers' purchase behaviour (Baltas, 1997:316). Ailawadi *et al.* (2001:86) find that private and national brands attract consumers with distinctly different psychographic characteristics. Therefore psychographics might be able to distinguish between South African consumers' preferences for private and national brand food products.

2.3.4 Perception

Perception is the process by which consumers select, organise and interpret stimuli through their senses (visual, auditory, taste, smell) to make sense of them (Assael, 1998:84). It is the way consumers are aware of and interpret reality (Babin & Harris, 2009:41). Consumers are more likely to perceive stimuli when the stimuli conform to consumers' past experiences, (because consumers would then be able to recognise the stimuli and to associate it with something they have already experienced) and current beliefs about a brand, providing they are not too complex, are believable, relate to a set of current needs and do not produce excessive fears and anxieties (Assael, 1998:84). Risk perception, quality perception and price perception influence consumers brand preferences and will be discussed.

2.3.4.1 Risk perception

The risk consumers perceive when purchasing a product will influence the brand they choose. Various studies have shown that the perceived risk associated with purchasing private brand products is much higher than that of purchasing national brands (Bettman, 1974:80; Livesey & Lennon, 1978:161; Dick *et al.*, 1995:18; Richardson *et al.*, 1996b:180). Therefore risk perception plays an important role in purchase preference and should be discussed.

Consumers' brand preferences are related to their risk perceptions of the preferred brand as well as the perceived risk of other alternative brands (Dunn *et al.*, 1986:214). The perception of negative consequences that are likely to result from a course of action is known as perceived risk (Babin & Harris, 2009:218). Types of risks include financial risk, performance risk, social risk, time risk and physical risk (Babin & Harris, 2009:218).

The cost of a product is associated with financial risk, while the likelihood of a product performing as expected is associated with performance risk (Babin & Harris, 2009:218). Differences are perceived in the performance and financial risk associated with purchasing private or national brands (Dunn *et al.*, 1986:214). Consumers perceive national brands to perform better than private brands. Private brands are usually less expensive than national brands. Therefore it can be expected that consumers with a lower income will most probably purchase private brands. However, Coe (1971:68) finds that lower income consumers are more likely to purchase national brand products since they perceive the quality of national brands to be higher and are afraid of taking the risk of purchasing unknown brands. Furthermore they may suffer financial loss when purchasing private brands, since they might need to purchase the national brand in the end due to the expected poor performance of the private brand. However, to the knowledge of the researcher, more recent literature in this regard is not available and was thus investigated in the present study.

Other consumers' views of a purchase or the purchaser's loss of image or prestige due to purchasing a product is associated with social risk (Semein *et al.*, 2004:249; Zielke & Dobbstein, 2007:113; Babin & Harris, 2009:218). Social risk is associated with products that are consumed in public or offered to guests (Zielke & Dobbstein, 2007:113). Therefore purchasing private brands are socially riskier than purchasing national brands (Mieres *et al.*, 2006:76). Consumers may on the contrary also believe that other individuals will think they are smart purchasers when purchasing private brands, since private brands are cheaper (Mieres *et al.*, 2006:76). Social risk can therefore have a positive as well as a negative effect on the image of the purchaser, depending on the product.

Time required to search for the product is associated with time risk (Babin & Harris, 2009:218). For example, housewives accepted private brands better than working women, which could be because working women have less time available and rather choose what they are familiar with (Myers, 1967:79). Although more recent literature on this aspect could not be detected, available time rather than income might be a better predictor of brand preferences.

Product safety and the likelihood that physical harm will result from its consumption are known as physical risk (Babin & Harris, 2009:218). Since the majority of private

brands are produced by the same manufacturers of popular national brand products, the product quality of these private and national brands are the same (Coe, 1971:62; Miranda & Joshi, 2003:36). Cheng *et al.* (2007:372) include product quality, product price, brand leadership and brand personality as consumer perception differences. These differences are perceived differences and may not exist in reality. However, consumers' purchase preferences are based on their product perceptions and if the consumer perceives the product to be unsafe, it will not be purchased. Therefore quality perception will be discussed.

2.3.4.2 Quality perception

Consumers assess brand quality and form brand quality perceptions by using extrinsic cues such as packaging and price during decision-making and the formation of brand preferences (Assael, 1998:206; Silayoi & Speece, 2007:1497; Wells *et al.*, 2007:684). Consumers do not value products exclusively on the basis of physical characteristics, but connect the perception of quality to other evaluation criteria, such as product brand (Vranešević & Stančec, 2003:821, 822). Price and brand are the most dominant quality cues used by consumers when evaluating products (Bredahl, 2003:73). When purchasing private brands, preferences are derived from a broader evaluation process, in which quality plays the most significant role (Baltas & Argouslidis, 2007:337). Since consumers tend to rely on extrinsic cues when assessing product quality, they react unfavourable to private brands (Richardson *et al.*, 1994:34). Therefore in store promotions are suggested for consumers to be able to sample products, to prove that intrinsic quality of products are virtually the same (Baltas & Argouslidis, 2007:337). While blind tests indicate no significant differences between private and national brands, private brands are perceived to be inferior to national brands when the private brand is identified (Omar, 1994:15). Therefore quality-concerned consumers are less prone to private brand purchases (Martínez & Montaner, 2008:489). These studies were done in the USA and Europe, and South African consumers' quality perception may be different.

Various studies have shown that the risk associated with purchasing private brand products is much higher than that of purchasing national brands (Bettman, 1974:80; Livesey & Lennon, 1978:161; Dick *et al.*, 1995:18; Richardson *et al.*, 1996b:180). However, researchers have also indicated that if consumers are more familiar with private brand products, they perceive less difference between national and private brands, irrespective of the product category (Mieres *et al.*, 2006:76). Therefore more

frequent buyers are more prone to purchase private brands (Baltas & Argouslidis, 2007:335). The perceived consequences of making a purchase mistake are higher when the different brands in the category are seen as differing appreciably in quality (Batra & Sinha, 2000:187). This also includes quality differences between different national brands. Private brands are more successful in categories where quality levels are high and variability low (Hoch & Banerij, 1993:65). Additionally, consumers regard different private brands as comparable in terms of quality (Richardson, 1997:399). An investigation of consumers' quality preferences towards multiple private brands versus national brands has therefore been proposed (Sayman & Raju, 2004:286). Consequently consumers who purchase private brand grocery products from one retailer may also purchase private brand grocery products from another retailer.

2.3.4.3 Price perception

Consumers treat private and lower priced brands differently to national brands (Myers, 1967:79; Cheng *et al.*, 2007:372). Private brands and lower priced national brands are grouped together, rather than distinguishing between private and national brands (Myers, 1967:79). However, Myers's research was conducted in 1967 in Chicago in the USA, when private brands were relatively new. National brands are perceived to be superior to international private brands and international private brands in turn are perceived as being superior to local private brands in terms of all perceptions, except for price perception in Taipei in Taiwan (Cheng *et al.*, 2007:372). For national brand consumers in the USA, price might be a relatively unimportant reason for their purchases, since they do not perceive any significant price difference among private and national brand products (Cunningham *et al.*, 1982:30), while the quality of private brand products is more important than low prices in determining the private brand product's market share in Korea (Jin & Suh, 2005:67). Therefore consumers would rather purchase better quality than purchasing a lower priced product in the USA (Richardson, 1997:401).

2.3.5 Internal characteristics of private brand purchasers

Private brand consumers are described as being price sensitive, price conscious, price cautious and store loyal but not promotion sensitive (Baltas & Doyle, 1998:796; Ailawadi *et al.*, 2001:86; Martínez & Montaner, 2008:489). Consumers who purchase private brands are likely to compare prices at the store and will purchase a product

since they need it and not because it is on promotion. Variety seekers are private brand prone, but also deal prone and partial planners who will make a brand choice at the store (Martínez & Montaner, 2008:490). Variety seeking consumers will purchase private brands because of the price and since it is different from the usual product, but not because it is a private brand.

Private brands appeal more to consumers who are risk takers or who are open to experimentation (Whelan & Davies, 2006:399). A person who likes to transmit marketplace information of all types is called a market maven (Solomon, 2011:420). Market mavens will, for example, read about products, experiment and compare products and then tell other consumers about it. Private brand purchasers tend to be variety seeking market mavens with little free time and little space for stockpiling extra products, who attach little importance to quality, are not brand loyal and who are generally younger and better educated (Cunningham *et al.*, 1982:30; Martínez & Montaner, 2008:489).

Consumers do not only purchase private brands because they are cheap but also because some consumers prefer the private brand (Hoch & Banerij, 1993:65; Baltas, 1997:320). In contrast, consumers who usually purchase a branded product are more likely to switch to another brand than to a private brand if the usual brand's price is raised (Baltas *et al.*, 1997:993). Therefore, manufacturers cannot assume that private brand products are cheap alternatives bought by consumers who cannot afford national brands (Baltas & Argouslidis, 2007:337).

2.3.6 Internal characteristics of national brands purchasers

National brands tend to appeal to extroverts who are seeking high image products (Whelan & Davies, 2006:399). Demanding consumers are likely to remain loyal to a preferred national brand, since they perceive quality variations between private and national brands (Baltas & Doyle, 1998:796). Consumers with special category requirements, high involvement and strong preferences towards specific brands are more likely to purchase national brands (Baltas, 1997:320). Consumers who attach a high value to branded products and are brand conscious are not likely to purchase or switch to private brand products (Baltas & Argouslidis, 2007:335), since they are too attached to the reassurance of well-established brand names (Baltas & Argouslidis, 2007:337).

National brand consumers without a brand preference have a more favourable perception of national brand products, while private brand consumers have more favourable perceptions of private brands (Cunningham *et al.*, 1982:30). When a consumer has a favourable attitude towards a brand, which results in consistent purchase of the brand over time, the consumer is brand loyal (Assael, 2004:76). Brand-loyal consumers are more likely to purchase national brands using out-of-store promotions (Ailawadi *et al.*, 2001:85). Consumers who decide which brand to purchase before they shop and those who look for price promotions usually purchase national brands (Baltas, 1997:319). Therefore national brand loyal consumers are not likely to purchase private brands.

2.4 Conclusion

Brands are used as symbols, i.e. symbolic communication tools to provide consumers with information when purchasing food products. Brands also provide an indication of product quality, especially if the consumer has little knowledge about the specific product. However, it is difficult to explain how consumers decide which brand to choose.

Private brand products are usually less expensive than national brands, while the quality of private brands varies. Although it can be expected that consumers with a lower income will purchase the cheaper brand, this is not necessarily the situation. Furthermore, the price difference between private and national brands and the quality variation within private brands affects consumers from different countries differently.

Traditionally researchers use demographic characteristics of consumers to categorise consumers according to their brand preferences. This leads to contradicting results between different countries. By using a combination of demographic and psychographic variables, a better characterisation of private and national brand consumers are possible, since similarities are found between different countries.

South Africa is an emerging market that bears strong characteristics of a developing country, where little consumer research has been done on consumers' preferences

for private and national brand food products. Since the market share of private brands is high in South Africa, it can be expected that South African consumers have positive perceptions toward private brands and that the quality of private brands is high in South Africa. However, more research is necessary to be able to distinguish between private and national brand food preferences.

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CHAPTER 3

**CONSUMERS' PREFERENCES FOR PRIVATE AND NATIONAL BRAND
FOOD PRODUCTS**

**(Article to be submitted for publication in the International Journal of
Consumer Studies)**

Consumers' preferences for private and national brand food products

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Abstract

The importance of brands and the competition between private and national brands in different food categories have increased in recent years. Although private brands are usually cheaper than national brands, literature reports that except for packaging there is virtually not much difference between the contents of the majority of private and national brands. Previous research indicated consumers' preferences for private and national brand food products to differ between various products and in different regions. The aim of this study was thus to determine the relationship between selected demographics and psychographics and consumers' brand preferences for different food products. A mall intercept, interviewer administered questionnaire was used in this quantitative study that was done in a South African context. Consumers' preferences for private and national brand food products in different product categories were explored in accordance with selected psychographic and demographical denominators. Findings revealed that respondents in this study preferred to purchase national brands in all product categories except for cooking oil. Considering eight psychographic factors that were extracted by exploratory factor analysis, two factors (related to quality conscious, store and brand loyalty and price conscious planners) could be associated with positive reactions while neutral reactions were evident for six factors (related to conformist, storage space, mavenism, variety seeking and miscellaneous). Respondents being indecisive on the majority of factors could be ascribed to the fact that respondents in the present study mostly preferred national brands. Contrary to previous research which indicated that brand preference depended on demographics and psychographics, the present study did not find significant relationships with psychographics when different products were used. Although various demographic factors (e.g. gender, education level, home language and employment status) could be used to investigate and describe consumers' brand preference for specific products, home language and education level seem to be the most important factors to determine brand preference. This study suggests that brand preference depends on specific demographics for each product, while psychographic factors do not play a significant role. This implies that brand preference research should be product and region specific using specific demographic variables.

Keywords

Consumers' food preferences, food labelling, national brand, private brand, South Africa

Introduction

Interest of academics and marketers into the importance of brands for consumers increased in recent years (Semeijn *et al.*, 2004; Veloutsou *et al.*, 2004; Zielke & Dobbelstein, 2007). Furthermore the competition between private and national brands in different product categories has been the subject of investigation of several studies over the past decades (Cotterill *et al.*, 2000; Cheng *et al.*, 2007). This indicates the relevance of this exploratory study from the consumer's perspective in the South African context.

Since terminology used in literature is not always clearly defined, this study's definitions of private and national brands are firstly clarified. A private label is any brand name of which the copyright is owned by a party other than the producer of the product such as a retailer, wholesaler or other intermediary (Baker, 1990; Sampson, 2006). The product itself may carry a brand name of a distributor or retailer, or a brand name owned by the seller, but the name of the producer or manufacturer remains unknown to the consumer. Private brands are also known as store brands, private labels, distributor's brands, reseller brands, middleman brands, own brands and dealer brands (Ostrow & Smith, 1988; Sampson, 2006). Generic products, also described as brand-free, no-names, house brands and unbranded products, are also classified as private brands (McGoldrick, 1984; Sampson, 2006). For the purpose of this study, the term private brand is used.

A manufacturer brand is also known as a national brand since it is available nationally and is distinct from a regional or test-market brand (Ostrow & Smith, 1988; Baker, 1990). National brands are advertised nationally by the manufacturer and often carry a distinctive and widely recognised brand name or trademark (Ostrow & Smith, 1988). For the purpose of this study on consumer preferences, the term national brand is used.

Preferences are formed when consumers process available information that ultimately leads to purchase intentions (Schiffman & Kanuk, 2010). It implies that one product is of greater interest or is more desirable or better liked than another product (Hornby, 2005). Preferences may be a reflection of perceptions of brands rather than being based on the physical characteristics of the products (Bronnenberg *et al.*, 2007). Consumers may prefer a brand due to a perception that the brand is superior to others, while it may not necessarily be the case physically. Therefore it is

important to distinguish between private and national brand products and factors that influence brand preferences.

One of the largest benefits of private brands is that these products are more affordable than many alternatives on the shelves. A private brand may cost a retailer 25% less than a national brand (KPMG, 2004) because national brands involve additional expenses for research and development, as well as marketing. With private brands, these expenses are limited to the minimum (Davies & Brito, 2004; KPMG, 2004). The average price difference between private and national brands in South Africa, i.e. the actual price difference of similar products on the shelves could be up to 28% (ACNielsen, 2005). Since private brands are usually more affordable than national brands, one would thus expect consumers from lower income groups to purchase private brand products. Contrary to this expectation, statistics indicate that consumers from different socio-economic groups purchase private brands (Cunningham *et al.*, 1982; Baltas & Argouslidis, 2007). Income does therefore not necessarily provide a clear indication of the characteristics of private and national brand consumers or their preferences for private and national brand products. Neither are private brands necessarily purchased for their affordability. Some consumers actually prefer private brands (Hoch & Banerij, 1993; Baltas, 1997). Therefore manufacturers cannot assume that private brand products are cheap alternatives bought by consumers who cannot afford national brands (Baltas & Argouslidis, 2007). Extant research also suggests that consumers who usually purchase national brand products are more likely to switch to another national brand than to a private brand if their product of choice is not available or when prices escalate (Baltas *et al.*, 1997).

Consumers with a higher level of education and a higher income are apparently more likely to purchase private brand products, which contradict the stereotypes of private brand buyers as being in a lower socio-economic group (Baltas & Argouslidis, 2007). These consumers may purchase the cheaper private brands since they see it as good value for money. Alternatively, educated consumers may be able to better interpret the label information and to conclude that there is not much difference between the brands (Richardson *et al.*, 1996).

Traditional private brand research focussing on demographic and socio-economic characteristics of consumers does not provide a clear indication of consumers' purchase behaviour concerning brands (Baltas, 1997). Private and national brands

seem to attract consumers with distinctly different psychographic characteristics (Ailawadi *et al.*, 2001). While demographics are an indication of who purchases a product, psychographics reveals why consumers purchase a product (Solomon, 2011). Psychographic categorisation is therefore suggested in literature since demographic categorisation alone apparently does not significantly determine characteristics of the private brand food purchaser (Whelan & Davies, 2006). Thus, in addition to demographic criteria, selective psychographic criteria are suggested to determine the relationship between consumers' psychographics and demographics and their preferences for multiple categories of private and national brand food products.

Cultural differences might be partially responsible for greater success of private brands in Europe than in the USA (Richardson *et al.*, 1996). Private brands have an established and recognised status in some European countries. However, it is not clear whether the private brand is also a uniform and established concept in other cultural contexts (Uusitalo, 2001). Consumers living in different regions have dissimilar experiences with, and expectations about private brand products (Omar *et al.*, 2004; Veloutsou *et al.*, 2004). It is therefore expected that South African consumers' preferences for private and national brands would differ from preferences in European countries and the USA.

Consumers' brand preferences have been the subject of various international studies (Erdem *et al.*, 2004; Baltas & Argouslidis, 2007), while little research has been done in emerging economies such as South Africa. This necessitated the present study in the South African context.

In emerging markets, the price difference between private and national brands could be as high as 40%. This price difference between private and national brands might be responsible for the growth of private brands in emerging markets such as South Africa. These markets have shown the fastest growth of private brands in recent years. Private brands in fact hold a 4% share of sales in the South African market (ACNielsen, 2005). As an emerging market, South Africa was ranked eighth in ACNielsen's top ten fastest growing private brand markets based on value sales in 2003. The growth of the private brands was estimated at 28%, while the growth of national brands was 7% for South Africa during that period (ACNielsen, 2003). The reason for the different growth rates between private and national brand products is not clear and no consumer data exist for South Africa. This lack of data implies that

South African retailers know how many of a specific product was purchased and where it was purchased from, but not by whom or why the purchases were made.

Consumers' perceptions and preferences for private brand products vary with different product categories and retail environments, and previous studies were limited to only one or two product categories, which cannot be generalised to all food categories (Hansen *et al.*, 2006; Mieres *et al.*, 2006; Baltas & Argouslidis, 2007; Cheng *et al.*, 2007; Herstein & Jaffe, 2007; Álvarez & Casielles, 2008). In addition, extant research indicated that the more familiar consumers were with private brand products, the less difference existed in their perceived risk associated with purchasing national and private brands, irrespective of the product category (Mieres *et al.*, 2006). Therefore, it is necessary to investigate consumers' preference for private and national brands within different food categories as well as in dissimilar retail environments.

The aim of this study was to involve consumers in Potchefstroom in an exploratory study as an example of the situation in a South African context and to determine and describe:

- consumers' preferences for different private and national brand food products;
- the relationship between consumers' brand (private and national) preference and specific demographic characteristics; and
- the relationship between consumers' psychographics and demographics and their preferences for private and national brand food.

Research methodology

A quantitative approach, namely a survey that implemented a structured interviewer administered questionnaire was used to collect quantifiable data in Potchefstroom. The study was cross sectional. i.e. reflected consumers' preferences at a specific point in time, namely November and December, 2008.

Study environment and population

Data were obtained using a retail outlet intercept method. Due to limited sources, an interviewer administered questionnaire was handed out to a conveniently recruited sample in Potchefstroom which is situated in the North West province, 120km from

Johannesburg in South Africa. The city of Potchefstroom has a population of 124 351 people, with 35 524 households and an average of 3.4 people per household of which 78.5% live in formal and 18.4% in informal dwellings. Potchefstroom is a predominant academic city with five tertiary institutions and more than seventy schools, institutes, colleges and research institutions (Statistics South Africa, 2008; Tlokwe City Council, 2010). Performing the research in Potchefstroom seemed ideal based on the location of the North-West University in terms of the shopping area which limits travel costs whilst also providing an opportunity to enlist competent field workers.

With a retail outlet intercept survey, it is not possible to recruit a representative sample of the total population of the area, since each retail outlet has its own target market characteristics (Zikmund & Babin, 2010). However, research conducted in retail outlets is viewed as representative of the demographics of its immediate location (Aaker *et al.*, 2007) considering people visiting the retail outlet. The sample was meant to provide responses representative of grocery purchasers of the specific retail outlets rather than the population of Potchefstroom in general. Respondents were recruited when exiting the different retail outlets to ensure that they had purchased food items.

Four well established prominent retail outlets, namely Spar, Checkers, Pick n Pay and Shoprite within a radius of two km from each other were included in this study. Stores were chosen to minimise sample response bias as these supermarket typologies represent different socio-economic strata (Veloutsou *et al.*, 2004). These supermarkets are also found in most cities and towns in South Africa and most consumers are familiar with them. All these retailers sell both private and national brand products and their private brand strategies and target markets differ. Spar targets all income groups or Living standard measurement (LSM) 1-10 (Howell, 2009). Checkers targets consumers in the upper-income groups or LSM groups 7-10 (Greeff, 2009a). The target market for Pick n Pay supermarkets is middle to high-income consumers in LSM groups 4-10 (Harrilall, 2007; Wright, 2009). Shoprite supermarkets focus on consumers from the lower- to middle-income groups or LSM 4-7 (Greeff, 2009b). The mall intercept survey sampling method was regarded appropriate for this study, since the target population was primarily food purchasers. Permission was obtained from the management of the various retail outlets to approach respondents.

Twelve field workers, who were trained by the nutrition department of the North-West University in general practice of field work and who also had a further three hour session on the specific questionnaire by the researcher, were used to intercept respondents and complete the interviewer administered questionnaire. The field workers were fluent in at least two of three home languages, namely Afrikaans, English and/or Setswana, spoken by inhabitants of the North-West Province where Potchefstroom is situated (Statistics SA, 2006). Three fieldworkers were placed at each retail outlet every second day according to a roster to ensure that a wide variety of respondents were included in the sample. Data were gathered at the four different retail outlets at different times of the day, different days of the week over a three week period during November and December, 2008. It took approximately 20 minutes to complete an interviewer administered questionnaire.

Sample size and sampling

The sample size for quantitative mall survey research is normally determined by the number of variables in the questionnaire, the sample size of similar studies and resource constraints (Malhotra, 2009). The target was a sample size of approximately 600 questionnaires and more were printed to have questionnaires available in the different languages and to compensate for uncompleted questionnaires. Each fieldworker had to complete at least five and not more than fifteen interviewer administered questionnaires each day. The final sample constituted 620 completed questionnaires.

Respondents had to be willing and had to be the primary food purchasers of their households. Primary food purchasers were chosen to ensure they are familiar with grocery shopping (Ailawadi *et al.*, 2001). Exit interviews were chosen to ensure that respondents were customers of the specific chosen retail outlet (Whelan & Davies, 2006). Field workers invited consumers to participate when exiting the stores. Consumers were asked whether they are the primary food purchaser for their household. Respondents were approached, irrespective of age, gender and racial group as long as they were able to speak English, Afrikaans or Setswana for communication purposes. The minimum age for participation was 18 years to allow for informed consent as a major (South Africa, 2006). Respondents received no remuneration for participation.

Measuring instrument

A questionnaire was used to collect quantifiable information. The questionnaire was adapted from questionnaires designed by Coe (1971) and Ailawadi *et al.* (2001). The English questionnaires were translated into Afrikaans and Setswana and then translated back to English by an independent person to ensure reliability of the questionnaire.

The questionnaire was pre-tested in a pilot study to determine the appropriateness of the questionnaire in the context of the study and to adapt it if necessary. Attention was given the wording, consumers' understanding of concepts, time required for completion and their interpretation of the scales (Jin & Suh, 2005).

Ethical approval for the study was obtained from the Ethical Committee of the North-West University, Potchefstroom Campus (Reference No. 06K09). The guidelines provided by Strydom (2005) and Zikmund and Babin (2007) were followed, i.e. data collection was done in a manner that disrupted the lives of respondents minimally; participation was voluntary, anonymous and confidential. Prior to any activity the respondents were informed about the nature and purpose of the study; they were asked to complete a consent form and also assured that they could withdraw at any given stage if they wished to.

The questionnaire comprised three sections with subdivisions. The first section was the preference question, the second the psychographic statements and the third consisted of demographic questions. Each section will be described in more detail.

Section 1

The food products in the brand preference question from Coe (1971) were replaced by 25 products in which ACNielsen (2003) found a high value share in the private brand market and which represented private and national brands. Respondents were asked whether they had purchased one of the listed products and then had to indicate which brand they preferred (Coe, 1971) rather than asking whether they purchased private or national brands. Answers were noted and the procedure was repeated for each product.

Section 2

Psychographic statements from Ailawadi *et al.* (2001) were included on a five-point Likert-scale ranging from “strongly disagree” (1) to “strongly agree” (5), for example:

If I use the same brands over and over again, I get tired of them;

It bothers me if other people disapprove of my choices;

I spend a lot of time planning my grocery shopping trips.

Section 3

Although demographics alone was not enough previously to characterise private and national brand consumers, demographic questions were included in the present study since these questions provide classification data, useful for cross-classifying responses in other questions (Ailawadi *et al.*, 2001; Baltas & Argouslidis, 2007; Martínez & Montaner, 2008). Furthermore, it was not clear whether demographics does influence consumers’ preferences for private and national brand food products in a South African context. The demographic questions were included at the end of the questionnaire to prevent them causing irritation (Parasuraman *et al.*, 2007). Demographic variables were adapted to fit the South African context by using a validated South African demographic question from Hardy (2008) and included age, gender, education level, employment status, (Ailawadi *et al.*, 2001), marital and family status (Baltas & Papastathopoulou, 2003), home language and Living Standard Measure (LSM).

Living standards measure (LSM) is the most widely used marketing research tool in South Africa. It involves a classification of the population into ten LSM groups: 10 being the highest. This system does not distinguish between races. It categorises households according to their living standards using selected criteria such as degree of urbanisation and ownership of major appliances (SAARF, 2009). Respondents therefore had to indicate which of the listed items/ commodities they owned and were then classified into one of the ten LSM categories.

Statistical analysis of data

The researcher coded the questionnaires, entered the data into SPSS (2009) and finally checked the data. Descriptive statistics were used to determine the demographical characteristics and preference of the respondents. Thereafter cross-

tabulations were done with the demographic and preference questions to determine the relationship between demographics and brand preference in the present study.

Exploratory factor analysis was used to determine the latent variables describing psychographics. The factors extracted from the exploratory factor analysis were then used in the stepwise logistic regression to determine the relationship between brand preferences, demographic and psychographic factors simultaneously.

Stepwise logistic regression was used to determine which factors are the best predictors of private brand preference. The significance of a relationship between variables depends on the sample size, therefore products where less than 40 respondents preferred to purchase a private or national brand, were not analysed in the stepwise logistic regression, as suggested by Kerr *et al.* (2003). Stepwise logistic regression used all the demographic (as k dichotomous variables for each, where k is one less than the number of categories) and psychographic variables to predict brand preference. The logistic regression produced odds ratios, which is important in interpreting logistic regression (Field, 2009). If the odds ratio value is greater than one, it indicates that as the predictor increases, the odds of the outcome occurring increase and for that demographic or psychographic factor, a private brand is preferred. Alternatively, when a value is less than one, it indicates that as the predictor increases, the odds of the outcome occurring decreases (Field, 2009:271) and for that demographic or psychographic factor a private brand is not preferred. Since an odds ratio smaller than one is difficult to interpret, reciprocal transformation, which reverses the score, was done with odds ratios smaller than one (Field, 2009).

Validity

The questionnaire was given to experts in the field, a pilot study was done and a literature study was done to ensure content validity (Zikmund & Babin, 2007). Factor analysis was used for data reduction and summarisation (Malhotra, 2007) in establishing construct validity (Zikmund & Babin, 2007) with the psychographic questions. The percentage of variance explained, can be used to indicate convergent validity for each factor and should ideally explain at least half of the total variation among measured variables (Zikmund & Babin, 2007).

In the logistic regression, predictive validity (criterion validity) (Zikmund & Babin, 2010) was firstly determined with the R^2 of Nagelkerke as a measure of the goodness-of-fit of the logistic regression model. Secondly, the percentage correct classification gives an indication of how correctly the brand preference will be predicted by the logistic regression model.

Reliability

In the present study reliability was obtained by using established measures and ensuring the reliability of research workers. Reliability of research workers was reached by training field workers before they entered the field and by using a pilot study to eliminate possible difficulties. In addition, reliability was ensured by using established measures in the questionnaire which have proven reliability in previous research (Babbie, 2007). These measures include the adapted preference questionnaire of Coe (1971) as well as the psychographic questionnaire of Ailawadi *et al.* (2001). In this study Cronbach alpha was used as a measure of internal consistency to determine the reliability of the factor analysis of the psychographics.

Results and discussion

Respondents' demographical characteristics

The demographic characteristics of respondents are presented in Table 3.1.

Table 3.1 Demographic characteristics of respondents (N=620)

Demographic characteristic	Frequency (n)	Percentage of sample (%)
Gender		
Female	429	69.2
Male	191	30.8
Age		
<29 years	149	24.0
30-59 years	349	56.3
>59 years	122	19.7
Qualification level		
Primary education	135	21.7
Secondary education	212	34.1
Tertiary education	256	41.2
Missing	18	2.9
Home language		
Afrikaans	273	44.0
English	32	5.2
Sotho	240	38.6
Other	73	11.8
Missing	3	0.5
Marital status		
Single	228	36.8
Married or living together	328	52.9
Divorced or widowed	61	9.8
Missing	3	0.5
Household size		
One person	85	13.7
2 People	417	67.1
3 People	111	17.9
> 3 People	8	1.3
Missing	0	0.0
Employment status		
Full time	294	47.3
Part time / Housewife / Retired	231	36.3
Student	49	7.9
Unemployed	57	9.2
Missing	5	0.8
Living standard measurement (LSM)		
LSM 1-3	44	7.1
LSM 4-6	173	27.9
LSM 7-10	374	60.2
Missing	30	4.8

Similar to other countries where grocery shopping is mainly done by females (Jin & Suh, 2005), this study also showed that females were mainly responsible for food purchasing. This corresponds with results of previous studies which also included both genders (Lybeck *et al.*, 2006; Cheng *et al.*, 2007), that found between 60.6% and 65% of respondents to be female as compared to the 69.2% in the present study.

The majority of respondents had secondary or tertiary education, were between 30 and 59 years of age, were living with a spouse or partner and were thus the primary food purchaser for their household. They mostly were full or part time employed and in LSM 4-10 indicating that they belong to the middle to high income groups which are the target market population of the chosen retail outlets. Most respondents were Afrikaans and Sotho (Setswana, Sepedi or Sesotho) speaking, which are the primary languages of inhabitants of the North-West Province where Potchefstroom is situated (Statistics SA, 2006). A small number of respondents had Nguni (IsiXhosa, IsiZulu, SiSwati or IsiNdebele) or English as a home language, although most respondents were able to communicate in English.

Respondents' preference for private and national brand food products

The first objective was to determine consumers' preference for private and national brand food products. Findings are presented in Table 3.2 and Figure 3.1 in descending order for private label preferences.

Table 3.2 Respondents' preferences for different private and national brand food products

Products	Total (n)	Private brand (n)	National brand (n)	No Preference (n)
Cooking oil	436	242	91	103
Dry pasta	413	157	190	66
Jam	404	111	250	43
Rice	564	103	441	20
Tea	514	90	388	36
Mayonnaise	523	86	381	56
Ice cream	362	82	220	60
Fruit juice	443	81	293	69
Soup	448	81	299	68
Milk	570	75	447	48
Tomato sauce	533	62	451	20
Frozen poultry	337	61	218	58
Cheese	447	59	315	73
Frozen vegetables	374	58	262	54
Canned vegetables	400	54	316	30
Coffee	539	53	469	17
Margarine	524	50	434	40
Sweet biscuits	258	38	188	32
Yogurt	463	37	362	64
Breakfast cereals	479	34	426	19
Butter	172	27	114	31
Chips	408	25	349	34
Frozen seafood	197	25	142	30
Savoury crackers	146	23	97	26
Carbonated beverages	328	20	294	14

Shaded areas represent preference by the majority, i.e. >50% of the sample.

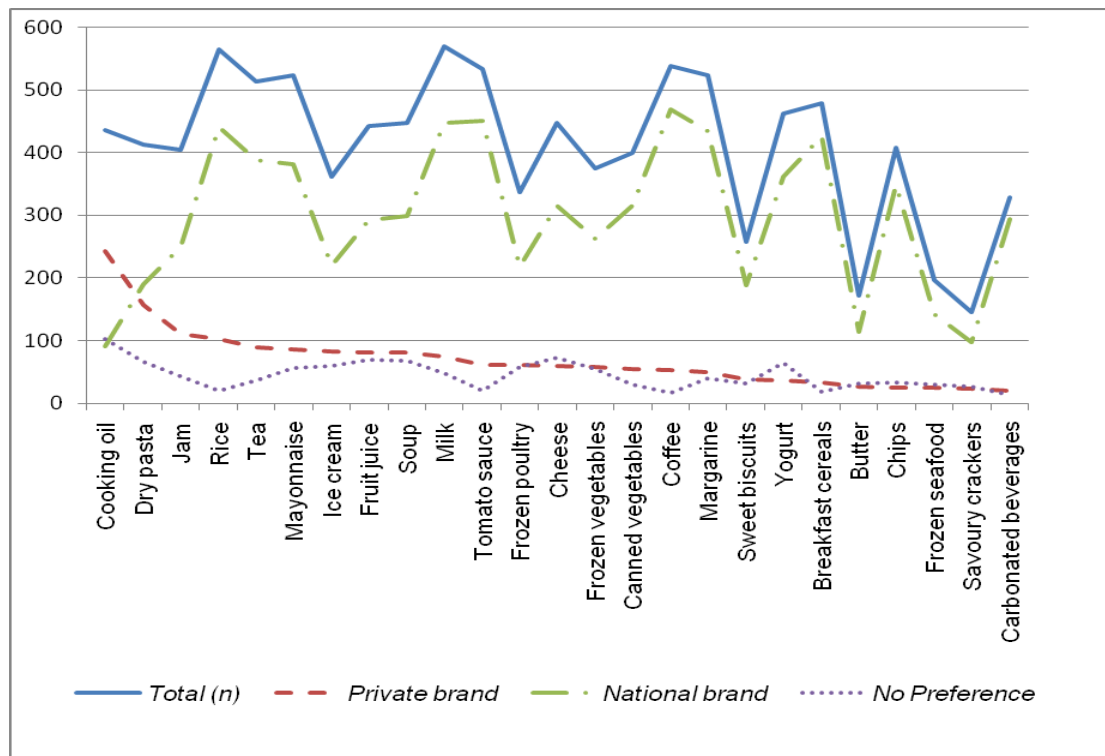


Figure 3.1 Respondents' preferences for different private and national brand food products

Some of the listed products such as savoury crackers, butter, frozen seafood and sweet biscuits were purchased by less than 50% of the respondents (Table 3.2). This could be since consumers of all LSM groups were included in the study and some of the products are more expensive or luxurious products. Consumers from high and lower income groups are more price sensitive during periods of financial difficulty (Akbat & Jones, 2005) such as the worldwide recession experienced during the present study. For all the products, except for cooking oil, the majority of respondents preferred to purchase national brands. When consumers are more knowledgeable about a product they are more prone to purchase private brands (Miquel *et al.*, 2002). Consumers who purchased a product previously and were satisfied by the product's performance, are more likely to prefer to purchase that product again (Batra & Sinha, 2000), which could explain why private brand cooking oil was preferred by most respondents. Alternatively, oil is a product that is used for frying or mixed with other ingredients and is not eaten as such and that may explain why consumers use private brands (Erasmus, 1992). This may also explain why more respondents preferred to purchase private brand dry pasta, although national brands were still mostly preferred by respondents.

Respondents, who preferred to purchase a private brand of one product, did not necessarily prefer private brands for all products. Consumers may purchase a

national brand of one product, but a private brand of another product and may have no brand preference for some products as confirmed by Erdem *et al.* (2004). Therefore, consumers cannot be asked whether they prefer private or national brand food products. They should be asked which brand they prefer when they purchase a specific product and that product should be named. However, respondents in this study were more national brand prone. Additional qualitative research focusing on the reasons for brand preferences could help retailers to better understand consumers' preferences. Furthermore it could help to categorise products to assist manufacturers to produce products according to consumers' expectations.

Relationship between respondents' brand preferences and demographics

The second objective was to determine the relationship between consumers' brand preferences and demographic characteristics. Table 3.3 provides phi coefficients as a measure determining the relationship between demographic factors and product brand preferences.

Table 3.3 Phi coefficients from cross tabulations between respondents' product brand preferences and demographic factors

Food product	Gender	Household size	Employment	LSM	Marital status	Age	Home language	Qualification
Breakfast cereals	0.15	0.10	0.22	0.18	0.16	0.22	0.23	0.30
Butter	0.08	0.11	0.18	0.10	0.17	0.23	0.18	0.25
Canned vegetables	0.06	0.13	0.21	0.21	0.21	0.25	0.33	0.30
Carbonated beverages	0.20	0.28	0.22	0.11	0.21	0.28	0.37	0.30
Cheese	0.06	0.20	0.19	0.31	0.31	0.29	0.34	0.34
Chips	0.11	0.16	0.20	0.16	0.15	0.27	0.31	0.29
Coffee	0.07	0.15	0.22	0.25	0.17	0.25	0.32	0.36
Cooking oil	0.16	0.21	0.23	0.29	0.19	0.23	0.32	0.39
Dry pasta	0.17	0.22	0.22	0.35	0.26	0.27	0.39	0.33
Frozen poultry	0.23	0.19	0.21	0.22	0.18	0.26	0.33	0.36
Frozen seafood	0.12	0.17	0.07	0.09	0.15	0.23	0.19	0.23
Frozen vegetable	0.03	0.15	0.14	0.23	0.25	0.22	0.28	0.23
Fruit juices	0.18	0.12	0.19	0.17	0.23	0.25	0.30	0.29
Ice cream	0.12	0.17	0.19	0.23	0.20	0.28	0.33	0.34
Jam	0.14	0.20	0.26	0.28	0.14	0.20	0.34	0.37
Margarine	0.16	0.13	0.14	0.07	0.21	0.30	0.30	0.24
Mayonnaise	0.11	0.16	0.20	0.17	0.23	0.25	0.23	0.38
Milk	0.12	0.24	0.20	0.21	0.21	0.25	0.30	0.26
Rice	0.16	0.21	0.21	0.20	0.23	0.29	0.27	0.36
Savoury crackers	0.15	0.19	0.18	0.30	0.23	0.31	0.40	0.31
Soup powder	0.14	0.18	0.17	0.10	0.25	0.26	0.55	0.40
Sweet biscuits	0.11	0.13	0.20	0.11	0.24	0.21	0.33	0.29
Tea	0.18	0.22	0.32	0.23	0.21	0.28	0.32	0.37
Tomato sauce	0.11	0.20	0.11	0.22	0.13	0.18	0.25	0.35
Yogurt	0.13	0.13	0.10	0.13	0.19	0.26	0.29	0.32
Average	0.13	0.17	0.19	0.20	0.20	0.25	0.31	0.32

Small effect where $\phi = 0.10$; medium effect; where $\phi = 0.30$ and large effect where $\phi = 0.50$.

Respondents' gender and household size had no or a small effect on respondents' brand preferences for the specific products. Respondents' employment status, LSM and marital status had small effects on the majority of the products. Medium effect sizes were found only between respondents' employment status and tea, LSM and dry pasta, savoury crackers, as well as cheese. Respondents' marital status showed only medium effect sizes with cheese. In this study respondents' age only had a medium effect on their preferences for margarine and savoury crackers. Literature confirms that family size, full-time employment and age are not significant indicators of private brand prone purchasers (Baltas, 2003; Hansen *et al.*, 2006). Respondents' LSM (indicator of income) and employment status, which serve as indicators of social class (Schiffman & Kanuk, 2010) mostly had small practical significance with brand preferences of products in the current study, which is in contrast with previous research indicating higher social status to be associated with a preference for private brands (Baltas & Papastathopoulou, 2003; Veloutsou *et al.*, 2004; Lybeck *et al.*, 2006). According to results of the present study, gender did not influence brand preference, which had not yet been indicated by previous studies.

Several relationships between home language and respondents' brand preferences were found. Home language had a medium effect on respondents' brand preferences for most products. These relationships between language and brand preference had been indicated in literature stating cultural (Richardson *et al.*, 1996), regional (Veloutsou *et al.*, 2004) and ethnic group differences (Omar *et al.*, 2004) for private and national brand preferences.

Different language groups might largely represent cultural and/or ethnic groups in South Africa. The effect of home language of respondents on preference for soup powder was 5.5, which is large as seen in Table 3.3. Figure 3.2 uses a bi-plot from the correspondence analysis to display the relationship between respondents' home language and soup powder brand preference. When the demographic factor is clustered close together with the product brand preference there is a stronger association between that demographic factor and the product brand preference than when they were clustered further apart (Bartholomew *et al.*, 2002). The closer together the symbols are, the stronger the relationship. Sotho speaking respondents preferred national brands, while Afrikaans speaking respondents did not have a brand preference.

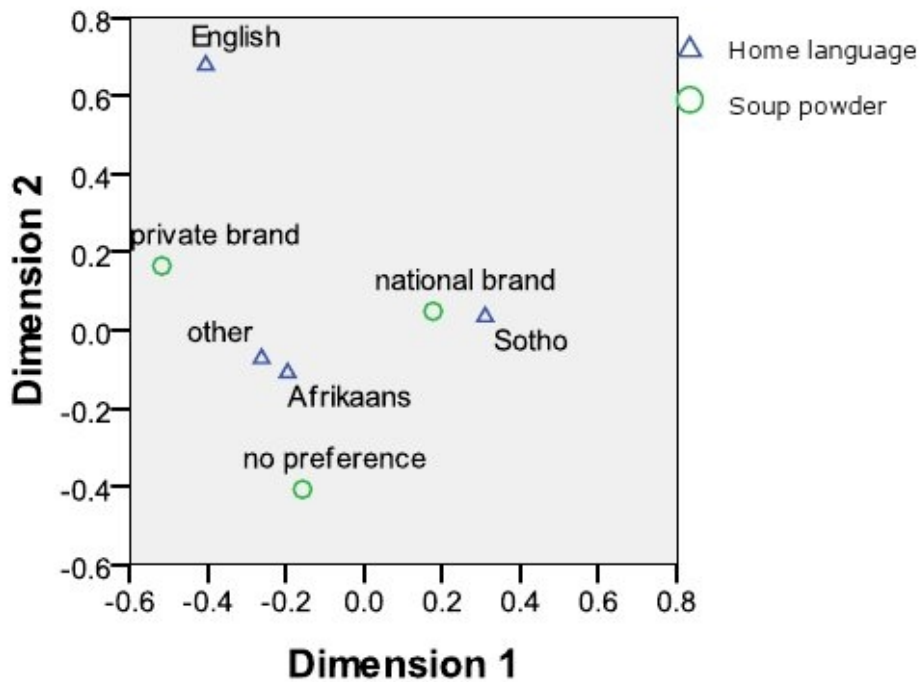


Figure 3.2 Bi-plot displaying the relationship between home language and soup powder brand preference

The relationship between respondents' qualification and brand preferences for the majority of the products in this study had a medium effect size (Table 3.3). This relationship between respondents' qualification and brand preference might be explained by the tendency that consumers who are more educated are likely to be better informed about the quality of private brands as compared to national brands and may not be willing to pay more for national brands (Hoch, 1996; Sethuraman, 2003). Higher levels of education are also associated with a higher social status (Schiffman & Kanuk, 2010) and a tendency to be more private brand prone (Baltas & Doyle, 1998; Baltas, 2003). In contrast, more educated consumers are also less price sensitive and also have less time available to compare prices and may therefore be willing to pay more for national brands (Hoch, 1996; Sethuraman & Cole, 1999). The use of different products in the present study allowed this tendency to be identified.

Although only large effect sizes are of practical significance towards demographics in identifying a products' brand preference, medium effect sizes may indicate tendencies, which might be further explored in future studies.

Respondents' psychographic characteristics

The psychographic question consisted of 40 statements on a five point Likert scale, which had to be adapted to the South African context. Means for the individual statements (Table 3.4) were subjected to exploratory factor analysis, and principal components with a varimax rotation, divided the psychographic questions into eight factors (Table 3.4). This grouping of the respondents' psychographic characteristics differed from those of previous studies (Ailawadi *et al.*, 2001; Martínez & Montaner, 2008) and five of the original psychographic statements from the questionnaire were excluded from the factor analysis and Table 3.4, since they had a low correlation with the total of the remainder of the questions and had a negative effect on the total percentage of variance of the factor analysis as well as the Cronbach alphas of the factors. They were: I think grocery shopping is a chore; I often find myself buying products on impulse in the grocery store; I enjoy grocery shopping; I often make an unplanned purchase when the urge strikes me; I like to finish my shopping as quickly as possible. This confirms studies which suggest that brand preference varies in different regions (Richardson *et al.*, 1996; Uusitalo, 2001; Omar *et al.*, 2004; Veloutsou *et al.*, 2004). For a sample size of more than 600 respondents, the factor loadings should be greater than 0.21 (Stevens, 2009). The factor loadings of the present study, indicating the strength of the correlations between factors and measured variables varied between 0.284 and 0.772, which implies that the questions correlated. The percentage of total variance explained was 51.070% which is more than half of the total percentage of variance explained and indicate that the convergent validity (indicating internal consistency of the factors) was valid implying a valid measuring instrument. Since the exploratory factor analysis yielded factors not similar to previous studies in other countries, it is not necessarily possible to compare these factors with other findings in the literature.

Internal consistency as indicated by Cronbach alphas for the factors derived from exploratory factor analysis varied between 0.594 and 0.806 (Table 3.4). Therefore, except for factor 5, which had unsatisfactory internal consistency, the other seven factors had Cronbach alphas higher than 0.6 which means that the internal consistency of the factor analysis of the psychographic questions was reliable (Malhotra & Birks, 2007). Therefore the psychographic measuring instrument is reliable. Mean values ≥ 3.5 were seen as positive, ≤ 2.5 negative and between these two values as neutral / indecisive.

The majority of respondents tended to be positive (mean = 3.65) towards factor 1 related to “quality conscious, store and brand loyalty”. The fact that the majority of respondents in the present study were women (69.2%) and that more than 70% of respondents had a secondary or tertiary education might explain respondents’ positive response towards quality consciousness and store loyalty. This is consistent with the finding of Ailawadi *et al.* (2001), stating that women are mostly associated with store loyalty and more educated consumers are associated with quality consciousness.

Respondents tended to be indecisive (mean = 3.15) towards factor 2 related to “conformity”. Motivation to conform is expected to influence private brand preference negatively (Martínez & Montaner, 2008). Respondents’ indecisive response to the questions related to conformity implies that respondents had other reasons to prefer national brands over private brands for the majority of products in this study.

Most respondents tended to agree (mean = 3.73) with variables from factor 3 related to “price conscious planners”. Price consciousness is expected to have a positive influence on private brand preference, since these products have lower prices (Martínez & Montaner, 2008). The combination of price consciousness and planning might imply that the respondents plan their purchases beforehand and purchase national brands which are on promotion to save money and time.

Table 3.4 Respondents' psychographic characteristics

					Frequency distribution (%)					Standard deviation	Mean
	Factor loading	Communalities	% variance explained	Cronbach alpha	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly agree (5)		
Factor 1: Quality conscious, store and brand loyal											
			10.784	0.806						0.877	3.65
I am willing to make an effort to search for my favourite brand.	0.703	0.567			11.2	5.0	14.0	26.6	43.2	1.328	3.86
Usually, I care a lot about which particular brand I buy.	0.659	0.613			13.9	11.2	18.0	23.5	33.4	1.407	3.51
I prefer one brand of most products I buy.	0.644	0.507			20.4	12.6	15.6	18.5	32.9	1.534	3.31
Usually, I care a lot about which particular grocery store I buy from.	0.633	0.629			12.9	9.6	12.6	24.0	40.9	1.413	3.70
I am willing to make an effort to shop at my favourite grocery store.	0.632	0.523			10.7	5.2	13.8	21.1	49.3	1.341	3.93
I prefer to always shop at one grocery store.	0.612	0.504			20.1	10.6	15.1	17.4	36.9	1.549	3.40
I always buy the best.	0.492	0.490			11.3	8.1	19.9	28.3	32.5	1.313	3.63
I will not give up high quality for a lower price.	0.478	0.446			16.0	8.2	15.2	24.3	36.3	1.449	3.57
It is important to me to buy high-quality products.	0.442	0.423			8.9	6.6	12.8	27.7	43.9	1.277	3.91
Factor 2: Conformist											
			6.788	0.678						1.049	3.15
It is important to me to fit in.	0.596	0.469			23.8	12.5	15.8	21.1	26.7	1.529	3.15
I only think as hard as I have to.	0.590	0.569			14.6	10.7	15.3	28.7	30.7	1.399	3.50
I like tasks that don't require much thinking once I have learned them.	0.582	0.481			19.4	11.1	22.1	22.1	25.2	1.438	3.23
Thinking is not my idea of fun.	0.578	0.417			34.3	16.4	16.1	14.6	18.5	1.522	2.67
My behaviour often depends on how I feel others wish me to behave.	0.478	0.463			38.4	14.5	14.5	13.4	19.2	1.559	2.60
Factor 3: Price conscious planner											
			6.548	0.602						0.849	3.73
I compare prices of at least a few brands before I choose one.	0.675	0.557			11.7	6.5	11.7	29.0	41.2	1.344	3.82
I find myself checking the prices even for small items.	0.656	0.537			13.0	8.8	13.7	28.8	35.7	1.379	3.65
It is important for me to get the best price for the products I buy.	0.584	0.529			5.0	3.9	10.7	31.4	48.9	1.089	4.15
I make a shopping list before I go grocery shopping.	0.474	0.338			16.5	8.3	7.9	24.0	43.3	1.496	3.69
I am somewhat of an expert when it comes to shopping.	0.284	0.466			17.5	10.7	20.8	23.3	27.7	1.430	3.33

Table 3.4 Respondents' psychographic characteristics

	Factor loading	Communalities	% variance explained	Cronbach alpha	Frequency distribution (%)					Standard deviation	Mean
					Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly agree (5)		
Factor 4: Storage space			5.778	0.716						1.345	3.30
I have plenty of storage space at home.	0.772	0.649			18.9	11.5	14.3	23.6	31.7	1.543	3.38
I have a lot of room at home to stock extra grocery products.	0.748	0.612			23.3	10.5	15.5	21.2	29.6	1.495	3.23
Factor 5: Time and financial constraints			5.763	0.594						0.909	2.97
I never seem to have enough time for the things I want to do.	0.673	0.486			22.5	14.1	20.4	19.6	23.3	1.473	3.07
Most days, I have no time to relax.	0.620	0.461			30.6	12.2	18.0	18.8	20.3	1.527	2.86
I always seem to be in a hurry.	0.553	0.394			26.4	12.8	20.6	17.5	22.7	1.507	2.98
My household often has problems making ends meet.	0.509	0.558			27.6	14.1	27.0	14.6	16.6	1.419	2.78
My household budget is always tight.	0.459	0.375			20.0	11.4	27.5	18.5	22.6	1.411	3.12
Factor 6: Mavenism			5.434	0.618						1.248	3.35
People think of me as a good source of shopping information.	0.560	0.566			20.2	10.7	17.6	26.1	25.4	1.459	3.26
I enjoy giving people tips on shopping.	0.539	0.532			18.1	8.5	17.0	23.4	33.0	1.473	3.45
Factor 7: Variety seeking			5.378	0.606						0.926	3.47
When I see a product somewhat different from the usual, I check it out.	0.678	0.510			12.4	5.9	14.3	29.6	37.9	1.345	3.75
I like to try new and different things.	0.623	0.562			11.2	7.6	15.9	31.5	33.8	1.309	3.69
I buy different brands to get some variety.	0.582	0.466			14.0	11.3	18.7	28.6	27.4	1.365	3.44
I am often among the first people to try a new product.	0.448	0.536			24.8	14.0	18.3	23.7	19.2	1.463	2.98
Factor 8: Miscellaneous			4.597	0.611						1.184	2.64
If I use the same brands over and over again, I get tired of them.	0.626	0.542			44.5	16.3	12.1	9.9	17.2	1.536	2.39
It bothers me if other people disapprove of my choices.	0.577	0.588			46.3	10.9	10.6	11.5	20.7	1.628	2.49
I spend a lot of time planning my grocery shopping trips.	0.492	0.477			27.9	12.5	13.3	21.6	24.8	1.565	3.03
Total Variance explained			51.070								

Respondents tended to be indecisive (mean = 3.30) towards factor 4 related to “storage space”. This implies that the majority of respondents were unsure whether they have room to store extra food products purchased in bulk or when on promotion. A lack of storage space is associated with private brand purchases, since these products have everyday low prices which make stockpiling unnecessary (Ailawadi *et al.*, 2001).

Respondents in this study tended to be indecisive (mean = 2.97) towards factor 5, related to “time and financial constraints”. Consumers with time constraints are more prone to purchase private brands, since these products have a good price-quality relationship and are available in a wide range of product categories (Martínez & Montaner, 2008). The respondents being indecisive towards time constraints might explain their tendency to be national brand prone. Financial constraints are not necessarily associated with private brand proneness (Martínez & Montaner, 2008). Individual respondent’s characteristics would, however, give a better indication of the above, since some respondents were more negative, while others were more positive which yielded an undecided mean.

Respondents in this study also tended to be indecisive (mean = 3.35) towards factor 6 related to “mavenism”. Literature suggests that market mavens are more prone to purchase private brands, since they see private brands as good value for money (Martínez & Montaner, 2008). The undecided mean of respondents in this study implies that the majority of respondents were not market mavens which might explain why they were less prone to private brands.

Most respondents tended to be more indecisive than positive (mean = 3.47) towards factor 7 related to “variety seeking”. A positive relationship with variety seeking and private brand proneness was found in literature (Martínez & Montaner, 2008). Respondents being more undecided towards variety seeking might explain why national brands were preferred by the majority of respondents.

Respondents tended to be undecided towards factor 8 “miscellaneous”. Variables of factor 8 were less related to each other than variables from the other factors and are included for completeness, since there were no relationships between factor 8 and the various products found during the logistic regression.

In the present study, respondents were only positive towards two of the eight psychographic factors, namely factor 1, “quality conscious, store and brand loyal” and factor 3, related to “price conscious planners”. This indicates that these were the only psychographic factors describing respondents’ psychographic profile, since they tended to be indecisive towards all the other psychographic factors. Respondents being more indecisive to the majority of factors could also be because national brands are preferred for most products.

Relationship between respondents’ psychographic and demographic variables and brand preference

The third objective was to determine the relationship between consumers’ psychographics and demographics and their preferences for private and national brand food products in a South African context. Stepwise logistic regression was used to determine this relationship by predicting respondents’ private brand preference as dependent variable by using demographics and psychographic factors determined by the exploratory factor analysis. Logistic regression was used to generate models from which predictions were made about the likelihood that respondents would prefer a private brand for a specific food product. To determine the predictive validity of the logistic regression models, respondents were back classified using the models. Although low Nagelkerke R^2 values indicated that the logistic regression models do not fit the data very well (Field, 2009), the percentage correct classifications for all the products used in the logistic regression were high. Therefore the logistic regression model could be useful in predicting the likelihood that a consumer with certain demographic and psychographic characteristics would prefer a private or national brand of a certain food product.

Odds ratios were used to interpret the change in odds resulting from a unit change in the predictor. An odds ratio larger than one, indicates that for that specific demographic or psychographic factor the odds are X times more likely that a respondent would prefer the private brand of that product. Odds ratios smaller than one are difficult to interpret and therefore reciprocal transformation, which reverses the score, was done. When the reciprocal value is larger than one, it indicates that for that specific demographic or psychographic factor the odds are X times more likely that a respondent would not prefer the private brand of that product.

For example, 92% of respondents' coffee brand preference, which was the highest of all products, is predicted correctly by the model, where education and psychographic factor 1, which represent "quality conscious, store and brand loyal" respondents had odds ratios smaller and larger than one respectively, and may be useful in predicting coffee brand preference (Table 3.5). Respondents with a secondary education is 12.5 (highly significant) times more likely not to prefer private brand coffee, while respondents with tertiary education is 1.57 (not significant) times more likely not to prefer private brand coffee. Respondents who were more positive towards questions from psychographic factor 1 related to "quality conscious, store and brand loyalty" are 2.14 (not significant) times more likely to prefer private brands to respondents who were more negative. Secondary education could therefore be used to determine a respondent's coffee brand preference. Literature which suggests that education level influences private brand preference (Richardson *et al.*, 1996; Baltas & Argouslidis, 2007) is therefore confirmed.

Table 3.5 Stepwise logistic regression determining the relationship between respondents' private brand preference, demographic and psychographic factors

Products	canned vegetables			cheese			coffee			cooking oil			dry pasta			frozen poultry		
	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal
Demographics																		
Gender	-	-	-	-	-	-	-	-	-	0.02	0.51	1.96	-	-	-	0.01	0.31	3.26
Age 19-29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Age 30-59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secondary education	0.09	0.38	2.65	-	-	-	<0.01	0.08	12.50	-	-	-	-	-	-	-	-	-
Tertiary education	0.07	0.41	2.43	-	-	-	0.37	0.64	1.57	-	-	-	-	-	-	-	-	-
Afrikaans	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.22	4.61	<0.01	10.34	-
English	-	-	-	-	-	-	-	-	-	-	-	-	0.03	0.20	5.03	<0.01	15.76	-
Sotho	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.37	2.71	0.12	3.46	-
Single	<0.01	0.14	6.99	<0.01	0.16	6.17	-	-	-	-	-	-	-	-	-	-	-	-
Married / Living together	0.10	0.43	2.31	0.01	0.36	2.81	-	-	-	-	-	-	-	-	-	-	-	-
Housemates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<0.01	0.46	2.19
Work full time	-	-	-	-	-	-	-	-	-	0.03	0.19	5.29	-	-	-	-	-	-
Work part time	-	-	-	-	-	-	-	-	-	0.05	0.17	5.88	-	-	-	-	-	-
Student	-	-	-	-	-	-	-	-	-	0.01	0.15	6.62	-	-	-	-	-	-
LSM	0.02	0.53	1.90	-	-	-	-	-	-	-	-	-	0.02	0.55	1.83	-	-	-
Psychographics																		
Factor 1: Quality conscious, store and brand loyal	-	-	-	-	-	-	<0.01	2.14	-	-	-	-	-	-	-	-	-	-
Factor 2: Conformist	-	-	-	-	-	-	-	-	-	-	-	-	<0.01	1.62	-	-	-	-
Factor 3: Price conscious planner	0.03	1.61	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	0.63	1.58
Factor 5: Time and financial constraints	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 6: Mavenism	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 7: Variety seeking	-	-	-	-	-	-	-	-	-	<0.01	1.81	-	-	-	-	-	-	-
Nagelkerke R ²		0.17			0.07			0.18			0.16			0.23			0.22	
% predicted		86			84			92			72			68			78	

Table 3.5 Stepwise logistic regression determining the relationship between respondents' private brand preference, demographic and psychographic factors

Products	frozen vegetables			fruit juice			Ice cream			jam			mayonnaise		
	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal
Demographics															
Gender	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Age 19-29	-	-	-	-	-	-	0.01	0.62	1.61	-	-	-	-	-	-
Age 30-59	-	-	-	-	-	-	0.01	0.32	3.10	-	-	-	-	-	-
Secondary education	0.02	0.31	3.22	-	-	-	-	-	-	0.01	0.29	3.50	0.02	0.32	3.11
Tertiary education	0.01	0.28	3.53	-	-	-	-	-	-	0.15	0.52	1.92	0.25	0.61	1.65
Afrikaans	-	-	-	-	-	-	0.61	0.74	1.36	-	-	-	-	-	-
English	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sotho	-	-	-	-	-	-	0.50	1.43	-	-	-	-	-	-	-
Single	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Married / Living together	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housemates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work full time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work part time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Student	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LSM	-	-	-	-	-	-	<0.01	0.38	2.62	<0.01	0.52	1.92	0.05	0.65	1.54
Psychographics															
Factor 1: Quality conscious, store and brand loyal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 2: Conformist	0.04	1.36	-	-	-	-	-	-	-	<0.01	1.56	-	-	-	-
Factor 3: Price conscious planner	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 5: Time and Financial constraints	-	-	-	0.04	1.39	-	-	-	-	-	-	-	-	-	-
Factor 6: Mavenism	-	-	-	0.01	1.41	-	-	-	-	-	-	-	-	-	-
Factor 7: Variety seeking	-	-	-	-	-	-	0.01	1.72	-	0.02	1.51	-	-	-	-
Nagelkerke R ²	0.06			0.08			0.25			0.24			0.07		
% predicted	80			79			76			76			84		

Table 3.5 Stepwise logistic regression determining the relationship between respondents' private brand preference, demographic and psychographic factors

Products	milk			rice			soup powder			tea			tomato sauce		
	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal	p-value	Odds ratio	reciprocal
Demographics															
Gender	0.01	0.39	2.58	0.03	0.52	1.94	0.00	0.38	2.65	0.01	0.35	2.83	-	-	-
Age 19-29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Age 30-59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Secondary education	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.24	4.20
Tertiary education	-	-	-	-	-	-	-	-	-	-	-	-	0.17	0.55	1.82
Afrikaans	0.02	3.46	-	-	-	-	-	-	-	0.02	0.32	3.11	-	-	-
English	0.23	2.53	-	-	-	-	-	-	-	0.81	0.86	1.17	-	-	-
Sotho	0.95	0.97	1.04	-	-	-	-	-	-	0.01	0.33	3.08	-	-	-
Single	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Married / Living together	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housemates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work full time	-	-	-	0.01	0.36	2.79	-	-	-	<0.01	0.23	4.31	-	-	-
Work part time	-	-	-	0.02	0.22	4.57	-	-	-	0.02	0.19	5.32	-	-	-
Student	-	-	-	0.06	0.47	2.11	-	-	-	<0.01	0.26	3.79	-	-	-
LSM	-	-	-	0.01	0.63	1.59	-	-	-	0.01	0.53	1.88	0.03	0.61	1.65
Psychographics															
Factor 1: Quality conscious, store and brand loyal	-	-	-	0.03	1.39	-	-	-	-	0.02	1.56	-	-	-	-
Factor 2: Conformist	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 3: Price conscious planner	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 5: Time and Financial constraints	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Factor 6: Mavenism	-	-	-	-	-	-	-	-	-	-	-	-	0.02	1.40	-
Factor 7: Variety seeking	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nagelkerke R ²		0.10			0.12			0.05			0.24			0.12	
% predicted		85			83			79			84			89	

p-values are included for completeness, since a random sample was not used.

Odds ratio: Small effect where odds ratio = 2.2 (significant); medium effect where odds ratio = 2.5 (substantially significant) and large effect where odds ratio = 4.0 (highly significant) (Steyn, 2005).

Odds ratios smaller than one is difficult to interpret, therefore reciprocal transformation, which reverses the score, was done with odds ratios smaller than one (Field, 2009).

R² : Small effect where R² = 0.01; medium effect where R² = 0.1 and large effect where R² = 0.25 (Steyn, 2005).

Although the demographic factors differed for the various products, gender, education, home language and employment status of respondents seemed to have the greatest influence on their brand preference, since more significant odds ratios were found for these demographics. Except for gender, this confirms literature which found these demographic factors to influence brand preference (Richardson *et al.*, 1996; Uusitalo, 2001; Baltas & Argouslidis, 2007). Odds ratios different from one were found for six of the eight psychographic factors for various products, but none of the odds ratios were significant. Therefore brand preference depended on different demographics for each product, while psychographic factors did not play a significant role in brand preference.

By correlating demographics and products, only home language and qualification seemed to influence brand preference. When demographics, psychographics and products were analysed through logistic regression, gender, education level, home language and employment status of respondents gave significant indications of brand preference. Although, according to literature, a combination of demographic factors and psychographic factors could be useful in determining brand preference, home language and education level seemed to be the most important factors in this study.

Conclusion

Although sales for private brands have risen for most products in recent years according to literature, this study revealed that national brands were preferred over private brands for all products listed in this study, except for cooking oil, where private brands were preferred.

Cross tabulations were used to determine phi coefficients indicating the relationship between demographic factors and product brand preference. Education was expected to have an influence on brand preference but in this study medium effect sizes were revealed for most of the products, which means that education does not significantly influence brand preference. Consumers with a lower living standard are expected to be private brand purchasers, but the LSM of respondents only had small and medium effect sizes for the products included in this study. This confirms previous studies which have found that income cannot indicate brand preference.

The results from this study thus confirm previous studies' results that demographics alone cannot give a definite indication of product brand preference.

Since demographics could not previously determine product brand preference successfully, a combination of demographics and psychographics was suggested in the literature. Studies which used psychographics to indicate brand preference were not product specific. The present study combined different product preferences together with demographics and psychographics and used stepwise logistic regression to determine the correlations between them. Relationships were found between product brand preferences, demographic and psychographic factors, but the same demographic and psychographic factors did not correlate with all products. Respondents may purchase a private brand of one product, but prefer to purchase the national brand of another. Therefore respondents cannot be solely classified as a national brand or a private brand consumer. Furthermore, respondents cannot be asked whether they prefer to purchase national brands or private brands, if a specific product is not tied to the question. Psychographics gave an indication of brand preference in previous research, when the question was not product specific. In this study where a combination of demographic and psychographic factors with a variety of products was used, the psychographic factors were not significant in influencing brand preference. A combination of demographic factors, mainly gender, education level, home language and employment status of respondents gave more significant indications of brand preference, while home language and education level seemed to be the most important factors in this study. Although gender was not previously indicated as an important factor in literature, the other demographic factors were indeed. Therefore, when brand preference research is done, a combination of product specific brand preference questions should be used with specific demographic questions to determine brand preference.

Consumers may benefit if promotional material is better targeted, which can cut costs and save the consumer money. In an emerging market such as South Africa, it is important to enable consumers to save money, by providing value for money products, without compromising quality.

Recommendations for future research

Since results regarding psychographics in the present study differed from previous studies which were done in other regions, research should be context specific and the results should not be generalised. It is recommended that retailers and manufacturers determine the demographic and psychographic specific profile of their target market for a specific product when producing or marketing products, especially private brands.

The questionnaire was available in Afrikaans, English and Setswana for respondents' convenience and to ensure reliability of responses. Although the majority of Setswana speaking respondent's mother tongue is Setswana, they learn to read and write in English or Afrikaans and preferred to be interviewed in English or Afrikaans. Some Setswana speaking respondents started with the Setswana questionnaire and decided halfway through that they wanted the English questionnaire. Therefore it is suggested that future research in the South African context, where an interviewer administered questionnaire is used, the questionnaire should be available in the indigenous language of the area, but with the English and Afrikaans next to it, since most of the time it is better comprehended by respondents than their mother tongue, even if it is read to them.

Limitations of the research

Due to the exploratory nature of this study in the South African context, data collection was limited to only one city and results cannot be generalised to the South African population. Furthermore, little research has been done in the South African context, which limited available background information. The infrastructure in other countries where similar research has been done is more developed, to enable researchers to use other methods, such as telephone surveys or consumer panels, which is not readily available in South Africa.

This study was limited to quantitative methods and to better understand the reasons for consumers' brand preferences, a mixed method study is suggested for future research on this topic.

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CONCLUDING DISCUSSION

CHAPTER 4

CONCLUDING DISCUSSION

4.1 Introduction

This chapter provides a concluding discussion regarding the accomplishment of the research objectives and findings of this study. Possible implications and recommendations of the results are discussed. To conclude, recommendations for future research are discussed.

4.2 Conclusion

The aim of this study was to determine consumers' preferences for private and national brand food products in Potchefstroom, in a South African context from the consumer's perspective. This was done by exploring the relationship between psychographic and demographic characteristics and brand preferences for a variety of food products.

The first objective of this study was to determine consumers' preferences for different private and national brand food products. Although private brands are generally the cheapest brand on shelves, they are not necessarily the most popular. However, their sales have risen in South Africa. Different food products were investigated since it was expected that respondent's preferences might differ for various food products. For all the food products investigated in this study, national brands were preferred by the majority of respondents, except for cooking oil, where the majority preferred private brands. Although private brand dry pasta was not preferred by the majority of respondents, a high percentage of respondents preferred private brand dry pasta. Both these products are usually disguised by mixing it with other ingredients during preparation (Erasmus, 1992:51), which might explain respondents' preference.

The second objective was to determine the relationship between consumers' brand preference and specific demographic characteristics. When only the demographic variables were correlated with the product brand preference questions, small to medium effect sizes were found between all the products and gender, household

size, employment status, LSM (Living standard measurement), marital status and age. This indicates that these demographic factors do not have a practical significant effect on the respondents' product brand preferences. Although home language and qualification also had only small to medium effect sizes for the majority of products, there were more medium effect sizes and soup powder had a large effect with home language. Home language had the only practically significant effect on brand preference for a product. The relationship between home language and soup powder showed a large effect, while home language and qualification, showed only a few small and more medium effect sizes for the majority of products.

The third objective was to determine the relationship between consumers' psychographics and demographics and their preferences for private and national brand food products. Stepwise logistic regression was used to determine these relationships. Different demographic and psychographic variables influenced respondents' brand preference for the various products. Therefore private brand research should be product specific and generalisations cannot be made to private brands. None of the odds ratios for the psychographic variables were significant and only a few of the demographic factors had significant odds ratios with the product brand preference. However, when psychographics, demographics and products were analysed through logistic regression, gender, education level, home language and employment status of respondents gave significant indications of brand preference. Therefore the combination of demographics, psychographics and products is more effective to determine relationships than when only demographics and products are used to indicate brand preference.

4.3 Implications and recommendations

Due to the exploratory nature of this study in the South African context, data collection was limited to only one city and results cannot be generalised to the South African population. Furthermore, little research has been done in the South African context, which limited available background information. The infrastructure in other countries where similar research has been done is more developed, which enabled researchers to use other methods, such as telephone surveys or consumer panels, which is not readily available in South Africa.

The results regarding psychographics of the present study differed from previous studies, which were done in other countries, therefore research should be context and region specific and results should not be generalised. It is recommended that retailers and manufacturers determine the demographic and psychographic specific profile of their target market for a specific product when producing or marketing products, especially private brands. Consumers can benefit if the content of promotional material is better formulated and the material is better targeted. Purposely designed promotional material would be more informative, could be more persuasive and could save consumers money and effort in sourcing suitable, affordable, acceptable products. In an emerging market such as South Africa, it is important to enable consumers to save money, by providing value for money products, without compromising quality.

4.4 Future research

The questionnaire was available in Afrikaans, English and Setswana for respondents' convenience. Although the majority of Setswana speaking respondents' mother tongue is Setswana, they learn to read and write in English or Afrikaans and preferred to be interviewed in English or Afrikaans. Some Setswana speaking respondents started with the Setswana questionnaire and decided halfway through that they wanted the English questionnaire. Therefore it is suggested that future research in the South African context, where an interviewer administered questionnaire is used, the questionnaire should be available in the indigenous language of the area, but with the English and Afrikaans next to it, since most of the time it is better comprehended by respondents, than their mother tongue.

This study was limited to quantitative methods and a mixed method study is suggested for future research to better understand the reasons for consumers' brand preferences.

4.5. References

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APPENDIX A

RESEARCH METHODOLOGY

Research methodology

1. Research approach

A cross-sectional descriptive method, namely a survey that implemented a structured interviewer administered questionnaire was used to collect quantifiable data in Potchefstroom during November and December, 2008.

2. Study environment and population

Data were obtained using a retail outlet intercept method. Due to limited sources, an interviewer administered questionnaire was handed out to a conveniently recruited sample in Potchefstroom which is situated in the North West province, 120km from Johannesburg in South Africa. The city of Potchefstroom has a population of 124 351 people, with 35 524 households and an average of 3.4 people per household of which 78.5% live in formal and 18.4% in informal dwellings. Potchefstroom is a predominant academic city with five tertiary institutions and more than seventy schools, institutes, colleges and research institutions (Statistics South Africa, 2008:10 Tlokwe City Council, 2010). Performing the research in Potchefstroom seemed ideal, based on the location of the North-West University in terms of the shopping area which limited travel costs whilst also providing opportunity to enlist competent field workers.

Four retail outlets, namely Spar, Checkers, Pick n Pay and Shoprite within a radius of two km from each other were included in this study. Stores were chosen to minimise sample response bias as these supermarket typologies represent different socio-economic strata (Veloutsou *et al.*, 2004:232). These supermarkets are also found in most cities and towns in South Africa and most consumers are familiar with them. All these retailers sell both private and national brand products and their private brand strategies and target markets differ. Spar targets all income groups or Living standard measurement (LSM) 1-10 (Howell, 2009). Checkers targets consumers in the upper-income groups or LSM groups 7-10 (Greeff, 2009a). The target market for Pick n Pay supermarkets is middle to high-income consumers in LSM groups 4-10 (Harrilall, 2007; Wright, 2009:). Shoprite supermarkets focus on consumers from the lower- to middle-income groups or LSM 4-7 (Greeff, 2009b). The mall intercept survey sampling method was regarded appropriate for this study, since the target

population was primarily food purchasers. Permission was obtained from the management of the various retail outlets to approach respondents.

Twelve field workers, who were trained by the nutrition department of the North-West University in general practice of field work and who also had a further three hour session on the specific questionnaire by the researcher, were used to intercept respondents and complete the interviewer administered questionnaire. The field workers were fluent in at least two of three home languages, i.e. Afrikaans, English and/or Setswana, spoken by inhabitants of the North-West Province where Potchefstroom is situated (Statistics SA, 2006:15). Three fieldworkers were placed at each retail outlet every second day according to a roster (Table 1) to ensure that a wide variety of respondents were included in the sample. Data were gathered at the four different retail outlets at different times of the day, different days of the week over a three week period during November and December, 2008. It took approximately 20 minutes to complete the interviewer administered questionnaire.

APPENDIX A

Table 1 Roster according to which fieldworkers were placed at different retail outlets

Retail outlet	Pick n Pay	Checkers	Shoprite	Spar
Monday 24 November				
	08:00	14:00	12:00	10:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Wednesday 26 November				
	10:00	09:00	14:00	12:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Friday 28 November				
	12:00	10:00	08:00	14:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Tuesday 2 December				
	14:00	12:00	10:00	08:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Thursday 4 December				
	08:00	14:00	12:00	10:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Saturday 6 December				
	10:00	08:00	14:00	12:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Monday 8 December				
	12:00	10:00	08:00	14:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Wednesday 10 December				
	14:00	12:00	10:00	08:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6
Friday 12 December				
	08:00	14:00	12:00	10:00
	Fieldworker 1	Fieldworker 10	Fieldworker 7	Fieldworker 4
	Fieldworker 2	Fieldworker 11	Fieldworker 8	Fieldworker 5
	Fieldworker 3	Fieldworker 12	Fieldworker 9	Fieldworker 6

3. Sample size and sampling

The sample size for quantitative mall survey research is normally determined by the number of variables in the questionnaire, the sample size of similar studies and resource constraints (Malhotra, 2006:328). The sample size of similar studies varied between 180 (Ailawadi, *et al.*, 2001:77; Baltas & Papastathopoulou, 2003:500; Veloutsou *et al.*, 2004:232) and 2800 (Richardson *et al.*, 1994:30; Dick *et al.*, 1995:16) respondents with an average number of 600-900 respondents (Dick *et al.*, 1996:21; Whelan & Davies, 2006:397). Resource constraints therefore had the greatest influence on the sample size of this study. The target was a sample size of approximately 600 questionnaires and more were printed to have questionnaires available in the different languages and to compensate for uncompleted questionnaires. Each fieldworker had to complete at least five and not more than fifteen interviewer administered questionnaires each day. The final sample constituted 620 completed questionnaires.

Respondents had to be willing and had to be the primary food purchasers of their households. Primary food purchasers were chosen to ensure that they are familiar with grocery shopping (Ailawadi *et al.*, 2001:78). Exit interviews were chosen to ensure that respondents were customers of the specific chosen retail outlet (Whelan & Davies, 2006:397). Field workers invited consumers to participate when exiting the stores. A screening question was asked to ascertain whether they were suitable for participation. Respondents were approached, irrespective of age, gender and racial group as long as they were able to speak English, Afrikaans or Setswana for communication purposes. The minimum age for participation was 18 years to allow for informed consent as a major (South Africa, 2006:38). Respondents received no remuneration for participation.

4. Measuring instrument

A questionnaire was used to collect quantifiable information. The questionnaire was adapted from questionnaires designed by Coe (1971:64) and Ailawadi *et al.* (2001:87). The English questionnaires were translated into Afrikaans and Setswana and then translated back to English by an independent person to ensure reliability of the questionnaire.

The questionnaire comprised three questions with subdivisions. The first section was the preference question, the second the psychographic statements and the third consisted of demographic questions. Each section will be described in more detail.

Question 1

The food products in the brand preference question from Coe (1971:64) were replaced by 25 products in which ACNielsen (2003:14) found a high value share in the private brand market and which represented private and national brands. Respondents were asked whether they had purchased one of the listed products and then had to indicate which brand they preferred (Coe, 1971:64) rather than asking whether they purchased private or national brands. Answers were noted and the procedure was repeated for each product.

Question 2

Psychographic statements from Ailawadi *et al.* (2001:87) were included on a five-point Likert-scale ranging from “strongly disagree” (1) to “strongly agree” (5), for example:

If I use the same brands over and over again, I get tired of them;

It bothers me if other people disapprove of my choices;

I spend a lot of time planning my grocery shopping trips.

Question 3

Although demographics alone was not enough previously to characterise private and national brand consumers, demographic questions were included in the present study since these questions provide classification data, useful for cross-classifying responses in other questions (Ailawadi *et al.*, 2001:76; Baltas & Argouslidis, 2007:337; Martínez & Montaner, 2008:488). Furthermore, it was not clear whether demographics does influence consumers' preferences for private and national brand food products in a South African context. The demographic questions were included at the end of the questionnaire to prevent them causing irritation (Parasuraman *et al.*, 2007:299). Demographic variables were adapted to fit the South African context by using a validated South African demographic question from Hardy (2008) and included age, gender, education level, employment status, (Ailawadi *et al.*, 2001:78),

marital and family status (Baltas & Papastathopoulou, 2003:503), home language and Living Standard Measure (LSM).

Living standards measure (LSM) is the most widely used marketing research tool in South Africa. It involves a classification of the population into ten LSM groups, 10 being the highest. This system does not distinguish between races. It categorises households according to their living standards using selected criteria such as degree of urbanisation and ownership of major appliances (SAARF, 2009). Respondents therefore had to indicate which of the listed items/ commodities they owned and were then classified into one of the ten LSM categories.

5. Pilot study

A pilot study conduct research on a small scale, in similar circumstances and with similar participants as those that would be used in the full scale study (Zikmund & Babin, 2007:62). As recommended by Zikmund and Babin, (2007:62), the pilot study served as a guide for the larger scale study, to make sure that the selected procedures would work and to prevent the risk that the actual study would be flawed. The questionnaire was pre-tested in a pilot study (Cunningham *et al.*, 1982:26; Jin & Suh, 2005:66) to determine the appropriateness of the questionnaire in the context of the study and to adapt it if necessary. Attention was given to the wording, consumers' understanding of concepts, time required for completion and their interpretation of the scales (Jin & Suh, 2005:66). Furthermore, the pilot study determined the application duration of a questionnaire.

6 Statistical analysis of data

The questionnaires were coded by the researcher, data were entered into SPSS (2009) and then checked by the researcher. Descriptive statistics were used to determine the demographic- and preference characteristics of the respondents. Thereafter cross-tabulations were done with the demographic and preference questions to determine the relationship between demographics and brand preference in the present study. Cross-tabulations are an example of an associative analysis (Burns & Bush, 2010:427). The cross-tabulations provided phi coefficients which were used as a measure to determine the importance of the effect on the relationship between demographic factors and product brand preferences. A phi coefficient of

zero is an indication that there is no effect, while the nearer phi is to one the larger the effect is (Field, 2009:57). Small effects were indicated by a value of 0.10, medium effects by 0.30 and large effects by 0.50 (Field, 2009:57). Where phi coefficients provided a large effect, bi-plots were done to interpret the relationship between the specific demographic and preference question. Bi-plots from correspondence analysis (Bartholomew *et al.*, 2002:91) were used to help to interpret the cross-tabulation between a brand preference and a demographic factor.

Exploratory factor analysis was used to determine the latent variables describing psychographics. Factor loadings indicate the strength of a correlation between a factor and a measured variable and range between +1.00 and -1.00 (Burns & Burns, 2008:446; Zikmund & Babin, 2010:626). Loadings should be at least 0.30 but preferably higher to represent a factor (Burns & Burns 2008:444). However, for a sample size of more than 600 respondents, factor loadings greater than 0.21 are acceptable (Stevens, 2009:378). Constructs are interpreted based on the pattern of loadings and the content of the variables (Zikmund & Babin, 2010:626). The varimax rotation simplifies the identification of related factors (Burns & Burns, 2008:449). Communality is the proportion of variance in that variable that can be explained by the common factors (Burns & Burns, 2008:446). Relatively high communalities indicate that a variable has much in common with the other variables in the group (Zikmund & Babin, 2010:627). The factors extracted from the exploratory factor analysis were then used in the stepwise logistic regression to determine the relationship between brand preferences, demographic and psychographic factors simultaneously.

Logistic regression is a variation of ordinary linear multiple regression that is used when the dependent variable (brand preference for private or national brand) is dichotomous. Independent variables (demographics and psychographics) are continuous, categorical or both. Logistic regression does not assume that the relationship between the dependent and independent variables are linear (Parasuraman *et al.*, 2007:508). Stepwise logistic regression was used to determine which factors are the best predictors of private brand preference. The significance of a relationship between variables depends on the sample size, therefore products where less than 40 respondents preferred to purchase a private or national brand were not analysed in the stepwise logistic regression as suggested by Kerr *et al.*

(2003:187). Stepwise logistic regression used all the demographic (as k dichotomous variables for each, where k is one less than the number of categories) and psychographic variables to predict brand preference. The logistic regression produced odds ratios, which is important in interpreting logistic regression (Field, 2009:269).

The odds ratio, which is an indication of the change in odds resulting from a unit change in the predictor, is important in interpreting logistic regression (Field, 2009:270). If the odds ratio value is greater than one, it indicates that as the predictor increases, the odds of the outcome occurring increase and for that demographic or psychographic factor, a private brand is preferred. Alternatively, when a value is less than one, it indicates that as the predictor increases, the odds of the outcome occurring decreases (Field, 2009:271) and for that demographic or psychographic factor a national brand is preferred. Since an odds ratio smaller than one is difficult to interpret, reciprocal transformation, which reverses the score, was done with odds ratios smaller than one (Field, 2009:270), which also indicated national brand preference.

7. Validity

Validity describes measures that accurately reflect the concept which it is intended to measure (Babbie, 2010:153; Zikmund & Babin, 2010:336). Since the purpose of the present study was to determine respondents' preferences and the relationship between respondents' psychographics and demographics and their preferences for private and national brand food products, the most appropriate measure of validity for measuring preference was content validity. The questionnaire was given to experts in the field, a pilot study was done and a literature study was done to ensure content validity (Zikmund & Babin, 2007:336).

Factor analysis was used for data reduction and summarisation (Malhotra, 2010:636) in establishing construct validity (Zikmund & Babin, 2010:337) with the psychographic questions. This is an interdependence technique since an entire set of interdependent relationships can be examined (Malhotra, 2010:636). The percentage of variance explained, which represents how much variance the particular factor and each particular variable have in common, can be used to indicate convergent validity

for each factor and should ideally explain at least half of the total variation among measured variables (Zikmund & Babin, 2010:628).

In the logistic regression, predictive validity (criterion validity) (Zikmund & Babin, 2010:336) was firstly determined with the R^2 of Nagelkerke as a measure of the goodness-of-fit of the logistic regression model. A value of zero indicates that the predictors are ineffective in predicting the outcome variable, and a value of one indicates that the model predicts the outcome perfectly (Field, 2009:269). R^2 also gives a measure of the proportion of variance explained, which serves as an indicator of effect size (Steyn, 2005:10; Zikmund & Babin, 2010:461). A small effect is indicated by 0.01, a medium effect by 0.1 and a large effect by 0.25 (Steyn, 2005:11). Secondly, the percentage correct classification gives an indication of how correctly the brand preference will be predicted by the logistic regression model.

8. Reliability

In the present study, reliability was obtained by using established measures and ensuring the reliability of research workers. Reliability of research workers was reached by training field workers before they entered the field and by using a pilot study to eliminate possible difficulties. In addition, reliability was ensured by using established measures in the questionnaire which have proven reliability in previous research (Babbie, 2010:146). These measures include the adapted preference questionnaire of Coe (1971:64) as well as the psychographic questionnaire of Ailawadi *et al.* (2001:87).

Cronbach alpha is a reliability coefficient which measures the internal consistency of a group of items (Malhotra & Birks, 2007:358). Values range between zero and one, where a value of 0.6 or less indicates unsatisfactory internal consistency reliability. In this study coefficient alpha was used as a measure of internal consistency to determine the reliability of the factor analysis of the psychographics.

Five psychographic variables used in previous studies (Ailawadi *et al.*, 2001:87; Martínez & Montaner, 2008:485) were not correlated with the other variables in the South African context. They were: I think grocery shopping is a chore; I often find myself buying products on impulse in the grocery store; I enjoy grocery shopping; I

often make an unplanned purchase when the urge strikes me; I like to finish my shopping as quickly as possible, and are not included in Table 3.3. This confirms studies which suggest that brand preference varies in different regions (Richardson *et al.*, 1996:181; Uusitalo, 2001:214; Omar *et al.*, 2004:54; Veloutsou *et al.*, 2004:238).

Although the demographic factors differed for the various products, gender, education, home language and employment status of respondents seemed to have the greatest influence on their brand preference, since more significant odds ratios were found for these demographics. Except for gender, this confirms literature which found these demographic factors to influence brand preference (Richardson *et al.*, 1996:181; Uusitalo, 2001:214; Baltas & Argouslidis, 2007:337). Odds ratios different from one were found for six of the eight psychographic factors for various products, but none of the odds ratios were significant. Therefore brand preference depended on different demographics for each product, while psychographic factors did not play a significant role in brand preference.

By correlating demographics and products, only home language and qualification seemed to be influencing brand preference. When demographics, psychographics and products were analysed through logistic regression, gender, education level, home language and employment status of respondents gave significant indications of brand preference. Although, according to literature, a combination of demographic factors and psychographic factors could be useful in determining brand preference, home language and education level seemed to be the most important factors in this study.

9. Ethical considerations

Ethical approval for the study was obtained from the Ethical Committee of the North-West University, Potchefstroom Campus (Reference No. 06K09). The guidelines provided by Strydom (2005:58) and Zikmund and Babin (2010:89) were followed, i.e. data collection was done in a manner that disrupted the lives of respondents minimally; participation was voluntary, anonymous and confidential. Prior to any activity the respondents were informed about the nature and purpose of the study;

they were asked to complete a consent form and were also assured that they could withdraw at any given stage if they wished to.

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APPENDIX B

LETTERS OF CONSENT FROM MANAGEMENT OF RETAIL OUTLETS



Privaatsak X6001, Potchefstroom
Suid-Afrika, 2520

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Web: <http://www.nwu.ac.za>

Verbruikerswetenskappe

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Die Bestuurder West Acres Sentrum
Potchefstroom

10 November 2008

Geagte Mnr. Brian Thorne

Verseek om verbruikers in u sentrum te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u sentrum by die Pick n Pay winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

Ek is tans 'n deeltydse Meestersgraad student in Verbruikerswetenskappe by die Noordwes Universiteit se Potchefstroom kampus. Die titel van my skripsie is: "Consumers' preferences for private and national brand food products."

Die doel van die studie is om Suid-Afrikaanse verbruikers se voorkeure vir private en nasionale handelsmerk voedselprodukte te bepaal deur 'n studie van psigografiese en demografiese eienskappe en die invloed daarvan op hul voorkeure.

Ek wil graag verbruikers wat voedselprodukte aankoop betrek en benodig toestemming om hierdie studie in u winkelsentrum uit te voer. Ek vra toestemming dat veldwerkers voor die Pick n Pay winkel verbruikers mag nader. Daar sal 'n stoel naby die ingang geplaas word sodat verbruikers gerieflik kan wees maar sonder om enige obstruksie aan potensiële kliënte te veroorsaak. Deelname aan die studie is volkome vrywillig en verbruikers staan onder geen verpligting om daaraan deel te neem nie. Verbruikers sal ook nie gevra word om die winkel te evalueer of enigsins

APPENDIX B

kommentaar daarop te lewer nie. Die studie sal gedurende die tydperk November - Desember 2008 plaasvind, maar die spesifieke datums sal vooraf aan u deurgegee word.

U samewerking in die verband sal hoog op prys gestel word. Indien u enige navrae het, kontak my of my studieleier gerus.

By voorbaat dank

Vriendelike groete

Louise Wyma

M student Verbruikerswetenskappe

Dr M van der Merwe

Studieleier

Kontaknommer: 018 299 2476

Hiermee gee ek, _____ (*naam en van, drukskrif*)
my toestemming dat Me L Wyma bogenoemde studie by my perseel mag uitvoer.

Kontaknommer: _____

Handtekening

Datum



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Die Bestuurder Potch Superspar
Potchefstroom

10 November 2008

Geagte Mnre. Johan Britz en Henk Vosloo

Versoek om verbruikers voor u winkel te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

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Ek wil graag verbruikers wat voedselprodukte aankoop betrek en benodig toestemming om hierdie studie by u winkel uit te voer. Ek vra toestemming dat veldwerkers voor in u winkel verbruikers nader. Daar sal 'n stoel naby die ingang geplaas word sodat verbruikers gerieflik kan wees maar sonder om enige obstruksie aan potensiële kliënte te veroorsaak. Deelname aan die studie is volkome vrywillig en verbruikers staan onder geen verpligting om daaraan deel te neem nie. Verbruikers sal ook nie gevra word om die winkel te evalueer of enigins kommentaar daarop te lewer nie. Die studie sal gedurende die tydperk November -

APPENDIX B

Desember 2008 plaasvind, maar die spesifieke datums sal vooraf aan u deurgegee word.

U samewerking in die verband sal hoog op prys gestel word. Indien u enige navrae het, kontak my of my studieleier gerus.

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Die Bestuurder River Walk
Potchefstroom

10 November 2008

Geagte Mnr. Willem van der Westhuizen

Verseek om verbruikers in u sentrum te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u sentrum by die Shoprite winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

Ek is tans 'n deeltydse Meestersgraad student in Verbruikerswetenskappe by die Noordwes Universiteit se Potchefstroom kampus. Die titel van my skripsie is: "Consumers' preferences for private and national brand food products."

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Ek wil graag verbruikers wat voedselprodukte aankoop betrek en benodig toestemming om hierdie studie in u winkelsentrum uit te voer. Ek vra toestemming dat veldwerkers voor die Shoprite winkel verbruikers mag nader. Daar sal 'n stoel naby die ingang geplaas word sodat verbruikers gerieflik kan wees maar sonder om enige obstruksie aan potensiële kliënte te veroorsaak. Deelname aan die studie is volkome vrywillig en verbruikers staan onder geen verpligting om daaraan deel te neem nie. Verbruikers sal ook nie gevra word om die winkel te evalueer of enigsins

APPENDIX B

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U samewerking in die verband sal hoog op prys gestel word. Indien u enige navrae het, kontak my of my studieleier gerus.

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Die Bestuurder Mooi Rivier Mall
Potchefstroom

10 November 2008

Geagte Me Estelle van Rooyen

Verseek om verbruikers in u sentrum te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u sentrum voor in die Checkers winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

Ek is tans 'n deeltydse Meestersgraad student in Verbruikerswetenskappe by die Noordwes Universiteit se Potchefstroom kampus. Die titel van my skripsie is: "Consumers' preferences for private and national brand food products."

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U samewerking in die verband sal hoog op prys gestel word. Indien u enige navrae het, kontak my of my studieleier gerus.

By voorbaat dank

Vriendelike groete

Louise Wyma

M student Verbruikerswetenskappe

Dr M van der Merwe

Studieleier

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Die Bestuurder Shoprite
River Walk
Potchefstroom

10 November 2008

Geagte Mnr. Martin Frey

Versoek om verbruikers voor u winkel te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

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Ek wil graag verbruikers wat voedselprodukte aankoop betrek en benodig toestemming om hierdie studie by u winkel uit te voer. Ek vra toestemming dat veldwerkers voor in u winkel verbruikers nader. Daar sal 'n stoel naby die ingang geplaas word sodat verbruikers gerieflik kan wees maar sonder om enige obstruksie aan potensiële kliënte te veroorsaak. Deelname aan die studie is volkome vrywillig en verbruikers staan onder geen verpligting om daaraan deel te neem nie. Verbruikers sal ook nie gevra word om die winkel te evalueer of enigins kommentaar daarop te lewer nie. Die studie sal gedurende die tydperk November -

APPENDIX B

Desember 2008 plaasvind, maar die spesifieke datums sal vooraf aan u deurgegee word.

U samewerking in die verband sal hoog op prys gestel word. Indien u enige navrae het, kontak my of my studieleier gerus.

By voorbaat dank

Vriendelike groete

Louise Wyma

M student Verbruikerswetenskappe

Dr M van der Merwe

Studieleier

Kontaknommer: 018 299 2476

Hiermee gee ek, _____ (*naam en van, drukskrif*)
my toestemming dat Me L Wyma bogenoemde studie by my perseel mag uitvoer.

Kontaknommer: _____

Handtekening

Datum

Verbruikerswetenskappe

Die Bestuurder Pick n Pay
West Acres Sentrum
Potchefstroom

10 November 2008

Geagte Mnr. Jannie Jansen van Rensburg

Versoek om verbruikers voor u winkel te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

Ek is tans 'n deeltydse Meestersgraad student in Verbruikerswetenskappe by die Noordwes Universiteit se Potchefstroom kampus. Die titel van my skripsie is: "Consumers' preferences for private and national brand food products."

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my toestemming dat Me L Wyma bogenoemde studie by my perseel mag uitvoer.

Kontaknommer: _____

Handtekening

Datum



Privaatsak X6001, Potchefstroom
Suid-Afrika, 2520

Tel: (018) 299-1111/2222
Web: <http://www.nwu.ac.za>

Verbruikerswetenskappe

Tel: (018) 299 2082
Faks: (018) 299 2470
E-pos: louise.wyma@nwu.ac.za

Die Bestuurder Checkers
Mooi Rivier Mall
Potchefstroom

10 November 2008

Geagte Mnr. Dale Barnard

Versoek om verbruikers voor in u winkel te nader om vraelyste te voltooi

Hiermee versoek ek dat veldwerkers ongeveer 150 verbruikers in u winkel mag nader om 'n vraelys te voltooi oor verbruikers se voorkeure teenoor nasionale en private handelsmerk voedselprodukte as deel van 'n navorsingsprojek.

Ek is tans 'n deeltydse Meestersgraad student in Verbruikerswetenskappe by die Noordwes Universiteit se Potchefstroom kampus. Die titel van my skripsie is: "Consumers' preferences for private and national brand food products."

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Dr M van der Merwe

Studieleier

Kontaknommer: 018 299 2476

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my toestemming dat Me L Wyma bogenoemde studie by my perseel mag uitvoer.

Kontaknommer: _____

Handtekening

Datum

APPENDIX C

LETTER OF CONSENT TO BE COMPLETED BY RESPONDENTS



TITLE OF RESEARCH PROJECT

Consumers' preferences for private and national brand food products.

Dear Mr. / Mrs. / Miss

Date ... / ... / 2008

AIM AND NATURE OF THE STUDY

The aim of this study is to determine South African consumers' preferences for private and/or national brand food products through a study of psychographic and demographic characteristics which drive their preferences. A questionnaire will be employed to address this aim to obtain information required to fulfil the objectives of this project.

RESEARCH PROCEDURE

- You will be asked to complete a questionnaire.
- The questionnaire will be completed at the exit of the store where you purchased food products.
- The questionnaire will be facilitated by a field worker.
- No answers will be regarded as incorrect.
- No preparation is required for the questionnaire.

DECLARATION OF CONFIDENTIALITY

Your opinion is considered strictly confidential and only members of the research team will have access to the information. No data published in dissertations or journals will contain any particulars that could identify you as a participant in this study. You are therefore assured of your anonymity.

POSSIBLE BENEFITS OF THE STUDY

The information gained from this questionnaire can prove to be useful to retailers in improving product placement of different food products by having a better understanding of consumers' preferences for different brands of food products.

INFORMATION

Should you require additional information, please do not hesitate to contact Louise Wyma, (Masters degree student) at 018 299 2082 or project leaders, Dr. Daleen van der Merwe at 018 299 2476, and Prof Lena Bosman at 018 299 2472.

WITHDRAWAL OF PARTICIPATION

It is brought to your attention that your participation is voluntary and that you have the right to withdraw from the questionnaire at any given time should you wish to do so.

DECLARATION OF CONSENT

I, the undersigned _____ (Full names) read through the information provided about the research project and declare that I fully understand the content thereof. I was given the opportunity (if so preferred) to discuss any aspects of the project with the researchers and hereby voluntary agree to participate in the project.

I (the undersigned) would hereby like to exempt the University or any employee or any student of the University from any liability which I might incur during this project. I furthermore waive my right to institute any claims whatsoever against the University which may arise during the running of the project or the conduct of any person involved in the project, except for claims arising from the negligent conduct of the University or its employees or students.

Signature of participant:_____

Signed at _____ on _____.

WITNESSES

DATE

- 1. _____
- 2. _____

Contact number if willing to further participate: _____



TITEL VAN NAVORSINGSPROJEK

Verbruikers se voorkeure vir private en nasionale handelsmerk voedsel produkte.

Geagte Mnr. / Mev. / Mej.

Datum ... / ... / 2008

DOEL EN AARD VAN DIE STUDIE

Die doel van hierdie studie is om Suid-Afrikaanse verbruikers se voorkeure ten opsigte van private en nasionale handelsmerkvoedselprodukte te bepaal deur psigografiese en demografiese karaktereenskappe wat hierdie voorkeure beïnvloed te ondersoek. 'n Vraelys sal gebruik word om inligting te bekom om die doelwitte van die projek te bereik.

NAVORSING PROSEDURE

- U sal gevra word om 'n vraelys te voltooi.
- Die vraelys sal voltooi word by die uitgang van die winkel waar u voedselprodukte aangekoop het.
- 'n Veldwerker sal as fasiliteerder vir die vraelys optree.
- Geen antwoorde sal as verkeerd geag word nie.
- Geen voorbereiding is nodig om die vraelys te beantwoord nie.

VERKLARING VAN VERTROULIKHEID

U opinie word as streng vertroulik beskou en slegs lede van die navorsingspan sal toegang tot die inligting hê. Geen data wat in verhandelinge of joernale gepubliseer word, sal enige inligting bevat wat u kan identifiseer as deelnemer aan die studie nie. U anonimiteit word dus verseker.

MOONTLIKE VOORDELE VAN DIE STUDIE

Die inligting wat deur die vraelys bekom word, kan deur handelaars gebruik word om produkplasing van verskillende voedselprodukte te verbeter deur 'n beter begrip te hê van verbruikers se voorkeure ten opsigte van verskillende handelsname.

INLIGTING

Indien u verdere inligting verlang, kontak asseblief vir Louise Wyma, (Meestersgraad student) by 018 299 2082 of projek leiers, Dr. Daleen van der Merwe by 018 299 2476 of Prof Lena Bosman by 018 299 2472.

ONTTREKING VAN DEELNAME

Dit word onder u aandag gebring dat deelname vrywillig is en dat u die reg behou om enige tyd te onttrek van die vraelys.

VERKLARING VAN TOESTEMMING

Ek, die ondergetekende _____ (Volle name) het die inligting oor die navorsingsprojek gelees en verklaar dat ek die inhoud ten volle verstaan. Ek het die geleentheid gehad (indien verkies) om enige aspekte van die projek met die navorsers te bespreek en stem vrywillig in om aan die projek deel te neem.

Hiermee wil ek (die ondergetekende) graag die Universiteit, enige werknemer of enige student van die Universiteit vrywaar van enige aanspreeklikheid waaraan ek blootgestel kan word gedurende die projek. Verder doen ek afstand van my reg om enige eise wat mag voortspruit gedurende die projek, of weens die gedrag van enige betrokke persoon, teen die Universiteit in te stel, behalwe vir eise as gevolg van nalatigheid van die Universiteit, sy werknemers of sy studente.

Handtekening van deelnemer: _____

Geteken te _____ op
_____.

GETUIES

DATUM

- 1. _____
- 2. _____

Kontaknommer indien u verder wil deelneem aan die studie:



SETLHOGO SA POROJEKE YA DIPATLISISO

Dikgatlhego tsa badirisi tsa dikunodijo tsa letshwaokgwebo la poraefete le bosetshaba.

Mor / moh / mohna

Letlha...../..../2008

MAIKAELELO LE TLHAGO YA THUTO

Maikaelelo a thuto e ke go tlhomamisa dikgatlego tsa badirisi tsa dikunodijo tsa letshwaokgwebo la la poraefete le kgotsa bosetshaba le mabaka a dikgatlego tse ka thuto ya dipharologantshe tsa saekhokerafiki le demokerafiki tse di gapang dikgatlego tsa bona. Go tlaa dirisiwa lenaneopotso go samagana le maikaelelo a go bona tshedimosetso e e tlhokegang go fitlhelela maitlhomamo a porojeke e

TSAMAISO YA PATLISISO

- O tlaa kopiwa go tlatsa lenaneopotso
- Lenaneopotso le tlaa tladiwa kwa kgorong ya botso ya lebenkele leo o rekileng dikunodijo mo go lona
- Lenaneopotso le tlaa diragadiwa ke modirelanageng (field Worker)
- Ga go na karabo e e tlaa tsewang e fosagetse
- Ga go tlhoke go ipaakanyetsa lenaneopotso

MAIPOLELO A BOKHUPAMARAMA

Go tsewa kakanyo ya gago e le khupamarama e e masisi mme ke fela ditokololo tsa setlhopho sa patlisiso tse di tlaa nnang le go bona tshedimosetso e. Ga go deitha epe e e gatisitsweng mo disêtheišeneng kgotsa dijenaleng e e tla a supang dintlha tse di ka go supang jaaka monnaleseabe mo thutong e. Ka jalo botlhokaina jwa gaga bo a tlhomamisega.

MESOLAKGONGO YA THUTO

Tshedimosetso e e bonweng go tswa mo lenaneopotsong le dikatherisano tse, le ka tswela boramabentlele mosola mo tokafatsong ya go nna teng ga dikunodijo tse di farologaneng ka go tlhologanya botoka dithatego tsa badirisi tsa dikunodijo tsa matshwaokgwebo a a forologaneng

TSHEDIMOSETSO

Fa o ka tshokane o batla tshedimosetsotlaleletso, tsweetswee se etsaetsege go ikopanya le Louise Wyma (moithuti wa dikerii ya Masters) mo go 018 299 2082 kgotsa baeteledipele ba porojeke Dr. Daleen van der Merwe mo 018 299 2476 le Mopor Lena Bosman mo: 018 299 2472

IKGOGELOMORAGO MO GO NNENG LE SEABE

O lemosiwa gore ga nna le seabe ga gago ke ga boithaopo le gore o na le tshwanelo ya go ikgogela morago mo lenaneopotsong kgatsa sekatherisano nako e nngwe le e nngwe e o ikutlwang jalo

MAIPOLELO A TUMELELO

Nna, yo o kanneng fa tlase _____ (maina ka botlalo) ke buisitse ka botlalo tshedimosetso e e tlhagisitsweng ka porojeke ya patlisiso mme ke bolela gore ke tlhalogantse diteng tsa teng ka botlalo. Ke neilwe tshono (fa o ne o eleditse jalo) go buisanela dintlha dingwe le dingwe tsa porojeke e, le babatlisisi mme ka jalo ke go dumela ka go itlhaopa go nna le seabe mo porojekeng.

Nna, (yo o ikanneng fa tlase) ka jalo ke rata go golola Yunibesithi kgotsa modiri ofe kana ofe kgotsa moithuti ofe kana ofe wa Yunibesithi mo bothateng bofe kana bofe jo nka kopanang le jona mo porojekeng e. Ga ke ne ke tsenya tleleimi nngwe le nngwe ya mofuta ofe kana ofe kगतलhanong le Yunibesithi e e ka tlhagelelang mo tiragatsong ya porojeke e, kgotsa maitsholo a mongwe le mongwe yo o amegang mo porojekeng kwa ntle fela ga fa ditlleleimi tse di ka tlhagang ka ntlha ya maitsholo a a botlhaswa a Yunibesithi kgotsa badiri kgotsa baithuti ba yona

Kano ya monnaleseabe: _____

Kannwe kwa _____ ka _____

BASUPI

LETLHA

1. _____

2. _____

Nomere ya mogala fa o eletsa go nna le seabe go ya pele _____

APPENDIX D

QUESTIONNAIRE

Preference by product category

Please complete Question 1 by stating which brand you prefer to purchase for each product. No answers are considered incorrect, but honesty will be appreciated.

QUESTION 1

	Product	Do you purchase		If answered "Yes", which brand do you prefer to purchase?		
		Yes/No	Yes/No	P	N	NP
		Yes	No			
1	milk	0	1			
2	frozen vegetables	0	1			
3	canned vegetables	0	1			
4	frozen seafood	0	1			
5	frozen poultry	0	1			
6	cheese	0	1			
7	jam	0	1			
8	cooking oil	0	1			
9	rice	0	1			
10	dry pasta	0	1			
11	ice cream	0	1			
12	fruit juices	0	1			
13	butter	0	1			
14	margarine	0	1			
15	yogurt	0	1			
16	tomato sauce	0	1			
17	coffee	0	1			
18	tea	0	1			
19	breakfast cereals	0	1			
20	sweet biscuits	0	1			
21	mayonnaise	0	1			
22	chips	0	1			
23	savoury crackers	0	1			
24	carbonated beverages	0	1			
25	soup powder	0	1			

QUESTION 2

Please complete Question 2 by stating how much you disagree or agree with the following statements, where one means you strongly disagree and five that you strongly agree, by ticking the appropriate box. No answers are considered incorrect, but honesty will be appreciated.

		Strongly disagree			Strongly agree	
		1	2	3	4	5
1	If I use the same brands over and over again, I get tired of them.	1	2	3	4	5
2	It bothers me if other people disapprove of my choices.	1	2	3	4	5
3	I spend a lot of time planning my grocery shopping trips.	1	2	3	4	5
4	I think grocery shopping is a chore.	1	2	3	4	5
5	I have plenty of storage space at home.	1	2	3	4	5
6	Most days, I have no time to relax.	1	2	3	4	5
7	I am somewhat of an expert when it comes to shopping.	1	2	3	4	5
8	I will not give up high quality for a lower price.	1	2	3	4	5
9	I compare prices of at least a few brands before I choose one.	1	2	3	4	5
10	I prefer one brand of most products I buy.	1	2	3	4	5
11	I prefer to always shop at one grocery store.	1	2	3	4	5
12	I often find myself buying products on impulse in the grocery store.	1	2	3	4	5
13	My household budget is always tight.	1	2	3	4	5
14	Thinking is not my idea of fun.	1	2	3	4	5
15	When I see a product somewhat different from the usual, I check it out.	1	2	3	4	5
16	I always seem to be in a hurry.	1	2	3	4	5
17	It is important to me to fit in.	1	2	3	4	5
18	I have a lot of room at home to stock extra grocery products.	1	2	3	4	5
19	I like to finish my shopping as quickly as possible.	1	2	3	4	5
20	I like tasks that don't require much thinking once I have learned them.	1	2	3	4	5

APPENDIX D

		Strongly disagree			Strongly agree	
		1	2	3	4	5
21	I am willing to make an effort to shop at my favourite grocery store.	1	2	3	4	5
22	I am willing to make an effort to search for my favourite brand.	1	2	3	4	5
23	I am often among the first people to try a new product.	1	2	3	4	5
24	I always buy the best.	1	2	3	4	5
25	I buy different brands to get some variety.	1	2	3	4	5
26	I often make an unplanned purchase when the urge strikes me.	1	2	3	4	5
27	I make a shopping list before I go grocery shopping.	1	2	3	4	5
28	I find myself checking the prices even for small items.	1	2	3	4	5
29	People think of me as a good source of shopping information.	1	2	3	4	5
30	My household often has problems making ends meet.	1	2	3	4	5
31	I never seem to have enough time for the things I want to do.	1	2	3	4	5
32	It is important for me to get the best price for the products I buy.	1	2	3	4	5
33	It is important to me to buy high-quality products	1	2	3	4	5
34	I only think as hard as I have to.	1	2	3	4	5
35	I enjoy grocery shopping.	1	2	3	4	5
36	I enjoy giving people tips on shopping.	1	2	3	4	5
37	I like to try new and different things.	1	2	3	4	5
38	Usually, I care a lot about which particular grocery store I buy from.	1	2	3	4	5
39	Usually, I care a lot about which particular brand I buy.	1	2	3	4	5
40	My behaviour often depends on how I feel others wish me to behave.	1	2	3	4	5

QUESTION 3

Please complete Question 3 by ticking the appropriate box.

DEMOGRAPHICS

	How old are you?	
1	Younger than 19	1
2	20 to 29 years	2
3	30 to 39 years	3
4	40 to 49 years	4
5	50 to 59 years	5
6	60 to 69 years	6
7	70 and older	7
	What is your gender?	
8	Male	1
9	Female	2
	What is your highest level of education?	
10	No formal education	1
11	Some Primary	2
12	Primary Completed	3
13	Some High	4
14	Matric	5
15	Tech diploma/degree	6
16	University degree	7
17	Other	8
18	Unspecified	9
	What is your home language?	
19	Afrikaans	1
20	English	2
21	Nguni (Zulu, Xhosa, Swati, Ndebele)	3
22	Sotho (Sepedi, Sesotho, Tswana)	4
23	Venda/Tsonga	5
24	Other, please specify:	6
	What is your employment status?	
25	Full Time	1
26	Part Time	2

27	Student	3	
28	Housewife or Househusband	4	
29	Retired	5	
30	Unemployed	6	
	What is your current marital status?		
31	Single	1	
32	Married	2	
33	Living together	3	
34	Divorced	4	
35	Widowed	5	
	Who do you share your home with?		
36	No-one	1	
37	Spouse / partner	2	
38	Child / Children	3	
39	Family members	4	
40	Other	5	
Now I am going to read a list of things that people would have in their households. We need to ask them to understand a bit more about your lifestyle. Please tell me which, if any, are present in your household. Do you have a...			
		Yes	No
40	Vacuum cleaner or floor polisher	0	1
41	Motor vehicle	0	1
42	Microwave oven	0	1
43	Flush toilet inside your home	0	1
44	Fridge or freezer	0	1
45	TV set	0	1
46	Electric stove	0	1

Voorkeur volgens produkkategorie

Voltooi asseblief Vraag 1 deur te sê watter handelsmerk van elke produk u verkies om te koop. Geen antwoorde word as verkeerd beskou nie, maar eerlikheid sal waardeer word.

VRAAG 1

	Produk	Koop u Ja/Nee		Indien u "Ja" geantwoord het: Watter handelsmerk verkies u om te koop?			
		Ja	Nee	P	N	NP	
1	melk	0	1		2	3	4
2	bevrore groente	0	1		2	3	4
3	blikkies groente	0	1		2	3	4
4	bevrore seekos	0	1		2	3	4
5	bevrore pluimvee	0	1		2	3	4
6	kaas	0	1		2	3	4
7	konfyt	0	1		2	3	4
8	kookolie	0	1		2	3	4
9	rys	0	1		2	3	4
10	droë pasta	0	1		2	3	4
11	roomys	0	1		2	3	4
12	vrugtesappe	0	1		2	3	4
13	botter	0	1		2	3	4
14	margarien	0	1		2	3	4
15	joghurt	0	1		2	3	4
16	tamatiesous	0	1		2	3	4
17	koffie	0	1		2	3	4
18	tee	0	1		2	3	4
19	ontbytgrane	0	1		2	3	4
20	soetkoekies	0	1		2	3	4
21	mayonnaise	0	1		2	3	4
22	aartappelskyfies	0	1		2	3	4
23	soutbeskuitjies	0	1		2	3	4
24	gaskoeldranke	0	1		2	3	4
25	soppoeier	0	1		2	3	4

VRAAG 2

Voltooi asseblief vraag 2 deur 'n regmerkier in die toepaslike blokkie te maak om aan te dui dat u met die volgende stellings saamstem, waar een (1) beteken dat u glad nie saamstem nie en vyf (5) dat u volkome saamstem. Geen antwoord word as verkeerd beskou nie, maar eerlikheid sal waardeer word.

		Stem glad nie saam nie			Stem volkome saam	
		1	2	3	4	5
1	Ek word moeg daarvoor om elke keer dieselfde handelsmerk oor en oor te gebruik.	1	2	3	4	5
2	Dit pla my as ander mense nie van my keuses hou nie.	1	2	3	4	5
3	Ek bestee baie tyd daaraan om my kruidenierswareaankope te beplan.	1	2	3	4	5
4	Ek dink kruideniersaankope is 'n sleurwerk.	1	2	3	4	5
5	Ek het baie opbergruimte tuis.	1	2	3	4	5
6	Ek het in 'n mate geen tyd om te ontspan nie.	1	2	3	4	5
7	Ek is in 'n mate 'n kenner as dit kom by inkopies doen.	1	2	3	4	5
8	Ek sal nie hoë kwaliteit vir 'n laer prys prysgee nie.	1	2	3	4	5
9	Ek vergelyk pryse van ten minste 'n paar handelsmerke voor ek een kies.	1	2	3	4	5
10	Ek verkies een handelsnaam vir die meeste produkte wat ek koop.	1	2	3	4	5
11	Ek verkies om altyd by een kruidenierswarewinkel te koop.	1	2	3	4	5
12	Ek ervaar dat ek gereeld impulsief produkte in 'n kruidenierswarewinkel koop.	1	2	3	4	5
13	My huishouding se begroting is altyd skraps.	1	2	3	4	5
14	Om te dink is nie my idee van pret nie.	1	2	3	4	5
15	Wanneer ek 'n produk wat bietjie anders as die gewone is, sien, gaan kyk ek daarna.	1	2	3	4	5
16	Dit is asof ek altyd haastig is.	1	2	3	4	5
17	Dit is vir my belangrik om in te pas.	1	2	3	4	5
18	Ek het baie plek by die huis om ekstra kruideniersware op te berg.	1	2	3	4	5
19	Ek hou daarvan om my aankope so vinnig as moontlik af te handel.	1	2	3	4	5
20	Ek hou van take wat nie baie dinkwerk verg as ek dit eers klaar bemeester het nie.	1	2	3	4	5

APPENDIX D

		Stem glad nie saam nie			Stem volkome saam	
		1	2	3	4	5
21	Ek is bereid om moeite te doen om by my gunsteling kruidenierswinkel te koop.	1	2	3	4	5
22	Ek is bereid om moeite te doen om na my gunsteling handelsnaam te soek.	1	2	3	4	5
23	Ek is gewoonlik van die eerste mense wat 'n nuwe produk uittoets.	1	2	3	4	5
24	Ek koop altyd net die beste.	1	2	3	4	5
25	Ek koop verskillende handelsmerke vir verskeidenheid.	1	2	3	4	5
26	Ek maak gereeld 'n onbeplande aankoop as die gier my beetpak.	1	2	3	4	5
27	Ek maak 'n inkopielys voor ek kruideniersware gaan koop.	1	2	3	4	5
28	Ek vind dat ek selfs die pryse van kleiner items vergelyk.	1	2	3	4	5
29	Mense dink aan my as 'n goeie bron van inkopie inligting.	1	2	3	4	5
30	My huishouding het gereeld probleme om finansiële uit te kom.	1	2	3	4	5
31	Dit is asof ek nooit genoeg tyd het vir die dinge wat ek wil doen nie.	1	2	3	4	5
32	Dit is vir my belangrik om die produkte wat ek koop teen die beste pryse te bekom.	1	2	3	4	5
33	Dit is vir my belangrik om hoë kwaliteit produkte aan te koop.	1	2	3	4	5
34	Ek dink net so hard as wat nodig is.	1	2	3	4	5
35	Ek geniet kruidenierswareaankope.	1	2	3	4	5
36	Ek hou daarvan om inkopiewenke aan mense te gee.	1	2	3	4	5
37	Ek hou daarvan om nuwe dinge en dinge wat anders is, uit te toets.	1	2	3	4	5
38	Gewoonlik is dit vir my belangrik by watter spesifieke kruidenierswarewinkel ek koop.	1	2	3	4	5
39	Gewoonlik maak dit baie saak watter spesifieke handelsmerk ek koop.	1	2	3	4	5
40	My gedrag hang baie keer af van hoe ek dink andere van my verwag om op te tree.	1	2	3	4	5

VRAAG 3

Voltooi asseblief Vraag 3 deur 'n regmerkie in die toepaslike blokkie te maak.

DEMOGRAFIESE INLIGTING

Hoe oud is u?		
1	Jonger as 19	1
2	20 tot 29 jaar	2
3	30 tot 39 jaar	3
4	40 tot 49 jaar	4
5	50 tot 59 jaar	5
6	60 tot 69 jaar	6
7	70 en ouer	7
Wat is u geslag?		
8	Manlik	1
9	Vroulik	2
Wat is u hoogste kwalifikasie?		
10	Geen formele onderrig	1
11	Bietjie Primêr	2
12	Primêr Voltooi	3
13	Bietjie Hoërskool	4
14	Matriek	5
15	Technikon diploma/graad	6
16	Universiteits graad	7
17	Ander	8
18	Nie gespesifiseer	9
Wat is u huistaal?		
19	Afrikaans	1
20	Engels	2
21	Nguni (Zulu, Xhosa, Swati, Ndebele)	3
22	Sotho (Sepedi, Sesotho, Tswana)	4
23	Venda/Tsonga	5
24	Ander, spesifiseer asseblief:	6

Wat is u werkstaat?			
25	Voltyds	1	
26	Deeltyds	2	
27	Student	3	
28	Huisvrou of Huisman	4	
29	Afgetree	5	
30	Werkloos	6	
Wat is u huidige huwelikstaat?			
31	Enkellopend	1	
32	Getroud	2	
33	Woon saam	3	
34	Geskei	4	
35	Weduwee/Wewenaar	5	
Met wie deel u, u huis?			
36	Niemand	1	
37	Eggenoot / lewensmaat	2	
38	Kind / Kinders	3	
39	Familielede	4	
40	Ander	5	
Ek gaan nou 'n lys van items wat mense in hul huis kan hê, lees. Ons moet dit vra om u leefstyl beter te kan verstaan. Het u enige van die volgende in u huis?			
		Ja	Nee
40	Stofsuier of vloer poleerder	0	1
41	Motorvoertuig	0	1
42	Mikrogolfoond	0	1
43	Spoeltoilet in u huis	0	1
44	Yskas of vrieskas	0	1
45	TV stel	0	1
46	Elektriese stoof	0	1

Thatego go ya ka khatekori ya kuno

Tsweetswee tlatsa Potso 1 ka go bolela gore ke letshwaokgwebo lefe le o ratang go le reka la kuno nngwe le nngwe. Ga go na potso e e tsewang e sa nepagala, fela boikanyego bo a batlega

POTSO 1

	Kuno	A O REKA		Fa o arabile ka "EE" , ke letshwaokgwebo lefe le o ratang go le reka?			
		Ee/ Nnyaya			P	N	NP
1	Mašwi	0	1		2	3	4
2	Merogo e e gatseditsweng	0	1		2	3	4
3	Merogobolekane	0	1		2	3	4
4	Dijo wa tle tse di gatseditsweng	0	1		2	3	4
5	Nama ya koko e e gatseditsweng	0	1		2	3	4
6	Tšhese	0	1		2	3	4
7	Jeme	0	1		2	3	4
8	Oli e e apayang	0	1		2	3	4
9	Reise	0	1		2	3	4
10	Pasta e e omeletseng	0	1		2	3	4
11	Lobebetsididi	0	1		2	3	4
12	Matute a maungo	0	1		2	3	4
13	Botoro	0	1		2	3	4
14	Majerine	0	1		2	3	4
15	Yokate	0	1		2	3	4
16	Tamatisousu	0	1		2	3	4
17	Kofi	0	1		2	3	4
18	Tee	0	1		2	3	4
19	Difitlholo tsa diserele	0	1		2	3	4
20	Dibisikete tse di sukiri	0	1		2	3	4
21	Mayonese	0	1		2	3	4
22	Ditshipise	0	1		2	3	4
23	Savoury crackers	0	1		2	3	4
24	Merogo e e khaboneitilweng	0	1		2	3	4
25	Sesepa se se lorole	0	1		2	3	4

POTSO 2

Tsweetswee araba Potso 2 ka go bolela gore o dumelana kgotsa ga o dumelane go le kae le dipolelwana tse di latelang, foo NNGWE e rayang gore ga o dumelane gotlhelele mme TLHANO e raya gore o dumelana gotlhelele , ka go tshwaya mo bokosong e e maleba. Ga go na karabo e e tswang e fosagetse, fela boikanyego bo a batlega.

		Ga o dumelane gotlhelele			O dumelana gotlhelele	
		1	2	3	4	5
1	Fa ke dirisa matshwaokgwebo a a tshwanang gantsintsi, a a ntapisa	1	2	3	4	5
2	Go a ntshwenya fa batho ba bangwe ba nyatsa tlhopo ya me	1	2	3	4	5
3	Ke tsaya nako e ntsi ke rulaganya maeto a ditheko tsa korosare	1	2	3	4	5
4	Ke akanya gore theko ya kerosari ke yona konokono	1	2	3	4	5
5	Ke na le bobolokelo jo bontsi kwa gae	1	2	3	4	5
6	Malatsi a mantsi ga ke na nako ya go thuba kobo segole	1	2	3	4	5
7	Ke ka re fa re tla mo thekong ke moitseanape	1	2	3	4	5
8	Ga ke ne ke tlogela boleng fela ka ntlha ya tlhotlhwa e e kwa tlase	1	2	3	4	5
9	Ke tshwantshanya ditlhotlhwa tsa matshwaokgwebo a le mmalwa pele ke tlhopha lengwe	1	2	3	4	5
10	Ke rata letshwaokgwebo le le lengwe la dikuno tse dintsi tse ke di rekang.	1	2	3	4	5
11	Gantsi ke rata go reka kwa lebentleleng le le lengwe la korosari	1	2	3	4	5
12	Fa gongwe ke iphitlhela ke reka dikuno tse ke sa di rulaganyetsang fa ke le mo lebentleleng la korosari	1	2	3	4	5
13	Tekanyetsokabo ya lapa la me e e gagametse ka gale	1	2	3	4	5
14	Ga ke ikopise tlhogo ka go akanya	1	2	3	4	5
15	Fa ke ka bona kuno e e keteng e a farologana le ya gale, ke a e le baleba	1	2	3	4	5
16	Gantsi o ka re ke itlhaganetse	1	2	3	4	5
17	Go botlhokwa mo go nna go tsamaelana	1	2	3	4	5
18	Ke na le sebaka se sentsi kwa gae go baya dikuno tsa korosari tsa tlaleletso	1	2	3	4	5
19	Ke batla go fetsa go reka ka bonako ka fa go kgonegalang.	1	2	3	4	5
20	Ga ke batla ditiro tse di sa tlhokeng go akanya gangwe fela fa ke setse ke di itse	1	2	3	4	5

APPENDIX D

		Ga o dumelane gotlhelele			O dumelana gotlhelele	
		1	2	3	4	5
21	Ke eletsa go tsaya matsapa go reka kwa lebentleleng la me la mmamoratwe ja korosari	1	2	3	4	5
22	Ke eletsa go tsaya matsapa go batla letshwaokgwebo la mmamoratwe la me	1	2	3	4	5
23	Fa gongwe ke mongwe wa ba ntlha go lekeletsa kuno e ntšhwa	1	2	3	4	5
24	Ke reka tse di gaisang ka gale	1	2	3	4	5
25	Ke reka matshwaokgwebo a a forologaneng go bona mefutafuta	1	2	3	4	5
26	Fa gongwe fa keletso e ntlhasela ke na le go reka tse ke sa di rulaganyetsang	1	2	3	4	5
27	Pele ke ya go reka korosari ke dira lenaneo la tlheko	1	2	3	4	5
28	Ke iphithela ke sekaseka ditlhotlwa tota le tsa dilo tse dinnye	1	2	3	4	5
29	Batho ba ntsaya jaaka motswedi wa tshedimose tso ya theko o o siameng	1	2	3	4	5
30	Ba lapa la me fa gongwe ba nna le mathata a go tshwaraganya	1	2	3	4	5
31	Ke bonala ke tlhoka nako ya go dira dilo tse ke batlang go di dira	1	2	3	4	5
32	Go botlhokwa mo go nna go bona tlhotlwa e e siameng mo dikunong tse ke di rekang	1	2	3	4	5
33	Go botlhokwa mo go nna go reka dikuno tsa boleng jo bo kwa godimo	1	2	3	4	5
34	Ke akanya thata fela ka fa go tshwanetseng	1	2	3	4	5
35	Ke itumelela fo reka korasari	1	2	3	4	5
36	Ke itumelela go loma batho tsebe ka go reka	1	2	3	4	5
37	Ke rata go lekeletsa dilo tse dintšhwa le tse di farologaneng	1	2	3	4	5
38	Gale ke kgathalela thata gore ke reka kwa lebentleleng lefe la korosari	1	2	3	4	5
39	Gale ke kgathalela thata gore ke letshwaokgwebo lefe le le kgethegileng le kele rekang	1	2	3	4	5
40	Maitsholo a me fa gongwe a laolwa ke gore batho ba bangwe ba batla ke itshola jang	1	2	3	4	5

POTSO 3

Tsweetwee tlatsa Potso 3 ka go tshwaya mo lebokoseng le le tshwanetseng

DIDEMOKERAFI

O dingwaga di kae ?			29	Rotse tiro	5
1	Kwa tlase ga 19	1	30	Ga o dire	6
2	20 go ya 29	2	Seemo sa nyalo sa gajaana		
3	30 go ya 39	3	31	Ga o a nyala / nyalwa	1
4	40 go ya 49	4	32	Nyetse	2
5	50 go ya 59	5	33	Nna mmogo	3
6	60 go ya 69	6	34	Tlhadile	4
7	70 le go feta	7	35	Swetswe	5
Bong jwa gago ke bofe?			O nna le mang fa ga gago ?		
8	Monna	1	36	Ga ke nne la ope	1
9	Mosadi	2	37	Mosadi / monna kgotsa molekane	2
Thutegogodimo ya gago ke efe?			38	Ngwana / Bana	3
10	Ga ke a rutwa gotlhelele	1	39	Balosika	4
11	Thutonyana ya poraemari	2	40	Ba bangwe	5
12	Feditse poroemari	3	Jaanong ke ya buisa lenaneo la dilo tse batho ba ka nnang le tsona mo lelapeng la bona. Re tlhoka go ba kopa go tlhaloganya go sekae ka mokgwatshelo wa gago Tsweetswee mpolelele gore ke dife tse di teng mo lelapeng la gago, fa di le teng. A o na le		
13	Thutonyana ya sekolosegolo	4		Ee	Nnyaya
14	Meteriki	5	40	Motšhine o phepafatsang kgotsa tshasang pholetšhe	0 1
15	Dipoloma ya theki / dikerii	6	41	Koloi	0 1
16	Dikerii ya yunibesithi	7	42	Ovene ya maekeroweife	0 1
17	Tse dingwe	8	43	Ntlwana ya montlong e e dirisang metsi	0 1
18	Sa tlhalosegeng	9	44	Foritšhe kgotsa forisara	0 1
Puogae ya gago ke eng?			45	Thelebišene	0 1
19	Seburu	1	46	Setofo sa motlakase	0 1
20	Seesimane	2			
21	Nguni(Sezulu, Sethosa, Siswati, Setebele)	3			
22	Sotho (Setswana, Sepedi, Sesotho)	4			
23	Venda / Tsonga	5			
24	Tse dingwe tlhalosa tsweetswee	6			
Seemo sa goga sa tiro					
25	Modiri wa leruri	1			
26	Wa nakwana	2			
27	Moithuti	3			
28	Mme / Rre wa legae	4			

APPENDIX E

CORRESPONDENCE BETWEEN RETAIL GROUPS AND STUDENT

ATTENTION: LOUISE WYMA

NORTHWEST UNIVERSITY POTCHEFSTROOM CAMPUS

1. Which market segments (or income groups) is Spar catering for?

Small, Spar is the only supermarket group that has an equal split in the LSM groups;

21% - LSM 1 - 4

23% - LSM 5 – 6

24% - LSM 7 – 8

22% - LSM 9 – 10

2. Who do you use as manufacturers for the Spar brand products?

We only use secondary manufacturers for our brands, due to the fact that primary manufacturers put their brands' performance ahead of private label.

3. Are the Spar brand products the cheapest products on the shelves? Please explain.

In the commodity's category we are cheaper but we also have premium categories that are unique to Spar that could be more expensive than the brand leader.

4. How does the quality of the Spar brand products compare to the market leader? Please explain.

Our pay off line is "As good as the best for less". We like to match the quality of the brand leader in the category.

5. Who is responsible or the writer or webmaster for your website and when was the last update? This is only for reference purposes. If you don't have the information, can you please provide contact details for your webmaster.

The used site is updated on a monthly basis by Nelene Rampersad.

HOWELL, T. (Tamara.Howell@spar.co.za) 26 Okt. 2009. Private brand research. Email to: Wyma, L. (Louise.Wyma@nwu.ac.za).

Dear Louise

Thank you for your enquiry on PnP's private label programme. Please find attached the answers to your queries, which I am sending on behalf of Cindy Jenks.

Good luck with your assignment.

Kind regards

Kym Wright

| Kym Wright | Marketing Manager | Daymon Worldwide (SA)

| c/o Pick 'n Pay Office Park, 2nd Floor Corporate Building, 2 Allum Road, Kensington, 2094, RSA

| phone +27 11 856 7182/fax +27 11 615 8937 | cell +27 82 557 3407

| email kwright <<mailto:i@pnp.co.za>> @pnp.co.za | web

1. Which market segments (or income groups) is Pick n Pay catering for?

Pick n Pay addressing a number of customer groupings with our two brands PnP and PnP No Name. Our primary markets are LSM 7 – 10, which we refer to as our “heartland” but we have stores that service lower LSMs too and that encompasses LSMs 4 - 6.

2. Who do you use as manufacturers for your PnP and PnP No Name brand products?

We use a number of supplier and manufacturers to produce our products. Many of these suppliers manufacture for other retailer's Private Brand products and also have National Brands that they themselves sell through our stores.

3. Are there any differences between PnP brand products and PnP No Name products?

No Name™ brand products compete on price and quality versus other value brands. The vision is to improve customer perception of quality and value at entry level pricing. The No Name products will be always cheapest on display with Everyday Low Price

The PnP brand offers credible quality alternative to national brand at a lower price, the products will be selected by Pick n Pay and offer guaranteed quality at great prices – *'All you want at a better price'*.

4. Are your PnP and PnP No Name brand products the cheapest products on the shelves? Please explain.

Please see answer to question 3

5. How does the quality of your PnP and PnP No Name brands compare to the market leader? Please explain.

Pick n Pay Corporate Brands has a comprehensive team of food and quality technologists that ensure the highest possible standards of all our products; this includes all compliance to legislation and affiliation to relevant authorities that products may fall under.

All Pick n Pay and No Name products are supported by a toll free customer care line that consumers can call in case they have any complaints or queries about products. All Pick n Pay and No Name products are also endorsed by Raymond Ackerman with his personal “double your money back quality guarantee” in case of any problems that may be encountered with products.

We always ensure that we evaluate the market place and competitors that we trade against in order to offer our consumer the best possible product in the market, at the best possible price.

6. Who is responsible or the writer or webmaster of your website and when was the last update? This is only for reference purposes. If you don't have the information, can you please provide contact details for your webmaster.

Thrisha Harrilall is our webmaster and she can be contacted on (011) 8567691

Dear Louise

As mentioned on the phone, I will not be able to provide you with specifics. All I can offer is what you probably already now anyway:

Ritebrand

With Ritebrand, Shoprite can put more affordable products on the shelf by saving on packaging and labelling costs. This means you get the same quality products for less. With Ritebrand products Shoprite strives to be the cheapest on the shelf in a particular category, without ever compromising on quality. To ensure that quality specifications are consistently met, Shoprite employs an independent food consulting company to monitor these requirements on a continuous basis.

Housebrand

With Housebrand products Checkers strives to be the cheapest on the shelf in a particular category, without ever compromising on quality. Moreover, it is backed up with a refund and replace clause. Checkers Choice is a private label more in keeping with the new Checkers offering, providing premium quality at a better price than the brand leaders in the category are able to offer. To ensure that quality specifications are consistently met, Checkers employs an independent food consulting company to monitor these requirements on a continuous basis

Regards / Groete

Lise-Marie

Lise-Marie Greeff-Villet
Shoprite Checkers (Pty) Ltd
Tel: +27 21 980 4460
Fax: +27 21 980 4560
www.shopriteholdings.co.za<<http://www.shopriteholdings.co.za/>>

From: Louise Wyma [<mailto:Louise.Wyma@nwu.ac.za>]
Sent: 23 September 2009 11:35 AM
To: Lise-Marie Greeff
Subject: Brand research

Ms L Greeff

I am currently doing a scientific consumer study on consumers' preferences for Private label products at the Northwest University Potchefstroom campus. Would you be so kind to answer the following questions please.

1. Who do you use as manufacturers for the Checkers Housebrand and Shoprite Ritebrand products respectively?
2. Are your Checkers Housebrand and Shoprite Ritebrand products the cheapest products on the shelves? Please explain.
3. How does the quality of your Checkers Housebrand and Shoprite Ritebrand compare to the market leader? Please explain.

Thank you for your time.

Regards

Louise Wyma
Department of Consumer Sciences

018 299 2082

APPENDIX F

**AUTHOR GUIDELINES FOR INTERNATIONAL JOURNAL OF CONSUMER
STUDIES**

International Journal of Consumer Studies

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Author Guidelines

Submission

Contributions to such a multidisciplinary journal should be written with clarity and precision and any specialized terms should be defined. For more information about the journal's editorial policy and style guidelines please click [here](#) and for further details of the journal's peer review process and its timescale please click [here](#).

Guidelines for Submission to *International Journal of Consumer Studies*

International Journal of Consumer Studies has now adopted ScholarOne Manuscripts, for online manuscript submission and peer review. The new system brings with it a whole host of benefits including:

- Quick and easy submission
- Administration centralised and reduced
- Significant decrease in peer review times

From now on all submissions to the journal must be submitted online at <http://mc.manuscriptcentral.com/ijc>. Full instructions and support are available on the site and a user ID and password can be obtained on the first visit. If you require assistance then click the Get Help Now link which appears at the top right of every ScholarOne Manuscripts page. If you cannot submit online, please contact the Editor Katherine Hughes by telephone (44 (0)29 2088 6569) or by e-mail (katherine.hughes@btconnect.com).

All papers go through a process of double-blind peer review.

Articles will normally not exceed 5,000 words. The Journal also publishes research reviews, policy updates, development and practice articles and abstracts of conference papers. These are reviewed by at least one referee and usually do not exceed 2000 words. All articles should report original research that has not been published or submitted for publication elsewhere, in any form other than a simple abstract of 400 words or less. Papers presented at conferences are accepted provided that they have not been published in full in Conference Proceedings.

Contributions must be typewritten (double-spaced) on one side of the paper only. The text must be preceded by a short summary of the paper and should be divided into appropriate sections, e.g. Introduction, Methods, Results, Discussion, Conclusions, Acknowledgements and References. Four to six keywords should also be supplied for indexing purposes. A single page must give the title and short title (to be printed at the head of alternate pages), authors' names and department(s) in which the work was done. Please highlight the corresponding author, including the name, full postal address and e-mail address.

Please submit electronic **figures**. Authors are encouraged to visit our [digital illustration guidelines](#) for further information on preparing high resolution images. A separate sheet should contain all the captions for the figures. In the full-text online edition of the journal, figure legends may be truncated in abbreviated links to the full-screen version. Therefore, the first 100 characters of any legend should inform the reader of key aspects of the figure. Tables should be typed on separate sheets and numbered (with Arabic numbers) in order of appearance. The approximate position of figures and tables should be indicated.

References in Articles

We recommend the use of a tool such as [EndNote](#) or [Reference Manager](#) for reference management and formatting.

EndNote reference styles can be searched for here:
<http://www.endnote.com/support/enstyles.asp>

Reference Manager reference styles can be searched for here:
<http://www.refman.com/support/rmstyles.asp>

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Flowers, S. (1996) *Software Failure: Management Failure*, 3rd edn. John Wiley, Chichester, UK.

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Stinchcombe, A. (1965) Social structure and organizations. In: *Handbook of Organizations* (ed. by J. March), pp. 142-193. Rand McNally, Chicago, IL, USA.

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APPENDIX G

CONFIRMATION OF LANGUAGE EDITING

TO WHOM IT MAY CONCERN

I hereby declare that I have edited Mrs. L. Wyma's mini-dissertation *Consumer's preferences for private and national food products*. I have suggested several changes to her work, but am in no position to know whether they have been followed. I can therefore take no responsibility for errors that might have slipped through.

A handwritten signature in black ink, appearing to read 'J.A. Brönn', written in a cursive style.

J.A. Brönn (SAIVERT no. 448)

29 October 2010