ASSESSING THE IMPORTANT DRIVERS OF THE WILLINGNESS TO PAY FOR PRIVATE LABEL BRANDS

BY

MISS KANDAPA THANASUTA

A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF DOCTOR OF PHILOSOPHY (BUSINESS ADMINISTRATION)

FACULTY OF COMMERCE AND ACCOUNTANCY

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ABSTRACT

The introduction of private labels into the market several decades ago has stimulated the interest of scholars in determining their success factors. Studies' conclusions revolve around private label purchases. However, the study of the willingness to pay for private labels is not explicit, despite its influence on the purchase. Based on brand equity theory and cue utilization theory, this study aims to investigate the effect of influencing factors on consumers' willingness to pay for private labels. Brand-level and store-level factors are integrated to determine both the direct and the indirect relationships with the willingness to pay through perceived quality. Additional perspective is provided by incorporating the private label branding effect on such relationships.

The data for quantitative analysis were collected through a survey. The measurement scales for data collection were previously studied, analyzed by researchers, and reviewed by current private labels users. A total of eight hundred and nineteen respondents evaluated two private label brands through mall intercepts in seven Tops stores, a leading supermarket in Thailand. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were employed to examine the measurement model. Structural equation modeling was used to evaluate the relationships among the constructs.

The findings identify perceived quality as the strongest influencer on the willingness to pay for private labels. Product development from brand-level factors

indirectly influences the willingness to pay through perceived quality, whereas sales promotions have both direct and indirect effects. Regarding store-level factors, the results confirm the inexistence of direct and indirect relationships between store atmosphere and the willingness to pay. A direct relationship is proven only for store product image and store category association. Store advertising indirectly affects the willingness to pay, with perceived quality as a mediator. The strength of sales promotions and perceived quality relationship is significantly stronger for an "other-name" private label than for an "own-name" private label. The results also confirm the significant effect of private label brands on the relationships between store product image and perceived quality. The robust effect of the "other-name" private label is affirmed.

The first contribution of this research is its attempt to determine the reciprocal effect of the influencing variables on the willingness to pay for private labels rather than only for national brands, as shown in the past. It also fills a gap by integrating both brand and store influences into the study instead of evaluating each separately. The moderating role of branding is introduced to offer insights into the influencing factors. Subsequently, practitioners are able to apply the findings to maximize the benefits of their strategy.

Keywords: Private Labels, Willingness to Pay, Branding Strategy, Perceived Quality

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Miss Kandapa Thanasuta

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LIST OF ABBREVIATIONS

Symbols/Abbreviations	Terms
CFA	Confirmatory Factor Analysis
EFA	Exploratory Factor Analysis
FMCG	Fast Moving Consumers Goods
NBs	National Brands
PLs	Private Label Brands
SEM	Structural Equation Modeling
WTP	Willingness to Pay

CHAPTER 1
INTRODUCTION

The presence of private labels (PLs) in the highly competitive retail industry has been evident for several decades. The continuous evolution of private labels to survive and compete effectively in the market has instigated strategic transformations of many retail participants throughout the years. Private labels persistently improve product quality to compete with major competitors and manufacturers' national brands (NBs), which constantly develop campaigns to fight back. Reaching a quality level that is equivalent to that of national brands; private labels remain at a disadvantage, despite having parallel prices. Numerous investigations have focused on factors that affect the proneness and purchase intention of private labels (Richardson et al., 1996; Batra and Sinha, 2000; Baltas and Papastathopoulou, 2003). However, what constitutes private labels' ability to charge higher prices to reflect higher quality has received minimal attention despite its importance for private label pricing strategy. This dissertation aims to investigate the contributions from consumers' perspectives through their willingness to pay (WTP) in setting private label prices. Elements regarding consumers' willingness to pay are reviewed from existing studies to determine the relationships among the contexts. It is anticipated that the proposed empirical framework will provide additional insights into the current literature on private label pricing.

This introductory chapter begins with background on the retail industry and private label brands in section 1.1, followed by the importance of private label pricing and the contribution of consumers' willingness to pay in section 1.2. The development of the research rationale, questions, and objectives comprise section 1.3. Operational definitions are then clarified to support the measurements in section 1.4. Subsequently, the scope of this research is presented, and a summary is provided in the last section.

1.1 Research background

The growth of private labels has a strong connection to the progression of the retail industry. Retail operations have evolved from an inevitable cooperation between smaller retailers and larger manufacturers in earlier periods. Manufacturers' predominant powers have shifted to the retailer side through the international expansion of retail stores and the introduction of private label brands. By expanding into the global market, many retailers' sales surpass manufacturers' sales. In 2005, the top five retailers' global sales totaled $600 billion, double the sales of the top five manufacturers (Kumar and Steenkamp, 2007). Moreover, private labels contributed $1 trillion in annual sales to the total retail industry in 2008 (International Market Bureau, 2010). The continued growth of private labels, brands that were less favorable at an initial stage, has reinforced the power of retailers and significantly affected retail operations.

According to Pauwels and Srinivasan (2004), retailers gain higher unit margins on both national brands and private label brands with the introduction of private labels into the category. Hoch and Banerji (1993) and Narasimhan and Wilcox (1998) confirm this benefit. Private labels differentiate a retailer from others (Ailawadi et al., 2008) and build store image (Juhl et al., 2006). Private labels also allow retailers to capture negotiation power with national brands (Narasimhan and Wilcox, 1998) and allow retailers to be able to make purchases at lower prices (Mills, 1995).

The history of the study of private labels traces back to when scholars attempted to distinguish the characteristics of consumers who purchase private labels from those who purchase national brands (Frank and Boyd, 1965; Burger and Scott, 1972). Numerous studies have focused on the consumer-level factors that affect private label proneness and purchase intention (Richarson et al., 1996; Sinha and Batra, 1999; Batra and Sinha, 2000; Ailawadi et al., 2001; Baltas and Papastathopoulou, 2003). However, few studies have referred to willingness to pay, despite the possibility that willingness to pay may be the direct antecedent of purchasing behavior (Netemeyer et al., 2004).

1.2 Significance of the willingness to pay for private labels

The progression of private labels has been demonstrated through various approaches to maneuver the market. Originally, private labels offered products of a lower quality and lower price to compete against strongly established national brands (Granzin, 1981; Cunningham et al., 1982). This initial strategy created a strong association between private labels and lower-quality products. Encountering the perception of lower quality, private labels have continued to improve product quality (Richardson et al., 1996, Dunne and Narasimhan, 1999). Currently, a lower price advantage remains a strategy. However, retailers additionally employ quality tier management to manage private labels. There are low-priced, mid-priced, and high-priced private labels to reflect acceptable quality, equal quality, and premium quality tiers, respectively (Steiner, 2004; Lamey et al., 2007).

Despite showing continuous improvement, some of the private labels have been unable to charge equivalent prices. According to Kumar and Steenkamp (2007), national brands of a higher quality than private labels are able to charge a price that is 56% higher. An ability to obtain a premium price persists. On average, the price premium of national brands of equal quality is 37%; and when their quality is lower than private labels, it falls to 21% (Kumar and Steenkamp, 2007). Moreover, consumers remain skeptical about the quality of private labels. They often assess the quality of private labels to be low, regardless of objective quality. According to Nielsen (2011), the percentage of consumers who believe that the quality of private labels is equivalent to that of national brands varies from 22% in the Asia-Pacific region to 37% in North America. This variation in quality perception leads to uncertainty in the prices that consumers are willing to pay. The same study by Nielsen (2011) indicates that a minimum of 22% of consumers in North America are willing to pay the same or more for private labels, whereas a maximum of 35% in Latin America specify willingness to pay. Whether private labels can charge higher prices to reflect improved quality and enter the same pricing continuum as national brands is an ongoing dilemma. The ability to identify the factors that influence consumers' willingness to pay price differences would contribute to the research field

and allow private labels to set appropriate prices to achieve volume maximization and profit optimization (Le Gall-Ely, 2009).

According to ACNielsen (2005), private labels price products against national brands differently across categories and countries. For instance, the price of private label aftershave is 55% lower than that of the national brands, whereas the price of private label chewing gum is 7% higher. Moreover, the average price of private labels is 31% lower than that of the national brands across the 38 countries of the ACNielsen study. The largest price difference is in Greece, at 48%, whereas Thailand has the smallest discrepancy, at 10%. These inconsistencies in the pricing of private labels affirm the attractiveness of investigating the factors that contribute to these differences. The causes of the discrepancy in prices between national brands and private label brands should be determined.

1.3 Research rationale, question, and objectives

This section begins with the research rationale. Subsequently, the research questions and research objectives are presented.

1.3.1 Research rationale

Pricing strategy has always been an important tool in strengthening brand competitiveness. Setting prices requires inputs from different perspectives, including that of consumers. Despite rich studies on private labels, research on consumers' perspectives on pricing through their willingness to pay is not substantial (Steenkamp et al., 2010). Moreover, existing studies indicate various factors as contributors to the willingness to pay. Sethuraman and Cole (1999) identify consumer perceptions and the behavioral and demographic variables that influence the price premium that consumers are willing to pay for national brands over private labels. A more recent study by Steenkamp et al. (2010) indicates that marketing and manufacturing factors have different effects on the willingness to pay a premium for national brands during the development and mature stage of private labels.

According to Hoch and Benerji (1993), the success of private label brands incorporates three major players: consumers, retailers, and manufacturers.

Whether or not consumers are willing to pay for a private label brand, the studies should take into consideration the consumers' perception towards the store's activities as well as the manufacturer's activities. Le Gall-Ely (2009) also confirms that brand-level and store-level factors are the determinants of consumers' willingness to pay for private labels. Existing studies focus on these factors separately and pay minimal attention to their combined effect. It is difficult to realize the impact of the fully integrated influencing factors, mitigating true business practices. Retailers that manage private label brands are unable to identify the magnitude of the influences when they treat factors individually instead of collectively. A proper strategy for stimulating willingness to pay is difficult to comprehend. Additionally, current studies on consumers' willingness to pay center on national brands. An investigation of the reciprocal effect of whether these influences on the willingness to pay for national brands have an identical effect on the willingness to pay for private labels, would contribute another perspective to the management of private labels.

Furthermore, the existing research on private labels generally treats private labels as a single brand. Minimal attention has been given to store branding strategies, despite the various brand names offered. Some stores offer private label products under the store name, whereas others choose to carry them under different names. According to Dick et al. (1995), consumers use the brand name as a cue to evaluate product quality. Distinction in brand names would trigger various consumer responses, including willingness to pay. To successfully manage private label pricing strategies, it is necessary to understand how the influencing factors on the willingness to pay generate consumer responses under different brand names.

1.3.2 Research question

This study focuses on answering the following question:

How should retailers manage private label brands to influence consumers' willingness to pay?

1.3.3 Research objectives

This study aims to fulfill the following objectives:

1. To determine the existing brand-level and store-level variables that influence consumers' willingness to pay for private label brands;

2. To develop a conceptual framework that explains the relationship between the brand-level factors and the store-level factors that influence consumers' willingness to pay for private label brands;

3. To analyze the effects of brand-level and store-level factors on consumer's willingness to pay for private label brands;

4. To assess the effects of brand-level factors and store-level factors on the variations in consumers' willingness to pay for private label brands under different branding strategies; and

5. To suggest the factors that private labels should emphasize in stimulating consumers' willingness to pay and managing the pricing strategy for private label brands.

1.4 Operational definition

A total of four main constructs are applied in this private label study: brand-level factors, store-level factors, consumer's perceived quality, and willingness to pay. Operational definitions are as follows.

1.4.1 Private label brands

Private label brands are defined as "products owned and branded by organizations whose primary economic commitment is distribution rather than production" (Schutte, 1969). A more current definition of private label brands specifies them as products that are produced on behalf of retailers to sell under the retailers' names in the retailers' stores (Raju et al., 1995; Baltas, 1997). The retailer's responsibility to private labels ranges from developing products to marketing (Dhar and Hoch, 1997; Steenkamp and Dekimpe, 1997). In the literature, many terms are used as synonyms for private labels. These terms include store brands, house brands, or retail brands. Throughout this research, the term private label is used as the consensus definition.

Many products qualify under the private label terminology, including those produced to sell under the store name and those made specifically for retailers under different brand names (Burton et al., 1998). In Thailand, the existence

of these two types is evident. In its portfolio, Tesco Lotus offers Tesco Value, Tesco, and Tesco Finest as private label brands. Tops supermarket uses both the Tops brand and the My Choice brand to identify its private labels. To avoid confusion, the term private label represents these two types of products throughout this research.

1.4.2 Brand-level factors

Brand-level factors are actions performed at the brand level by either manufacturers or retailers on their brands. Because consumers are uncertain about product performance, they often use certain actions performed for the brand to justify quality. In this study, these actions include product sourcing, product design, packaging similarity, and sales promotion.

Product sourcing relates to suppliers that supply a product for a brand. In this study, product sourcing refers to the production of private labels by national brand manufacturers (Sethuraman and Raju, 2012).

Product development is the improvement and modification of a product (Fuller, 2004, Anselmsson and Johansson, 2009a).

Package similarity is the commonality in the appearance of the package compared to other brands (Steenkamp et al., 2010).

Sales promotions are short-term incentives for consumers to try or purchase the product (Yoo et al., 2000; DelVecchio et al., 2006).

1.4.3 Store-level factors

Store-level factors are actions performed at the store level by retailers to improve consumer perceptions of their image and the brands they carry. The actions considered in this study are store image and store-category association.

Store image is the overall perception that consumers have toward multi-attributes from the intrinsic and extrinsic characteristics of a store (Wu et al., 2011).

Store-category association is the degree of association between the store and the product category in the minds of consumers (Inman et al., 2004).

1.4.4 Consumers' perceived quality

Consumers' perceived quality is consumers' perception of the overall superiority or excellence of a product relative to competing alternatives (Zeithaml, 1988).

1.4.5 Consumers' willingness to pay

Consumers' willingness to pay is the maximum price that a given consumer agrees to pay for a product and service. It is the maximum amount of money that a consumer is willing to sacrifice in exchange for a product's benefits (Le Gall-Ely, 2009).

1.5 Scope of the research

This section describes the current condition and the attractiveness of the market under study. Background on the market is provided, in addition to information on private labels.

1.5.1 Thailand's retail and FMCG market

Fast-moving consumer goods (FMCG) retailing in Thailand is the context under investigation in this research. Thailand's retail revolution has contributed to the existence of private labels in the market. Prior to an expansion of international retailers, traditional trade dominated the retail industry. The proportion of modern trade to traditional trade grew from 26% to 74% during the economic crisis in 1997 to and from 53% to 47% in 2001 (Thailand Development Research Institute, 2002). Many local firms sought financial support from overseas during the crisis. The acquisitions of local modern trade retailers by international retailers put a new face on retail competition. By entering into this new market, international retailers were able to expand their private labels from highly competitive home countries.

Consumers demand for convenience shopping also strongly nurtures the spread of modern trade retailing. In fact, most Thai consumers prefer to shop modern trade retailers (The Nation, 2007). The expansion of hypermarkets, supermarkets, and convenience stores, fits the lifestyle of Thai consumers in terms of providing more convenience and accessibility to products. According to the 2006 ACNielsen report, in one month, 89% of urban Thai visited hypermarkets, whereas 87% visited convenience stores and 44% supermarkets.

The FMCG market in Thailand grew 11% in 2012, with Thailand being among the highest countries in Asia and outpacing the performance of the

previous year (Bain & Company, 2014). For consumers, these types of goods are often purchased daily. Consumer familiarity with the products facilitates the decision to purchase, despite the introduction of new brands. Moreover, consumer goods are challenged by private labels more than by other product categories in the market. Therefore, this market is suitable for studying the rationale behind the price that consumers are willing to pay for private label brands.

1.5.2 Private labels in Thailand

Retailers in Thailand are focusing more on the introduction of private labels into the market. Although the private label market is still young, its growth potential is positive. According to an ACNielsen report in 2005, the private label market share in Thailand was 1%, exhibiting a growth rate of 18%. In 2009, Nielsen Wire confirmed a growth potential of 25%. These numbers indirectly indicate the consumer acceptance of private label products in Thailand. Private labels exhibit greater potential because the penetration rate, that is, the percentage of consumers who purchase private labels, is still small compared to other well-developed markets. In terms of pricing, although private labels are offered at lower prices, the price gap between the two types of brands remains minimal. According to a 2005 study by ACNielsen, Thailand has the lowest price differential between private label brands and national brands (-10%) among the 38 countries investigated. With this insignificant difference in price, the price consumers are willing to pay is unclear. The appropriate price to charge for national brands and private label brands remains problematic.

1.6 Conclusion

This chapter provides an overview of the research. The background of the research is described. The research rationale, objectives, and questions are presented. Operational definitions and the research context are reviewed.

CHAPTER 2
LITERATURE REVIEW

The purpose of this chapter is to conceptualize the constructs of this research. Relevant literature is reviewed and synthesized. There are three sections in this chapter. The first part is the theoretical framework which consists of two theories, brand equity theory and cue utilization theory. The second part provides literature support for the development of the conceptual framework. Literature on the willingness to pay, consumer's perceived quality, brand-level influences and store-level influences is examined. The contexts of store branding strategy and product category are also included in this section. The last part concerns research gap and the conceptual model of the research.

2.1 Research theory

Two related theories to the willingness to pay and perceived quality are emphasized.

2.1.1 Brand equity theory

Brand equity is defined as "a set of brand assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers" (Aaker, 1991, p. 15). There are two principal perspectives related to brand equity: the financial perspective and the customer perspective.

2.1.1.1 Financial-based brand equity

Financial-based brand equity concerns the valuation of brand in financial market. Brand value is evaluated from incremental value receives from brand name against an equivalent unbranded product (Farquhar, 1990). This value is independent from assets when sold and included in the balance sheet (Feldwick, 1996). It is often used in the financial valuation for merger, acquisition, or divestment (Aaker. 1991).

2.1.1.2 Customer-based brand equity

Customer-based brand equity is further developed from Aaker's definition. It is "the differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1993, p. 8). It occurs when "the customer is aware of the brand and holds some favorable, strong, and unique brand association in memory" (Keller, 1993, p. 17). Even though Aaker (1991) and Keller (1993) define brand equity differently, both conceptualized the definition from consumer perspective.

Adopting the customer-based brand equity perspective, brand equity consists of many dimensions. Aaker (1991) classified brand equity into five dimensions including brand awareness, brand association, perceived quality, brand loyalty, and other property brand assets. As for Keller (1993), brand equity consists of two dimensions which are brand knowledge and brand image. Many researchers (Yoo et al., 2000; Yoo and Donthu, 2001) measure the brand equity through the conceptualization of Aaker (1991) and Keller (1993) and treated customers-based brand equity with four dimensions: brand awareness, brand associations, perceived quality, and brand loyalty.

Brand awareness is the strength of a brand's presence in consumers' minds (Pappu et al., 2005). It is "customers' ability to recall and recognized the brand" (Keller, 2003, p. 76). According to Keller (1993), recollection of brand from memory is essential for the decision making process. Brand with high familiarity is likely to receive positive response from consumers.

Brand association is "anything linked in memory to a brand" (Aaker, 1991, p. 109). It consists of "all brand-related thoughts, feelings, perceptions, images, experiences, beliefs, attitudes" (Kotler and Keller, 2006, p. 188). Combinations of aspects related to brand are organized to reflect image in consumers' minds (Tong and Hawley, 2009).

Perceived quality is not the actual or objective quality but rather than consumers' perception of overall excellence or superiority of the product compare to other competing substitutes (Zeithaml, 1988). Perceived quality does not only influence consumers in the decision to purchase, but also allow brand to differentiate and charge premium price (Aaker, 1991).

Brand loyalty is "the attachment that a consumer has to a brand" (Aaker, 1991, p. 39). It can be defined by both behavioral and attitudinal perspectives (Rossiter and Percy, 1987; Schoell and Guiltinan, 1990; Oliver, 1997). Brand loyalty contributes significantly to marketing and financial performance of the firm. It determines price that firm can receive (Chaudhuri and Holbrook, 2001). Loyal customers are more likely to pay price premium (Aaker, 1991; 1996).

To assess the value of the brand equity, consumer approach measures utilities rather than financial numbers as in the financial approach (Srinivasan et al., 2005). One of the approaches to determine values consumers see in these utilities is the price that consumers are willing to pay. It can be measured through survey or trade off or conjoint analysis (Aaker, 1991).

Consumer's willingness to pay price for a brand to reflect its value has association with their perceived quality, the core facet of the customer-based brand equity (Aaker, 1991; 1996). This perception is formed through quality signals from the brand. Consumers use different cues to judge quality. Therefore, the cue utilization theory is taken into consideration.

2.1.2 Cue utilization theory

Cue utilization theory by Olson (1972) is a framework to assess consumer perceptions on product quality. According to this theory, consumers use cues provided by brand and product as surrogate indicators to judge quality. Consumers rely on them to infer product quality (Bao et al., 2011). These cues provide two values for consumers. The first one, the predictive value, concerns with the strength in which consumers connect a given cue with quality. An easily analyzed cue allows consumers to perform better quality assessment process (Dick et al., 1990). Cues also create confidence value as they allow consumers to have confidence in judging quality compared to not having cue to assist. High predictive and high confidence values ensure the accuracy of the evaluation (Richardson et al., 1994).

Cues can be classified as intrinsic or extrinsic to the product. Intrinsic cues are product-related attributes which are attached to physical properties of the product. These cues cannot be manipulated. Examples of intrinsic cues include ingredient, taste, smell, texture (Richardson et al., 1994; Collins-Dodd and Lindley, 2003). Oppositely, extrinsic cues are product-related attributes that are not part of the

physical product and can be altered without affecting product composition, such as price, brand name, packaging, and store name (Richardson et al., 1994).

According to the literature, consumers use both intrinsic and extrinsic cues simultaneously in evaluating product quality. When determining decision, consumers may face with uncertainty in judging quality of the product. To overcome the ambiguity, cues are used as assessments of quality. Once the intrinsic cues are less visible or difficult to recognize, consumers use extrinsic cue to judge quality instead (Miyazaki et al., 2005; Schiffman and Kanuk, 2007).

2.2 The literature

This part contains literature relating to consumer's willingness to pay. Its importance to the price setting is described. Explanation of willingness to pay and its relation to brand equity is provided. Lastly, factors influencing the consumer's willingness to pay are illustrated.

2.2.1 Pricing consideration

A change in retail competitive environment raises a question on appropriate prices for both national brand and private label brand (Pauwels and Srinivasan, 2007). The pricing decision of one party involves and impacts the decision of the other since it relates to volume, market share, and profit margin that each party is going to receive. To determine a correct price, there is a consideration of competitors' pricing and consumers' price elasticity. For example, retailers have to set their store brand prices by acknowledging both of national brand price and consumer receptiveness. Both will affect not only the sales volume but also profit margin of the category.

Manufacturers want to keep the consumer prices high in order to cover all costs. Prices set by both manufacturers and retailers affect volumes to be generated (Pauwels and Srinivasan, 2007). The way in which both parties set the price depends on how consumers respond to it (Moon et al., 2006). Consumers use the price to justify returns from product and services (Lichtenstein et al., 1993). Their perceptions towards price determine purchase intention. Price perception has a direct

negative effect to purchase intention and has an indirect positive effect if quality perception is considered (Erickson and Johansson, 1985). Consumers decide whether the price offered is suitable to make a purchase or not. Through consumer purchases, unit volumes are generated for national brands and private label brands. At the same time, volumes gained determine the share that each party holds. A manufacturer would like to acquire high volume to fulfill its production capacity and maintain bargaining power while retailer's aim is also for similar reasons (Pauwels, 2007). Price setting and unit volume also affect both national brands and private label brands in term of profit margin received. Adjustment in price not only affects the sales volume, but also marketing share and profit margin. Since both national brand and private label brand want to maximize overall profitability, attention on price setting is necessary.

2.2.2 Consumers' willingness to pay

Rather than considering benefits to be gained by manufacturers and retailers as benchmarks to set price, consumer response is another factor which cannot be ignored. If the consumer responds positively to the price offered, it is a beneficial gain to the company, while the reverse also applies.

Consumer response to different price offered in the market indicates the price consumers are willing to pay. Consumer's willingness to pay (WTP) is defined as the maximum price a given consumer accepts to pay for a product and service (Krishna, 1991; Kohli and Mahajan, 1991; Wertenbroch and Skiera, 2002). It represents the maximum money that consumer is willing to sacrifice in exchange for benefits received from a product (Le Gall-Ely, 2009). It is also viewed as a measurement of value that consumer assigns to product and service experience in monetary form (Homburg et al., 2005). Le Gall-Ely (2009) also states that WTP represents consumers' perceived value of the product and exhibits the brands' maximum margin to be obtained. WTP is one of consumer internal reference price; a price of brand or alternative product exists in consumer's memory (Chandrashekaran, 2001). Its term and usage are relatively close with consumers' acceptable prices term. To clarify, Le Gall-Ely (2009) summarizes these terms as in Table 2.1.

Table 2.1

Price concepts and definitions

Terms	**Definitions**
Reference price	Price or set of prices the consumer uses to compare and evaluate the price of a proposed good or service.
Acceptable prices	Set of prices that the consumer is ready to pay for goods or services.
Willingness to pay	The maximum price that a consumer accepts to pay for a given quantity of goods or services.

Source: Le Gall-Ely (2009)

Willingness to pay reflects a consumer's perceived value of a particular brand, product, or service. This consumer-perceived value is a marketing approach to measuring brand equity (Keller, 1993), and it is often called customer-based brand equity, which means the price premium (Ailawadi et al., 2003; Sethuraman, 2003), or the excess price that consumers are willing to pay for the brand (Rao and Bergen, 1992). Because different brands obtain a different value assigned by consumer, a discrepancy between brand values exists. One brand can secure a higher value than another, and vice versa. In this case, willingness to pay varies. The distinction in willingness to pay is the price premium that the consumer pays for additional values perceived to be higher than other values. Aaker (1996) defines price premium as the willingness to pay for a brand, which can be either positive or negative, in relation to other alternatives. According to Anselmsson et al. (2007), this comparative perspective is the supporting argument behind the operationalization of brand equity as the price premium that aims to offer something more than others to persuade consumers to pay more. It reflects the brand's ability to charge a higher price even if it does not necessarily correlate with actual consumer prices.

Netemeyer et al. (2004) state that perceived value relates to willingness to pay. However, the upper limit that a consumer is willing to pay is unstable. A brand should recognize what price to charge and value to create to

compensate for the price that the consumer pays. If a brand sets a higher price than the value the consumer perceives, it receives less acceptance from the consumer and certainly faces lower sales. By contrast, if a brand sets a lower price than the perceived value, a lower margin and profits are likely to be achieved (Anselmsson et al., 2007). The ability to determine the sources that create the best value is essential for a brand to fully optimize its sales volume and profit margin and support the pricing decision.

2.2.3 Influencing consumers' willingness to pay

2.2.3.1 Brand equity dimensions

The introduction of private labels has been one of the strategies chosen by many retailers to compete against national brands. Several benefits from private labels, such as the ability to differentiate, the development of store traffic and loyalty, trigger retailers to pay more attention to the management of private labels (Juhl et al., 2006; Ailawadi et al., 2008). Strengthening private labels' brand values is an approach that retailers may choose to emphasize.

Consumers' willingness to pay is a reflection of brand value. Based on brand equity theory, different brand dimensions constitute value. Many scholars have focused on the elements of brand equity that determine brand value. Anselmsson et al. (2007) use four brand equity dimensions, specifically awareness, association, loyalty, and quality, together with brand uniqueness, another element added by the authors, to determine the price premium that consumers are willing to pay. The results indicate that consumers use the same criteria to evaluate the price premium, regardless of product category. A more recent study by Sattler et al. (2010) investigates the relationship between the brand equity dimensions and price premium paid within the context of brand extension. The brand's quality dimension is found to have a positive influence on the price premium consumers are willing to pay.

Despite the fact that private label brands originate in retail stores, the measurement of brand value should not be treated differently. It is confirmed that both the value that consumers perceive from a brand and the value that consumers perceive from the retail store have an influence on the willingness to pay. Ailawadi and Keller (2004) suggest that brand management principles can be applied to retail branding. Yoo and Donthu (2001) and Arnett et al. (2003) attempt to

measure the value of retailer equity by using the brand equity dimensions. Four common dimensions, specifically awareness, associations, perceived quality, and loyalty, are proposed to measure retailer equity. Pappu and Quester (2006) extend the logic of brand equity and valuation to the retail context and, as in the two previous studies, confirm that retailer equity comprises retailer awareness, retailer association, perceived retailer quality, and retailer loyalty. The results correspond with the brand equity theory of Aaker (1991). Retailer equity is conceptually similar to brand equity. A more recent study by Chaudhuri and Ligas (2009) proposes a model in which merchandise value leads to loyalty through repurchasing, attitudes and the relationship between the consumer and the store. Ultimately, this committed relationship is expressed in terms of the willingness to pay the price premium for a particular store. Based on the literature, the brand equity theory framework for measuring willingness to pay also applies to a brand that belongs to the retail store, i.e., private label brands.

2.2.3.2 Influencers

(1) Perceived quality as a key influencer

Studies regarding willingness to pay and private labels are not as abundant as studies on private labels proneness. In the existing literature, the majority of studies incorporate willingness to pay for private labels as a comparative measurement of national brand equity. Sethuraman (2003) asserts the price premium that consumers are willing to pay for a national brand over a private label brand as the reciprocal of national brand equity. Similarly, consumers' willingness to pay for a private label infers private label brand equity. Due to a large amount of information on the variables that influence the price premium that consumers are willing to pay for national brands, these variables are used as benchmarks to measure consumers' willingness to pay for private label brands.

Sethuraman and Cole (1999) are among the first researchers to investigate consumers' willingness to pay price premium in the private label area, attempting to identify the price premium, that is, the maximum price differential that consumers are willing to pay for a national brand over a store brand. Consumer-level factors, including perceptual variables, behavioral variables, and demographic variables, are incorporated as influencing factors of the price premium that consumers

pay for national brands over private labels. The results indicate the perceived quality differential of products across categories as the most important factor that influences the price premium. Another study by Apelbaum *et al*. (2003) uses Consumer Reports data to identify the price premium that national brands possess against different levels of private label quality. The results indicate that the evaluation of quality affects the price premium of national brands over private labels. A more recent study by Steenkamp *et al*. (2010) focuses on the effects of marketing and manufacturing factors on consumers' willingness to pay in different stages of a private label life cycle. Consumers' perceived quality differential between national brands and private label brands is the mediator of the price premium. This mediator effect is also moderated by the consumer's involvement with the product and with the price as a reflection of quality (price-quality schema). The results of the abovementioned research demonstrate a decrease in the willingness to pay for national brands in situations in which private labels are more mature. Marketing factors, product innovation, distinctive packaging, advertising, and price promotion highly contribute to the willingness to pay for national brands when private label brands are in the development stage.

(2) Other influencers

There exist several investigations on the influencing factors of willingness to pay. Pauwels and Srinivasan (2007) summarize other variables that influence the willingness to pay the maximum price in addition to perceived quality. These variables include innovation, image and feeling, promotional activities, category characteristics, and the store brand strategy. Pauwel and Srinivasan (2004) identify that brand innovativeness has a positive influence on commanding a higher price. Brands with high imagery are also granted a higher price paid (Connor and Peterson, 1992). On the other hand, consumers pay a lower price for brands with high promotional activities (Cotterill et al., 2000). Steenkamp and Dekimpe (1997) and Ailawadi et al. (2008) identify the relationship between category characteristics and the willingness to pay the price premium. Consumers pay higher prices for categories with a high involvement of consumers. Store brand strategy has different effects on the price premium of national brands (Kumar and Steenkamp, 2007). Premium private labels allow national brands to enjoy the lowest price premium compared to

copycats and value creators. Additionally, Steenkamp et al. (2010) integrate other variables in addition to those noted above as influencers of willingness to pay. Distinctive packaging, advertising, promotional activities, the source of private label production and difficulties in production are investigated.

Clearly, influencing variables are dispersed among numerous categories. The concentration of interest in the determinants of willingness to pay focuses on marketing, manufacturer, and consumer factors. Store factors, which are another set of factors that determine the success of private label brands (Hoch and Benerji, 1993 and Le Gall-Ely, 2009), are minimal. Research on store factors focuses mainly on the purchase of private label brands instead of willingness to pay. These factors, as summarized by Hyman et al. (2010), are the positioning of the private label brand in relation to the national brand, the number of stores that carry private label brands, category penetration, the category balance between national brands and private label brands, store image, and retailer and brand congruency with a high concentration of store brand positioning and store image.

2.2.4 Conceptualizing the willingness to pay for private labels

To determine the factors that influence the willingness to pay for private label brands, the proposition of Le Gall-Ely (2009) concerning store brand value as the combination of brand and store manipulation is adopted.

Although there has been scarce research on this topic Yoo et al. (2000) state that many studies have noted the impact of marketing activities on brand equity. Marketing efforts are accumulated investments in brands, and therefore, they can be considered to be antecedents. The decision to implement marketing actions is always derived from the impacts on the brand. Sullivan (1992) identifies research expenditure, adverting expenditure, advertising share, sales forces, the age of the brand, the order of entry, and product portfolio as being connected with brand equity. Other sources of brand equity include public relations and packaging (Aaker, 1991), company image, the country of origin, and promotional events (Keller, 1993), brand-name strategy (Keller et al., 1998), and price, price promotion, advertising expenditure, store image, and distribution intensity (Yoo et al., 2000). These elements evolve around the marketing mix: product, price, place, and promotion.

Many studies suggest that marketing activities that reinforce brand equity are important in the battle between national brands and private label brands (Richardson, 1997; Ailawadi, 2001). Marketing mix elements from studies by Yoo et al. (2000), who focus on these elements' impact on brand equity, and by Steenkamp et al. (2010), who determine the willingness to pay for national brands, are used as benchmarks to review the factors that influence willingness to pay. Price and distribution intensity components are excluded. Price is often used as a cue to evaluate product quality (Lichtenstein et al., 1993). With an increase in perceived quality, the brand value increases. However, this perceived quality also determines the price that the consumer is willing to pay for a product or service (Sethuraman and Cole, 1999). With an interest in investigating the consumer's willingness to pay for private label brands, in this research, the price is treated as a result of the activities instead of the determinant of value. The exclusion of distribution intensity is justified through the "store-specific" nature of private label brands, which are available only in particular stores. The value that consumers achieve through store accessibility is difficult to determine.

The elements of the marketing mix of Yoo et al. (2000) are further categorized into two areas: brand and store factors. In line with Le Gall-Ely (2009), brand value is determined through the brand and the store together. Brand-level factors consist of sales promotions with three additional elements adopted from Steenkamp et al. (2010), specifically private label product sourcing, product development and packaging, to represent the "product" mix, which is omitted by Yoo et al. (2000). Store image is classified as a store-level factor. The additional issue of the store-category association is added for consideration.

In summary, two factor levels, the brand level and the store level, are elaborated in this section as determinants of the willingness to pay for private label brands. Brand-level factors consist of private label product sourcing, product modification, packaging design, and sales promotion. Store-level factors comprise store image and the store-category association.

2.2.4.1 Brand-level factors

(1) Product sourcing

Product sourcing is an issue that retailers have to consider when planning to offer private label brands to the market. Due to the lack of expertise, private labels shift production tasks to experienced manufacturers that have a proven record of strong and sophisticated production processes (Dunne and Narasimhan, 1999). According to Sethuraman and Raju (2012), three product sourcing options are available for retailers in selecting store brand suppliers. Retailers engage in their own manufacturing, contract third-party suppliers, or source from national brand manufacturers. Many national brand manufacturers, including small and well-known manufacturers, participate in private label production (Kumar and Steenkamp, 2007). Engaging in production relationships yields mutual benefits for both parties. Manufacturers are able to utilize their excess production capacity, reduce the unit cost, and enjoy better relationships with retailers, and private labels benefit from improved quality perception.

Consumers use many cues, such as price, packaging, and brand name, to evaluate quality. Product sourcing is another cue that justifies decision making. Recently, private labels have implemented a quality improvement strategy to compete in the market. The use of leading manufacturers as product suppliers may be a cue to create consumer inferences regarding private label quality. Famous manufacturer brands are often associated with a great reputation regarding communication campaigns, intensive distribution, and innovative product development. Consumers, therefore, perceive their product quality to be superior to that of private labels (Olson, 2012).

Studies on private label product sourcing from national brand manufacturers are rare (Sethuraman, 2009). Focused areas evolve around the antecedents and consequences of private label sourcing for retailer and manufacturer operations and the strategic decision to implement private label sourcing (Wu and Wang, 2005; Chen et al., 2010; Kumar et al., 2010). There is very minimal information on consumer-related issues, despite the fact that consumer perceived and actual knowledge on the origin of the private label product source impacts the quality evaluation of a brand (Steenkamp et al., 2010). Olson (2012) studies the effect of

copycat packaging on consumer inferences regarding the sourcing of private labels. The results indicate that the copycat tactic causes consumers to believe that the product is sourced from national brand manufacturers and decreases the once-distinct perceptual quality gap between the two types of brands. Similarly, Olson (2012) attempts to identify the sourcing impact on perceive quality between national brands and private label brands when consumers realize that both share a common production source. The positive influence on the quality gap reduction is confirmed. Another study by Steenkamp et al. (2010) examines the relationship between private label production sourcing from national brand manufacturers and consumers' willingness to pay. The results confirm that the perceived quality gap is reduced once consumers believe that national brand manufacturers produce private labels. Additionally, perceived quality mediates the product sourcing effect on consumers' willingness to pay.

By allowing consumers to infer that private labels share the same product sources as national brands, regardless of the actual reality, improves product evaluation in favor of private labels. This research takes into account consumers' beliefs regarding similar sourcing to justify consumers' willingness to pay. Information concerning similarity and commonality is the main focus.

(2) Product development

In the study of national and private label brands, private label brands have been long perceived in terms of products of a lower price and lower quality. By offering a product at a lower price, private label brands obtain a lower margin. As a result, these brands have limited resources for product development and innovation (Anselmsson and Johansson, 2009a), and therefore, they are not often involved in expensive innovation (Pauwel and Srinivasan, 2009). Furthermore, with many product categories to manage, private labels are at a financial and technological disadvantage regarding innovation (Cheng et al., 2007). National brands attempt to counteract the low price of private label brands and continue to innovate to differentiate themselves from private label brands. According to Steiner (2004), competency in designing products that are more efficient with new technology is an advantage of national brands, which are able to offer more attractive products (Babakus et al., 2004). New, desirable features that are not currently offered in the

market often exist among national brands rather than among private label brands (Pauwel and Srinivasan, 2009). These actions undertaken for constant innovation cause the quality gap between the two types of brands to continue to widen and allow national brands to command a higher price (Steenkamp et al., 2010). Private labels that are able to equalize the national brands' technology may narrow the perceived quality gap (Choi and Coughlan, 2006).

Although private labels are inferior to national brands in terms of product innovation, continuous improvement is still evident in the attempts to introduce different quality-tier products. Recently, private label brands have emphasized not only their previous lower price advantage but also their higher quality. One way to enhance quality is through product development. Although new developments may not be as spectacular, they expose consumers to changes. Minor modifications of existing products may communicate newness or improvement to consumers. According to Fuller (2004) and Anselmsson and Johansson (2009a), there are different levels of new innovation, ranging from slight to considerable alterations. Fuller (2004) classifies degrees of innovation into seven dimensions: line extension, repositioning, new form and new size, a new formula for an existing product, new packaging, innovative products, and creative products. For Anselmsson and Johansson (2009a), who conduct a study on the impact of retailer brands on innovation in the grocery market, seven dimensions are also employed to classify the degree of innovativeness. These authors replace the "repositioning" product dimension mentioned by Fuller (2004) with the "me too" product, explaining that the consumer does not view product "repositioning" as newness and that the "me too" product is often implemented by retailer brands.

Due to an interest in consumer perceptions of product modification and the nature of private labels that do not involve remarkable innovation, only four degrees of innovation are adopted. These include line extension, new form or size, new formula, and new packaging. Innovative and creative product levels are excluded because they represent great innovation. Me-too products do not reflect innovation, and repositioning is difficult for consumers to realize. Therefore, they are not considered in this research. Additional aspects of the

perception of overall improvement are added to observe a total evaluation. Table 2.2 provides a summary of the degrees of product innovation and the degrees adopted.

Table 2.2

Degrees of product innovation and the classifications

Degrees of Innovation	**Classifications**	**Authors**
Me-too product [a]	Imitations of products that already exist under a different brand	Fuller (2004); Anselmsson and Johansson (2009a)
Line extension [b]	A new version of a product within an established product assortment	
Repositioning [a]	Repositioning of a product already on the market when a new field of application has been identified	
New form or size [b]	Changes in the shapes and dimensions of a product	
New formula [b]	An existing product that contains a new formula	
New packaging [b]	A change in packaging	
Innovative product	A product that contains new ingredients	
Creative product	A product that has never before been present in the market	

[a] Me-too products are a dimension from Fuller (2004), and repositioning is a dimension from Anselmsson and Johansson (2009a)
[b] Dimensions adopted for the present study

(3) Package similarity

Packaging is an important cue that consumers use to judge product quality (Aaker, 1991; Underwood 2003). Based on cue utilization theory and the consensus from the previous literature, intrinsic and extrinsic cues are used for quality evaluation (Olsen et al., 2011). Intrinsic cues are product-related attributes that are tied to the physical properties of the product, such as ingredients. Extrinsic cues represent product attributes that are not part of the physical product. They are often used when consumers have difficulties in evaluating the product (Dodds, 1995; Schiffman and Kanuk, 2007). One example of extrinsic cues is packaging.

Symbolically, packaging is used to represent brand value and as the vehicle to communicate the brand message to consumers (Nancarrow et al., 1998). It informs consumers of the product quality and its benefits. Packaging also assists the brand in many areas, including differentiating from competitors, breaking through the clutter, and enhancing the ability to charge a premium price (Henderson et al., 2003).

Many elements compose a package. The aesthetic of the product package generates affective and cognitive consumer responses. This cognitive response is the consumer belief regarding the functionality of the product (Underwood and Klein, 2002), which influences consumer perceptions of product quality (Yamamoto and Lambert, 1994). According to Steenkamp et al. (2010), the consumer responds to a perceptual stimulus in two ways. Perceptual generalization occurs through the perceived similarity of the stimulus, whereas perceptual discrimination arises once the stimulus is perceived to be distinct. Because consumers use product packaging as a means to evaluate quality and because brands use packaging to represent identities, it is likely that packaging differences yield asymmetric quality perceptions of brands. The quality gap emerges through different and distinct brand packaging. This distinctiveness is reflected in the look of a package that is dissimilar from that of others.

The overall appearance of private label packages is often inferior to that of national brands. The distinctiveness in the packaging between national brands and private label brands is evident. Private label packages often look inexpensive and unattractive (Richardson et al., 1994). The study by Steenkamp et al. (2010) on the effects of marketing and manufacturing factors on the willingness to pay a price premium for national brands throughout the stages of private label brand development identifies the package distinction between national brands and private label brands as a key indicator of the perceived quality gap and as a driver of the willingness to pay a price premium. Similar packaging between private label brands and national brands prompts the consumer to generalize the stimulus and perceptually locate the two types of brands in the same category (Steenkamp et al., 2010). The perceived quality of the brands is prone to generalization. With a distinction in the packaging of national brands and that of private label brands, quality discrimination is likely to occur. The perceived quality gap between the two types of brands is

anticipated. Based on these findings, national brands attempt to distinguish themselves from private label brands as much as possible, whereas private label brands attempt to be similar to national brands to reduce the quality gap. The literature on a copycatting by private labels confirms that similar packaging influences the perceived quality gap to the advantage of private labels. Consumers misidentify the product package and apply the stimulus generalization to conclude that the two types of brands are similar in quality (Ailawadi and Keller, 2004; Olson, 2012). Olson (2012) studies the impact of the similar packaging of copycat private labels to Coca Cola and Pantene shampoo. The results show that consumers perceive private label packages to be identical to those of the national brands. They reduce the perceptual quality gap between the two types of brands.

Improvements in appearance would bring the private label packages closer to the look of the national brands. Increases in similarity enhance the positive quality perception of the brands. Therefore, elements regarding expensiveness, attractiveness, and an overall look similar to that of national brands are considered key aspects in this study.

(4) Sales promotions

According to Yoo et al. (2000), sales promotions are short-term price reductions. They act as a temporary incentive for a consumer to try or purchase the product (DelVecchio et al., 2006), and they enhance the perception of value (Grewel et al., 1998). Through promotions, short-term sales spike but do not hold in the long term. Aaker (1996) states that promotions are likely to cause damage to brand equity. Consumer attention is shifted to price. The consequences of promotion include increased brand switching, increased price sensitivity, and decreased brand loyalty (Keller, 2003). Promotions also cause a negative shift in the overall perceptions of brand quality (Darke and Chung, 2005), creating a brand image of low quality (Yoo et al., 2000). According to Rao and Monroe (1989), price levels have an effect on the perception of product quality. A low selling price implies low quality. Boulding et al. (1994) state that promotions teach consumers to focus on price and reduce differentiation among alternatives.

Manufacturers of the national brands use promotions as tools to counteract the low prices of private labels (Manzur et al., 2011). Several

manufacturers have intensified the use of promotions (Garretson et al., 2002), whereas some have occasionally provided discounts to match private label brand prices (Ailawadi et al., 2001). When a national brand offers a promotion, its price approaches that of a private label. The presence of national brand promotions may prevent consumers from purchasing private labels. Quelch and Harding (1996) assert that national brand promotions are effective tools in discouraging private label penetration, but Hoch and Banerji (1993) argue the opposite. Uncertainty remains regarding whether consumers prefer to purchase private labels or promoted national brands.

Garretson et al. (2002) identify similarities and differences in the attitudes toward national brand promotions and private label brands, focusing on different shopper characteristics, such as being value conscious, perceiving oneself as a smart shopper, brand loyalty, and the price-quality association, as antecedents. Consumers who view the price as being associated with quality view national brands with price promotions as preferable in terms of good savings. Private label brands, with a lower average price, are less attractive and of inferior quality. Blattberg and Wisniewski (1989) state that promotion by high-price-high-quality brands, such as national brands, take consumers from brands in the same and the lower tiers, such as private label brands. Once low-price-low-quality brands implement promotions, the impact of lower sales affects only the brands in the same tier, not the brands in the higher tier. Asymmetric price competition holds according to the fact that national brand price reductions occur on a temporary basis. The positive quality perception is maintained.

To measure the effect of a promotion, two of its characteristics – frequency and depth – should be considered (Alba et al., 1999). Two continuums, frequent and infrequent, represent the frequency aspect, and shallow and deep represent depth. These elements affect consumer judgments on the price level. An experimental study was conducted to determine whether frequency or depth dominates the consumer's price judgment. Promotion frequency was identified as having a strong impact on price judgment when prices were compared across stores and brands in overlapping distributions. By contrast, the impact of depth occurred when price comparisons were simpler and in dichotomous distribution. These

findings conclude that the frequency and depth of promotions have different effects on consumer price perceptions, depending on the distribution of the price of the competing brands. Lalwani and Monroe (2005) replicated the findings of Alba et al. (1999).

The classification of promotional depth is verified based on its size and variety. Whether a promotional discount should be high or low, the answer remains contested. A high discount gives consumers a better value through the benefits received from paying lower prices. A promotion that entails a larger discount is likely to be evaluated better than a promotion that entails a smaller discount; however, this proposition does not always hold true. Large discounts signal lower quality because they can be associated with defective and suspicious items. Very low discounts may be viewed as insignificant and insulting (Darke and Freedman, 1993). Promotions are also offered in many forms, including special price discounts, coupons, and rebates. A wide variety of promotions are provided to offer consumers lower prices (Narasimhan, 1988; Yoo et al., 2000). A brand may not choose to implement only one type of price promotion but rather a combination of tools. The integration of tools can lead to the perception of a higher value received.

In conclusion, as the promotional campaign becomes more intense, the consumer increasingly views alternatives as commodities. The degree of distinctiveness depreciates (Mela et al., 1997), and smaller perceived quality differences among brands occurs (Steenkamp et al., 2010). When the value offered is too high, consumers may infer that promoted items are of inferior quality (Makienko, 2008). Moreover, frequently offered promotions cause uncertainty about the price level. Consumers are unsure about the expected price of the brand, which leads to an unstable quality image (Winer, 1986).

2.2.4.2 Store-level factors

(1) Store image

Store image is defined as consumers' perceptual image of the store's functional and psychological attributes (Martineau, 1958). It is a set of attitudes that consumers use in evaluating the store's attributes (James et al., 1976). Bloemer and De Ruyter (1998) express store image as a complex of consumer's perceptions of a store's salient attributes. In summary, Wu et al. (2011) describe store

image as the overall perception that consumers have of multiple attributes based on the intrinsic and extrinsic characteristics of a store. This definition is adopted in the present study.

As stated by Keller (2003), brand image is a basis of brand equity. This concept applies not only to the product level but also to the store level. A retail store can be considered a brand. Its image in the minds of consumers contributes to store equity (Ailawadi and Keller, 2004). Store image can be used to infer product quality (Dawar and Parker, 1994). Yoo et al. (2000) identify a positive relationship between store image and product quality. Baker et al. (2002) examine the influence of various store cues and find that store image influences consumer perceptions of merchandise quality.

With its low-price nature, consumers perceive the quality of private labels to be inferior to that of national brands. Store image is a method for reducing the association with poor quality and enhancing the attractiveness of private labels in addition to the price appeal (Wu et al., 2011). Collins-Dodd and Lindley (2003) identify the positive relationship between consumer perceptions of an individual store brand and a particular retail store. Store image is clearly classified as a significant predictor of the private label brand image. Consumers use store image as an extrinsic cue to speculate on the private label image (Ailawadi and Keller, 2004; Vahie and Paswan, 2006). Once a positive perception of a store is formed, positive effects enhance the brands carried by the store and influence the assessment of the private label's brand image (Dhar and Hoch, 1997). Because the private label brand is viewed as an extension of the retail store brand name, consumers use store image as a diagnostic cue to evaluate the private label brand (Ailawadi and Keller, 2004; Collins-Dodd and Lindley, 2003).

There are many attributes that contribute to the overall evaluation of store image. Mazursky and Jacoby (1986) group store attributes into four dimensions: price, merchandise, location and interior, and service. Grewal et al. (1998) use store environment, service level, and product quality to identify store image. To measure store image, Collins-Dodd and Lindley (2003) use a five-dimensional classification that consists of product variety, product quality, price, value for money, and store atmosphere. In the literature review by Ailawadi and

Keller (2004), the five-dimensional classification of store image consists of access, store atmosphere, price and promotion, cross-category assortment and within-category assortment. Vahie and Paswan (2006) research the relationship between private label brand image and store image and the presence of national brands. Six dimensions are used to measure store image: service, convenience, quality, selection and variety, price and value, and atmosphere. A summary of store image attributes is presented in Table 2.3.

Table 2.3

Store image attributes

Authors	**Store Image Attributes**							
	Value for Money	**Price**	**Promotion**	**Merchandise - Quality**	**Merchandise - Variety**	**Location**	**Store Atmosphere**	**Service**
Mazursky and Jacoby (1986)		✔		✔		✔		✔
Grewel at al., (1998)				✔			✔	✔
Collins-Dodd and Lindley (2003)	✔	✔		✔	✔		✔	
Ailawadi and Keller (2004)		✔			✔	✔	✔	
Vahie and Paswan (2006)	✔			✔	✔	✔	✔	✔

In this research, six store dimensions from Vahie and Paswan (2006) are adopted together with the additional attribute of store advertising. During a preliminary in-depth interview, an interviewee noted store or corporate advertising as one of the attributes used to evaluate store image. This idea is in line with the literature. According to Meenaghan (1995), advertising plays a major role in building brand image, both at the product level and at the retail level. Retailers can create a positive attitude toward their stores by using advertising (Collin-Dodd and Lindley 2003). Therefore, it can be confirmed that the store's advertising builds store image.

(2) Store-category association

Brand association consists of all "brand-related thoughts, feelings, perceptions, images, experiences, beliefs, and attitudes" (Kotler and Keller, 2006, p. 188). Different brands possess different types of information in consumers' thoughts. Certain aspects are better associated with one particular brand than with other brands.

The concept of brand association can be extended to the context of store association. It is likely that a particular store contains an association with certain product categories in consumers' minds. A study by Inman et al. (2004) identifies the association between different types of stores and different product categories. Drug stores are associated with health care products, whereas mass merchandisers are associated with household goods. The degree of association between a product category and a certain store in consumers' minds is known as "product signatureness". A strong perceptual connection between a store and a product is regarded as a high level of product signatureness (Bao et al., 2011). A poor association between a product and a store may result in the poor performance of the brand (Lee and Hyman, 2008).

Keller and Aaker (1992) state that core brand association influences evaluation of brand extensions. Given that a private label brand is an extension of a retail store brand (Ailawadi and Keller, 2004; Collins-Dodd and Lindley, 2003), the association or signatureness that consumers apply to the store can be leveraged to a private label product. The association between the store and the product category predicts the association between the store and the private label and the attitude toward the private label's brand (Lee and Hyman, 2008). Moreover, Yoo et al. (2000) assert that the positive relationship between brand association and brand equity can signal quality and stimulate favorable behavior toward the brand. A signature product can be interpreted as evidence of the quality of the merchandise carried by the store. It provides quality assurance to consumers. A private label brand in a signature category of a store is likely to receive a high quality perception compared to brands introduced in the non-signature categories. A study by Bao et al. (2011) confirms that product signatureness enhances the quality perception of private label brands.

2.2.4.3 Mediating role of perceived quality

Perceived quality is "a consumer's subjective judgment about a product's overall excellence or superiority" (Zeithamal, 1988, p. 3). Consumers mentally compare quality among brands to specify a superior choice, which shows that a consumer does not perceive the quality of one brand as being identical to that of another. A perceived quality difference or a gap in quality perception exists. From the consumer's perspective, a brand can possess a higher quality perception than other brands. The perceived quality of a brand determines the price that a consumer is willing to pay for that particular brand. Because each brand's quality is perceived differently by consumers, the prices that consumers are willing to pay for different brands are also not identical. The differences in quality create variations in the price that the consumer is willing to pay for the brands under comparison.

According to Aaker (1991, 1996), perceived quality is a dimension of brand equity and has an association with the price premium. It allows a brand to charge a premium price because it expresses the consumer's perception of product superiority over its competitors (Aaker, 1991). Studies on national brands and private label brands confirm perceived quality as a determinant of the willingness to pay for a price premium (Sethuraman and Cole, 1999, Steenkamp et al., 2010). Private label brands are often perceived to be of inferior quality. Compared with national brands, private label brands are less capable in terms of product design and operational efficiency (Steiner, 2004). This situation results in an inferior perception of private label brand products (Babakus et al., 2004). Although private labels have constantly improved their quality to match the level of national brands, they still possess a poor quality image in the perception of consumers (Richardson et al., 1994). The reluctance to purchase is based on the belief that the store brand offers lower quality. As confirmed by previous research, consumers still perceive a difference in quality between national brands and private label brands (Ghose and Lowengart, 2001; Steiner, 2004). This quality variation between national brands and private label brands affects not only purchases but also the price that consumers are willing to pay (Batra and Sinha, 2000; Sethuraman and Cole, 1999).

Yoo et al. (2000) identify the relationship between the marketing mix and brand equity dimensions, i.e., brand awareness, brand association,

brand loyalty, and perceived quality. All of the marketing mix elements, including price, store image, distribution intensity, advertising, and the frequency of the price deal, are confirmed to have a relationship with perceived quality. As an influencing factor on willingness to pay and as a result of marketing activities, perceived quality is treated as a mediator of the relationship between brand-level and store-level activities and the willingness to pay for private labels in this study.

2.2.4.4 Moderating role of branding

Dick et al. (1995) state that the brand name influences consumer evaluations of a product. It is a cue that signals product quality and provides assurance to reduce perceived risk (Zeithamal, 1988; Rao and Monroe, 1989; Erdem and Swait, 1998). The brand name communicates collective information on a particular product (Richardson et al., 1994). Private labels are also offered under different brand names. According to Dawson (2006), many retailers use different strategies to name their private labels. Some choose to have a private label name that is identical to the store name, whereas some employ a new and independent name across categories. Other retailers create a certain name for each specific category. Ngobo (2011) classifies the first type as "own-name branding" and the second type as "other-name branding". As stated by Nenycz-Thiel (2011), each strategy contains both benefits and drawbacks. With own-name branding, consumers face a lower risk of purchasing products from unknown producers. Having the same name as the store over many product categories increases the awareness and recall of the retail store. It signals a positive quality perception to consumers who have favorable impression of the retailer (Erdem and Swait, 1998). However, own-name branding also connotes that a product belongs to the store and may create a negative perception (Aaker and Keller, 1990). The problem of a negative association between the brand and the store is less likely to occur when a retailer implements other-name branding. Due to the absence of a linkage between the brand name and the store name, consumers may perceive the other-name branding private label as another national brand. Positive evaluations and a lower risk to the store image are expected. Nevertheless, many consumers do not trust a store's capability to provide a high-quality product across categories, given that production is not the store's area of expertise (Quelch and Harding, 1996).

The correct private label branding strategy creates distinction from competitors (Ailawadi and Keller, 2004). It is inconclusive whether own-name branding or other-name branding benefits the private label. Very little research takes into consideration the branding strategy, with the only examples being studies by Dhar and Hoch (1997) and Bao et al. (2011). This study aims to determine the impact of the store branding strategy on the direct influencing factors of willingness to pay, not on the willingness to pay for the private label. Branding strategy needs to be considered because it can have both positive and negative effects on private labels

2.3 Research gap

According to the literature review, many studies focus on identifying the determinants of consumers' willingness to pay for national brands over private label brands. To the best of the author's knowledge, research on the opposite topic, the willingness to pay for private label brands over national brands, is scarce. It would be interesting to confirm whether the anchoring effect remains.

Consumer willingness to pay for private label brands, a measurement of private label brand equity, should be viewed as a combination of the private label brand value and the retail store value. According to Berry (2000), retail brands are different from manufacturer brands: they are linked to stores, and their value varies according to the information received by consumers through the manipulation of brands and stores (Le Gall-Ely, 2009). To date, research has not integrated the combination of brand-level and store-level factors.

The brand-level factors that influence consumers to pay for a brand to reflect its value are considered according to the marketing mix (Yoo et al., 2000). In the context of research on private label brands, each element is tested individually. The research by Steenkamp et al. (2010) is the most recent study to combine three elements together, omitting the aspect of place. Due to the scarcity of research in this area, the present study fills the gap by conceptualizing private label brand equity through willingness to pay, using the marketing mix as the antecedent.

Few studies have considered that store-level factors have an influence on private label purchase but not on willingness to pay (Wu et al., 2011). Additionally,

research that focuses on the willingness to pay for national brands has not integrated store-level factors. With an aim to determine the willingness to pay for private label brands, store-level factors are incorporated into this study.

This study continues to focus on the quality aspect to determine the willingness to pay a price premium. A review of the literature reveals a number of studies that identify consumer perceptions as the factor most linked to the purchase of private label brands (Jin and Suh, 2005). Price and quality are interrelated and considered the most important reasons for private label brand purchases (Hoch, 1996). Both concepts should be studied together (Lichtenstein et al., 1993). In the present study, we combine both aspects in terms of how quality determines the willingness to pay a particular price rather than merely an intention to purchase.

Instead of focusing on private label brands generally, this study incorporates the effect of branding on consumer evaluations of their willingness to pay. Although retailers use various strategies to brand private labels (Dawson, 2006), minimal research has integrated branding strategy. This research aims to identify the magnitude of the impact of brand-level factors and store-level factors on consumers' willingness to pay under different choices of branding. Retailers are expected to be able to pinpoint decisions for the appropriate marketing campaign.

In conclusion, studies on willingness to pay are clustered around the willingness to pay for national brands instead of private label brands. Because of the dearth of literature on this topic, this research attempts to provide a contribution on the willingness to pay for private label brands by integrating a rarely studied set of factors – store-level factors – with brand-level factors, which, together, contribute to the success of private label brands. Perceived quality is tested as a major mediator of the willingness to pay, with branding strategy as a moderator.

CHAPTER 3
RESEARCH MODEL AND HYPOTHESES

This chapter consists of two sections. The first section describes the conceptual framework, while the second section provides details on the hypothesis development according to the literature review discussed in Chapter 2. An investigation of the influences of brand-level factors and store-level factors on consumers' willingness to pay for private label brands, as mediated by perceived quality, is the focus of the present study. Moreover, private label branding strategy is also used to explain the variation in consumers' willingness to pay for private label brands in this study.

3.1 Theoretical framework

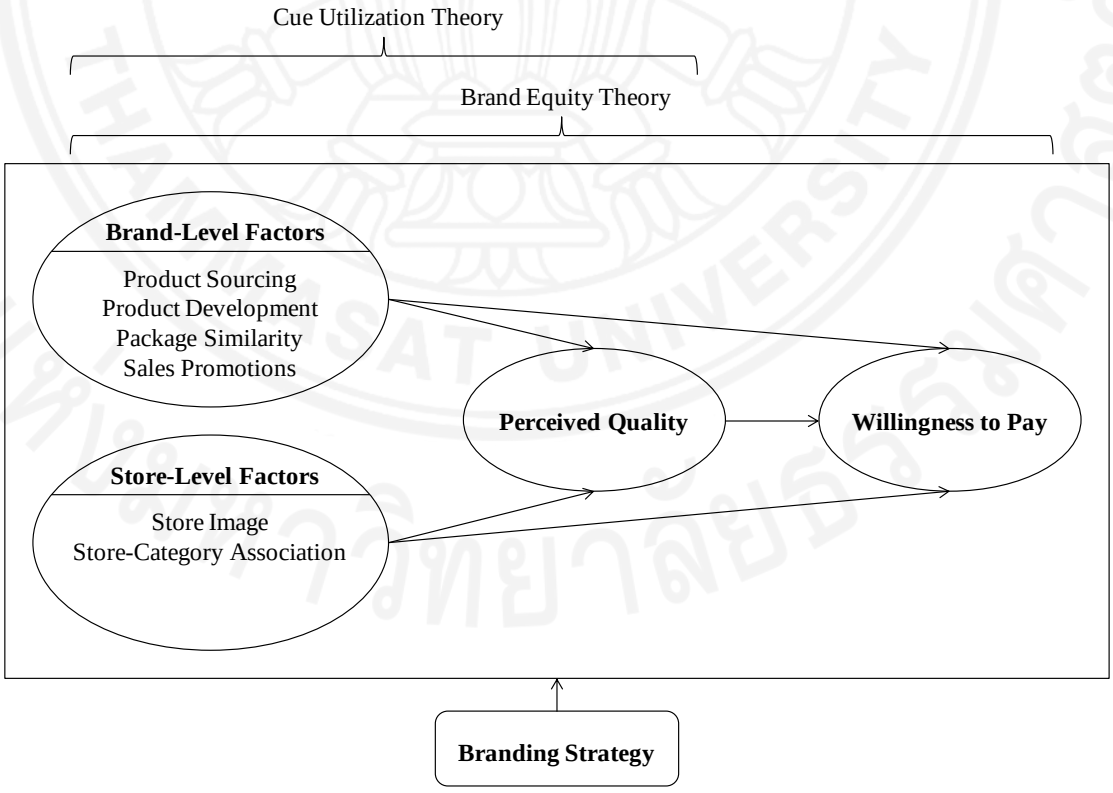

Figure 3.1 Theoretical framework

The framework of the study consists of eight constructs, with consumers' willingness to pay as the dependent variable. The independent variables are divided into two groups, brand influences and store influences, given the supporting rationale from Le Gall-Ely (2009) that private label brand value should be determined based on the manipulation of both the brand and the store. Product sourcing, product development, package design, and sales promotions are brand-level factors; as explained by Yoo et al. (2000), the influences on consumer perceptions of brand value involve the marketing mix. Price and distribution elements are not included as brand-level factors in this study. Price is treated as a dependent variable rather than as the determinant. The distribution factors of store image and store-category association are expressed as store-level factors. Consumers' perceived quality of the product is the mediator between the independent and dependent variables, and it has been identified as a key determinant of willingness to pay (Sethuraman and Cole, 1999; Anselmsson and Johansson, 2009b). The private label branding strategy is integrated to identify the strength of the relationship between store-level and brand-level factors and consumers' willingness to pay.

Product category is a control variable in this study. Variations in the price premium that consumers are willing to pay for national brands vary across product categories (Sethuraman and Cole, 1999). The quality of products in different categories is perceived as diverse. Perceptions of private label brand quality fluctuate according to product category characteristics (DelVecchio, 2001). Currently, private label brands penetrate many product categories. Variations in the willingness to pay for private label brand products in different categories are expected. This study does not center on the effect of product category on willingness to pay, but rather on the effect of the association between the store and the product category. A category with a high association with the store would yield a greater impact on willingness to pay than a category with a low association. To completely scrutinize the impact of the store-category association on willingness to pay, the product categories under study must be controlled.

3.2 Hypothesis development

Based on the conceptual framework, fourteen major hypotheses are proposed.

3.2.1 Brand-level factors

Regardless of whether a consumer is willing to pay a high or low price for a private label brand, perceived quality is the major influence (Sethuraman and Cole, 1999; Steenkamp et al., 2010). Factors that influence quality perception derive not only from the marketing activities by the brand but also from the influences from the store.

Private label brands seek different methods to improve product quality. One method is outsourcing production to experienced entities. ***Product sourcing*** by national brand manufacturers is a choice that private label brands make. With strong credibility from a reputable marketing campaign, national brands are able to obtain trust and respect in the area of product quality (Olson, 2012). Private label brands produced by the same source as national brands provide a positive cue for consumer evaluation. A positive quality perception occurs, and willingness to pay increases.

H1a: Consumer perceptions of similar product sources between PLs and other brands in the market positively affect the perceived quality of PLs.

H1b: There is a positive direct relationship between consumer perceptions of similar product sources between PLs and other brands and the WTP for PLs.

Due to their limited resources in new ***product development***, private label brands are perceived to have low-quality products. Meanwhile, new features are often introduced into the market by national brands. This situation leads to a favorable perception of the higher quality of national brands (Anselmsson and

Johansson, 2009a; Pauwel and Srinivasan, 2009). Brands with constant development are perceived to be of high quality. Moreover, product development increases customers value (Cooper et al., 2001). According to customer-based brand equity, once consumers perceive products to have a higher value, willingness to pay increases.

H2a: Consumer perceptions of the new product development of PLs positively affect the perceived quality of PLs.

H2b: There is a positive direct relationship between consumer perceptions of the new product development of PLs and the WTP for PLs.

In judging the quality of a product, extrinsic cues are used by consumers as indicators of quality. Packaging is one of most important cues that consumers use (Underwood, 2003). A product with good packaging is viewed as being of high quality. Private label brands' packages are at a disadvantage compared to those of national brands, which are often viewed as having better packaging. By increasing ***package similarity*** to bring the product's appearance close to that of national brands, private label brands benefit from stimulus generalization, and consumer perceptions of private label brand quality improves (Steenkamp et al., 2010; Olson, 2012). Consumers generally assume that a package with comparable looks should have a price that falls in the same range. They register their range of price expectations based on the products. By having a look that is undifferentiated from higher-priced national brands, the expected prices of PLs increase because their reference prices increase. Therefore, consumers' willingness to pay is higher.

H3a: Consumers' perceptions of similar package designs between PLs and other brands in the market positively affect the perceived quality of PLs.

H3b: There is a positive direct relationship between consumer perceptions of similar packaging between PLs and other brands and the WTP for PLs.

To increase short-term sales, many companies implement ***sales promotions***. However, this benefit lasts only a brief period of time. A negative shift in brand quality perception is more likely to occur in the future (Yoo et al., 2000; Darke and Chung, 2005). From the perspective of consumers, a brand brings itself closer to commodities when it intensifies its price promotion. Private label brands with heavy price promotions are likely to be perceived as being of low quality. Frequently offered sales promotions, in addition to sales promotions that offer deep price cuts, have a strong impact on price judgment because they decrease consumers' reference price (Lattin and Bucklin, 1989). Consumers begin to expect lower prices. Once the price expectation has decreased, it is likely that consumers are willing to pay a lower price. Thus,

H4a: Consumer perceptions of sales promotions negatively affect the perceived quality of PLs.

H4b: There is a negative direct relationship between consumer perceptions of sales promotion intensity and the WTP for PLs.

3.2.2 Store-level factors

The perceived quality of private label brands is built based on the combination of the brand and the store. Consumers use ***store image*** as a cue to evaluate a private label brand (Ailawadi and Keller, 2004). The image of the store allows consumers to infer the quality of the merchandise. Stores with a good image can leverage this positive idea to their private label products because the image is an indicator of the private label's quality (Dick et al., 1995). A study by Vahie and Paswan (2006) on private label brand image confirms that the quality dimension of store image influences the judgment of the private label's quality image. Hence, there is a positive relationship between the perception of the store and the perception of

private label quality. Furthermore, store image also has an effect on willingness to pay. A retail store can be classified as another brand (Ailawadi and Keller, 2004; Burt and Davies, 2010). Because the brand image influences the price that consumers are willing to pay, store image should yield an identical outcome (Anselmsson et al., 2014).

H5a: Consumer perceptions of store image positively affect the perceived quality of PLs.

H5b: There is a positive direct relationship between consumer perceptions of store image and the WTP for PLs.

Different types of stores sell different types of products. In consumers' minds, certain types of stores are associated with certain product categories to a certain degree (Inman et al., 2004). These product categories are viewed as a signature of the store and represent the quality associated with those particular categories. Given that the private label brand is viewed as an extension of the store, the store-category association can be leveraged to the private label brand (Collins-Dodd and Lindley, 2003). A high association between the store and the product category leads to better perceived quality of the private label's brand. Similarly, this association conveys the degree of store expertise in providing a product. The level of consumer confidence in the product is likely to increase. Therefore, willingness to pay is expected to proceed in the same direction.

H6a: Consumer perceptions of the store-category association positively affect the perceived quality of PLs.

H6b: There is a positive direct relationship between consumer perceptions of the store-category association and the WTP for PLs.

3.2.3 Perceived quality

The perceptually related aspects of consumers have extensively been involved in the study of private label brands and are also defined as the most frequently linked. Examples of these perceptual characteristics include the price-quality perception, perceived quality, perceived price fairness, perceived deal frequency, and perceived consumption pleasure (Jin and Suh, 2005). Among these variables, perceived quality is defined as the most important factor in influencing consumers' willingness to pay for private label brands (Sethuraman and Cole, 1999; Steenkamp et al., 2010). Brands with a higher perceived quality command a higher price premium. There is a high correlation between perceived quality and the price that consumers are willing to pay (Anselmssen and Johanssen, 2009b).

H7: Consumer perceptions of quality have a positive effect on the WTP for PLs.

3.2.4 Role of branding

Many retailers manage their private labels using different branding strategies. Their options include branding under either the store name or a different name (Dhar and Hoch, 1997). Consumer perceptions of own-name and other-name branding private labels reflect their perceptions of particular retail stores and vice versa (Ailawadi and Keller, 2004). Because the effect of the different name used varies – and with support from the previous literature – branding strategies can possibly moderate the relationships under study.

It is commonly assumed that the established role of retailers is to distribute products. The specialization in producing products does not favor the retailer. The credibility of offering products under the retailer's own brand is distinctive from the credibility of manufacturers' brands (Erdem and Swait, 1998; Ngobo, 2011). Moreover, Rao and Monroe (1989) state that the store name signals its product quality. With the easiness in associating the store name with own-name private labels, consumers have a tendency to view own-name brands as lower-quality products and are willing to pay less.

H8: The branding strategy moderates the effect of product sourcing on a) perceived quality and b) the WTP for PLs; thus, the positive effect is weaker for own-name branding.

H9: The branding strategy moderates the effect of product development on a) perceived quality and b) the WTP for PLs; thus, the positive effect is weaker for own-name branding.

H10: The branding strategy moderates the effect of package similarity on a) perceived quality and b) the WTP for PLs; thus, the positive effect is weaker for own-name branding.

According to the literature, sales promotions asymmetrically affect brands of different quality. Consumers respond positively to higher-quality brands when a sales promotion is implemented. A favorable attitude arrives with a belief of obtaining a better-quality product at a better price (Bronnenberg and Wathieu, 1996; Lemon and Nowlis, 2002). Studies have shown that the promotions offered by national brands, which are perceived to be of higher quality, have a stronger positive effect on consumer behavior than those by private label brands. Therefore, because consumers view other-name private label brands as national brands, the impact of sales promotions implemented by other-name branded private label is less harmful to the brand.

H11: The branding strategy moderates the effect of sales promotions on a) perceived quality and b) the WTP for PLs; thus, the negative effect is weaker for other-name branding.

The association between store and brand is stronger when own-name branding is implemented. The perception of an own-name private label depends on consumer views of the store (Collin-Dodd and Lindley, 2003; Vahie and Paswan, 2006). An inability to recognize a name and generate association with the store leads consumers to evaluate other-name branding differently. The other-name-

branded product may be viewed as another national brand. On the other hand, own-name branding private label is closely related to the stores that sell them. Any positive actions performed by the stores are likely to benefit their own-name branded private labels.

H12: The branding strategy moderates the effect of store image on a) perceived quality and b) the WTP for PLs; thus the positive effect is stronger for own-name branding.

H13: The branding strategy moderates the effect of the store-category association on a) perceived quality and b) the WTP for PLs; thus, this positive effect is stronger for own-name branding.

Throughout the history of private label studies, it is evident that national brands are perceived to have superior quality, whereas private label brands possess inferior quality. Private label brands with the store names imprinted on the products – i.e., own-name branding – communicate that they belong to a particular retail store. Consumers are likely to decode the product quality as being secondary to the national brands. On the other hand, other-name branding does not convey an association, and consumers interpret these types of products as another national brand. Therefore, there is a positive quality perception.

H14: The branding strategy moderates the effect of perceived quality on the WTP for PLs; thus, the positive effect is stronger for other-name branding.

In summary, a total of fourteen hypotheses based on brand equity theory and cue utilization theory are proposed to answer the research question.

CHAPTER 4
RESEARCH METHODOLOGY

This chapter provides details on the research methodology adopted to examine the hypotheses. The process is undertaken to ensure the appropriate methods to achieve the research results. This chapter is organized into three sections. The first section begins with the research design; the operationalization, measurement, selection of stores and product categories, and sampling procedure are discussed. The second section explains the data collection process, which involves the stages of collection, questionnaire development, and the collection procedures. The third section describes the process of data analysis. The multivariate techniques are discussed in this section.

4.1 Research design

4.1.1 Construct operationalization and measurement

A total of eight constructs are employed in the current research. The operational definitions of the dependent variable, the six independent variables, and the mediator are summarized in Table 4.1.

Table 4.1

Summary of operational definitions

Constructs	**Operational Definitions**	**Sources**
Consumer's Willingness to Pay (DV)	The maximum price that a given consumer accepts to pay for a product and service. It is the maximum amount of money that a consumer is willing to sacrifice in exchange for the product's benefits.	Le Gall-Ely (2009)
Product Sourcing (IV_1)	The suppliers that produce products for a brand – i.e., private label brand productions by national brand manufacturers.	Sethuraman and Raju (2012)

Table 4.1 (Cont.)

Summary of operational definitions

Constructs	**Operational Definitions**	**Sources**
Product Development (IV_2)	Improvements and modifications of a product.	Fuller (2004), Anselmsson and Johansson (2009a)
Packaging Similarity (IV_3)	The commonality in the appearance of the package and that of other brands.	Steenkamp et al. (2010)
Sales Promotions (IV_4)	Short-term incentives for consumers to purchase or try the product.	Yoo et al. (2000); DelVacchio et al. (2006)
Store Image (IV_5)	The overall perception that consumers have of multiple attributes based on the intrinsic and extrinsic characteristics of a store.	Wu et al. (2011)
Store-Category Association (IV_6)	The degree of associations between the store and product category in consumers' minds.	Inman et al. (2004)
Consumers' Perceived Quality (mediator)	Consumers' perception of the overall superiority of or excellence of a product relative to competing alternatives.	Zeithaml (1988)

The scale for measuring the dependent variable, the willingness to pay for the private label brand, was adapted from Sethuraman and Cole (1999) and Steenkamp et al. (2010). An index of 100 was employed as a normal purchase price to ensure that consumers evaluated from the same initial point. The willingness to pay for private labels ranged from 0 to 200, in intervals of 10. This scale was adopted to reflect percentage differences, which yield higher consistency in scaling, instead of absolute differences. Scoring toward 0 indicated a lower willingness to pay for private labels than the normal purchase price, whereas scoring toward 200 conveyed the opposite.

Six independent variables were measured using a seven-point Likert scale. Consumer perceptions of the private label products' source of manufacturing were determined using the terminology from Sethuraman and Raju (2012). The degree of common sourcing perceived was evaluated using a three-item scale. Four

items from Fuller (2004) and Anselmsson and Johansson (2009a) were selected to measure the degree of product development from consumers' perspective. The measurement areas included a new line extension, a new form and size, a new formula, and new packaging. An additional item on overall improvement was developed. In summary, a five-item scale was used to measure the product development variable. To measure the package similarity construct, a five-item scale was employed. Three items represented the overall similarity of the private label brand and national brand packages. Among these three items, two were adopted from Steemkamp et al. (2010), and we developed an item to reflect overall appearance. An additional two items regarding the degrees of the expensive appearance and attractive appearance of private label brands similar to national brands were adopted from Richardson et al. (1994). Heavy sales promotions are considered to affect consumers' perception of quality. Sales promotions were measured based on their intensity, which considers the magnitude, frequency, and variety of promotional offers (Walters and Bommer, 1996; Lalwani and Monroe, 2005). The seven-item scales from Alba et al. (1999) and Yoo et al. (2000) were adopted to represent the sales promotions construct.

The store image construct was measured based on the service, convenience, quality, variety, value, and atmosphere provided by the store (Vahie and Paswan, 2006). An additional measurement of store advertising was added after a consumer's response indicating that corporate advertising by a store improves its image. A total of fifteen items were used to measure the store image variable. To represent the store-category association construct, a four-dimensional scale from Bao et al. (2011) was chosen.

The perceived quality construct, the mediator, concerns consumers' subjective views of product quality. It measures consumers' perception of a product's overall quality, reliability and functionality. A seven-item scale was adopted from Yoo et al. (2000) and Pappu et al. (2005).

A summary of measurement items is presented in Table 4.2.

Table 4.2

Constructs and measurement items

Constructs	Measures	Number of Items	Scales	Sources
Willingness to Pay	▪ In the (category), the maximum price that a consumer is willing to pay for (brand), given that the average price of the (category) is 100	2	Index	Sethuraman and Cole (1999); Steenkamp et al. (2010)
Product Sourcing	▪ Production by a national brand manufacturer	3	7-point Likert	Steenkamp et al. (2010)
Product Development	▪ Overall improvement ▪ Line extension ▪ New form and size ▪ New formula ▪ New packaging	5	7-point Likert	Fuller (2004); Anselmsson and Johansson (2009a)
Package Similarity	▪ Overall appearance ▪ Expensiveness ▪ Attractiveness	5	7-point Likert	Richardson et al. (1994); Steenkamp et al. (2010)
Sales Promotions	▪ Magnitude ▪ Frequency ▪ Variety	7	7-point Likert	Alba et al. (1999); Yoo et al. (2000)
Store Image	▪ Service ▪ Convenience ▪ Product quality ▪ Variety and selection ▪ Price and value ▪ Store atmosphere ▪ Advertising	15	7-point Likert	Vahie and Paswan (2006)

Table 4.2 (Cont.)

Constructs and measurement items

Constructs	Measures	Number of Items	Scales	Sources
Store-Category Association	▪ Fitness between product and store ▪ Association between product and store ▪ Expectation to sell (product category in the store) ▪ Comes to mind when thinking of a product category	4	7-point Likert	Bao et al. (2010)
Perceived Quality	▪ Level of quality (inferior, similar, superior) ▪ Reliability ▪ Functionality (low, acceptable, high)	7	7-point Likert	Yoo et al. (2000); Pappu et al. (2005)
Branding Strategy	▪ Consumers are randomly assigned to one of the two private label brands under study		Dummy (0,1)	Own development

4.1.2 Store selection

Because this research examines consumers' willingness to pay for private label brands, stores that carry private label brands are considered. However, not all of these stores are deliberately included. Despite the double-digit growth over the past decade, Thailand's private label market remains in the development stage, with only a 1.6% market share (Nielsen, 2010). To effectively assess the hypotheses, consumers' familiarity with the store is chosen as a criterion in store selection.

The lifestyles of Thai consumers revolve around consumer goods and household products, in which the majority of private label brand introductions are concentrated. These consumer and household products are purchased at

hypermarkets, convenience stores, and supermarkets, at which 89%, 87%, and 44% of Thai consumers, respectively, shop over the course of a month (Shannon, 2009). Among the many types of stores that sell consumer goods, hypermarkets and supermarkets are leaders in offering private label brands to the market. Table 4.3 summarizes the numbers of private label brand items offered by each type of store. Tesco Lotus, representing stores from the hypermarket sector, holds the largest share in term of the numbers of private label brands items offered, whereas Tops leads the supermarket category.

Table 4.3

Numbers of private label brand products in retail stores

Store	Type of Store	No. of Private Label Brand items	Private Label Brand Sales to Total Sales (%)
Tesco Lotus	Hypermarket	10,000	10%
Big C	Hypermarket	1,700	5%
Tops	Supermarket	1,600	4%
Boots	Health and Beauty	1,500	50%
Watsons	Health and Beauty	900	10%

Source: Manager Online (2008), All about Retail in Thailand (2009)

Considering that the interest in the private label branding strategy, whether the same name (own-name branding) or a different name (other-name branding) in relation to the store name, has effects on consumers' willingness to pay, the second criterion for store selection centers on the different brand names among the private label brands offered in the store. Tesco Lotus offers many private label brands in its portfolio. Tesco Value, Tesco, and Tesco Finest are examples of private label brands under the 3-tier branding that is identical to the store name, whereas Skin Wisdom skin care is an example of a non-identical brand. In the case of Tops supermarkets, the private label brands offered include Took Jai, the Tops brand, the My Choice brand, and the Cooking for Fun brand. Both stores have brands that are identical and non-identical to the store name, fulfilling the selection criterion. Table 4.4 provides examples of the private label brands offered by the different stores.

Table 4.4

Lists of private label brands and product categories

Store	Private Label Brand	Branding Strategy		Product Category
		Own-Name Branding	Other-Name Branding	
Tesco	▪ Tesco	✔		▪ Consumer goods
Lotus	▪ Tesco Value	✔		▪ Consumer goods
	▪ Skin Wisdom		✔	▪ Skin care
	▪ All About Face		✔	▪ Makeup
	▪ Florence & Fred		✔	▪ Underwear
Big C	▪ Leader Price		✔	▪ Consumer goods
	▪ First First		✔	▪ Consumer goods
	▪ Happy Baht		✔	▪ Consumer goods
Tops	▪ Tops	✔		▪ Consumer goods
	▪ My Choice		✔	▪ Consumer goods
	▪ Cooking for Fun		✔	▪ Consumer goods
7-11	▪ EZYGO		✔	▪ Ready-to-eat food
	▪ 7 Fresh		✔	▪ Beverage
	▪ Baker Land		✔	▪ Bakery
Boots	▪ Boots	✔		▪ Personal care
Watsons	▪ Watsons	✔		▪ Personal care
Makro	▪ Aro		✔	▪ Consumer goods
	▪ Save Pack		✔	▪ Consumer goods
	▪ Q Biz		✔	▪ Stationary
	▪ M&K		✔	▪ Snack and beverage
	▪ Protech		✔	▪ Electronic appliance

Source: Manager Online (2008), BrandAge Magazine (2010), All about Retail in Thailand (2009)

Although Tesco implements the other-name branding strategy, it was not selected as part of this study. Brands with "Tesco" branding cover various categories, whereas brands with "other" branding are category-specific. The store uses one specific brand for one product category. The store-product category association is one of the variables of interest in predicting consumers' willingness to pay. Both the own-name branding and the other-name branding selected for the

present study cover a range of product categories, as the categories perceived by consumers as having an association with the store are various and inconsistent. Tesco's other-name branding fails to fulfill the criterion. Tops supermarkets, on the other hand, meet the criterion of one brand for many categories. The Tops brand, with own-name branding, covers a comprehensive range of products. The My Choice brand, the other-name brand, does the same. Therefore, Tops supermarkets are selected as the store under study in this research.

Tops supermarkets are Thailand's largest supermarket chain. Its characteristics are suitable for serving the interest in the store-category association under different branding strategies. The present research develops based on Tops' operation of 215 branches in Thailand, with 132 stores in Bangkok and Greater Bangkok and 83 stores upcountry. This study also covers all four types of Tops supermarket operations: Central Food Hall, Tops Market, Tops Super, and Tops Daily (www.tops.co.th/companyprofile/index.html, accessed on April 9, 2012).

4.1.3 Product category selection

One of the variables of interest in the present study for determining consumers' willingness to pay is the store-category association. The selection of appropriate categories is considered. The product category selection process starts with data collection in the field to identify the product categories offered by Tops supermarkets. A total of 26 major product categories are identified. Table 4.5 presents the product categories of the private label brands offered by Tops supermarkets.

Table 4.5

Lists of product categories with private label brands offered by Tops supermarkets

Product Category	Private Label Brands			
	Took Jai	Tops	My Choice	Cooking for Fun
Baby care		✔		
Bakery		✔		
Canned food and fruit	✔	✔	✔	
Clean and care products	✔	✔		
Clean and care equipment		✔		
Commodity goods	✔	✔	✔	✔
Dairy products	✔	✔	✔	✔
Diapers		✔		
Dried food and fruit		✔	✔	✔
Fresh fruit and vegetables			✔	✔
Fresh meat		✔		✔
Frozen food		✔	✔	✔
Health and beauty		✔		
Ice cream			✔	
Instant beverages	✔	✔	✔	
Kitchenware	✔	✔		
Non-alcoholic beverages		✔	✔	
Noodles and pasta		✔	✔	✔
Oral care	✔	✔	✔	
Personal care		✔	✔	
Pet food		✔		
Processed food		✔		✔
Seasoning		✔	✔	✔
Seasoning sauce	✔	✔	✔	✔
Snacks	✔	✔	✔	
Tissue paper	✔	✔		

Source: Tops supermarket store visit, June 2013

Among the twenty-six product categories identified, the Tops and My Choice brands are offered in most categories, whereas Took Jai and Cooking for Fun have minimal offers. Due to product category coverage ability, the Tops and My Choice brands were selected for study in this research. Moreover, both brands fulfill the criteria for studying the effects of own-name branding and other-name branding private labels.

To select the product categories for the present study, lists of the twenty-six categories were presented to thirty-five respondents, who were asked to answer two questions.

The questions asked to identify the categories under study are as follows:

1. Among the product categories in the list provided, what product categories are the most likely to be presented in a Tops supermarket store? Please identify the top 5 most-related product categories.

2. Among the product categories in the list provided, what product categories are the least likely to be presented in a Tops supermarket store? Please identify the top 5 least-related product categories.

The top-rated product categories in terms of being most and least associated with Tops supermarkets were selected as the two categories under study. Table 4.6 summarizes the results of consumer perceptions of the product categories associated with Tops supermarkets based on the thirty-three responses received.

Table 4.6

Scores on the product categories that were the most related and the least related to Tops supermarkets

The Most Related	Product Category	The Least Related
2	Baby care	2
7	Bakery	12
7	Canned food and fruit	0
15	Clean and care products	3
0	Clean and care equipment	8
15	Commodity goods	0
3	Dairy products	5
2	Diapers	3
1	Dried food and fruit	7
19	Fresh fruit and vegetables	3
6	Fresh meat	10
5	Frozen food	12
1	Health and beauty	12
2	Ice cream	10
4	Instant beverages	1
2	Kitchenware	9
8	Non-alcoholic beverages	2
1	Noodles and pasta	4
16	Oral care	0
16	Personal care	2
1	Pet food	17
3	Processed food	16
0	Seasoning	16
11	Seasoning sauce	1
15	Snacks	3
3	Tissue paper	7

Source: Data collection, July 2013

Regarding the product categories most related to Tops supermarkets, fresh fruit and vegetables, personal care, and oral care are rated among the top three. Fresh fruit and vegetables are not selected as a category in this study because the Tops brand is not offered in this category to serve Tops' own-name branding interest. In second place, personal care and oral care receive the same score.

Razors, under personal care, and toothbrushes, under oral care, have Tops and My Choice brand offerings. Razors are excluded due to their male-dominant character, which may present challenges to consumers during the evaluation process, compared to toothbrushes, which are present in all consumers' everyday lives. Therefore, toothbrushes are selected as a category that represents a high association with Tops supermarkets.

The three least-related categories are pet food, processed food, and seasoning. Because the two brands of interest, Tops and My Choice, are not carried, pet food and processed food are eliminated from the study. The seasoning category is also omitted because it is a female-dominant product. Ranked next, the frozen food and health and beauty product categories receive the same score. However, only frozen food is carried in both the Tops and My Choice brands, whereas the health and beauty category is offered only under the Tops brand. In conclusion, a product category that represents the category least related to Tops supermarkets is frozen food.

4.1.4 Population

The purchasers of consumer goods are the population in this study. Familiarity with products exists due to constant exposure in everyday life. The development of the sampling frame revolves around consumers who purchase goods in stores operated by Tops around Thailand, both in Bangkok and upcountry, and across four different types of services.

4.1.5 Sampling method

Among those who shop at Tops supermarkets, few are selected for the sample. An interest in the private label branding strategy prevents the inclusion of some Tops store shoppers. Only those who make private label purchases where Tops' two private label brands (Tops and My Choice) are available are considered in the sample.

There are four types of Tops supermarket operations in Thailand: Central Food Hall, Top Market, Tops Super, and Tops Daily. Each holds a different position, ordered from the most luxurious to the most accessible. Not all of these stores offer both of the private label brands under study. The Tops brand is available at Tops Market and Tops Super, whereas the My Choice brand can be accessed at

Tops Market and Central Food Hall. Due to our interest in private label branding, the sampling frame must be narrowed to consumers who purchase products at a type of store that offers both brands, that is, the Tops Market store.

Tops Market reaches out to consumers in not only the Bangkok and Greater Bangkok areas but also upcountry. According to the concern for the development of the private label brand, there may be a problem with lower familiarity because upcountry consumers have had limited exposure to the private label brand. The number of Tops stores clustered around Bangkok and its vicinity represents approximately 60% of the total stores in Thailand, whereas the stores upcountry hold the remaining share. Therefore, this research focuses only on consumers who purchased products at Tops stores in Bangkok and Greater Bangkok. Table 4.7 displays the numbers of Tops stores in each area.

Table 4.7

Numbers of Tops supermarkets in Thailand

Stores	Bangkok	Greater Bangkok	Upcountry	Total
Central Food Hall	2	-	2	**4**
Tops Market	24	2	15	**41**
Tops Super	33	9	13	**55**
Tops Daily	40	22	53	**115**
Total	**132**	**33**	**83**	**215**

Source: www.tops.co.th/companyprofile/index.html, accessed on April 9, 2012

Tops' twenty-six stores in the Bangkok and Greater Bangkok areas are available for random selection. To avoid double sampling, data are collected over the course of one week. Only shoppers at seven stores are chosen for the study, based on the rationale of one store per day per week. The seven Tops Market stores selected for data collection are the following branches; Central Rama 2, Rajapruk, Robinson Future Park, Sukhapiban 3, Central Rama 9, Central Silom Comples, and Sukhumvit 41.

Systematic random sampling is used to select the participants. Every fifth consumer to walk through the cashier counter is approached. This method ensures equal probability of selection. Once intercepted, participants are screened by two questions regarding purchases of private label brands and the product categories under study. The questions are as follows:

1. Have you purchased a "Tops" or "My Choice" brand product over the past three months?

2. Have you purchased a "toothbrush" or "frozen food" over the past three months?

Participants who give a positive answer on either the "Tops" or "May Choice" brand are asked the second question, whereas those who give a negative answer are dismissed. The second question is evaluated based on the same criterion. Participants must have purchased a product of either of the two proposed categories to qualify to complete the questionnaire. Both requirements must be met by all participants. Each respondent answers a set of questions related only to the brand and the product category that he or she purchased.

4.1.6 Sample size

The unit of analysis of this study is at the consumer level. Consumers who purchase a private label brand at Tops Market are targeted for the questionnaire due to their constant exposure to the brand and the store.

As suggested by Hair et al. (2010), the ratio of observations to items should not fall below 10:1 for multiple regression analysis. Ten responses are needed for each item. Tentatively, a target of 40 items is set to measure the variables in this study. Thus, a minimum of 400 respondents is required. Due to the interest in the store-category association, this research involves two product categories. A representation of 400 respondents per product category yields a total of 800 respondents for the two product categories. Moreover, the effect of the store's branding strategy on the variation in the willingness to pay for private label brands is also taken into consideration in determining the sample size. Each brand entails 400 respondents, which leads to a sample size of 800 for the two brands. Table 4.8 summarizes the allocation of samples for the two brands and the two product categories.

Table 4.8

Sample allocation

Brand / Category	**Toothbrushes**	**Frozen Food**	**Total**
Tops brand	200	200	**400**
My Choice brand	200	200	**400**
Total	**400**	**400**	**800**

In summary, there are total of 800 samples for this research. The ratio of observations to items is 20:1, which accommodates the required criteria. The 200 samples representing each product category under each brand also fulfill the minimum sample requirement for the performance of structural equation modeling (Kline, 2005).

Each store has a quota of 120 samples, which means that there are 840 samples for the seven stores, ensuring the quality of the sample size of 800. An equal division of 120 samples is allocated to the two private label brands, yielding sixty samples for own-name branding and another sixty samples for other-name branding. To guarantee a good sample size for the two product categories, quota sampling of sixty samples for each product category is also adopted. In conclusion, the sampling for each store includes an equal allocation of thirty samples for the Tops toothbrush, the My Choice toothbrush, Tops frozen food, and My Choice frozen food.

4.2 Data collection

The present study collects data from both primary and secondary sources. The secondary data are collected mainly from the literature review. Sources of information include academic journals, textbooks, and documents from companies and websites. Meanwhile, the primary data are gathered through questionnaire surveys for hypothesis testing. A further analysis of the relationships between the store-level and the brand-level factors and consumers' willingness to pay for private label brands is the outcome of this collection process.

4.2.1 The collection process

There are three stages of data collection in this research.

4.2.1.1 Preliminary interview

The data collection in this preliminary round is performed through in-depth interviews with Tops' consumers. Five interviews are conducted to obtain insights into their perceptions of the marketing activities of the brand and the store. Interviewees are selected based on their profiles in terms of age, gender, marital status, income, and the number of members in the household to ensure various representations. Table 4.9 displays the profiles of the interviewees.

Table 4.9

Interviewees' profiles

Interviewee	Profile
Interviewee 1	Forty-two-year-old married woman with two children in a family of four.
Interviewee 2	Thirty-seven-year-old married woman with no children in a family of two.
Interviewee 3	Thirty-four-year-old single man living alone.
Interviewee 4	Thirty-year-old single woman in a family of five.
Interviewee 5	Forty-six-year-old single woman living alone.

Source: Personal interviews, July 2013

Questions regarding consumer perceptions of private labels and store activities are asked. The results from these preliminary interviews are used to confirm the content validity of the questionnaire and provide guidelines for adjustments (see Appendix A for a summary of the interviews). Information is integrated with the data from the academic literature for the questionnaire development. From these results, an additional item on store advertising is included in the store image construct. An inclusion of store advertising is also supported by the finding from Nielsen (2014) that Thai consumers prefer to purchase advertised brands rather than the unadvertised ones due to higher trust.

4.2.1.2 Pilot study

Although the items used to measure the variables are adopted from previous studies, pre-testing of the questionnaire is required to address

disparities in language translation and to ensure face validity. Twenty questionnaires are distributed to confirm the respondents' understanding of the instructions, the measured items, the scales, and the flows. The interpretability of the questionnaire must be identical to the intended measures. Unclear items are modified, while irrelevant ones are excluded. Adjustments are made until the respondents indicate that the questionnaire is clear (see Appendix B for the final translation of the items). The completion of the questionnaire is timed.

4.2.1.3 Survey

The mall interception method is used to collect data in this research. Consumers are intercepted in the seven selected Tops Market stores. The interviewers place themselves at the cashier exits of the chosen stores to ensure the representativeness of the selected sample. The process of ensuring equal probability in sample selection was explained in detail in the sample selection section. Information was collected within one week under the one-store-per-day scheme from September 7 to 13, 2013, to prevent double sampling. Interviewers were trained on survey's objectives, instructions, and interpretations of the questions prior to the actual survey to restrict interviewer biases. Through training, interviewers are able to provide consistent clarification when needed.

4.2.2 Questionnaire design

The data in this research are collected through questionnaire, which is developed from reviews of studies, interviews with consumers, and modifications of the pilot study. The purpose of the survey, time for questionnaire completion, and the anonymity of the answers are written on the cover page for respondents' clarification. The questions are separated into four sections. The first section examines consumers' shopping behaviors; the second section evaluates consumers' perceptions of the brand are displayed in section two, followed by the perceptions of the store in section three. The fourth section demonstrates consumers' willingness to pay for the private label brand. The sample characteristics are explored in the fifth and final section. See Appendix C for the questionnaire.

Even though there are two product categories and two private label brands under study in this research, only one questionnaire is designed to ensure the consistency of the sequence of measured items. The product category and the name

of the private label brands are written on the spaces provided at the top of the questionnaire.

4.2.3 Collection procedure

The collection of data involves two groups of people: the management of Tops supermarket stores and consumers.

A request for permission to conduct data collection at the selected seven Tops supermarket stores is submitted to the management of the Tops supermarket chain. The collection procedure, location, time frame, and numbers of interviewers on site are discussed together with an agreement to submit the results back to the company. See Appendix D for the letter requesting permission for data collection.

Once consumers are intercepted according to the participant selection process, they are informed of the purpose of survey, the time for the questionnaire completion, and the anonymity of the answers. Once consent to participate is granted, an interviewer continues to collect data and to be available to clarify the respondents' questions throughout the process. The questionnaire is checked to confirm its completion before an interviewer ends the collection process.

After data collection, the information is coded and categorized for further processes of data entry and analysis.

4.3 Data analysis

Structural Equation Modeling (SEM), a combination of factor analysis and path analysis that examines multiple relationships among exogenous and endogenous variables (Byrne, 2010), is used to test this study's hypotheses. A presence of latent variables in the relationship, together with the existence of measurement errors for the observed variable, reduce the estimation errors in the analysis (Hair et al., 2010, Ho, 2006), which provides SEM an advantage over other multivariate techniques, such as multiple regression. Other information, such as the model's adequacy, variable reliability, the amount of variance, and the strength of the relationship are taken into consideration when the endogenous variable is predicted.

Therefore, the SEM results are more robust. The procedures for data analysis are as follows:

4.3.1 Descriptive statistics

The analysis of basic descriptive statistics is conducted to observe the display and arrangement of raw data for further analysis. Frequency distribution is assessed as a prerequisite. To observe where the data fall and their distribution, the mean and standard deviation are examined. Skew and kurtosis are analyzed to check the normal distribution of the data. Outliers and missing data samples are removed from the analysis. These essential steps are performed to ensure the quality of the data and to enhance the accuracy of the results.

4.3.2 Reliability testing

We conduct a reliability test to make sure that items used correctly measure the constructs. Multiple items are used to construct the eight variables in this study. We first measure each separate item. The item-to-total correlation is measured to determine the correlation of the item to the total summated scales, with a minimum value of 0.5. Inter-item correlation is used to identify correlations among items. The target minimum value is 0.3.

Other methods are employed to ensure the internal consistency of a set of indicators for each latent construct, that is, to determine whether the indicators measure the same thing. The Cronbach's Alpha coefficient of 0.7 is set as a minimum. To evaluate construct reliability, Hair et al. (2010) recommends that composite reliability exceed 0.7.

4.3.3 Validity testing

Different validity tests are involved to identify whether each measure accurately evaluates its intended construct. The selection of items from the previous literature, the modification of indicators according to professors' comments, and the composition of the understanding of questions by prospective consumers are used to capture content validity.

Exploratory factor analysis is conducted to ensure the validity of the measurement model because the items from the literature were collected and tested under market settings different from Thailand. Confirmatory factor analysis is

performed as follows, identifying the acceptable level of goodness-of-fit (GOF) and evidence of construct validity.

The Chi-square ($\chi 2$) test is used to assess the model fit. A p-value > 0.05 indicates no significant difference between the observed and estimated covariance metrics. However, as the sample size increases, there is a negative impact on the non-significant Chi-square ($\chi 2$). Given that the sample size of this research is over 600, other GOF fit indices are used complementarily. The ratio of the Chi-square to the degree of freedom ($\chi 2$/df) is also used to determine the model fit. A value closer to 0 is desired for a good fit. The root mean square error of approximation (RMSEA) is used to correct the effect of the large sample size. As the RMSEA decreases, the model fit improves. Other GOF fit indices used in this research include the normal fit index (NFI), the Tucker-Lewis Index (TLI), and the comparative fit index (CFI). The criteria for acceptable fit are summarized in Table 4.10. A model is considered acceptable when the five following criteria are met.

Table 4.10

Criteria for model fit

Fit Measures	**Acceptable Fit**
Chi-square (χ^2)	p-value > 0.05
X^2/df	< 5
RMSEA	< 0.06, best if under 0.05
NFI	> 0.9
TLI	> 0.9
CFI	> 0.9

Regarding construct validity, convergent and discriminant validity are evaluated. Factor loadings are used to verify that the items of a specific construct converge, confirming convergent validity. All factor loadings should be statistically significant, with loadings of 0.7 or above. To ensure that each individual measured item represents only one construct, we compare the average variance extracted (AVE) to the square correlation estimates of the two constructs. If the AVE value is greater than the square of the correlation between latent variables, discriminant validity exists.

4.3.4 Hypothesis testing

Hypothesis testing involves the examination of the relationships among the six independent variables through a mediator and a dependent variable. The independent variables, which are private label sourcing, product development, package similarity, sales promotions, store image, and store-category association, are accounted for in predicting the dependent variable – consumers' willingness to pay for private label brands – through the mediator of perceived quality as moderated by the private label's branding strategy.

The validity of the structural model is examined through fit indices, with the same criteria as shown in Table 4.10. Structural coefficients are observed to verify the causal relationship hypothesized. Direct and indirect effect tests are performed to determine the mediating role, while multi-group analysis is the selected method for identifying the effect of the two private label brandings on the relationships.

CHAPTER 5
RESEARCH RESULTS

This chapter presents the results of the data analyses. The first section involves the coding of data from the data collection process. The second section reports the respondents' demographic data. Basic statistics concerning the mean, standard deviation, Cronbach's alpha, inter-item correlations, and item-to-total correlations of the major constructs are provided in the third section to demonstrate the internal consistency. Additional information on validity is also presented in this section. The fourth section explains a brief procedure for performing structural equation modeling (SEM). The following section, section five, assesses the proposed model to justify the quality of the data. Exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and scale validity analysis of the measurement model are performed to ensure that the model represents the data. The last section describes the results of the hypothesis testing through structural relationships.

5.1 Data coding

Prior to performing the statistical analysis, the collected data were input, coded, and edited. Of the 840 surveys distributed, 21 were eliminated due to missing values, leaving 819 surveys available for analysis across two brand names. SPSS 18.0 was used to facilitate the input process. Originally, questions from the questionnaire were randomized and not listed in the same sequential order as in the constructs as a measure to prevent common method bias. According to Podsakoff et al. (2003), respondents tend to have a consistency motif and seek to be rational in responding to similar questions in uniformity. Therefore, randomized questions from the questionnaire were coded according to the corresponding variables. All the questions had the same scale ranging from 1 to 7, where 1 indicates strong disagreement and 7 represents strong agreement with the question statements. Only the willingness to pay variable used the combination of a 7-point scale and a percentage scale ranging from -50% to +50% in 10% intervals. In the scale, a value of 1 denotes that the willingness

to pay for the private label brand is lower than the average market price of a specified product category, which is comparable to -50% in the percentage scale. A value of 4, corresponding to 0% on the percentage scale, indicates indifference regarding the price that the consumer is willing to pay for the private label brand compared to the market price. Finally, the willingness to pay more for the private label brand compared to the average market price is denoted by a value of 7 and +50% on the percentage scale. Table 5.1 demonstrates the coding guidelines that apply throughout the research.

Because the scales for measuring willingness to pay take two different forms, the conversion to a common scale to generate equivalency in the interpretation was necessary. Each scale was converted into a common index scale, as suggested by the literature (Sethuraman and Cole, 1999).

Table 5.2 shows the conversion of the scale to the index price.

Table 5.1

Data coding of the variables

Variable	Item	Question	Description	Codes
Product Sourcing	PS1	2.22	Produced by the manufacturer of leading brands	
	PS2	2.4	Same sourcing as well-known brands	
	PS3	2.11	Produced by a branded manufacturer	
Product Development	PD1	2.15	Improvement in product	
	PD2	2.23	Introduction of a new version	
	PD3	2.1	Changes in shape and dimension	
	PD4	2.21	Obtaining a new formula	
	PD5	2.14	Changes in packaging	
Package Similarity	PK1	2.13	Same appearance (of package) as other brands	Scale ranging from 1 to 7 (1 = strongly disagree, 2 = disagree, 3 = somewhat disagree, 4 = neutral, 5 = somewhat agree, 6 = agree, 7 = strongly agree)
	PK2	2.3	Indistinguishable packages on the shelf	
	PK3	2.19	Similar look (of package) to other brands	
	PK4	2.6	Package as expensive as other brands	
	PK5	2.7	Package as attractive as other brands	
Sales Promotions	SP1	2.18	Frequently offered promotions	
	SP2	2.26	Easy-to-find special offers	
	SP3	2.2	Semblance of more promotions	
	SP4	2.10	Big price cut	
	SP5	2.17	Significant price reduction	
	SP6	2.24	Different types of promotions	
	SP7	2.20	Variety of promotions	

Table 5.1 (Cont.)

Data coding of the variables

Variable	Item	Question	Description	Codes
Store Image	SI1	3.1	Friendly employees	Scale ranging from 1 to 7 (1 = strongly disagree, 2 = disagree, 3 = somewhat disagree, 4 = neutral, 5 = somewhat agree, 6 = agree, 7 = strongly agree)
	SI2	3.17	Excellent service	
	SI3	3.9	Easiness of shopping	
	SI4	3.12	High-quality products	
	SI5	3.19	Reliable excellence of the products	
	SI6	3.18	Variety of products	
	SI7	3.16	Availability of every product type	
	SI8	3.10	Fairly priced products	
	SI9	3.14	Value-for-money products	
	SI10	3.13	Clean store	
	SI11	3.3	Modern store	
	SI12	3.2	Pleasant decoration	
	SI13	3.5	Easily accessible advertising	
	SI14	3.8	Frequently seen advertising campaign	
	SI15	3.4	Different types of media advertised	
Store-Category Association	SC1	3.7	Expecting the store to sell a product	
	SC2	3.11	Good fit between the product and the store	
	SC3	3.15	Close association between the product and the store	
	SC4	3.6	Thinking of the store when purchasing a product	

Table 5.1 (Cont.)

Data coding of the variables

Variable	Item	Question	Description	Codes
Perceived Quality	PQ1	2.5	Good quality	Scale ranging from 1 to 7 (1 = strongly disagree, 2 = disagree, 3 = somewhat disagree, 4 = neutral, 5 = somewhat agree, 6 = agree, 7 = strongly agree)
	PQ2	2.27	Quality leader	
	PQ3	2.16	Top in quality in the category	
	PQ4	2.8	Likelihood of high functionality	
	PQ5	2.9	Excellent features	
	PQ6	2.12	Consistent quality	
	PQ7	2.25	Likelihood of high reliability	
Willingness to Pay	WTP1	4.1	Highest price willing to pay compared to the average market price of the product category	Scale ranging from 1 to 7 (1 = willing to pay lower price for private label compared to average market price, 4 = willingness to pay for private label equally to average market price, 7 = willing to pay higher price for private label compared to average market price).
	WTP2	4.2	Highest price willing to pay compared to the average market price of the product category	Negative and positive percentage scale in intervals of 10 (- ∞ % = willing to pay for private label … % lower than average market price, 0% = willingness to pay for private label equally to average market price, + ∞ % = willing to pay for private late … % higher than average market price).

Table 5.2

Willingness to pay scale conversion

Setheraman and Cole (1999)	50	60	70	80	90	100	110	120	130	140	150
WTP1	1	2		3		4	5		6		7
WTP1 - conversion	50	66.67		83.33		100	116.67		133.33		150
WTP2	-50%	-40%	-30%	-20%	-10%	0	+10%	+20%	+30%	+40%	+50%
WTP2 – conversion	50	60	70	80	90	100	110	120	130	140	150

5.2 Respondents' characteristics

A report of the profiles of the respondents is provided in Table 5.3.

Table 5.3

Characteristics of the profiles of the respondents

Characteristics	**Total Sample (%)**	**Own-Name PL (%)**	**Other-Name PL (%)**
	n = 819	**n = 413**	**n = 406**
Gender			
Male	38.3	40.4	36.2
Female	61.7	59.6	63.8
Age (years)			
≤ 20	14.7	15.3	14.0
21-30	24.4	24.5	24.4
31-40	28.9	29.3	28.6
41-50	19.7	18.6	20.7
>50	12.3	12.3	12.3
Marital status			
Married	47.6	50.6	44.6
Not married	52.4	49.4	55.4
Education			
Less than a bachelor's degree	31.6	36.6	26.6
Bachelor's degree	59.8	56.7	63.1
Above a bachelor's degree	8.5	6.8	10.3
Occupation			
Student	16.5	17.4	15.5
Government officer	6.7	7.3	6.2
Company employee	43.3	42.1	44.6
Homemaker	12.2	11.4	13.1
Private company owner	18.9	19.4	18.5
Other	2.3	2.4	2.2

Table 5.3 (Cont.)

Characteristics of the profiles of the respondents

Characteristics	**Total Sample (%)**	**Own-Name PL (%)**	**Other-Name PL (%)**
	n = 819	**n = 413**	**n = 406**
Monthly income (THB)			
≤ 10,000	16.6	19.9	13.3
10,001-20,000	26.4	27.8	24.9
20,001-30,000	20.0	19.6	20.4
30,001-40,000	12.9	10.9	15.0
40,001-50,000	8.9	7.5	10.3
>50,000	15.1	14.3	16.0

According to Table 5.3, the majority of the respondents are females, representing 61.7% of the total respondents. This result is not unexpected because women have a higher level of involvement in household product purchasing. In terms of the age distribution, the top three age ranges belong to consumers who are 31-40 years old, 21-30 years old, and 41-50 years old, representing 28.9%, 24.4%, and 19.7%, respectively. This ranking also applies to consumers who purchase private label brand products with different branding strategies. An explanation of these distributions corresponds to the fact that these age ranges are family members who belong to the workforce and are responsible for household expenses. Consumers who are married and who are single are almost equally represented, with 47.6% and 52.4%, respectively, where married consumers are more commonly represented among those who purchase own-name private label brands and less commonly represented among those who purchase other-name private label brands. Almost sixty percent (59.8%) of consumers hold a bachelor's degree, whereas 31.6% have a lower level of education. At 8.5%, consumers with an educational level higher than a bachelor's degree are the least represented. Most consumers are company employees, representing 43.3% of the total respondents. Other occupations include private company owner, student, and homemaker, holding similar levels of representation at

18.9%, 16.5%, and 12.2%, respectively. Government officers are the smallest minority (6.7%) in the total population. Approximately twenty-six percent (26.4%) of consumers have an income of 10,001-20,000 baht per month, followed by those earning 20,001-30,000 baht per month (20.0%). Consumers who receive an income of less than 10,000 and more than 50,000 baht per month share similar levels of representation at 16.6% and 15.1%, respectively. The remaining 8.9% of consumers have a net income of approximately 40,001-50,000 baht per month.

5.3 Basic statistics

5.3.1 Descriptive statistics

As displayed in Table 5.4, the means of all variables are above 4.0, which reveal positive behavioral responses. Store image receives the highest score with a mean of 5.41, followed by store-category association at 5.25. There are indications that consumers rate the image of Tops supermarket positively, and classify the product categories studied as a good fit for the store. The mean scores relating to brand-level factors and the interested mediating variable are all below 5.0. Perceived quality has the highest score followed by package similarity at 4.63 and 4.56, respectively. Consumers perceive PLs by Tops supermarket to be of good quality and to be similar in packaging to the NBs. The mean scores of product sourcing and sales promotion are comparable at 4.43 and 4.42 correspondingly. It can be interpreted that PLs by Tops supermarket are perceived to be manufactured by leading brands in the market. Moreover, promotional campaigns are prominently visible to consumers. The lowest mean score is that of the product development variable at 4.35, which indicates that product developments by PLs are made known to consumers but are not highly evident. In term of consumers' WTP for PLs, the data displays a lower price intention compared to the average price in the market. The mean score reports the value of 91.31, denoting the WTP for PLs is to be around 9% lower than the average price.

5.3.2 Reliability analysis

The collected data are checked for internal consistency. Table 5.4 summarizes the mean, the standard deviation, Cronbach's alpha, inter-item correlations, and item-to-total correlations. To achieve internal consistency, minimum requirements are set following Hair et al. (2010). The value of the coefficient alpha must be above 0.7, the inter-item correlations must be higher than 0.3, and the item-to-total correlations must be greater than 0.5.

The first-round analysis indicates that the items under each construct yield a satisfactory level of internal consistency. The coefficient alphas of all constructs exceed the minimum requirement. Almost all of the inter-item correlation and item-to-total correlation values are higher than 0.3 and 0.5, respectively, demonstrating an acceptable level of internal reliability. Some items are further refined through exploratory factor analysis (EFA) and confirmatory factor analysis (CFA), as explained in section 5.5.

Table 5.4

Means, standard deviations, Cronbach's alpha, inter-item correlation, and item-to-total correlation of variables

Variable	No. of Items	Mean	S.D.	Cronbach's α	Inter-Item Correlation	Item-to-Total Correlation
Product Sourcing	***3***	***4.43***	***2.70***	0.71	0.36 – 0.55	0.45 – 0.59
PS2		4.53	1.06			
PS3		4.53	1.07			
PS1		4.23	1.28			
Product Development	***5***	***4.35***	***4.19***	0.82	0.32 – 0.71	0.50 – 0.68
PD4		4.60	1.04			
PD5		4.52	1.03			
PD3		4.46	0.91			
PD1		4.12	1.24			
PD2		4.07	1.27			
Package Similarity	***5***	***4.56***	***4.15***	0.79	0.29 – 0.71	0.41 – 0.67
PK1		4.68	1.06			
PK4		4.67	1.14			
PK5		4.61	1.17			
PK3		4.60	1.02			
PK2		4.20	1.22			

Table 5.4 (Cont.)

Means, standard deviations, Cronbach's alpha, inter-item correlation, and item-to-total correlation of variables

Variable	**No. of Items**	**Mean**	**S.D.**	**Cronbach's α**	**Inter-Item Correlation**	**Item-to-Total Correlation**
Sales Promotions	***7***	***4.42***	***6.09***	0.90	0.41 – 0.67	0.64 – 0.76
SP1		4.54	1.15			
SP2		4.49	1.09			
SP3		4.43	1.12			
SP4		4.43	1.20			
SP5		4.42	1.03			
SP6		4.39	1.09			
SP7		4.25	1.09			

Table 5.4 (Cont.)

Means, standard deviations, Cronbach's alpha, inter-item correlation, and item-to-total correlation of variables

Variable	**No. of items**	**Mean**	**S.D.**	**Cronbach's α**	**Inter-item correlation**	**Item-to-total correlation**
Store Image	***15***	***5.41***	***10.76***	0.93	0.24 – 0.75	0.53 – 0.74
SI10		5.78	0.98			
SI4		5.65	0.96			
SI3		5.56	1.00			
SI6		5.54	0.94			
SI5		5.53	0.96			
SI11		5.50	1.07			
SI12		5.46	1.09			
SI1		5.42	1.05			
SI2		5.39	1.00			
SI7		5.32	1.00			
SI13		5.31	1.05			
SI8		5.23	1.08			
SI9		5.22	0.93			
SI15		5.16	1.15			
SI14		5.09	1.18			

Table 5.4 (Cont.)

Means, standard deviations, Cronbach's alpha, inter-item correlation, and item-to-total correlation of variables

Variable	No. of items	Mean	S.D.	Cronbach's α	Inter-item correlation	Item-to-total correlation
Store-Category Association	***4***	***5.25***	***3.37***	0.80	0.42 – 0.64	0.53 – 0.67
SC2		5.40	1.01			
SC1		5.29	1.10			
SC4		5.17	1.17			
SC3		5.14	0.98			
Perceived Quality	***7***	***4.63***	***6.23***	0.92	0.53 – 0.68	0.72 – 0.78
PQ1		4.74	1.04			
PQ4		4.66	1.12			
PQ6		4.63	1.03			
PQ7		4.62	1.10			
PQ5		4.62	1.17			
PQ3		4.60	1.10			
PQ2		4.50	1.09			
Willingness to Pay	***2***	***91.31***	***15.78***	0.97	0.94	0.94
WTP1		91.76	15.51			
WTP2		90.85	16.50			

5.3.2 Validity analysis

To ensure that the collected data reflect what they were intended to measure, content validity and construct validity are assessed. Items for measurement are adopted from the previous literature. After the translation of the survey items from English to the local language (Thai), twenty questionnaires were distributed to private label brand consumers to identify any difficulties in comprehension. Modifications were made according to the comments and suggestions.

For an assessment of construct validity (convergent validity and discriminant validity), analyses of factor loading, average variance extracted (AVE), and composite reliability are performed. Section 5.5 provides a detailed discussion on this matter.

5.4 Structural equation modeling procedure

The SEM analysis consists of two models, including both the measurement model and the structural model (Anderson and Garbing, 1988). The measurement model focuses on the reliability and validity of the constructs, whereas the structural model tests the hypotheses. A reasonable fit of the measurement model should be obtained prior to an investigation of the relationships among the variables in the structural model. An unfit model is polished until the minimum requirement is met (Ho, 2006).

5.5 The measurement model

To assess the quality of the data, several reliability and validity tests are performed on the measurement model. The conceptual framework and its various constructs are presented in Figure 5.1.

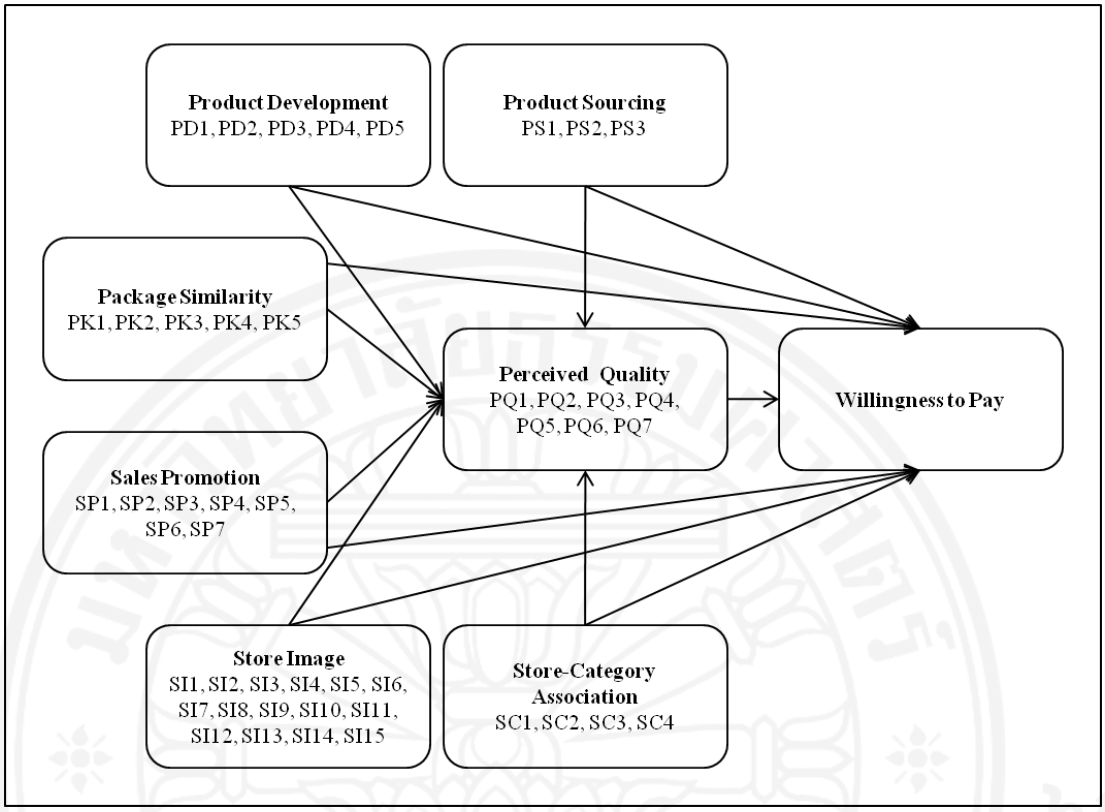

Figure 5.1 Conceptual framework

5.5.1 Exploratory factor analysis

The measurement items for each construct are developed from the previous literature. However, the contexts in which the measurement items are tested vary. The majority of the studies are conducted in American and European markets, where private labels are fully developed, with a market share of almost 50%. Consumers have a higher level of familiarity with and better knowledge of the products. However, this study is conducted in Thailand, where the reverse situation persists. The private label market is in the development stage, and consumers are inexperienced with regard to private label brands. To ensure the measurement model's validity under different contexts, exploratory factor analysis is performed as a precautionary measure (Lewis and Littler, 1997)

Principal component analysis is the method of extraction with a varimax rotation. The varimax algorithm is chosen due to its ability to maximize the variance of each component, yielding a more obvious division of the factors, which is

essential to performing the CFA at a later stage (Norusis, 2009). To justify whether an item belongs to a certain factor, three criteria are imposed. First, the factor loading must exceed the minimum requirement of 0.5 (Hair et al., 2010). The second criterion is the discrepancy between the first- and the second-highest loadings. Cross-loaded items with a loading difference of more than 0.3 are included in the factor (Henson and Roberts, 2006). However, an item is maintained despite a discrepancy of less than 0.3 to accommodate the minimum of three items per construct. According to Anderson and Gerbing (1988), constructs with fewer than three items generate difficulties in the analysis of the measurement model. The last criterion concerns the conceptual meaning of an item under the factor. An item with a meaning that is unrelated to the factor is removed (Hair et al., 2010).

According to the conceptual framework, several brand-level and store-level factors contribute to consumers' willingness to pay. These two major groups are the benchmarks for performing factor analysis. Three items for product sourcing, five items for product development, five items for package similarity, and seven items for sales promotions are categorized into brand-level factors. Regarding store-level factors, there are fifteen items for store image and four items for store-category association.

Prior to performing the factor analysis, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was performed. The KMO values of 0.948 for the brand-level factors and 0.942 for the store-level factors were above the minimum requirement of 0.6. Bartlett's tests are statistically significant for both types of factors at $p < 0.05$.

5.5.1.1 Exploratory factor analysis for brand-level factors

A three-factor solution that explains 62.8% of the variance is suggested for the brand-level factors. Of the twenty items for the brand-level factors, eleven items are extracted into three different constructs. The first construct is named product development, which integrates the product sourcing and product development constructs from the previous literature. The development of a product to introduce into the market involves not only the outputs that the marketer imposes, such as a new

formula or a new form, but also the production process. According to Zirger and Maidique (1990), competencies from marketing and manufacturing factors contribute to the success of new product development. Moreover, the decision on the manufacturing source for producing the product should be integrated into the product development process, as suggested by Krishnan and Ulrich (2001). It is rational to incorporate items from a product sourcing factor into the product development construct. The second and the third constructs are named based on the original construct. Due to the challenge of cross-loading, the analysis suggests removing items except for the three initial items for package similarity: the first item (PK5: attractive package), the second item (PK4: expensive package), and the third item (PK2: cannot tell the difference between packages on the shelf). For the sales promotions construct, four items (SP7: variety of promotions, SP1: frequent promotions, SP5: price reductions, and SP4: price cuts), remain, whereas the remaining items are deleted due to cross-loading. The factor analysis of these two variables confirms that the construct measurement is consistent with the literature. In conclusion, the original four constructs (product sourcing, product development, package similarity, and sales promotions) under the brand-level factors are composed of three factors (product development, package similarity, and sales promotions). Table 5.5 summarizes the results of the exploratory factor analysis and the suggested constructs for the brand-level factors.

Table 5.5

Factor loadings for the brand-level factors

	Items	Constructs		
		Product Development	**Package Similarity**	**Sales Promotions**
PD2	Introduction of a new version	**0.83**		
PS1	Produced by the manufacturer of leading brands	**0.82**		
PD1	Improvement in product	**0.81**		
PS2	Same sourcing as well-known brands	**0.80**		
PK5	Package as attractive as other brands		**0.80**	
PK4	Package as expensive as other brands		**0.79**	
PK2	Indistinguishable packages on the shelf		**0.68**	
PS3	Produced by a branded manufacturer		0.64	0.38
PD5	Changes in packaging	0.32	0.61	0.32
PD4	Obtaining a new formula		0.60	0.31
PD3	Changes in shape and dimension		0.59	0.39
PK1	Same appearance (of package) as other brands		0.53	0.35
SP7	Variety of promotions			**0.85**
SP1	Frequently offered promotions			**0.78**
SP5	Significant price reduction			**0.75**
SP4	Big price cut			**0.70**
SP2	Easy-to-find special offers		0.42	0.62
SP3	Semblance of more promotions		0.45	0.58
PK3	Similar look (of package) to other brands		0.36	0.54
SP6	Different types of promotions		0.50	0.50

5.5.1.2 Exploratory factor analysis for store-level factors

For the store-level factors, thirteen out of nineteen items compose four constructs, explaining 66.7% of the variance. These four constructs are derived from two initial constructs of store image and store-category association. The original store image construct is divided into three new constructs: store product image, store atmosphere, and store advertising. Items in the store product image

construct include product quality, product price, and the variety of products offered by the store. The store atmosphere construct depicts the cleanliness, pleasantness, and modernity of the store, whereas the store advertising construct captures the frequency and variety of the store's advertising campaigns. This breakdown into different constructs is supported by Vahie and Paswan (2006). Items for store-category association remain under the same construct as in the original. Only one item (SC3: close association between the product and the store) is eliminated due to cross-loading. Table 5.6 shows the constructs extracted for the store-level factors based on the exploratory factor analysis.

Table 5.6

Factor loadings for the store-level factors

	Items	**Constructs**			
		Store "Product" Image	**Store Atmosphere**	**Store Advertising**	**Store Category Association**
SI6	Variety of products	**0.80**			
SI5	Reliable excellence of the products	**0.79**			
SI7	Availability of every product type	**0.67**	0.34		
SI9	Value-for-money products	**0.66**			0.32
SI4	High-quality products	0.66		0.43	0.34
SI1	Friendly employees	0.66		0.45	
SI2	Excellent service	0.64	0.45		
SI3	Easiness of shopping	0.54		0.48	0.30
SC3	Close association between the product and the store	0.53	0.37		0.44
SI10	Clean store		**0.71**		
SI12	Pleasant decoration	0.35	**0.63**		
SI11	Modern store	0.37	**0.51**		

Table 5.6 (Cont.)

Factor loadings for store-level factors

	Items	Constructs			
		Store "Product" Image	**Store Atmosphere**	**Store Advertising**	**Store Category Association**
SI15	Different types of media advertised			**0.77**	
SI14	Frequently seen advertising campaign			**0.68**	0.41
SI13	Easily accessible advertising campaign		0.30	**0.65**	
SC1	Expecting the store to sell a product				**0.73**
SC4	Thinking of the store when purchasing a product		0.35	0.33	**0.73**
SC2	Good fit between the product and the store			0.36	**0.57**
SI8	Fairly priced products	0.54			0.54

The descriptive statistics of the seven recommended factors for brand and store levels are provided in Table 5.7.

Table 5.7

Mean, standard deviation, Cronbach's alpha, inter-item correlation, and item-to-total correlation of variables after EFA

Variable	**No. of Items**	**Mean**	**S.D.**	**Cronbach's α**	**Inter-Item Correlation**	**Item-to-Total Correlation**
Product Development	4	4.16	4.35	0.89	0.64 – 0.73	0.72 – 0.79
Package Similarity	3	4.60	2.87	0.81	0.51 – 0.71	0.56 – 0.72
Sales Promotion	4	4.46	3.79	0.86	0.54 – 0.67	0.63 – 0.75
Store "Product" Image	4	5.40	3.19	0.85	0.52 – 0.75	0.61 – 0.78
Store Atmosphere	3	5.46	2.73	0.81	0.45 – 0.71	0.56 – 0.77
Store Advertising	3	5.18	2.82	0.78	0.49 – 0.60	0.58 – 0.66
Store-Category Association	3	5.29	2.75	0.79	0.50 – 0.64	0.57 – 0.68
Perceived Quality	7	4.63	6.23	0.92	0.53 – 0.68	0.72 – 0.78
Willingness to Pay	2	91.31	15.78	0.97	0.94	0.94

After refining the data through exploratory factor analysis (EFA), the internal reliability of the variables is improved. All the variables not only meet the Cronbach's alpha requirement but also fulfill the required levels of the inter-item and item-to-total correlations. These constructs are further refined based on confirmatory factor analysis (CFA), as stated in section 5.5.2.

Because the data are collected from the same source – a self-reported questionnaire – exploratory factor analysis is performed to test for common method bias, as suggested by Podsakoff et al. (2003). The measurement items account for 66.74% of the total variance, with the largest factor accounting for 25.03%. There is no indication of a single dominant factor.

5.5.2 Confirmatory factor analysis

Confirmatory factor analysis (CFA) is performed to evaluate whether the collected data fit the proposed model. Different types of fitness measures are adopted, including the absolute fit measure and incremental (comparative) measure.

5.5.2.1 Measurement indices

Absolute fit indices, including Chi-square ($\chi 2$), the goodness-of-fit index (GFI), and the root mean square error of approximation (RMSEA), directly measure the suitable replication between the proposed model and the observed data. According to Hair et al. (2010), Chi-square ($\chi 2$) is the most fundamental measure to assess the goodness-of-fit of the structural equation model. A higher $\chi 2$ value indicates better fit (Byrne, 2010). However, this measure must be used with caution due to its sensitivity to large sample sizes. Most models produce non-significant values of $\chi 2$, the preferred condition of fit. Considering other fit indices in the evaluation process is recommended (Ho, 2006). The goodness-of-fit index (GFI) measures the variance in the sample correlation, with a value ranging from 0 to 1. A value that approaches 1 is an indication of good fit. The minimum value required to justify a good fit is 0.9 (Hair et al., 2010). Because both measures are sensitive to sample size, an additional measure is considered. The root mean square error of approximation (RMSEA) takes the opposite approach to assessing fit.

It concerns the approximation error of the population. A small number signifies less error, which is preferred for a good model fit. To indicate a good fit, a RMSEA value of less than 0.05 is desirable (Hair et al., 2010).

Similar to the absolute fit indices, incremental fit indices measure the fit between the model and the data. However, incremental fit indices assess fit through a comparison with a baseline model or a null model (Hair et al., 2010). Two of the indices, the normed fit index (NFI) and the comparative fit index (CFI), are adopted in the present assessment. The value of the normed fit index (NFI) is derived from the difference in the $\chi 2$ value of the proposed and baseline models divided by the $\chi 2$ value of the baseline model. However, this fit index is likely to be inflated once the model becomes complex. Hair et al. (2010) recommend conjunctive implementation with other indices. The comparative fit index (CFI) is an improved version of the NFI with better standardization. Both indices range from 0 to 1, with a number that approaches 1 representing good fit. Ho (2006) indicates a cutoff value of 0.9 as an acceptable fit.

A summary of the minimum requirements of the fit indices is presented in Table 5.8. These numbers are used as guidelines to interpret the data throughout the study.

Table 5.8

Recommended values of the fit indices

Index	**Interpretation**
Absolute Fit Indices	
Chi-square (χ^2 or CMIN)	A higher χ^2 value indicates better fit, $p > 0.05$
Chi-square/degrees of freedom (CMIN/df)	1-2 (good fit), 2-5 (acceptable fit)
Goodness-of-Fit index (GFI)	Close to 0 (poor fit), > 0.9 (good fit), closer to 1 (perfect fit)
Root Mean Square Error of Approximation (RMSEA)	Closer to 0 (perfect fit), < 0.05 (good fit), 0.05-0.08 (acceptable fit), > 0.10 (poor fit)

Table 5.8 (Cont.)

Recommended values of the fit indices

Index	Interpretation
Incremental Fit Indices	
Normed Fit Index (NFI)	> 0.9 (acceptable fit), > 0.95 (good fit)
Comparative Fit Index (CFI)	> 0.9 (acceptable fit), > 0.95 (good fit)

5.5.2.2 Analysis of the model

The seven brand-level and store-level factors from the exploratory factor analysis are combined with perceived quality and willingness to pay for the analysis of the measurement model validity using confirmatory factor analysis (CFA). The prior analysis of the model indicates a satisfactory fit, with no modification required. According to the standard requirements, $\chi 2 = 1353.093$ and df = 59 (p = 0.000). The fit indices pass the minimum value of 0.9, with the goodness-of-fit index (GFI) = 0.91, the normed fit index (NFI) = 0.92, and the comparative fit index (CFI) = 0.95. The root mean square error of approximation (RMSEA) = 0.049, which is lower than the suggested limit of 0.05.

Convergent validity is assessed to confirm that items measuring the same construct share high common variance. Several indicators are used to assess this validity, including the factor loading on each variable, the average variance extracted (AVE), and the composite reliability (CR). According to Hair et al. (2010), a recommended loading of 0.7 is preferred, and a value falling in the range of 0.5-0.7 signifies an acceptable level. The loading of each indicator on its underlying construct ranges from 0.64 to 0.99, which confirms the existence of convergent validity. The average variance extracted (AVE) values also indicate a promising outcome, ranging from 0.55 to 0.94 and passing the minimum cutoff of 0.5 (Hair et al., 2010). The numbers prove that variations in the observed variable are explained by the latent construct. The results regarding composite reliability strengthen the test of measurement validity. Every construct surpasses the minimum requirement of 0.6, as suggested by Hair et al. (2010), at 0.89, 0.86, 0.86, 0.86, 0.82,

0.78, 0.80, 0.92, and 0.97 for product development, package similarity, sales promotions, store product image, store atmosphere, store advertising, store-category association, perceived quality, and willingness to pay, respectively. Table 5.9 summarizes the results of the confirmatory factor analysis for the reliability and validity of the measurements.

Table 5.9

Confirmatory factor analysis of the measurements

Constructs	**Measurements**	**Factor Loadings**
Product Development	Produced by a manufacturer of leading brands	0.836
AVE = 0.67	Same sourcing as well-known brands	0.753
CR = 0.89	Improvement in product	0.816
	Introduction of a new version	0.863
Package Similarity	Indistinguishable packages on the shelf	0.659
AVE = 0.60	Package as expensive as other brands	0.832
CR = 0.82	Package as attractive as other brands	0.827
Sales Promotions	Frequently offered promotions	0.804
AVE = 0.61	Big price cut	0.693
CR = 0.86	Significant price reduction	0.794
	Variety of promotions	0.815
Store Product Image	Reliable excellence of the products	0.881
AVE = 0.61	Variety of products	0.824
CR = 0.86	Availability of every product type	0.723
	Value-for-money products	0.670
Store Atmosphere	Clean store	0.640
AVE = 0.61	Modern store	0.794
CR = 0.82	Pleasant decoration	0.889
Store Advertising	Easily accessible advertising campaign	0.693
AVE = 0.55	Frequently seen advertising campaign	0.783
CR = 0.78	Different types of media advertised	0.741
Store-Category	Expecting the store to sell a product	0.766
Association	Good fit between product and store	0.709
AVE = 0.56	Thinking of the store when purchasing a	0.778
CR = 0.80	product	

Table 5.9 (Cont.)

Confirmatory factor analysis of the measurements

Constructs	**Measurements**	**Factor Loadings**
Perceived Quality	Good quality	0.772
AVE = 0.61	Quality leader	0.787
CR = 0.92	Top quality in the category	0.804
	Likelihood of high functionality	0.759
	Excellent features	0.815
	Consistent quality	0.758
	Likelihood of high reliability	0.761
Willingness to Pay	What is the maximum price that are you willing	0.944
AVE = 0.94	to pay for (store brand), given that the average	
CR = 0.97	price is 100?	
	Compared to the average price in the market,	0.998
	the maximum price that I am willing to pay for	
	(store brand) is	

Note. $\chi 2 = 1353.093$, $\chi 2/df = 2.948$, GFI = 0.91, NFI = 0.92, CFI = 0.95, RMSEA = 0.049.

According to Fornell and Larcker (1981), discriminant validity exists when the correlation coefficient of the two constructs is smaller than the square root of the AVE of each of those constructs. The results in Table 5.10 indicate that the square roots of the AVE of most constructs, with the exception of the correlation matrix between package similarity and perceived quality, exceed the correlations between the two. The distinctiveness of the analyzed constructs is confirmed, with the exception of one problematic pair.

Table 5.10

Correlation coefficients of the constructs

Constructs	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
1. Product Development	(0.82)[a]								
2. Package Similarity	0.57***	(0.78)[a]							
3. Sales Promotions	0.49***	0.60***	(0.78) [a]						
4. Store Product Image	0.29***	0.36***	0.33***	(0.78) [a]					
5. Store Atmosphere	0.26***	0.40***	0.28***	0.66***	(0.78) [a]				
6. Store Advertising	0.33***	0.46***	0.33***	0.51***	0.66***	(0.74) [a]			
7. Store-Category Association	0.30***	0.43***	0.36***	0.57***	0.69***	0.70***	(0.75) [a]		
8. Perceived Quality	0.60***	***0.96*****	0.70***	0.42***	0.44***	0.53***	0.49***	(0.78) [a]	
9. Willingness to Pay	0.14***	0.23***	0.10*	0.23***	0.12*	0.08*	0.01	0.27***	(0.97) [a]

* $p < 0.05$, *** $p < 0.001$

[a] Square root of average variance extracted for each construct

Due to the lack of discriminant validity between package similarity and perceived quality, an exploratory factor analysis between the two constructs is suggested to identify cross-loaded items (Farrell, 2010). Items that are cross-loaded should be removed to improve discriminant validity. The results of the analysis indicate that all of the items (three for package similarity and seven for perceived quality) experience a cross-loading problem. Farrell (2010) also recommends a combination of both constructs in the event that a lack of discriminant validity remains. However, collapsing both constructs into one is not theoretically sound. Cohen et al. (2003) suggest dropping one or more independent variables from the model as a final option when a problem related to discriminant validity endures.

It is a decision to drop the package similarity construct instead of the perceived quality construct from the model. According to the literature on the development of the model, marketing mix elements have an impact on the development of brand equity, which can be measured through consumers' willingness to pay (Yoo et al., 2000, Sethuraman, 2003). The original model contains two constructs, product development and package similarity, to represent the "p-product" element. Removing one of the two variables does not jeopardize the supporting theory. The alternative action of deleting the perceived quality construct from the model would impair the research interest on the mediating effect of the variable. Therefore, the perceived quality construct remains in the model, whereas the package similarity variable is removed to improve discriminant validity.

The analysis of the second measurement model demonstrates a slight improvement in the model fit. The following results are reported: $\chi 2/df$ = 2.947, GFI = 0.91, NFI = 0.93, CFI = 0.95 and RMSEA = 0.049. Every construct fulfills the minimum requirement for convergent validity, with factor loadings of 0.67 to 0.99, AVE values ranging from 0.55 to 0.94, and CR values ranging from 0.78 to 0.97. The analysis of discriminant validity also yields a positive result for all constructs. Table 5.11 displays the correlation coefficients among the constructs in the second measurement model.

Table 5.11

Correlation coefficients of the constructs (the 2nd measurement model)

Constructs	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
1. Product Development	(0.82)[a]							
2. Sales Promotions	0.49***	(0.78) [a]						
3. Store Product Image	0.29***	0.33***	(0.78) [a]					
4. Store Atmosphere	0.26***	0.28***	0.66***	(0.78) [a]				
5. Store Advertising	0.33***	0.33***	0.51***	0.66***	(0.74) [a]			
6. Store-Category Association	0.30***	0.36***	0.57***	0.69***	0.70***	(0.75) [a]		
7. Perceived Quality	0.60***	0.70***	0.42***	0.44***	0.53***	0.49***	(0.78) [a]	
8. Willingness to Pay	0.14***	0.10*	0.23***	0.12*	0.08*	0.01	0.27***	(0.97) [a]

* $p < 0.05$, *** $p < 0.001$

[a] Square root of average variance extracted for each construct

5.5.2.2 Analysis of the multi-group model

According to Hair et al. (2010), testing for measurement invariance occurs prior to the moderation assessment in structural model estimates. Due to the interest in the effect of different brand names on the relationship between the independent and dependent variables, a multi-group confirmatory factor analysis is performed to verify the measurement invariance between the two groups of own-name and other-name brandings. The results indicate a satisfactory fit ($\chi 2/df = 2.015$, GFI = 0.89, NFI = 0.90, CFI = 0.95, RMSEA = 0.035). After constraining the equality of the two samples, the goodness-of-fit between the restricted and the unrestricted models demonstrates acceptable results ($\Delta\chi 2 = 23.990$, $\Delta df = 22$, $p = 0.348$). The requirement of no significant variation between the measurements of the two models is fulfilled. Therefore, further analysis of the structural model independently indicates the effect of each group on the studied relationships. The results for the critical ratio (C.R.) of the differences between the regression weights for own-name and other-name brandings also indicate a significant level (C.R. > ±1.96) for two measurement variables: first (PS1: produced by a manufacturer of leading brands) and second (PD1: improvement in product). The significant levels are reported as +1.998 and +1.977 for PS1 and PD1, respectively. The differences in the regression weights between the two groups are not restricted and are allowed to vary in the subsequent analysis of the structural model.

5.6 The structural model

The structural model is performed to assess the relationships among the constructs. After a modification for model fit in the measurement model, there are changes in the model in relation to the conceptual framework. Originally, four constructs from the brand-level factors and two constructs from the store-level factors affected the perceived quality and willingness to pay for private label brands. Meanwhile, constructs in the most recent model consist of two variables and four variables from the brand-level factors and the store-level factors, respectively. Figure 5.2 presents the revised model for structural analysis.

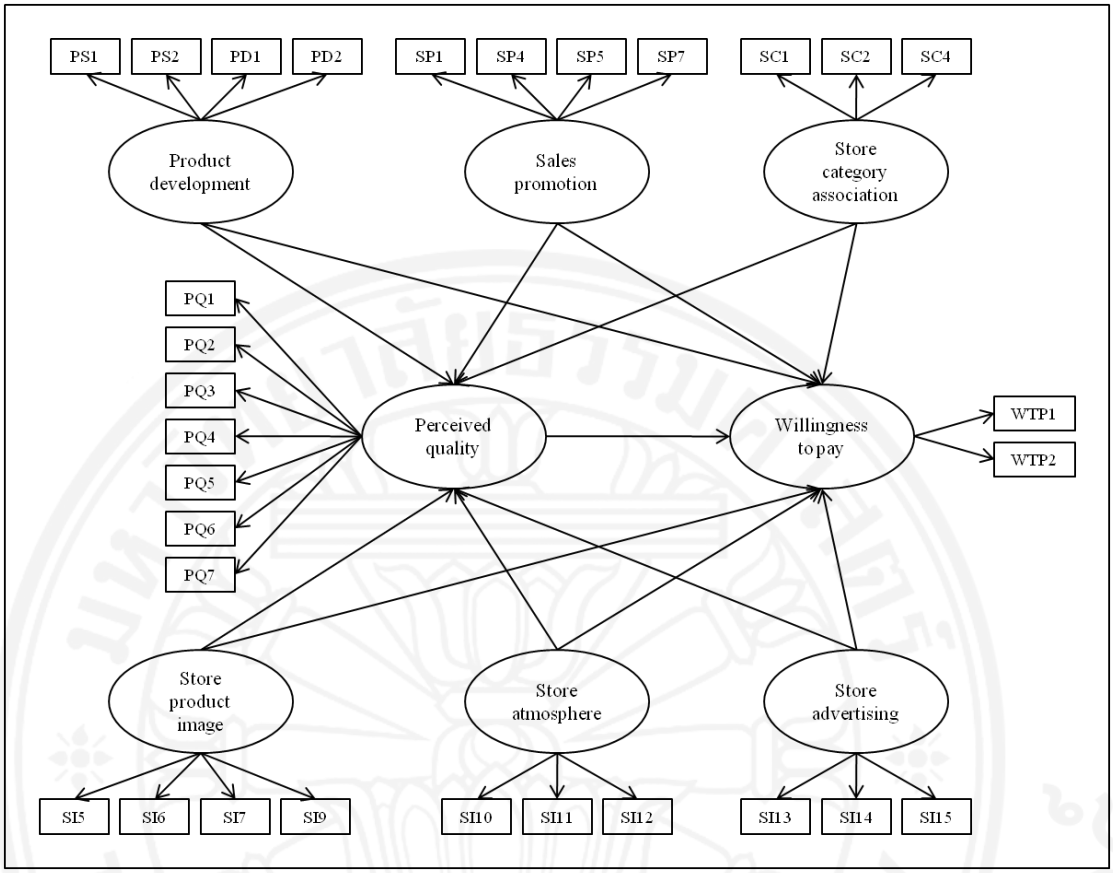

Figure 5.2 Structural model

5.6.1 The revised hypotheses

Due to the adjustments to the model, revising some of the hypotheses is required. For the two variables from the brand-level factors, product development and sales promotion, the hypotheses regarding the relationship with perceived quality and willingness to pay remain the same. The hypothesis regarding store-category association, another variable from the store-level factors, is also maintained. The changes occur based on the original store image construct, which the literature recommends decomposing into three variables as a result of the modification of the measurement model process: store product image, store atmosphere, and store advertising. However, the direction of their relationships with perceived quality and willingness to pay is identical to the original store image construct because these variables are antecedents of store image (Vahie and Paswan, 2006). The argument for adjusting the hypotheses is also relevant for the

investigation of the moderating role of the private label branding strategy in the relationships. The summary of the revised hypotheses is as follows.

Relationships with perceived quality and willingness to pay

H1a: Consumer perceptions of PLs' new product development positively affect the perceived quality of PLs.

H1b: There is a positive direct relationship between consumer perceptions of PLs' new product development and the WTP for PLs.

H2a: Consumer perceptions of sales promotions negatively affect the perceived quality of PLs.

H2b: There is a negative direct relationship between consumer perceptions of sales promotion intensity and the WTP for PLs.

H3a: Consumer perceptions of store product image positively affect the perceived quality of PLs.

H3b: There is a positive direct relationship between consumer perceptions of store product image and the WTP for PLs.

H4a: Consumer perceptions of store atmosphere positively affect the perceived quality of PLs.

H4b: There is a positive direct relationship between consumer perceptions of store atmosphere and the WTP for PLs.

H5a: Consumer perceptions of store advertising positively affect the perceived quality of PLs.

H5b: There is a positive direct relationship between consumer perceptions of store advertising and the WTP for PLs.

H6a: Consumer perceptions of store-category association positively affect the perceived quality of PLs.

H6b: There is a positive direct relationship between consumer perceptions of store-category association and the WTP for PLs.

Relationships between perceived quality and willingness to pay

H7: Consumer perceptions of quality have a positive effect on the WTP for PLs.

Moderating role of branding

H8: The branding strategy moderates the effect of product development on a) perceived quality and b) the WTP for PLs; thus, the positive effect is weaker for own-name branding.

H9: The branding strategy moderates the effect of sales promotions on a) perceived quality and b) the WTP for PLs; thus, the negative effect is weaker for other-name branding.

H10: The branding strategy moderates the effect of store brand image on a) perceived quality and b) the WTP for PLs; thus, the positive effect is stronger for own-name branding.

H11: The branding strategy moderates the effect of store atmosphere on a) perceived quality and b) the WTP for PLs; thus, the positive effect is stronger for own-name branding.

H12: The branding strategy moderates the effect of store advertising on a) perceived quality and b) the WTP for PLs; thus, the positive effect is stronger for own-name branding.

H13: The branding strategy moderates the effect of store-category association on a) perceived quality and b) the WTP for PLs; thus, the positive effect is stronger for own-name branding.

H14: The branding strategy moderates the effect of perceived quality on the WTP for PLs; thus, the positive effect is stronger for other-name branding.

The summary of the revised hypotheses is provided in Table 5.12

Table 5.12

Summary of the revised hypotheses

Independent Variables	**Endogenous Variables**			
	Perceived Quality		**Willingness to Pay**	
	Hypothesis	**Direction**	**Hypothesis**	**Direction**
Direct Effect				
Product Development	H1a	+	H1b	+
Sales Promotions	H2a	-	H2b	-
Store Product Image	H3a	+	H3b	+
Store Atmosphere	H4a	+	H4b	+
Store Advertising	H5a	+	H5b	+
Store-Category Association	H6a	+	H6b	+
Perceived Quality			H7	+
Moderating Role of Branding				
Product Development	H8a	< for own brand	H8b	< for own brand
Sales Promotions	H9a	< for other brand	H9b	< for other brand
Store Product Image	H10a	> for own brand	H10b	> for own brand
Store Atmosphere	H11a	> for own brand	H11b	> for own brand
Store Advertising	H12a	> for own brand	H12b	> for own brand
Store-Category Association	H13a	> for own brand	H13b	> for own brand
Perceived Quality			H14	> for other brand

5.6.2 Direct effects

The results of the analysis of the structural model identify a good fit between the studied model and the data. The study discloses the following fit indices: $\chi 2/df = 2.947$, GFI = 0.91, NFI = 0.93, CFI = 0.95 and RMSEA = 0.049. Three of six variables significantly affect consumers' quality perception of private label brands: product development, sales promotions, and store advertising. However, only product development and store advertising confirm the equivalent direction of the relationship, whereas sales promotions yield the opposite effect. H1a suggests a positive relationship between product development and perceived quality. The result confirms the hypothesis ($\beta = 0.276$, $p < 0.001$). A positive confirmation is also obtained for H5a, where store advertising is expected to have a positive relationship with perceived quality ($\beta = 0.232$, $p < 0.001$). Although a negative relationship between sales promotions and perceived quality is expected from H2a, the result unexpectedly demonstrates a positive significant relationship ($\beta = 0.463$, $p < 0.001$). However, the unconfirmed H3a, H4a, and H6a do not support the predicted relationships of the remaining store product image, store atmosphere, and store-category association variables, respectively.

With respect to the effect on WTP, four of seven relationships are robustly confirmed. Regarding H2b, the hypothesized negative relationship between sales promotions and willingness to pay is confirmed at a significant level ($\beta = -0.192$, $p < 0.001$). Regarding H3b, there is evidence for the existence of a positive relationship between store product image and willingness to pay, as shown through the standard coefficient of 0.238 at $p < 0.001$. A significant negative relationship is demonstrated between store-category association and willingness to pay ($\beta = -0.343$, $p < 0.001$), which, surprisingly, opposes the predicted positive relationship in H6b. The last robust relationship has the strongest effect on willingness to pay compared to the other three relationships. As hypothesized in H7, perceived quality is expected to have a positive influence on willingness to pay. The result confirms this prediction, with $\beta = 0.447$ at $p < 0.001$. Regarding the remaining three relationships, product development, store atmosphere, and store advertising are not statistically significant at $p = 0.05$ and do not support H1b, H4b, and H5b, respectively. The summary of the hypothesized relationships is displayed in Table 5.13.

5.6.3 Mediating effects

To analyze the mediating effect of perceived quality, an analysis of the direct and indirect models is performed, as suggested by Ho (2006). According to Baron and Kenny (1986), a comparison between the unconstrained model (in which six exogenous variables freely affect the two endogenous variables of perceived quality and willingness to pay) and the constrained model (in which the direct paths of six variables and willingness to pay are constrained to zero) is made to identify a possible mediation. According to Hair et al. (2010), a good fit of the constrained model indicates that the model supports the mediating role ($\chi 2/df = 3.047$, GFI = 0.91, NFI = 0.92, CFI = 0.95, RMSEA = 0.050). After comparing the constrained model with the unconstrained model, a significant improvement in the fit signifies that a completed mediation of all constructs is not supported ($\Delta\chi 2 = 55.872$, df = 6, p = 0.000). Further analysis to identify the mediated paths of the relationship is required. In conclusion, the findings indicate a good fit of both models and that a mediating effect exists.

According to Hair et al. (2010), identifying a mediating effect in the structural model requires an analysis of both direct and indirect effects. Direct effects concern the relationship between the two constructs, whereas an indirect effect involves the mediating effect of an intervening variable in the relationship. Data on the direct, indirect, and total effects of the influencers on the endogenous variables are presented in Table 5.14.

Table 5.13

Structural model estimates

Hypotheses	Relationship	Estimate	p-value	Conclusion
H1a	Product development → perceived quality	0.276	0.002	Significant/ supported
H2a	Sales promotions → perceived quality	0.463	0.002	Significant/ not supported
H3a	Store product image → perceived quality	0.038	0.377	Insignificant
H4a	Store atmosphere → perceived quality	0.062	0.220	Insignificant
H5a	Store advertising → perceived quality	0.232	0.007	Significant/ supported
H6a	Store-category association → perceived quality	-0.010	0.854	Insignificant
H1b	Product development → willingness to pay	-0.035	0.365	Insignificant
H2b	Sales promotions → willingness to pay	-0.192	0.005	Significant/ supported
H3b	Store product image → willingness to pay	0.283	0.002	Significant/ supported
H4b	Store atmosphere → willingness to pay	-0.004	0.920	Insignificant
H5b	Store advertising → willingness to pay	0.057	0.531	Insignificant
H6b	Store-category association → willingness to pay	-0.343	0.002	Significant/ not supported
H7	Perceived quality → willingness to pay	0.447	0.001	Significant/ supported

Table 5.14

Direct, indirect, and total effects of the relationships

Independent Variables	**Endogenous Variables**					
	Perceived Quality (R^2 = 0.652)			**Willingness to Pay (R^2 = 0.617)**		
	Direct Effect	**Indirect Effect**	**Total Effect**	**Direct Effect**	**Indirect Effect**	**Total Effect**
Product Development	0.276**	-	0.276**	-0.035	0.123***	0.089*
Sales Promotions	0.463**	-	0.463**	-0.192**	0.207***	0.015
Store Product Image	0.038	-	0.038	0.283**	0.017	0.300**
Store Atmosphere	0.062	-	0.062	-0.004	0.028	0.023
Store Advertising	0.232**	-	0.232**	0.057	0.104**	0.160*
Store-Category Association	-0.010	-	-0.010	-0.343**	-0.005	-0.348**
Perceived Quality	-	-	-	0.447***	-	0.447***

Note: Standardized coefficients are reported.

* p < 0.05, ** p < 0.01, *** p < 0.001

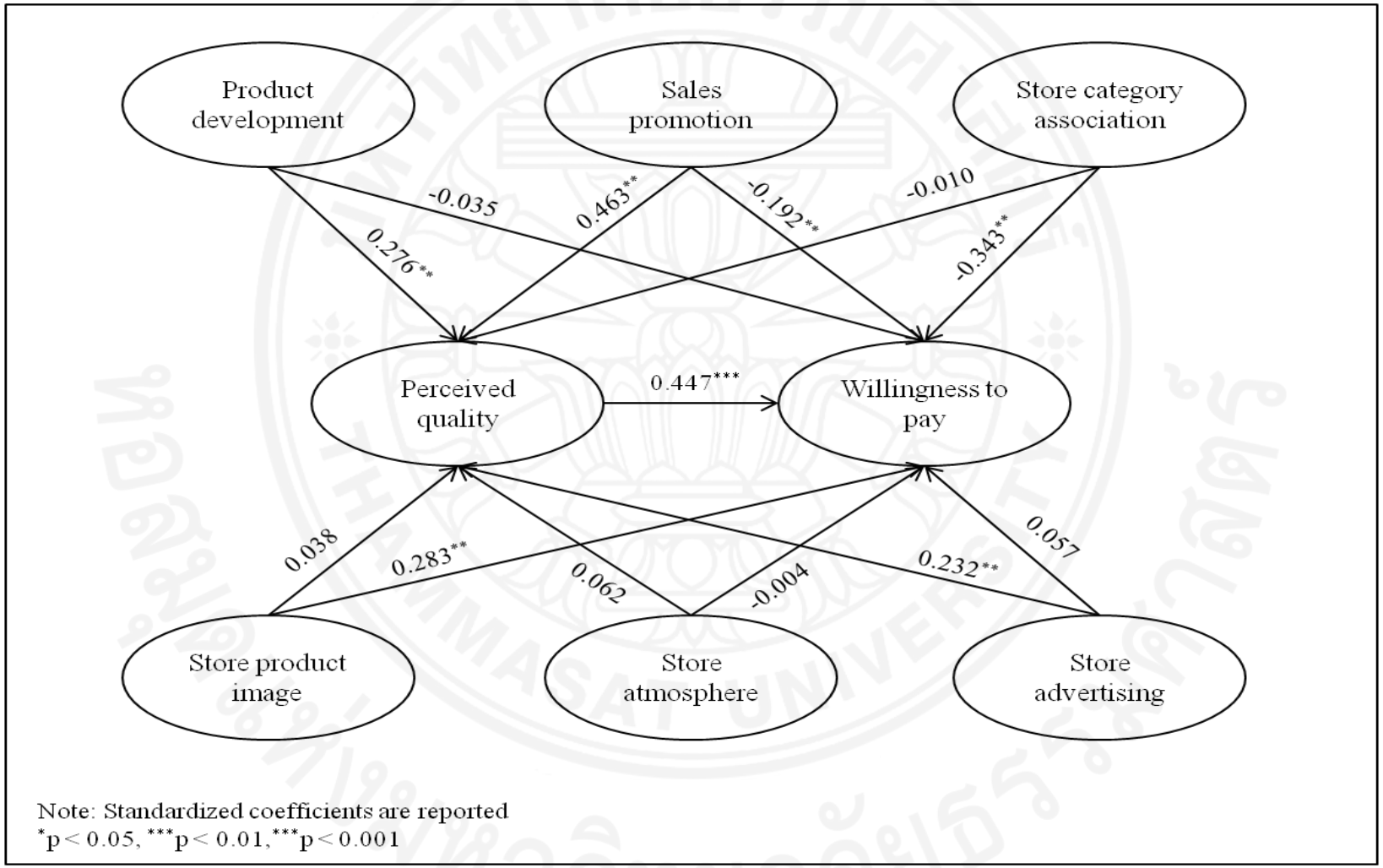

Figure 5.3 Direct and indirect effects of the relationships

To classify the types of mediation effects, studies by Baron and Kenny (1986) and Zhao et al. (2010) are used as benchmarks. Full mediation occurs when only an indirect effect is present, with an absence of direct effects in the relationship. In the event that both direct and indirect effects are present in the relationship, the mediation is partial. Zhao et al. (2010) categorize this type of mediation into two groups: complementary mediation and competitive mediation. The first group reflects the mediation when there is coherence in the direction of the relationship between the direct and indirect effects. In the latter mediation, the directions of the relationships of both effects are the opposite. In some studies, this competitive mediation is also known as inconsistence mediation (Little et al., 2007). The relationship is classified as have no mediation when indirect relationships do not exist, having either only a direct effect or no direct effect.

Table 5.14 shows that there is no significant direct relationship between product development and willingness to pay. Instead, the relationship is fully mediated by perceived quality. The results also suggest significant direct and indirect relationships between sales promotions and willingness to pay. There is an indication of partial mediation of the relationship through perceived quality. The only statistically significant direct relationship exists for the relationship between store product image and willingness to pay. No mediation effect for perceived quality is identified. Regarding the relationship between store atmosphere and willingness to pay, neither direct nor indirect relationships exist. The relationship is considered a no-effect and no-mediation relationship. The relationship between store advertising and willingness to pay represents another case of full mediation in the present study. There is evidence of a significant indirect relationship and an insignificant direct relationship. On the other hand, the relationship between store-category association and willingness to pay is unmediated. Only a direct relationship is confirmed.

For the indirect link, the effect of sales promotions on willingness to pay through perceived quality is slightly higher than the effects of product development and store advertising through the same mediated path ($\beta = 0.207$, $\beta = 0.123$, and $\beta = 0.104$, respectively). The remaining variables, including store product image, store atmosphere, and store-category association, do not significantly influence willingness to pay through perceived quality.

Of the seven variables that have a total effect on willingness to pay, the effects of sales promotions and store atmosphere are not statistically significant at $p = 0.05$. The total effect results indicate that perceived quality has the highest influence, with $\beta = 0.447$, and that product development has the least influence, with $\beta = 0.089$. Elements from the store level have stronger influences compared to those from the brand level. Store-category association has a surprisingly negative total effect on the willingness to pay and is considered to have the most robust influence among the store-level factors, with $\beta = -0.348$, followed by the influence of store product image and store advertising at $\beta = 0.300$ and $\beta = 0.160$, respectively. Regarding brand-level factors, only product development has a significant total effect on willingness to pay. On the other hand, sales promotions unexpectedly produce no total effect, despite the item's direct and indirect influence on willingness to pay.

Table 5.15 summarizes the mediating effect of perceived quality on the influence of consumers' willingness to pay.

Table 5.15

Mediating role of perceived quality

Relationships	**Types of Mediation**
Product development → willingness to pay	Full mediation
Sales promotions → willingness to pay	Partial mediation – competitive
Store product image → willingness to pay	No mediation – direct only
Store atmosphere → willingness to pay	No mediation – no relationship
Store advertising → willingness to pay	Full mediation
Store-category association → willingness to pay	No mediation – direct only

Table 5.14 also confirms hypotheses H2b and H3b, showing that there are significant direct relationships between both sales promotions and store product image and willingness to pay. Regardless of the direction of the relationship that contradicts our expectation, store-category association holds a significant negative direct influence on willingness to pay (H6b).

5.6.4 Moderating effects

Multi-group structural analysis is performed to identify the moderating effect of own-name and other-name private label branding. A comparison between the restricted and unrestricted models indicates a good fit, with significant deterioration when the causal relationship is constrained, forcing an equal loading between the two groups. When separately evaluated, the path estimate and model fit significantly improve, which indicates a moderation in the model (Hair et al., 2010). Table 5.16 displays the model fit comparison between the restricted and unrestricted models. The significance level ($p = 0.052$) of the Chi-square difference indicates that private label branding moderates some of the relationships in the structural model. To identify the moderating effects of each path, the critical ratio for the differences (CR) is taken into consideration. If the CR is less than ±1.96, then the difference in the parameters between the groups is insignificant. However, if the CR is greater than ±1.96, the variation between the two groups is statistically significant. Therefore, the moderation exists in the path.

For the "own-name" branding group, the results indicate that 66.1% of the variance in perceived quality is explained by product development, sales promotions, store product image, store atmosphere, store advertising, and store-category association, whereas the abovementioned variables, together with perceived quality, explain 64.8% of the variance in willingness to pay. In the "other-name" branding group, the variances explained by perceived quality and willingness to pay are 63.6% and 66.7%, respectively.

The analysis of the two subgroups, as shown in Table 5.17, suggests a significant relationship between the six paths (product development-perceived quality, sales promotions-perceived quality, store advertising-perceived quality, store product image-willingness to pay, store-category association-willingness to pay, and perceived quality-willingness to pay) in the "own-name" branding group. Subdividing into the influences on perceived quality and on willingness to pay, sales promotions contribute the highest influence ($\beta = 0.466$) on how consumers perceive product quality, whereas quality perception is the most influential factor on willingness to pay ($\beta = 0.372$). With the exception of five paths, the eight remaining relationships are significant in the "other-name" branding group. Six of eight

significant relationships parallel the “own-name” branding group. An additional two paths are the links between store product image-perceived quality and sales promotions-willingness to pay. Sales promotions have the strongest effect on perceived quality, whereas perceived quality contributes mostly to consumers’ willingness to pay for “other-name” private label brands at $\beta = 0.519$ and $\beta = 0.442$, respectively.

The results also illustrate that the relationship between sales promotions and perceived quality is significantly moderated by private label brand names with a CR value of -2.62, which is higher than ± 1.96 for $p < 0.05$. Another path moderated by private label brand names is the relationship between store product image and perceived quality, as indicated by a CR value of 2.220. These outcomes signal that the strength of these two relationships is significantly different between the two groups. According to H9a, the negative relationship between sales promotions and perceived quality is expected to be weaker for “other-name” branding. However, the results indicate a significantly opposite relationship. A stronger positive effect of “other-name” branding is evident. Regarding H10a, the results surprisingly reveal a stronger positive effect of store product image on perceived quality from “other-name” branding compared to the insignificant effect of “own-name” branding. This finding is contrary to the hypothesized relationship that the “own-name” effect is stronger than the “other-name” effect. Although the relationships among the remaining factors have similar levels of intensity, the rejection of the hypothesis is suggested, given that the critical values for the differences are not significant. The lack of a moderating role played by branding is confirmed.

Table 5.16

Multi-group model fit comparison

	χ^2 (d*f*)	$\Delta\chi^2$ (d*f*)	*p*	GFI	NFI	CFI	RMSEA
Unrestricted Model	1560.609 (774)			0.891	0.901	0.947	0.034
Restricted Model	1581.742 (787)	21.133 (3)	0.052	0.889	0.900	0.947	0.035

Table 5.17

Multi-group structural analysis

Relationships	**Own-Name Brand**	**Other-Name Brand**	**CR**
Product development → perceived quality	0.254***	0.205***	1.147
Sales promotions → perceived quality	0.466***	0.519***	-2.162*
Store product image → perceived quality	0.064	0.055**	2.220*
Store atmosphere → perceived quality	0.069	0.057	-1.076
Store advertising → perceived quality	0.270*	0.246**	0.902
Store-category association → perceived quality	-0.053	-0.043	-0.029
Product development → willingness to pay	-0.034	-0.032	0.663
Sales promotions → willingness to pay	-0.164	-0.217**	-0.367
Store product image → willingness to pay	0.292**	0.296***	0.718
Store atmosphere → willingness to pay	-0.016	-0.016	-0.387
Store advertising → willingness to pay	0.074	0.080	-0.191
Store-category association → willingness to pay	-0.355**	-0.344*	0.324
Perceived quality → willingness to pay	0.372***	0.442***	-1.502

Note: CR = critical ratio of the difference

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

CHAPTER 6
DISCUSSION AND CONCLUSIONS

This final chapter begins with a discussion of the overall results. Explanations regarding congruent and contradictory results in relation to the hypothesized relationships are provided. Section two presents the contributions from the findings at both the theoretical level and the managerial level. The limitations of the present research and suggestions for future research are provided in the third section. The last section closes with the conclusion of this study.

6.1 Overall discussion

This study aims to uncover the factors that influence consumers' willingness to pay for private labels in two branding contexts. The results confirm several hypotheses but leave others unsupported.

6.1.1 Influence of product development

The results illustrate that product development indirectly affects willingness to pay through quality perception, with the absence of a direct effect. The former conclusion is consistent with expectations, whereas the latter conclusion is not. These findings can be explained by the continuous development of private labels and the introduction of new products into the market to compete with the national brands. Although high technological development is rare, actions such as the introduction of a new version, a change in packaging after revision, or the addition of new ingredients are observable by consumers. Comparisons are made in relation to the existing version of a brand. A product improvement can be justified in terms of better quality. This proposition is in line with the literature, which states that brands with constant development are likely to be perceived as being of high quality (Anselmsson and Johansson, 2009b; Pauwel and Srinivasan, 2009). On the other hand, not only private label but also national brands introduce new products into the market. The discrepancy in the advantage is minor. It is more difficult to justify the willingness to pay because many brands are also improving. Therefore, the decision on willingness to pay is verified not directly, but rather indirectly through perceived quality.

6.1.2 Influence of sales promotions

The findings on the relationship between sales promotions and perceived quality contradict the previous assumption of a negative association, whereas the negative relationship with willingness to pay is verified to be true. There are two plausible explanations for the inconsistency between the direct and indirect relationships. The first relates to the existence of various promotional offers. The second relates to consumers' associations between private label names and store names. Regarding the first explanation, the suspicion is that consumers may interpret sales promotions differently. According to Buil et al. (2013), monetary and non-monetary promotions influence perceived quality differently. Monetary promotions negatively influence perceived quality, whereas non-monetary promotions have the opposite effect. Private labels already offer lower prices than national brands. Lowering prices further through monetary promotions can affect profits. There may not be many offers of price reduction. Promotions become less visible for consumers to evaluate. Conversely, the shift by private labels to non-monetary promotions – including gifts, free samples, and display and feature activities – has become more evident (Palazón and Delgado-Ballester, 2009). Products are displayed in prominent corners. Consumers can more frequently detect these activities, which may clarify the rationale for the positive relationship between sales promotions and perceived quality. Moreover, sales promotions often trigger purchases. Positive experiences from using a product may create a positive attitude towards the brand; hence, a positive quality perception may occur. These justifications also apply to the positive indirect relationship between sales promotions and willingness to pay. The mediating effect of perceived quality is undoubtedly a major contributor to the price paid. The relationship between perceived quality and willingness to pay provides positive results, as anticipated. This study demonstrates the important influencing role on willingness to pay played by perceived quality, which is in line with the previous literature (Sethuraman and Cole, 1999; Steenkamp et al., 2010). Therefore, the positive indirect relationship holds true. It is wise for private labels to prolong quality improvement plans to increase willingness to pay. The second explanation rationalizes name connotation. Own-name private labels possess the same name as that of the store. Consumers may infer any monetary promotions offered by the store

as being promotions of their private labels. Stores often provide promotions not only to generate traffic but also to stimulate merchandise turnover. The perception of monetary promotions creates a negative association between sales promotions and willingness to pay.

With respect to the moderating role of brand name, the "other-name" branding effect is slightly stronger than the "own-name" branding effect on the relationship between sales promotions and perceived quality ($\beta = 0.519$ and $\beta = 0.466$, respectively). This promising result is geared toward "other-name" branding instead of "own-name" branding, as hypothesized. Possible explanations are the brand positioning of private labels and the types of promotions. The store under study, Tops supermarkets, positions its "other-name" brand (My Choice) higher than its "own-name" brand (Tops). According to Palmeira and Thomas (2011), consumers typically infer a higher quality for a higher-positioned brand when more than one brand is involved. A positive response is also gained by a higher-quality brand with the implementation of sales promotions (Bronnenberg and Wathieu, 1996, Lemon and Nowlis, 2002). Moreover, the premium positioned brand of Tops supermarkets also involves more non-monetary promotions to maintain its top positioning. With these actions, the stronger effect on "other-name" branding is produced.

6.1.3 Influence of store product image

Store product image was hypothesized to have a positive relationship with perceived quality and willingness to pay. The results support only its direct relationship with willingness to pay. The rationale behind this conclusion derives from the division of the original store image construct into three constructs, including the store product image variable. The measurement items are product quality, product variety, and product value. According to Vahie and Paswan (2006), only consumer perceptions of product quality positively influence the perceived quality of private labels. The influences of the product variety carried and the product value offered by the store do not significantly influence the perceived quality of private labels. Because two of the three items do not support the relationship, the insignificance of the relationship between store product image and perceived quality is explained. However, the hypothesis concerning the direct relationship with willingness to pay is supported. There is coherence between the findings and the

literature. Many studies confirm the positive effect of the measurement items on willingness to pay. Bertini et al. (2012) state that increased product variety is associated with better consumer ability to discriminate one alternative over others. Therefore, the decision on willingness to pay is easier to make. Moreover, once consumers obtain good value from a product, such as fair price per quantity, the willingness to pay increases. Willingness to pay decreases when consumers are unable to realize the benefits and value of the product (Smith and Nagle, 2002). The store's ability to provide these elements increases willingness to pay.

Taking the moderating effect of brand into consideration, there is a significant difference in the relationship between store product image and perceived quality among the two groups. The relationship exists only in the other-name branding group ($\beta = 0.055$), whereas no association is found in the own-name branding group. This finding contradicts the hypothesis, in which the effect of own-name branding is expected to be stronger due to a better association between the store name and the brand name (Collin-Dodd and Lindley, 2003). The explanation for the unanticipated result is the measurement item issue, as explained above. The existence of the relationship in the other-name branding group is explained by two reasons, product generalization and store positioning. According to Aaker and Keller (1990), private labels are often associated with lower quality. However, other-name-branded private labels prove to be an exception. Consumers often view and generalize them as another national brand that possesses superior quality. Tops supermarket stores (Tops Market), which were targeted for data collection, also position themselves to serve middle- to high-income consumers. Product assortments include products from first-rate national brands and imported goods from overseas. Because there is no identification that the other-name branding product is a private label, it is likely that consumers assume an association with the current product collection of the store. Therefore, the perception of high quality is believed.

6.1.4 Influence of store atmosphere

Based on the structural analysis, there is no evidence concerning the influence of store atmosphere on perceived quality and willingness to pay. The hypotheses are not supported. The results both contradict and support the existing literature. According to Vahie and Paswan (2006), store atmosphere significantly

influences perceived quality in a positive manner. By contrast, Baker et al. (1994) identify no relationship between the variables. It is suspicious that the inconsistency in the relationship may occur based on the measurement items used. Baker et al. (1994) classify store atmosphere into ambient factors, design factors, and social factors and measure them separately, whereas Vahie and Paswan (2006) combine them. After the data cleaning process for the measurement model, the adopted items from Vahie and Paswan (2006) are refined into three items equivalent to the design factor of Baker et al. (1994). Variations in the results compared to the literature become apparent. This explanation is also applied to the relationship with willingness to pay because the measurement items are identical.

6.1.5 Influence of store advertising

In this study, store advertising and perceived quality are hypothesized to have a positive relationship. The results state the significant impact of the relationship at $\beta = 0.232$. Consistency between this result and the supporting theory is found. It can be concluded that advertising is a cue that consumers use to evaluate product quality (Zeithaml, 1988). Frequent exposure to store advertising through different types of media indirectly allows consumers to justify the spending that the store invests. This advertising expenditure is classified as an extrinsic cue that consumers use to evaluate product quality (Kirmani and Zeithaml, 1993). However, the findings prove no direct relationship with the willingness to pay for private labels, as hypothesized. The rationale for the absence of the relationship is justified by the literatures on advertising and brand image, given that the variable is decomposed from the original store image construct. The results from the previous literature prove two relationships: between advertising and brand image and between brand image and the willingness to pay for the brand (Kirmani and Zeithaml, 1993, Anselmsson et al., 2014,). The concept of brand image is comparable to that of the store image because a store is considered a brand (Ailawadi and Keller, 2004). It is possible to assume the same relationship with regard to the store. However, a store typically offers many brands to provide a full assortment to consumers. The willingness to pay for a brand that a store carries may be applicable not only to private labels but also to national brands. Hence, in this research, the relationship is not identified. Only a fully mediated relationship through perceived quality is found.

6.1.6 Influence of store-category association

Two hypotheses regarding the store-category association are involved in the present study: the relationship with perceived quality and the relationship with willingness to pay. The former hypothesis is found to be insignificant, whereas the latter is statistically significant, with an opposite sign. The results do not verify those of the previous literature. It is suspicious that the types and numbers of stores involved in the investigation contribute to this dissimilarity. Prior studies investigate the association of products under two or more types of stores. Inman et al. (2004) and Bao et al. (2010) determine the association of products under a manipulation of two or more stores, including drug stores, electronic stores, and mass merchandising stores. Products that are presumed to be associated with different types of stores are assigned accordingly. It is straightforward for consumers to recognize the difference and the association. Due to the research focus on the effect of a particular store's private label branding, the present research evaluates products from the same store (Tops supermarkets) to examine store-category association. Because supermarkets are known to sell consumer goods, consumers may face complications in identifying the association and non-association of the two products, despite the category diversity. Moreover, the consumer goods offered in the market have low differentiations. High similarities in the product attributes of different brands create difficulties in justifying quality. Anderson (1994) confirms that greater product differentiation is correlated with better perceived quality. This finding possibly explains the insignificant relationship with perceived quality. With low product differentiation, the value perceived is likely to be small, in addition to willingness to pay. This low differentiation in the product categories chosen to analyze store-category association explains the negative relationship with willingness to pay.

6.1.7 Influence of perceived quality

As expected, perceived quality is found to have a significant and positive relationship with willingness to pay. It is classified as the strongest influence on willingness to pay among the other variables, with $\beta = 0.447$. This finding provides empirical evidence to support the previous literature on the influence of perceived quality and willingness to pay (Sethuraman and Cole, 1999, Apelbaum et

al., 2003, Anselmssen and Johanssen, 2009, Steenkamp et al., 2010). As stated by the literature, it is an important variable to focus on to stimulate the willingness to pay for private labels.

6.2 Research contributions

6.2.1 Theoretical contributions

Theoretically, the research contributes further knowledge on the subjects of willingness to pay, private labels, and branding. Historically, research has centered on the factors influencing consumers' willingness to pay for national brandss. Confirmation of the reciprocal effect on private labels remains uncertain and lacks empirical evidence (Sethuraman and Cole, 1999, Steenkamp et al., 2010). The results from this study resolve the historical uncertainty and fill the abovementioned gap. There are indications that previously studied factors of the willingness to pay for national brands also affect the willingness to pay for private labels. The confirmation of brand equity theory, which is applicable to brands and retail stores, is evident.

The dimensions regarding brand marketing activities, which are frequently observed in many studies, are combined in this study with elements from store activities to provide an integrated effect on consumers' willingness to pay. This infrequent arrangement not only provides an additional aspect regarding the influencers of willingness to pay but also significantly contributes to the private label literature. It becomes more evident that both influencing dimensions are important to the development of private labels. As stated with regard to the research gap, this improved understanding addresses the suggestion by Hoch and Banerji (1993) and Le Gall-Ely (2009) that the success of private labels depends on consumer perceptions of the comprehensive values provided by both the brand and the store.

The present research also suggests a new construct, named "store advertising", which is derived from the original store image variable, to be included in future studies on private labels. Decomposing the variables grants another perspective that the store's marketing activities, i.e., product, price, place, and promotion, are equally important to the success of private labels. Rather than investigating the total effect of store image, each element should be examined

individually. The result reinforces the suggestions by Wu et al. (2011) that the contribution made by the store to the willingness to pay for private labels should be considered more seriously, rather than focusing only on its effect on purchase behavior.

In addition, the findings highlight the mediating role and the moderating role of perceived quality and branding, respectively, in the study of private labels. Perceived quality is undoubtedly classified as a mediator of the brand-level and store-level factors in influencing willingness to pay. A robust confirmation of the previous literature on the role of perceived quality is indicated (Seturaman and Cole, 1999, Steenkamp et al., 2010). In terms of the role of branding, stores often give their private labels names identical to the store name. This study has proven that different brand names produce distinctive effects on consumer perceptions of private label, reinforcing the findings of Bao et al. (2011).

6.2.2 Managerial contributions

In addition to the contributions to academia, this research suggests several managerial implications for practitioners. The first and foremost issue to apprehend is the importance of perceived quality. Consumers often associate private labels with low price. The willingness to pay for private labels reflects the same direction. To increase willingness to pay, emphasizing perceived quality is recommended. The present study suggests that managers should focus on the following factors that improve consumers' perceived quality of private labels: product development, the implementation of sales promotions, and the employment of store advertising. Moreover, aspects other than perceived quality should be considered in increasing consumers' willingness to pay. Managers should not overlook managing the store's product image. Sales promotions should also be implemented with care to prevent a negative impact on willingness to pay.

Given that the research results verify a significant positive relationship between product development and perceived quality, managers should make the improvement of private labels visible to consumers. The constant revision of products is an indicator that consumers use to identify quality. Investing in the introduction of new versions of products is recommended. Moreover, manager should pay attention to the manufacturer selection process. Given that private labels

subcontract production, choosing a correct and well-known manufacturer will enhance product quality perceptions. Manufacturers of national brands are perceived to be outstanding in production quality compared to unknown manufacturers. The benefits of renowned manufacturers will be recognized only when consumers are able to identify the production sourcing. It is recommended that private labels educate consumers on this matter.

Private labels can implement sales promotions to increase their quality perception. The results on this unexpected positive relationship may derive from the types of sales promotions that the store applies. Monetary promotions are likely to influence perceived quality in a negative manner, whereas non-monetary promotions generate the opposite outcome (Buil et al., 2013). Private labels should place more emphasis on non-monetary promotions, such as displaying private label products in high-visibility areas, providing free samples for trial, promoting products in store flyers, attaching premiums to private label products, and organizing sweepstakes with private label products as prizes, to increase the positive quality perception. On the other hand, monetary promotions, such as price reductions and coupons, should be avoided because the possibility of destroying brand image and lowering the willingness to pay for private labels is high.

To increase the positive quality perception of private labels, managers are also advised to consider store advertising as a strategy. It is worthwhile to invest in private labels to build a quality image. The previous literature and the present study confirm this association. Advertising expenditures should center on increasing consumers' exposure through advertising frequency and variety. Consumers should be able to see messages from the store from different types of media more frequently. The constant visibility of the store through advertising implies high levels of investment and credibility, which subsequently yield a better quality perception.

A retail store that offers private labels in the market should also pay attention to the management of the product assortment. According to the findings, the types of products carried in the store affect the prices that consumers are willing to pay. Product collections should contain characteristics of high quality, great variety, and fair value for the money to create a positive store product image. When

consumers believe in the favorable traits of the assortment, it is likely that the private labels, which are among many options, will be presumed to be no different. The willingness to pay for private labels is likely to increase.

By identifying the price that consumers are willing to pay, the implementation of a pricing strategy would be simpler for the private label brands. Comparison between prices that consumers are willing to pay and actual prices that are currently offered in the market would allow private labels to identify possible pricing adjustments to consumers' preferences. For instance, if the actual price is higher than the price that consumers are willing to pay, the brand may have to reset a lower price than the willingness to pay level in order to stimulate higher purchases. On the other hand, if the actual price is lower than the consumers' willingness to pay, an opportunity for the brand to increase the price to improve profit margins occurs. Extra margins gained can be utilized in the marketing area, and in improving the quality of private labels

Despite the fact that methods to improve product quality and willingness to pay result in higher costs and diminish private labels competitive advantage of lower prices, it is still possible for them to successfully compete with the national brands. Private labels may shift the focus to other store activities, such as a more visible shelf display or improving the assortment of products carried by the store, which come under the direct supervision of the store and involve less expense. With improved store perception, trust in the store increases and can be leveraged to the private label brands.

6.3 Limitations and suggestions

Similar to other research, the present study contains limitations in addition to contributions. In this section, several limitations are discussed, and suggestions are provided.

First, this study focuses on the effect of sales promotions on perceived quality and the willingness to pay for private labels. Rather than being divided into different types, the indicators that specify sales promotions are combined to capture the total effect. Each sales promotion tool may have an effect that counters the

variables under study. Breaking down the elements into monetary and non-monetary promotions in future research may enhance the ability to accurately determine the effects and implementation strategies.

The second limitation also concerns the integration and the decomposition of the variable. Store image is the overall perception of a particular store that consumers have. However, there are many other elements that generate store image. Future research can specifically focus on each of these elements. More closely examining each element in the composition may offer better insights into its influence. Other elements that relate to the store, rather than the store image, should also be considered. As stated in the literature, there are many elements that make up brand equity. The current research focuses on some of the store elements that help to create a positive quality perception and improve the private label brand equity, i.e. willingness to pay. However, perceived quality is only one of the four dimensions of brand equity. Further examination of the factors that would have an influence over other elements of brand equity would provide a deeper perspective in which to improve private labels. Store equity's components mimic those of brand equity and can also be improved. Consequently, the benefits that private labels can acquire by the positive activities of the store can add leverage to the private label brands.

Because this research aims to investigate the moderating role of branding, store selection must be controlled. A store with two types of branding (own-name private label branding and other-name private label branding) is the most suitable. The inclusion of only one store generates the third limitation. The data was collected only in one type of store, a supermarket. However, there are many other types of stores, such as hypermarkets, convenience stores, and drug stores, which offer private labels. Consumer responses may vary across stores. Incorporating more stores into future research may improve the generalizability of the findings. Constraints on store selection also generate the fourth limitation: the finding of an influence of the store-category association on perceived quality and willingness to pay. It is more difficult for consumers to identify the association of products within the same store. Future research on store-category association should be separately investigated to remove the one-store effect. Moreover, different stores specialize in different product categories. By examining the moderating role of the store-category association, it would help to

broaden the private labels' selection of proper categories in which to invest and in the way they serve consumers.

Fifth, the moderating effect of branding may produce different results, depending on consumers' knowledge of brand ownership. The benefits received from viewing other-name branding private labels as national brands might not be realized if consumers are aware that the brand is under the administration of the retail store. Testing consumers' knowledge of the brand identity together with the different types of branding may provide additional perspectives for the research field.

Sixth, the two private label brands used to examine the moderating effect were selected based on brand availability in the store. One had to be harmonized with the store name, whereas the other did not. Because the private label market is not fully developed and few private label brands exist, the brand positioning of the two brands was not taken into consideration. The effect of inconsistent positioning may be present. Future research should either control for positioning, or select brands with similar types of positioning to investigate the branding effect. Additionally, future research may focus on the positioning effect of different private label brandings against various national brands. Research has been conducted on private label positioning, i.e. premium tier, standard tier, and economy tier. Recommendations have been given regarding strategic actions of various private label tiers against diverse national brand tiers (Geyskens et al., 2010). However, an integration of the branding effect has never been considered. Several questions are still left unanswered. For example, would the other-name premium private labels receive a better positive response when positioned against premium national brands rather than the own-name premium ones? On the other hand, would the own-name premium private labels have more impact on consumers when placed closer to mainstream national brands? Moreover, should the private labels implement different branding strategies for different positioning? It would be interesting to see consumers' responses towards the different strategies chosen. Other research methods, such as an experimental design, could also be implemented.

The next suggestion concerns with the characteristics of sample in the research. Many studies, including the current one, focus their sampling on existing private label users instead of non-users, as such; a positive response is more likely.

Inclusion of non-users in the study may provide additional explanations on non-purchasing behavior. This could lead to the possibility of identifying mechanisms which would convert non-users into purchasing private labels.

Finally, the classification of consumers' willingness to pay appears in the form of "percentage" differences to the price of national brands. It is still ambiguous as to whether or not the measurement of the willingness to pay based on the "actual price" variation would yield similar results. Consumers normally use different price points of product categories to justify the price differences amongst brands. Portraying prices as having the same percentage difference across product categories may not stimulate similar consumers' responses because the actual price differences are not identical. For instance, a ten percent difference in a low priced category may not be as appealing as would a ten percent difference in a high priced category since the actual price difference are not highly visible. A comparison of consumers' willingness to pay under two conditions, a percentage price difference and an actual price difference, may provide other perspectives on the study of consumers' willingness to pay. Other issues, such as the level of involvement, the level of price dispersion in each category, consumers' knowledge, and product category, can be integrated in the study to bring a greater depth of understanding.

6.4 Conclusion

The present study on determining the factors that influence the willingness to pay for private labels through the mediation effect of perceived quality and moderating role of private label branding provides additional perspectives for both theory and practice. The effects of brand and store outlooks are integrated rather than separated, as they have been in the past. The combined effects are able to be linked and analyzed. Influencing variables are polished through exploratory factor analysis and confirmatory factor analysis. Factors are preserved or eliminated, as suggested by the exploratory factor analysis prior to the analysis of the proposed measurement model through confirmatory factor analysis using structural equation modeling. The structural model is examined to determine the relationships.

The results support those in the literature, demonstrating that perceived quality is the most influential factor on the willingness to pay for private labels. Additionally, the results suggest that managers should focus on improving the quality of private labels. The high willingness to pay in this study is the consequence of private label emphasis on brand activities and store management. Because these elements produce both positive and negative effects, managers should carefully examine each element. The decision on private label branding must also be considered. Different activities under different private label brand names produce different effects on consumers' willingness to pay for private labels.

Despite the fact that the study of private labels and willingness to pay has been longstanding over recent decades, continuous changes in consumer behavior and constant updates in strategies mean that these topics remain thought provoking. Anticipating that the present research would make available additional information on the incorporated effects of the brand and the store on the willingness to pay for private labels, further study to identify other influencing variables under various contexts of measurements is encouraged. A deeper analysis of the willingness to pay for private labels is further warranted.

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APPENDICES

APPENDIX A
INTERVIEW SUMMARY

Five interviews were conducted in July 2013 as a preliminary measure for the development of the questionnaire and the confirmation of content validity. All the interviewees were regular shoppers of consumer goods at supermarkets and hypermarkets in Thailand. They were aware of the private label concept and had experience purchasing private label products. The summary of the interviews are as follows.

Mixed understanding of the private label concept

The interviews indicate that all the participants define private labels as products sold in a specific store. Private label products are branded identically to the store name. Two of the five interviewees had the deeper understanding that private labels can also be branded under names that are different from that of the store.

Private label purchase – a conditional purchase

The purchase of private labels is not as common as the purchase of national brands. Private label purchases are conditional. First, a private label purchase is category-specific. Product categories with low differentiation are likely to be the target because quality is not the main concern and cannot be differentiated. Consumers perceive different brands to be the same. Examples of categories noted by interviewees are tissue paper and drinking water. Second, private label products in lower-risk categories have a higher chance of being purchased. The basic justification that one interviewee applies is the comparison between external and internal uses. The interviewee stated that "the risk from intake consumption is more excessive than external use, and I will not buy private labels for internal consumption". Moreover, the interviewees stated that the use of private labels affects the image of users, especially in the collectivist society of Thailand. The visibility of product usage is the third condition summarized from the interviews. Purchase for "at home" use rather than "out of home" use is likely for private labels. A participant noted, "I purchase private label tissue for home and national brand tissue for the office". By having the

three above mentioned product characteristics, private labels receive higher possibility to be purchased. Not possessing these characteristics, however, does not prevent private labels from being purchased if consumers have positive product knowledge. With greater product knowledge on issues such as the source of manufacturing and past experience, the likelihood of purchasing private labels increases. This proposition is confirmed as the fourth condition noted by the interviewees.

Fifth, promotions create an initial trial purchase of private labels. Several interviewees noted that a lack of promotion will result in no purchase of private labels. However, there is no guarantee that consumers will purchase any private labels when there is a promotion. The product category still plays a major role in the decision. Promotional offers in high-differentiation, high-risk, and high-visibility categories might not be favorable to private labels. Promotions by national brands will also eliminate private labels from consideration. Finally, consumers expect a significant price difference from private labels compared to national brands when making the purchase. The rationale behind this condition is the low quality perception of private labels. Some people continue to purchase private labels because the attractive prices receive a payoff in terms of acceptable quality. Despite having the same quality, private labels maintain the low-price expectation. An interviewee stated, "private labels have fewer marketing expenses." Moreover, the substantial price difference claims responsibility for the private label's initial trial.

Repeat purchases come from satisfaction and trust

After experiencing private labels, consumers are able to justify the product's quality. If the quality meets the expected standards, repurchases occur. The willingness to pay for private labels will also increase as a consequence of satisfaction. Some private labels lure consumers into an initial purchase but are not able to deliver on their promise. Trust in the brand decreases, and the opportunity to repurchase declines or deceases.

Quality as a key influencing factor

Quality is defined as an important attribute that consumers use to rationalize the private label purchase and willingness to pay. All of the interviewees

rated quality as the most important factor. The perception of quality applies not only to the product dimension but also to the store dimension. An ability to justify product quality improves the possibility of purchasing and paying, despite the fact that the product is a private label brand. Although private labels are often associated with lower quality, the negative perception does not apply to all product categories.

The quality of the store is evaluated through an ability to maintain product and service standards. The reputation of the store quality can be leveraged to the product quality. Product categories that are associated with the store are perceived to be of better quality than those that are not associated with the store. However, the interviewees stated that the positive reputation of the store triggers the purchase outside the store's category of specialization and the willingness to pay.

External cue as quality justification

Packaging, product information, brand, and advertising are noted as cues used to verify product quality. These cues allow consumers to see differences among brands and improve willingness to pay. Rather than being a quality cue, packaging triggers a product trial when consumers do not have any prior experience with private labels. Nutritional data and information on ingredients are noted as being helpful in the evaluation process. Positive words, such as "imported" and "organic", signal higher quality. The brand plays an important role when other cues are perceived indifferently. The prices that consumers are willing to pay also vary by brand. Private labels with a name different from that of the store may create higher risk because consumers view them as unknown brands, but they are still evaluated as being better than private labels with the same name as that of the store. Own-name branding private labels are expected to be of lower quality and to have lower price positioning, followed by other-name branding private labels and national brands. Advertising by the store enhances the positive quality perception due to higher trust. Store and private label advertising raises the quality image, making it equal to that of national brands.

Positioning matters

Consumers compare multiple PLs brands within the same store to make purchase decisions and determine the price to be paid. Private labels with premium positioning represent higher quality. Those with the highest positioning are more preferred and receive the highest price consumers are willing to pay. For example, the My Choice brand by Tops supermarkets is perceived as being better than the Tops brand. Moreover, store positioning also affects consumer perceptions of the private labels of a particular store. Some retail chains possess a higher-quality image than other chains. One interviewee ranked the Aro brand by Makro cash and carry, the Tesco brand by Tesco hypermarket, and the Tops brand by Tops supermarkets as the lowest quality to the highest quality, respectively.

APPENDIX B
MEASUREMENT ITEMS TRANSLATION

Construct	Item	Questions - English	Questions - Thai
Product sourcing	PS1	I believe that (brand) (category) is produced by the manufacturer of the leading brand.	ฉันเชื่อว่า(สินค้า) (ยี่ห้อ) ผลิตโดยผู้ผลิตเดียวกันกับ(สินค้า)ยี่ห้อชั้นนำ
	PS2	(Brand) (category) has the common sourcing as well-known brand.	(สินค้า) (ยี่ห้อ) มาจากแหล่งผู้ผลิตเดียวกันกับ(สินค้า)ยี่ห้อที่มีชื่อเสียง
	PS3	In the (category), (brand) is produced by brand manufacturer.	ในกลุ่มผลิตภัณฑ์(สินค้า) (ยี่ห้อ) ผลิตโดยผู้ผลิตของยี่ห้อชั้นนำ
Product development	PD1	There has been an improvement of (brand) (category).	(สินค้า) (ยี่ห้อ) มีการพัฒนาปรับปรุงผลิตภัณฑ์
	PD2	There is a new version of (brand) (category).	(สินค้า) (ยี่ห้อ) มีผลิตภัณฑ์รุ่นใหม่ๆออกสู่ตลาด
	PD3	(Brand) (category) has changed its shape and dimensions.	(สินค้า) (ยี่ห้อ) มีการเปลี่ยนแปลงรูปร่างและขนาดของผลิตภัณฑ์
	PD4	(Brand) (category) obtains new formula.	ฉันสังเกตเห็นว่า(สินค้า) (ยี่ห้อ) มีการแนะนำส่วนผสมหรือส่วนประกอบใหม่ๆ / มีการใช้วัสดุใหม่ๆ
	PD5	In the (category), (brand) changes its packaging.	ในกลุ่มผลิตภัณฑ์(สินค้า) (ยี่ห้อ) มีการปรับปรุงเปลี่ยนแปลงลักษณะบรรจุภัณฑ์

Construct	Item	Questions - English	Questions - Thai
Package similarity	PK1	An overall appearance of (brand) (category) package is the same as other brands.	ลักษณะโดยรวมของบรรจุภัณฑ์(สินค้า) (ยี่ห้อ) เหมือนกับบรรจุภัณฑ์ของยี่ห้ออื่นๆ
	PK2	On the shelf, I cannot tell (brand) (category) from other brands as packages are similar.	เมื่ออยู่บนชั้นวางสินค้า ฉันไม่สามารถแยกแยะ(สินค้า) (ยี่ห้อ) จากยี่ห้ออื่นได้ เนื่องจากบรรจุภัณฑ์มีความคล้ายคลึงกัน
	PK3	In the tissue (category), (brand) brand and other brands look very similar.	ในกลุ่มผลิตภัณฑ์(สินค้า) (ยี่ห้อ) มีลักษณะเหมือนกันมากกับยี่ห้ออื่น
	PK4	The package of (brand) (category) looks expensive.	บรรจุภัณฑ์ของ(สินค้า) (ยี่ห้อ)ดูมีราคา
	PK5	The overall look of (brand) (category) is very attractive.	รูปลักษณ์โดยรวมของ(สินค้า) (ยี่ห้อ) เป็นที่ดึงดูดใจ
Sales promotion	SP1	Special promotions for (brand) (category) are frequently offered.	(สินค้า) (ยี่ห้อ) มักจะมีโปรโมชั่นพิเศษมานำเสนอบ่อยครั้ง
	SP2	It is easy to find special offers for (brand) (category).	ข้อเสนอพิเศษจาก(สินค้า) (ยี่ห้อ) มีให้เห็นอยู่บ่อยๆ
	SP3	Promotion for (brand) (category) is emphasized more than it seems to be.	(สินค้า) (ยี่ห้อ) มีการทำโปรโมชั่นมากกว่าที่ฉันคิด
	SP4	When there is a promotion, (brand) (category) offers big price cut.	เมื่อมีโปรโมชั่น (สินค้า) (ยี่ห้อ) จะลดราคาลงมาก
	SP5	(Brand) (category) significantly reduces price from its original price during promotional period.	(สินค้า) (ยี่ห้อ) ลดราคาลงจากราคาเดิมอย่างเห็นได้ชัดในช่วงระยะเวลาที่มีโปรโมชั่น
	SP6	There are different kinds of promotions offered by (brand) (category).	(สินค้า) (ยี่ห้อ) มีโปรโมชั่นที่แตกต่างกันหลายประเภท
	SP7	Promotions from (brand) (category) come in variety.	(สินค้า) (ยี่ห้อ) นั้นมีโปรโมชั่นหลากหลาย อาทิ ส่วนลด ของแถม แจกสินค้าตัวอย่าง เป็นต้น

Construct	Item	Questions - English	Questions - Thai
Store image	SI1	Employees at Tops Supermarket are very friendly.	พนักงานร้านท๊อปส์ซูปเปอร์มาร์เก็ตมีอัธยาศัยดี
	SI2	The service at Tops Supermarket is excellent.	การบริการของร้านท๊อปส์ซูปเปอร์มาร์เก็ตนั้นดีเยี่ยม
	SI3	Tops Supermarket is easy to shop in.	การเลือกซื้อสินค้าในร้านท๊อปส์ซูปเปอร์มาร์เก็ตนั้นสะดวกสบาย
	SI4	Tops Supermarket sells high quality products.	ร้านท๊อปส์ซูปเปอร์มาร์เก็ตจำหน่ายสินค้าที่มีคุณภาพสูง
	SI5	I can count on the products I buy at Tops Supermarket being excellent.	ฉันสามารถวางใจได้ว่าผลิตภัณฑ์ที่ซื้อจากร้านท๊อปส์ซูปเปอร์มาร์เก็ตนั้นเป็นผลิตภัณฑ์ที่ดีเยี่ยม
	SI6	Tops supermarket has a large variety of products.	ร้านท๊อปส์ซูปเปอร์มาร์เก็ตมีผลิตภัณฑ์มากมาย หลากหลาย
	SI7	Every type of product I need is at Tops Supermarket	ผลิตภัณฑ์ทุกประเภทที่ฉันต้องการมีอยู่ที่ร้านท๊อปส์ซูปเปอร์มาร์เก็ต
	SI8	The prices at Tops Supermarket are fair.	ราคาของสินค้าที่ร้านท๊อปส์ซูปเปอร์มาร์เก็ตเป็นธรรม
	SI9	I obtain value for my money at Tops Supermarket.	ฉันได้รับของที่คุ้มค่ากับเงินที่จ่ายไปที่ร้านท๊อปส์ซูปเปอร์มาร์เก็ต
	SI10	Tops Supermarket is clean.	ร้านท๊อปส์ซูปเปอร์มาร์เก็ตสะอาด
	SI11	Tops Supermarket is modern.	ท๊อปส์ซูปเปอร์มาร์เก็ตเป็นร้านค้าที่ทันสมัย
	SI12	The decoration of Tops Supermarket makes me feel pleasant.	การตกแต่งร้านของท๊อปส์ซูปเปอร์มาร์เก็ตทำให้ฉันรู้สึกรื่นรมย์
	SI13	Tops supermarket advertising is easily accessible.	โฆษณาของร้านท๊อปส์ซูปเปอร์มาร์เก็ตสามารถหาได้ง่าย มีอยู่ทั่วไป
	SI14	The advertising campaigns for Tops supermarket are frequently seen.	โฆษณาตามสื่อต่างๆของร้านท็อปซูปเปอร์มาร์เก็ตมีการเผยแพร่ให้เห็นบ่อย
	SI15	I have seen Tops supermarket advertised in different kinds of media.	ฉันพบโฆษณาของร้านท็อปซูปเปอร์มาร์เก็ตในสื่อหลายประเภท

Construct	Item	Questions - English	Questions - Thai
Store-category association	SC1	I would expect Tops Supermarket to sell tissue paper.	ฉันคาดหวังว่าร้านท๊อปส์ซูปเปอร์มาร์เก็ตมี (สินค้า) จำหน่าย
	SC2	Tops and tissue paper appear to fit together very well.	(สินค้า) เป็นผลิตภัณฑ์ที่เหมาะที่จะวางจำหน่ายในร้านท๊อปส์ซูปเปอร์มาร์เก็ต
	SC3	In my perception, tissue paper is one of the products that are closely associated with Tops Supermarket.	ในมุมมองของฉัน (สินค้า) เป็นหนึ่งในผลิตภัณฑ์ที่เกี่ยวข้องอย่างใกล้ชิดกับร้านท๊อปส์ซูปเปอร์มาร์เก็ต
	SC4	Whenever I want to by tissue paper, Tops Supermarket is one of the stores I will think of.	เมื่อใดก็ตามที่ฉันต้องการซื้อ (สินค้า) ท๊อปส์ซูปเปอร์มาร์เก็ตเป็นหนึ่งในร้านค้าที่ฉันนึกถึง
Perceived quality	PQ1	(Brand) (category) must be of very good quality.	(สินค้า) (ยี่ห้อ) เป็นสินค้าที่มีคุณภาพดี
	PQ2	(Brand) is a quality leader within (category) category.	(ยี่ห้อ) มีความเป็นผู้นำด้านคุณภาพในกลุ่มผลิตภัณฑ์(สินค้า)
	PQ3	In the (category) category, quality of (brand) brand is high quality.	ในกลุ่มผลิตภัณฑ์(สินค้า) (ยี่ห้อ) เป็นยี่ห้อที่มีคุณภาพสูง
	PQ4	The likelihood that (brand) (category) would be functional is very high.	(สินค้า) (ยี่ห้อ) มีคุณค่าทางอาหารสูง / สามารถทำความสะอาดฟันได้ดี
	PQ5	(Brand) (category) contain excellent features.	(สินค้า) (ยี่ห้อ) น่าตาน่ารับประทาน / มีรูปลักษณ์การออกแบบที่ดีเยี่ยม
	PQ6	Quality of (brand) (category) is consistent.	คุณภาพของ(สินค้า) (ยี่ห้อ) นั้นมีมาตรฐานที่คงที่
	PQ7	The likelihood that (brand) (category) is reliable is high.	มีความเป็นไปได้สูงที่(สินค้า) (ยี่ห้อ) นั้นจะได้รับความไว้วางใจจากฉัน
Willingness to pay	WTP	In the (category), what is the maximum price are you willing to pay for (brand), given that average price of the (category) is 100.	ราคาสูงสุดที่คุณเต็มใจที่จะจ่ายสำหรับ(สินค้า) (ยี่ห้อ) คือเท่าไร เมื่อเทียบกับราคาเฉลี่ยของ (สินค้า) ในตลาดที่ 100

APPENDIX C
QUESTIONNAIRE

Code: (Brand) – (Category) - _____

Location: _____

เรียน ผู้ตอบแบบสอบถาม

แบบสอบถามนี้เป็นแบบสอบถามเพื่อการวิจัย เรื่อง ปัจจัยที่มีผลกระทบต่อความเต็มใจที่จะจ่ายของผู้บริโภคที่มีต่อ สินค้าตราห้าง* ซึ่งเป็นส่วนหนึ่งของงานวิจัยทางวิชาการสำหรับงานวิทยานิพนธ์หลักสูตรปรัชญาดุษฎีบัณฑิต สาขาวิชาบริหารธุรกิจ มหาวิทยาลัยธรรมศาสตร์ ข้อมูลที่ได้จากการสำรวจนี้จะถือเป็นความลับเพื่อการวิเคราะห์ภาพรวมตามวัตถุประสงค์ทางการศึกษาเท่านั้น

แบบสอบถามชุดนี้แบ่งออกเป็น 5 ส่วน ประกอบด้วย

ส่วนที่ 1 พฤติกรรมการเลือกซื้อสินค้า
ส่วนที่ 2 ความคิดเห็นต่อกลุ่มผลิตภัณฑ์
ส่วนที่ 3 ความคิดเห็นต่อร้านค้า
ส่วนที่ 4 การตัดสินใจซื้อและความเต็มใจที่จะจ่าย
ส่วนที่ 5 ข้อมูลทั่วไปของผู้ตอบแบบสอบถาม

ผู้วิจัยขอความอนุเคราะห์ในการตอบแบบสอบถามจากท่าน โปรดให้ข้อมูลในการตอบแบบสอบถามให้ครบทุกคำถาม หากท่านมีข้อสงสัยใดๆ ระหว่างการตอบแบบสอบถาม โปรดถามผู้สัมภาษณ์ให้อธิบายข้อสงสัยนั้นๆ จนกว่าท่านจะมีความเข้าใจที่ชัดเจน

ระยะเวลาในการตอบแบบสอบถามประมาณ 10-15 นาที

ขอขอบพระคุณที่สละเวลาในการให้ข้อมูลตอบแบบสอบถามในครั้งนี้

* คำศัพท์เฉพาะ "**สินค้าตราห้าง**" จะถูกใช้ตลอดแบบสอบถาม กรุณาใช้คำนิยามด้านล่างในการแปลความหมาย

สินค้าตราห้าง หมายถึง สินค้าที่มีการผลิตในนามของร้านค้าปลีก เพื่อขายในร้านค้าปลีกนั้นๆ ภายใต้ชื่อของร้านค้าเอง อาทิ สินค้ายี่ห้อเทสโก้ สินค้ายี่ห้อบู๊ทส์ เป็นต้น

ส่วนที่ 1: พฤติกรรมการเลือกซื้อสินค้า

<u>คำชี้แจง</u>: โปรดอ่านข้อความและ**วงกลม**ล้อมรอบตัวเลือกที่แสดงถึง***พฤติกรรมการเลือกซื้อสินค้า*** ของท่านมากที่สุด

1. ท่านเลือกซื้อสินค้าอุปโภคบริโภคบ่อยครั้งเพียงใด
    - ก. มากกว่า 1 ครั้งต่อสัปดาห์
    - ข. 1 ครั้งต่อสัปดาห์
    - ค. 2 สัปดาห์ครั้ง หรือ สัปดาห์เว้นสัปดาห์
    - ง. 1 ครั้งต่อเดือน
    - จ. น้อยกว่า 1 ครั้งต่อเดือน

2. โดยเฉลี่ยท่านใช้จ่ายในการเลือกซื้อสินค้าอุปโภคบริโภคต่อครั้งเป็นเงินเท่าไร
    - ก. น้อยกว่า 501 บาท ต่อครั้ง
    - ข. 501 – 1,000 บาท ต่อครั้ง
    - ค. 1,001 – 1,500 บาท ต่อครั้ง
    - ง. 1,501 – 2,000 บาท ต่อครั้ง
    - จ. มากกว่า 2,000 บาท ต่อครั้ง

3. โดยเฉลี่ยท่านใช้เวลาในการเลือกซื้อสินค้าอุปโภคบริโภคแต่ละครั้งเป็นเวลานานเท่าไร
    - ก. น้อยกว่า ½ ชั่งโมง
    - ข. ½ - 1 ชั่วโมง
    - ค. 1 – 2 ชั่วโมง
    - ง. มากกว่า 2 ชั่วโมง

4. ท่านเลือกซื้อสินค้าอุปโภคบริโภคร้านค้าใดบ้างในระยะเวลา 1 เดือน ที่ผ่านมา (สามารถเลือกได้มากกว่า 1 คำตอบ)
    - ก. แมคโคร
    - ข. เทสโก้ โลตัส
    - ค. บิ๊กซี
    - ง. ท็อปส์
    - จ. เซ็นทรัล ฟู้ด ฮอลล์
    - ฉ. โฮม เฟรช มาร์ท
    - ช. กูร์เมต์ มาร์เก็ต
    - ซ. ฟู้ดแลนด์
    - ฌ. แม็กซ์แวลู
    - ญ. บูทส์
    - ฎ. วัตสัน
    - ฏ. 7-11
    - ฐ. อื่นๆ (โปรดระบุ) _____

ส่วนที่ 2: ความคิดเห็นต่อกลุ่มผลิตภัณฑ์

<u>คำชี้แจง:</u> โปรดอ่านข้อความและ**วงกลม**ล้อมรอบตัวเลขที่แสดงถึง***ความคิดเห็นของท่านต่อกลุ่มผลิตภัณฑ์*** มากที่สุด โดยที่การวงกลมหมายเลข "1" หมายถึง เห็นด้วยน้อยที่สุด และการวงกลมหมายเลข "7" หมายถึง เห็นด้วยมากที่สุด ต่อข้อความที่ระบุ

ข้อ	ปัจจัยด้านผลิตภัณฑ์	ระดับความเห็นด้วย						
		น้อยที่สุด		ปานกลาง				มากที่สุด
1	(สินค้า) (ยี่ห้อ) มีการเปลี่ยนแปลงรูปร่างและขนาดของผลิตภัณฑ์	1	2	3	4	5	6	7
2	(สินค้า) (ยี่ห้อ) มีการทำโปรโมชั่นมากกว่าที่ฉันคิด	1	2	3	4	5	6	7
3	เมื่ออยู่บนชั้นวางสินค้า ฉันไม่สามารถแยกแยะ (สินค้า) (ยี่ห้อ) จากยี่ห้ออื่นได้ เนื่องจากบรรจุภัณฑ์มีความคล้ายคลึงกัน	1	2	3	4	5	6	7
4	(สินค้า) (ยี่ห้อ) มาจากแหล่งผู้ผลิตเดียวกันกับอาหารแช่แข็งยี่ห้อที่มีชื่อเสียง	1	2	3	4	5	6	7
5	(สินค้า) (ยี่ห้อ) เป็นสินค้าที่มีคุณภาพดี	1	2	3	4	5	6	7
6	บรรจุภัณฑ์ของ (สินค้า) (ยี่ห้อ) ดูมีราคา	1	2	3	4	5	6	7
7	รูปลักษณ์โดยรวมของ (สินค้า) (ยี่ห้อ) เป็นที่ดึงดูดใจ	1	2	3	4	5	6	7
8	(สินค้า) (ยี่ห้อ) มีคุณค่าทางอาหารสูง / สามารถทำความสะอาดฟันได้ดี	1	2	3	4	5	6	7
9	(สินค้า) (ยี่ห้อ) มีลักษณะหน้าตาน่ารับประทานมาก / มีรูปลักษณ์การออกแบบที่ดีเยี่ยม	1	2	3	4	5	6	7
10	เมื่อมีโปรโมชั่น (สินค้า) (ยี่ห้อ) จะลดราคาลงมาก	1	2	3	4	5	6	7
11	ในกลุ่มผลิตภัณฑ์(สินค้า) (ยี่ห้อ) ผลิตโดยผู้ผลิตของยี่ห้อชั้นนำ	1	2	3	4	5	6	7
12	คุณภาพของ (สินค้า) (ยี่ห้อ) มีมาตรฐานที่คงที่	1	2	3	4	5	6	7
13	ลักษณะโดยรวมของบรรจุภัณฑ์ (สินค้า) (ยี่ห้อ) เหมือนกับบรรจุภัณฑ์ของยี่ห้ออื่นๆ	1	2	3	4	5	6	7
14	ในกลุ่มผลิตภัณฑ์ (สินค้า) (ยี่ห้อ) มีการปรับปรุงเปลี่ยนแปลงลักษณะบรรจุภัณฑ์	1	2	3	4	5	6	7
15	(สินค้า) (ยี่ห้อ) มีการพัฒนาปรับปรุงผลิตภัณฑ์	1	2	3	4	5	6	7
16	ในกลุ่มผลิตภัณฑ์ (สินค้า) (ยี่ห้อ) เป็นยี่ห้อที่มีคุณภาพสูง	1	2	3	4	5	6	7
17	(สินค้า) (ยี่ห้อ) ลดราคาลงจากราคาเดิมอย่างเห็นได้ชัดในช่วงระยะเวลาที่มีโปรโมชั่น	1	2	3	4	5	6	7
18	(สินค้า) (ยี่ห้อ) มักจะมีโปรโมชั่นพิเศษมานำเสนอบ่อยครั้ง	1	2	3	4	5	6	7
19	ในกลุ่มผลิตภัณฑ์ (สินค้า) (ยี่ห้อ) ดูเหมือนกันมากกับยี่ห้ออื่น	1	2	3	4	5	6	7
20	(สินค้า) (ยี่ห้อ) นั้นมีโปรโมชั้นหลากหลาย อาทิ ส่วนลด ของแถม แจกสินค้าตัวอย่าง เป็นต้น	1	2	3	4	5	6	7

ข้อ	ปัจจัยด้านผลิตภัณฑ์	ระดับความเห็นด้วย						
		น้อยที่สุด		ปานกลาง				มากที่สุด
21	ฉันสังเกตเห็นว่า (สินค้า) (ยี่ห้อ) มีการแนะนำส่วนผสมหรือส่วนประกอบใหม่ๆ / มีการใช้วัสดุใหม่ๆ	1	2	3	4	5	6	7
22	ฉันเชื่อว่า (สินค้า) (ยี่ห้อ) ผลิตโดยผู้ผลิดเดียวกันกับอาหารแช่แข็งยี่ห้อชั้นนำ	1	2	3	4	5	6	7
23	(สินค้า) (ยี่ห้อ) มีผลิตภัณฑ์รุ่นใหม่ๆ ออกสู่ตลาด	1	2	3	4	5	6	7
24	(สินค้า) (ยี่ห้อ) มีโปรโมชั่นที่แตกต่างกันหลายประเภท	1	2	3	4	5	6	7
25	มีความเป็นไปได้สูงที่ (สินค้า) (ยี่ห้อ) จะได้รับความไว้วางใจจากฉัน	1	2	3	4	5	6	7
26	ข้อเสนอพิเศษจาก (สินค้า) (ยี่ห้อ) มีให้เห็นอยู่บ่อยๆ	1	2	3	4	5	6	7
27	(ยี่ห้อ) มีความเป็นผู้นำด้านคุณภาพในกลุ่มผลิตภัณฑ์ (สินค้า)	1	2	3	4	5	6	7

ส่วนที่ 3: ความคิดเห็นต่อร้านค้า

<u>คำชี้แจง:</u> โปรดอ่านข้อความและ**วงกลม**ล้อมรอบตัวเลขที่แสดงถึง***ความคิดเห็นของท่านต่อร้านค้า***มากที่สุด โดยที่การวงกลมหมายเลข "1" หมายถึง เห็นด้วยน้อยที่สุด และการวงกลมหมายเลข "7" หมายถึง เห็นด้วยมากที่สุด ต่อข้อความที่ระบุ

ข้อ	ปัจจัยด้านร้านค้า	ระดับความเห็นด้วย						
		น้อยที่สุด		ปานกลาง				มากที่สุด
1	พนักงานร้านท๊อปส์ซูปเปอร์มาร์เก็ตมีอัธยาศัยดี	1	2	3	4	5	6	7
2	การตกแต่งร้านของท๊อปส์ซูปเปอร์มาร์เก็ตทำให้ฉันรู้สึกรื่นรมย์	1	2	3	4	5	6	7
3	ท๊อปส์ซูปเปอร์มาร์เก็ตเป็นร้านค้าที่ทันสมัย	1	2	3	4	5	6	7
4	ฉันพบเห็นโฆษณาของร้านท๊อปซูปเปอร์มาร์เก็ตในสื่อหลายประเภท	1	2	3	4	5	6	7
5	โฆษณาของร้านท๊อปส์ซูปเปอร์มาร์เก็ตสามารถหาได้ง่าย มีอยู่ทั่วไป	1	2	3	4	5	6	7
6	เมื่อใดก็ตามที่ฉันต้องการซื้อ(สินค้า) ท๊อปส์ซูปเปอร์มาร์เก็ตเป็นหนึ่งในร้านค้าที่ฉันนึกถึง	1	2	3	4	5	6	7
7	ฉันคาดหวังว่าร้านท๊อปส์ซูปเปอร์มาร์เก็ตมี(สินค้า)จำหน่าย	1	2	3	4	5	6	7
8	โฆษณาตามสื่อต่างๆของร้านท๊อปซูปเปอร์มาร์เก็ตมีการเผยแพร่ให้เห็นบ่อย	1	2	3	4	5	6	7
9	การเลือกซื้อสินค้าในร้านท๊อปส์ซูปเปอร์มาร์เก็ตนั้นสะดวกสบาย	1	2	3	4	5	6	7
10	ราคาของสินค้าที่ร้านท๊อปส์ซูปเปอร์มาร์เก็ตเป็นธรรม	1	2	3	4	5	6	7

ข้อ	ปัจจัยด้านร้านค้า	ระดับความเห็นด้วย						
		น้อยที่สุด		ปานกลาง				มากที่สุด
11	(สินค้า) เป็นผลิตภัณฑ์ที่เหมาะที่จะวางจำหน่ายในร้านท็อปส์ซูปเปอร์มาร์เก็ต	1	2	3	4	5	6	7
12	ร้านท็อปส์ซูปเปอร์มาร์เก็ตจำหน่ายสินค้าที่มีคุณภาพสูง	1	2	3	4	5	6	7
13	ร้านท็อปส์ซูปเปอร์มาร์เก็ตสะอาด	1	2	3	4	5	6	7
14	ฉันได้รับของที่คุ้มค่ากับเงินที่จ่ายไปที่ร้านท็อปส์ซูปเปอร์มาร์เก็ต	1	2	3	4	5	6	7
15	ในมุมมองของฉัน (สินค้า) เป็นหนึ่งในผลิตภัณฑ์ที่เกี่ยวข้องอย่างใกล้ชิดกับร้านท็อปส์ซูปเปอร์มาร์เก็ต	1	2	3	4	5	6	7
16	ผลิตภัณฑ์ทุกประเภทที่ฉันต้องการมีจำหน่ายที่ร้านท็อปส์ซูปเปอร์มาร์เก็ต	1	2	3	4	5	6	7
17	การบริการของร้านท็อปส์ซูปเปอร์มาร์เก็ตนั้นดีเยี่ยม	1	2	3	4	5	6	7
18	ร้านท็อปส์ซูปเปอร์มาร์เก็ตมีผลิตภัณฑ์มากมาย หลากหลาย	1	2	3	4	5	6	7
19	ฉันสามารถวางใจได้ว่าผลิตภัณฑ์ที่ซื้อจากร้านท็อปส์ซูปเปอร์มาร์เก็ตนั้นเป็นผลิตภัณฑ์ที่ดีเยี่ยม	1	2	3	4	5	6	7

ส่วนที่ 4: ความเต็มใจที่จะจ่าย

<u>คำชี้แจง:</u> โปรดอ่านข้อความและ**วงกลม**ล้อมรอบตัวเลขที่แสดงถึง***ความเต็มใจที่จะจ่ายของท่าน*** มากที่สุด

1. เมื่อเทียบกับราคาเฉลี่ยของ (สินค้า) ในตลาด ราคาสูงสุดที่ฉันเต็มใจที่จะจ่ายสำหรับ (สินค้า) (ยี่ห้อ) นั้น

ต่ำกว่าราคาเฉลี่ย — เท่ากับราคาเฉลี่ย — สูงกว่าราคาเฉลี่ย

1 2 3 4 5 6 7

2. ราคาสูงสุดที่คุณเต็มใจที่จะจ่ายสำหรับ (สินค้า) (ยี่ห้อ) คือเท่าไร เมื่อเทียบกับราคาเฉลี่ยของ (สินค้า) ในตลาด

ต่ำกว่าราคาเฉลี่ย						เท่ากับราคาเฉลี่ย	สูงกว่าราคาเฉลี่ย					
อื่นๆ โปรดระบุ ____	50%	40%	30%	20%	10%	0%	10%	20%	30%	40%	50%	อื่นๆ โปรดระบุ ____

ส่วนที่ 5: ข้อมูลทั่วไป

<u>คำชี้แจง:</u> โปรดอ่านข้อความและ**เลือก**ตัวเลือกที่แสดงถึงตัวท่านมากที่สุด

เพศ
- ☐ ชาย
- ☐ หญิง

อายุ
- ☐ ต่ำกว่า 21 ปี
- ☐ 21 – 30 ปี
- ☐ 31 – 40 ปี
- ☐ 41 – 50 ปี
- ☐ มากกว่า 50 ปี

สถานภาพ
- ☐ โสด
- ☐ สมรส
- ☐ หย่าร้าง, หม้าย, แยกกันอยู่

ระดับการศึกษาขั้นสูงสุด
- ☐ ต่ำกว่าปริญญาตรี
- ☐ ปริญญาตรี
- ☐ สูงกว่าปริญญาตรี

อาชีพ
- ☐ นักเรียน/นักศึกษา
- ☐ ข้าราชการ/รัฐวิสาหกิจ
- ☐ พนักงานบริษัทเอกชน
- ☐ พ่อบ้าน/แม่บ้าน
- ☐ ธุรกิจส่วนตัว/เจ้าของกิจการ
- ☐ อื่นๆ โปรดระบุ _____

รายได้ส่วนตัวเฉลี่ยต่อเดือน
- ☐ ต่ำกว่า 10,001 บาท
- ☐ 10,001 – 20,000 บาท
- ☐ 20,001 – 30,000 บาท
- ☐ 30,001 – 40,000 บาท
- ☐ 40,001 – 50,000 บาท
- ☐ มากกว่า 50,000 บาท

จำนวนสมาชิกในครัวเรือน (รวมตัวท่าน) _____ คน

ขอขอบพระคุณทุกท่านที่สละเวลาในการตอบแบบสอบถามค่ะ

Code: (Brand) – (Category) - _____

Location: _____

Dear respondents,

This research questionnaire topic "Assessing the Important Drivers of the Willingness to Pay for Private Label Brands*" is a part of academic dissertation for Doctor of Philosophy (Business Administration), Faculty of Commerce and Accountancy, Thammasat University. Information received from this survey will be treated as confidential for educational purpose only.

There are 5 sections in the survey.

Section 1 Purchasing behavior
Section 2 Perception towards product
Section 3 Perception towards store
Section 4 The willingness to pay
Section 5 Respondents' characteristics

Researcher would like to request for your courtesy in answering the questionnaire. Kindly complete all questions. If you have any queries, please do not hesitate to ask for clarification from an interviewer.

Approximate time to complete questionnaire is 10-15 minutes.

Thank you for your time in completing the questionnaire.

* The term "**private label brands**" will be used throughout the questionnaire. Please use definition below for interpretation.

Private label brands are products owned and branded by distributors or retailers to sell under retailers' stores. For example, Tesco brand and Tops brand.

Section 1: Purchase Behavior

Instruction: Please read each question and CIRCLE the answer that most accurately reflects your purchase behavior.

1. How often do you purchase household products?
    a. More than once a week
    b. Once a week
    c. Every other week
    d. Once a month
    e. Less than once a month

2. What is your average spending for each of the household purchase?
    a. Less than 501 Baht
    b. 501 - 1,000 Baht
    c. 1,001 - 1,500 Baht
    d. 1,501 - 2,000 Baht
    e. More than 2,000 Baht

3. How long do you normally spend in purchasing household products?
    a. Less than half an hour
    b. Between half an hour to an hour
    c. One to two hours
    d. More than two hours

4. Where have you been purchasing household products in the past one month?
    a. Makro
    b. Tesco Lotus
    c. Big C
    d. Tops Supermarket
    e. Central Food Hall
    f. Home Fresh Mart
    g. Gourmet Market
    h. Foodland
    i. Max Value
    j. Boots
    k. Watsons
    l. 7-11
    m. Others (please specify) _____

Section 2: Perception towards Product

Instruction: Please read each statement and CIRCLE the number that most accurately reflects your perception toward the product category. Circling "1" means that you strongly disagree with the statement and circling "7" means that you strongly agree with the statement. Or you may circle any number in the middle that show how strong your opinion is. Please circle only one number for each statement.

No.	Statement	Level						
		Strongly Disagree						Strongly Agree
1	(Brand) (category) has changed its shape and dimensions.	1	2	3	4	5	6	7
2	Promotion for (brand) (category) is emphasized more than it seems to be.	1	2	3	4	5	6	7
3	On the shelf, I cannot tell (brand) (category) from other brands as packages are similar.	1	2	3	4	5	6	7
4	(Brand) (category) has the common sourcing as well-known brand.	1	2	3	4	5	6	7
5	(Brand) (category) must be of very good quality.	1	2	3	4	5	6	7
6	The package of (brand) (category) looks expensive.	1	2	3	4	5	6	7
7	The overall look of (brand) (category) is very attractive.	1	2	3	4	5	6	7
8	The likelihood that (brand) (category) would be functional is very high.	1	2	3	4	5	6	7
9	(Brand) (category) contain excellent features.	1	2	3	4	5	6	7
10	When there is a promotion, (brand) (category) offers big price cut.	1	2	3	4	5	6	7
11	In the (category), (brand) is produced by brand manufacturer.	1	2	3	4	5	6	7
12	Quality of (brand) (category) is consistent.	1	2	3	4	5	6	7
13	An overall appearance of (brand) (category) package is the same as other brands.	1	2	3	4	5	6	7
14	(Brand) (category) obtains new formula.	1	2	3	4	5	6	7
15	There has been an improvement of (brand) (category).	1	2	3	4	5	6	7
16	In the (category) category, quality of (brand) brand is high quality.	1	2	3	4	5	6	7

No.	Statement	Level						
		Strongly Disagree						Strongly Agree
17	(Brand) (category) significantly reduces price from its original price during promotional period.	1	2	3	4	5	6	7
18	Special promotions for (brand) (category) are frequently offered.	1	2	3	4	5	6	7
19	In the tissue (category), (brand) brand and other brands look very similar.	1	2	3	4	5	6	7
20	Promotions from (brand) (category) come in variety.	1	2	3	4	5	6	7
21	(Brand) (category) obtains new formula.	1	2	3	4	5	6	7
22	I believe that (brand) (category) is produced by the manufacturer of the leading brand.	1	2	3	4	5	6	7
23	There is a new version of (brand) (category).	1	2	3	4	5	6	7
24	There are different kinds of promotions offered by (brand) (category).	1	2	3	4	5	6	7
25	The likelihood that (brand) (category) is reliable is high.	1	2	3	4	5	6	7
26	It is easy to find special offers for (brand) (category).	1	2	3	4	5	6	7
27	(Brand) is a quality leader within (category) category.	1	2	3	4	5	6	7

Section 3: Perception towards Store

Instruction: Please read each statement and CIRCLE the number that most accurately reflects your perception toward the product category. Circling "1" means that you strongly disagree with the statement and circling "7" means that you strongly agree with the statement. Or you may circle any number in the middle that show how strong your opinion is. Please circle only one number for each statement.

No.	Statement	Level						
		Strongly Disagree						Strongly Agree
1	Employees at Tops Supermarket are very friendly.	1	2	3	4	5	6	7
2	The decoration of Tops Supermarket makes me feel pleasant.	1	2	3	4	5	6	7
3	Tops Supermarket is modern.	1	2	3	4	5	6	7
4	I have seen Tops supermarket advertised in different kinds of media.	1	2	3	4	5	6	7
5	Tops supermarket advertising is easily accessible.	1	2	3	4	5	6	7
6	Whenever I want to by tissue paper, Tops Supermarket is one of the stores I will think of.	1	2	3	4	5	6	7
7	I would expect Tops Supermarket to sell tissue paper.	1	2	3	4	5	6	7
8	The advertising campaigns for Tops supermarket are frequently seen.	1	2	3	4	5	6	7
9	Tops Supermarket is easy to shop in.	1	2	3	4	5	6	7
10	The prices at Tops Supermarket are fair.	1	2	3	4	5	6	7
11	Tops and tissue paper appear to fit together very well.	1	2	3	4	5	6	7
12	Tops Supermarket sells high quality products.	1	2	3	4	5	6	7
13	Tops Supermarket is clean.	1	2	3	4	5	6	7
14	I obtain value for my money at Tops Supermarket.	1	2	3	4	5	6	7
15	In my perception, tissue paper is one of the products that are closely associated with Tops Supermarket.	1	2	3	4	5	6	7
16	Every type of product I need is at Tops Supermarket	1	2	3	4	5	6	7
17	The service at Tops Supermarket is excellent.	1	2	3	4	5	6	7

No.	Statement	Level						
		Strongly Disagree						Strongly Agree
18	Tops supermarket has a large variety of products.	1	2	3	4	5	6	7
19	I can count on the products I buy at Tops Supermarket being excellent.	1	2	3	4	5	6	7

Section 4: The Willingness to Pay

Instruction: Please read each statement and CIRCLE the number that most accurately reflects your willingness to pay.

1. Compared to the average price of (category), the highest price that I am willing to pay for (brand) (category) is …

Lower than the average Equal to the average Higher than the average

2. The highest price that I am willing to pay for (brand) (category) is …, when compared to the average price of (category) in the market.

Lower than the average						Equal to the average	Higher than the average					
others ___	50%	40%	30%	20%	10%	0%	10%	20%	30%	40%	50%	others ____

Section 5: Respondents' characteristics

Instruction: Please read each question and CIRCLE the answer that most accurately reflects your personal characteristics.

Gender ☐ Male ☐ Female

Age ☐ below 20 years old ☐ 41 – 50 years old
☐ 21 – 30 years old ☐ more than 50 years old
☐ 31 – 40 years old

Status ☐ Single
☐ Married
☐ Divorce, separate

Highest Education ☐ Below the bachelor degree
☐ Bachelor degree
☐ Higher than bachelor degree

Occupation ☐ Student ☐ Housewife
☐ Government officer ☐ Business owner
☐ Office employee ☐ Others, please specify _____

Monthly income (personal) ☐ Less than 10,001 Baht ☐ 30,001 – 40,000 Baht
☐ 10,001 – 20,000 Baht ☐ 40,001 – 50,000 Baht
☐ 20,001 – 30,000 Baht ☐ More than 50,000 Baht

Numbers of household member _____

Thank you very much for your time in completing the questionnaire

APPENDIX D
DATA COLLECTION REQUEST LETTER

5 สิงหาคม 2556

เรียน คุณจันทร์พิมพ์ ศิริกาญจนโกวิท

General Manager - Own Brand Department บริษัท เซ็นทรัล ฟู้ด รีเทล จำกัด

เรื่อง ขออนุญาตเข้าสัมภาษณ์ท่านและขออนุญาตเก็บแบบสอบถามที่ร้าน Tops Market

สิ่งที่แนบมาด้วย 1. คำถามในการสัมภาษณ์

2. แบบสอบถามที่ใช้ในการเก็บข้อมูลกับผู้บริโภค

ดิฉันนางสาวกันดาภา ตาณะสุต นักศึกษาปริญญาเอกหลักสูตรปรัชญาดุษฎีบัณฑิต สาขาวิชาบริหารธุรกิจ มหาวิทยาลัยธรรมศาสตร์ กำลังทำวิทยานิพนธ์เรื่อง “ปัจจัยที่มีผลกระทบต่อความเต็มใจที่จะจ่ายของผู้บริโภคที่มีต่อสินค้าตราห้าง” โดยงานวิจัยนี้มีวัตถุประสงค์ที่จะต่อยอดองค์ความรู้ และนำผลวิจัยไปพัฒนาความรู้ในการกำหนดนโยบายทางด้านการดำเนินธุรกิจ โดยใช้ข้อมูลจากกลุ่มลูกค้าที่เข้ามาใช้บริการจากร้านค้าปลีกสมัยใหม่ที่มีสินค้าตราห้างวางจำหน่าย

ในฐานะที่ท่านมีประสบการณ์ ความรู้ และความเชี่ยวชาญในธุรกิจนี้ รวมถึงการมีสินค้าตราห้างจำหน่ายในร้านค้าของท่าน ดิฉันใคร่ขอความอนุเคราะห์จากท่าน ดังมีรายละเอียดต่อไปนี้

1. ขออนุญาตเข้าสัมภาษณ์ท่านหรือเจ้าหน้าที่ที่เกี่ยวข้องกับกลยุทธ์การจำหน่ายสินค้าตราห้าง
2. ขออนุญาตเก็บแบบสอบถามกับกลุ่มผู้บริโภคจำนวน 850 คน ที่ร้าน Tops Market ในเขตกรุงเทพและปริมณฑล จำนวน 7 สาขา เป็นเวลา 1 อาทิตย์

ทั้งนี้ข้อมูลที่ท่านให้สัมภาษณ์ และจากการตอบแบบสอบถามจะถูกเก็บไว้เป็นความลับและใช้ในการวิเคราะห์ภาพรวมตามวัตถุประสงค์ทางการศึกษาเท่านั้น

ดิฉันหวังเป็นอย่างยิ่งว่าจะได้รับการอนุเคราะห์จากท่านในการให้สัมภาษณ์และอนุญาตให้เก็บข้อมูลในครั้งนี้ หากท่านมีข้อสงสัยประการใด กรุณาติดต่อดิฉันได้ที่ 081-844-6028 หรือ kandapa.tha@mahidol.ac.th

จึงเรียนมาเพื่อโปรดพิจารณาให้ความอนุเคราะห์

ขอแสดงความนับถือ

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รายชื่อร้าน Tops Market จำนวน 7 สาขาที่จะขออนุญาตเข้าเก็บข้อมูล

1. เซ็นทรัล พระราม 9
2. เซ็นทรัล พระราม 2
3. โรบินสัน ฟิวเจอร์ พาร์ค รังสิต
4. สุขาภิบาล 3
5. สุขุมวิท 41
6. ท็อปส์ มาร์เก็ต เพลส สีลม
7. ราชพฤกษ์

จะขอเข้าทำการเก็บข้อมูลเป็นเวลา 1 อาทิตย์ ประมาณวันที่ 6-12 กันยายน 2556

BIOGRAPHY

Name	Miss Kandapa Thanasuta
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Educational Attainment	1999: Bachelor of Science (International Business), Georgetown College, USA 2003: Mater of Business Administration (Marketing and Finance), Sasin Graduate Institute of Business Administration, Chulalongkorn University, Thailand
Work Position	Program Director, Marketing Major Mahidol University International College

Publications

Thanasuta, K. & Metharom, P. (2015). Influencing the willingness to pay for private labels: the role of branding. *Asia Pacific Journal of Business Administration, 7*(3), 197-215.

Thanasuta, K. (2015). Thai consumers' purchasing decisions and private label brands. *International Journal of Emerging Marketing, 10*(1), 102-121.

Thanasuta, K., Patoomsuwan, T., Chaimahawong, V. & Chiaravutthi, Y. (2009). Brand and country origin valuations of automobiles. *Asia Pacific Journal of Marketing and Logistics, 21*(3), 355-378.

Work Experiences	2011-Present: Program Director, Marketing Major Mahidol University International College 2006-2011: Full-Time Lecturer Mahidol University International College 2003-2006: Product Manager L'Oreal (Thailand) Co., Ltd.