

The Relationship between Gender, Product Category and the Constructs of Private Label Brand Perception in Zimbabwe

Sarah Nyengerai

Bindura University of Science Education, Zimbabwe

Abstract: A study was conducted to investigate the effect of gender and product category on the constructs of private label brand perception namely; perceived risk and quality. We hypothesized that gender had a significant relationship with private label brand perception and that the direction of the relationship differed depending on the construct in question. Data on private label brand perception was collected using a survey questionnaire from 43 respondents in Harare and Bulawayo. Information collected covered two product categories (tissue and rice). Simple linear regression was used to analyse data. The study generally illustrated that private label brand general perception, quality and value are lower for women compared to men and the perceived risk is higher, this was observed for both tissue and rice. While the trend for both product categories was similar in that women had a more negative perception towards private label brands the relationship was statistically significant for tissue and was not significant for rice. The specific construct which significantly varied in this regard was private label brand quality perception ($p < 0.05$) with women having a lower quality perception. It is likely that women used experience to visually determine product quality when shopping and this contributed to overcoming the reservations about rice and not about tissue. Retailers should invest in marketing of private label brands by developing marketing strategies which target women in the grocery sector. Sales of private label brands can be driven ensuring high quality of packaged products as a means to overcome the reservations of an experienced user that may initially be triggered by the unknown and or lower positioned brand name.

Keywords: Gender; Product category; Private label brand perception

1. Introduction

Private label brands are a recent development in the Southern Africa (Beneke, 2009) with South Africa having the highest market penetration in the region of 8% across all products. This is in contrast to developed countries where private label brands enjoy a significantly higher market penetration of 25-50% in the retail market. In some specific line items such as milk the penetration rate has been reported to be over 50% in selected retail chains (Kulpa 1998; DelVecchio, 2001). The benefits retailers have realized from private label brands include increased profitability through cost saving and increased margins, increased store loyalty and creation of a distinct corporate identity (Ferneet *et al.*, 2003, Nyengerai, 2013). Research results show that the gross margin realized from private label brands can be 25–50% higher compared to manufacturer brands (Keller, 1993; Semeijnet *et al.*, 2004). Overtime sales in private label brands have been driven by investments in marketing which was not always the case. The advent of private label brands was in developed countries initially characterized by little investment in marketing and advertising with retailers considering it enough to use proximity to the national brands on shelves and economies of scale derived from the presence of their own brand throughout the establishment. However marketing research illustrated this approach had a negative effect on private label brand perception and to increase sales retailers started investing more in marketing (Rubio, 2014). In this regard the growth of private label brands was driven by product innovation and quality improvements (Beneke, 2009), packaging improvements, advertising and/or promotion effectiveness and retail support (DelVecchio, 2001). To date the concept of private label continues to

evolve. Products are carefully managed and marketed in order to contribute positively to the retailer's overall image and improve its competitive edge and growth prospects. In Southern Africa investments in advertising and marketing of private label brands are currently low (Beneke, 2009; Nyengerai, 2013) and this could be a major contributor towards the low market penetration rate. There is need to develop marketing strategies that are context specific and based on understanding of local dynamics. This will include understanding of demographics including the gender dynamics that drive private label brand perception which is what this study seeks to establish.

The study was guided by the following hypothesis:

H₁: Gender has a significant relationship with private label brand perception and that the direction of the relationship differs depending on the construct in question

1.1 Background: Gender and Brand Perception

It is widely recognized that gender affects the processing of information and brand selection (Garbannio and Strahitevitz, 2004) and thus Gender is a recurrent determinant in devising marketing and advertising strategies (Jansen, Moore and Caman, 2013) thus advertising and or marketing campaigns should be geared to catering for the differences. Women are generally more integrative, seeking more data in their decision making while men prefer a less complicated approach (Meyers-Levy and Maheswaran, 1991). This strongly suggests that women are more likely to be suspicious of new and unknown brands compared to men and as a result would require more detail as they tend to carefully analyze products before they purchase and prefer to choose from a variety of products as this also augments

the scrutiny process. Herstein and Tifferet, 2012 have also shown that women tend to be more risk averse than men and show higher levels of brand commitment. Even in online shopping gender differences have been observed, Lorigo et al, 2006 found that females submitted longer queries compared to men during online shopping. Given the observed trends retailers in Southern Africa maybe losing out on increased private label brand sales among women especially in the grocery sector from which they could benefit through increased profits by employing gender targeted communication or advertising. The study seeks to address this gap by quantifying the effects of Gender on Private Label Brand Perception. It is hypothesized that gender will have a significant effect on private label brand perception.

2. Literature Review

To date considerable research has been conducted to study the impact of gender on perception of private brand labels. The subsequent literatures reviewed aim to demonstrate the areas previously covered.

A study by Gala and Patil (2013) found that, consumer buying behavior is influenced mainly by demographic factors like age, gender and life cycle etc. Such aspects play a significant role in determining consumer preferences towards national brand or private label products. Another study by Senthilvelkumar et al (2013) revealed that although respondents' age and income had no influence on perception and intention of private label brands, gender had an impact. Based on their findings, retail managers need to develop approaches that will develop private brand labels into strong brands.

In a study conducted by Sethuraman (2003) results showed that females exhibited higher non-quality equity and had higher perceptual bias towards private label brands thus favoring national brands. Females appeared to be more image conscious and national brand prone as they perceived national brands to be of higher quality than males.

However a research study on gender and awareness of private label brands conducted by Kalogianni et al. (2002) revealed different results. Findings showed that females have a greater awareness of private label brands compared to men and thus purchase more than men-the reason for this being that females are the dominant shoppers in families more so for grocery products. In their research Prasanth and Balan, 2013, indicated that females exhibited a slightly greater degree of brand loyalty to private label brands which decreased as monthly income increased. Additionally results showed that although both male and female customers rated private label products as good-female rating of private label products post-purchase was higher as female customers also considered private label brands as better value for money compared to males.

Literature on private label brands shows diverging views, furthermore there is very little literature on private label branding in Southern Africa. This therefore warrants the need for studies to be conducted in Zimbabwe so that

appropriate strategies may be developed to exploit their benefits.

3. Methodology

An experiment was designed to quantify the effect of gender on private label perception (general perception, perceived risk and perceived quality). The investigation was conducted using linear regression analysis.

The data was collected as part of a larger study on private label brand perception. The 1st part of the questionnaire collected demographic information. The second part of the questionnaire collected information on PLB perception. Respondents were specifically asked to give their perception of PLB from TM. This was done to control for variability that could be caused by different stores (Collins-Dodd and Lindley, 2003). TM is a local retail chain in Zimbabwe and PLB for TM supermarkets are manufactured/packaged locally. To quantify PLB perception, scale items for this factor captured general perceptions on private label brands and perceptions on a basic food item "TM Super saver rice" and a basic non-food item "TM Super saver tissue". The data for the main survey was collected by intercepting customers as they exited from TM supermarkets in Harare and Bulawayo. Data reported is from 43 questionnaires that were completed. Measures for PLB perceptual variables being tested were taken via seven-point, multi-item scales with items anchored by completely disagree and completely agree. For the variables measured the scale items in Table 1 were used, (R) indicates that the item was reverse coded. Reliability of scale items was tested and Cronbach's Alpha was proved to be greater than 0.7 for all factors. Items for private label brand perception were based on a scale used by (Van Riel *et al.*, 2001 and Semeijnet *et al.*, 2004). The scale items for perceived risk and perceived quality were adopted from a scale used by (Rzem and Debabi, 2012). Data was analysed using simple linear regression

Table 1: Factor items and coefficient alphas

<i>Factor</i>	<i>Items Measured</i>
PLB Perception (0.70)	<ul style="list-style-type: none"> • The overall quality of private label brands is low (R) • I am highly Likely to purchase a private label brand • The quality of PLB rice/tissue is high • I am unlikely to buy a PLB rice/tissue (R)
Perceived Risk (0.84)	<ul style="list-style-type: none"> • Considering the price of rice/tissue for me to purchase a TM Supersaver brand would be very risky. • The purchase of TM Supersaver rice/tissue is risky because quality of TM supersaver rice/tissue is inferior.
Perceived Quality (0.77)	<ul style="list-style-type: none"> • With respect to rice/tissue TM super saver is NOT inferior to national brands • TM Supersaver rice/tissue is similar in quality to national labels

3.1 Results and Discussion

Table 2: Effect of store image dimensions on private label brand perception, perceived risk and quality

	Model	Standardised Coefficients (β)	T value	Significance Level
General PLB Perception and Gender	Constant		5.545	0.000
	Gender	-0.026	-0.156	0.877 NS
General PLB Perception for Rice and Gender	Constant		5.636	0.000
	Gender	-0.220	-1.351	0.185 NS
General PLB Quality Perception for Rice and Gender	Constant		5.246	0.000
	Gender	-0.254	-1.576	0.124 NS
General PLB Risk Perception for Rice and Gender	Constant		3.589	0.001
	Gender	0.075	0.451	0.655 NS
General PLB Perception for Tissue and Gender	Constant		3.441	0.001
	Gender	-0.044	-0.270	0.789 NS
General PLB Quality Perception for Tissue and Gender	Constant		5.988	0.000
	Gender	-0.319	-2.020	0.05*
General PLB Risk Perception for Tissue and Gender	Constant		2.819	0.008
	Gender	0.056	0.330	0.738 NS

NS: Non Significant, * Significant at 5%, *

The findings in this study resonate with those of several authors (Gala and Patil, 2013; Senthilvelkumar et al, 2013 and Sethuraman, 2003). Their studies reported that gender has an impact on perception of private label brands and additionally females perceive private label brands to be of lesser quality and displayed higher bias towards them. The study generally illustrated that private label brand general perception, quality and value are lower among women compared to men and the perceived risk is higher, this was observed for both tissue and rice. While the trend for both product categories was similar in that women had a more negative perception towards private label brands the relationship was statistically significant for tissue and was not significant for rice. The specific construct which significantly varied in this regard was private label brand quality perception ($p < 0.05$) with women having a lower quality perception. The reason for this could be that women have more experience in grocery shopping and use additional cues to overcome brand uncertainty when considering quality of household items (Ghosh et al, 1995). It is probable that women used visual and touch senses determine internal product quality beyond message communicated by the brand name and in this context deduced that TM Supersaver rice was of better quality compared to TM Super Saver tissue.

4. Limitations and Further Research

As with any research the current study has limitations. Due to time and financial constraints a small sample size was used-further studies should include larger sample sizes to obtain more detailed information. Although the data set is

obtained from the largest retailer in the country it is not a representation of all the retail consumers in the food and grocery segment.

5. Conclusion and Recommendations

Retail managers can drive increased sales in the private label brand sector and should invest in marketing by developing marketing strategies that appeal to women as results indicate that women have more experience in grocery shopping and use additional cues to overcome brand uncertainty when considering quality of household items-this will also address perception, quality and value which are lower in women. Since perceived risk is higher in women than in men, sales of private label brands can be driven by ensuring high quality of packaged products which consumers must be able to determine using visual senses, touch and were possible smell. This will contribute to overcoming uncertainties caused by unknown brand names. Subsequently there is an indication that product category has an effect on perception of private label brands retailers should understand these dynamics and marketing strategies should be driven based on this.

Acknowledgements

The authors gratefully acknowledge financial support from Bindura University of Science Education research grant.

References

- [1] Beneke J., (2009). Consumer perception of private label brands within the retail grocery sector of South Africa. *African Journal of Business Management* 4(2):203-220
- [2] DelVecchio D., (2001). Consumer perceptions of private label quality: the role of product category characteristics and consumer use of heuristics. *Journal of Retailing and Consumer Services* 8 (2001):239-249
- [3] Fernie J, Fernie S, Moore C., (2003). *Principles of Retailing*, Butterworth Heinemann, Oxford.
- [4] Gala, D., Patil, R., (2013). Consumer Attitude towards Private Labels in Comparison To National Brands. *International Journal of Business and Management Invention* 2 (5): 12-18
- [5] Garbarino, E., Strahilevitz, M., (2004). Gender differences in the perceived risk of buying online and the effects of receiving a site recommendation. *Journal of Business Research* 57 (7): 768-775
- [6] Ghosh, A., Charkraborty, G., Ghosh, B., (1995). Improving brand performance by altering consumers' brand uncertainty, *Journal of Product & Brand Management*, 4 (5): 14-20
- [7] Jansen, B.J., Moore, K., Carman, S., (2013). Evaluating the performance of demographic targeting using gender in sponsored search. *Information Processing and Management* 45 (6): 643-663
- [8] Kalogianni, I., Kamenidou, I., Priporas, K., and Tziakas, V. (2002), Age and gender effects on consumers' awareness and source of awareness for food-related private label brands. *Agricultural Economics Review* 3(1): 23-36

- [9] Kempf, D.A., Laczniak, R.N. and Smith, R.E. (2006), "The effects of gender on processing advertising and product trial information", *Marketing Letters* 17 (1): 5-16
- [10] Keller K. L., (1993). Conceptualizing, measuring, managing customer-based brand equity. *Journal of Marketing* 57(1): 1-22. Kim J., Morris J. and Swait J., (2008). Antecedents of true brand loyalty. *Journal of Advertising*, 37 (2): 99-117.
- [11] Kulpa J., (1998). Consumables top gainers in private labels. *Drug StoreNews* November, 69.
- [12] Henkes, T., Wingard, C., Kenney, C., Walter, P., Bundschu., (2013). "Generic No More: How Packaging Innovation Can Help Private Label Gain Market Share", *LEX Consulting : Executive Insights XV* (23): 1-4
- [13] Lorigo, L., Pan, B., Hembrooke, H., Joachims, T., Granka, L., Gay, G., (2006). The influence of task and gender on search and evaluation behavior using Google. *Information Processing and Management* 42 (4): 1123-1131
- [14] Laroche, M., Saad, G., Cleveland, M. and Browne, E. (2000), Gender differences in information search strategies for a Christmas gift, *Journal of Consumer Marketing* 17 (6): 500-22
- [15] Meyers-Levy, J., Maheswaran, D., (1991). Exploring differences in males' and females' processing strategies. *Journal of Consumer Research* 18 (1): 63-70
- [16] Meyers-Levy, J., Sternthal, B., (1991). Gender differences in the use of message cues and judgments. *Journal of Marketing Research* 28 (1): 84-96
- [17] Nyengerai S., Jaravaza D., Mukucha P., Chirimubwe R and Manjoro E., (2013). Determinants of Perception towards Private Label Brands in Zimbabwe: The Role of Familiarity, Store Image, Demographic Factors and Consumer Characteristics. *Journal of Business and Management Studies* 3 (5): 224-230
- [18] Prasanth, MK., and Balan, J., (2013). The consumer perception and rating of private label in the organized retail chains in Kerala. *International Journal of Engineering Research & Technology* 2(1): 2-11
- [19] Rubio, N., Oubina, J., & Villasenor, N., (2014). Brand awareness-brand quality inference and consumers risk perception in store brands of food products. *Food Quality & Preference* 32:289-298
- [20] Sethuraman, R., (2003). Measuring National Brands' Equity over Store Brands and Exploring its Antecedents. *Review of Marketing Science* September/October 2003 : <http://researchdocs.cox.smu.edu/rsethura/BrandEqty.pdf>
- [21] Semeijn J, van Riel A.C.R and Ambrosini A.B., (2004). Consumer evaluations of store brands: effects of store image and product attributes. *Journal of Retailing and Consumer Services* 11:247-258
- [22] Senthilvelkumar, K., & Jawahar, D., (2013). Building Private Labels into Strong Brands. *Journal of Brand Management*: <https://www.questia.com/library/journal/1P3-3077185491/building-private-labels-into-strong-brands>
- [23] Tifferet, S., Herstein, R., (2012), Gender differences in brand commitment, impulse buying, and hedonic consumption. *Journal of Product & Brand Management* 21(3): 176 -182