Analysis Of Customer Differentiation Between The Tesco Brand And Manufacturer Brands In The Health And Beauty Product Category

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ABSTRACT
The aim of this exploratory research is to examine the extent to which supermarket shoppers differentiate between store brands and manufacturer brands in the health and beauty product category. Using 100 questionnaires conducted with customers at the Tesco Kingsway store, Dundee in 2008 the research found a high level of agreement towards statements suggesting that the quality and reliability of Tesco own brand was comparable to that of manufacturer branded health and beauty products. However the research found that performance levels between Tesco own brand and manufacturer brands were not comparable. Quality, price and value for money were found to be important factors in the purchasing of health and beauty products with the majority of the sample indicating that health and beauty products were high involvement purchases. Only the variables age and monthly spend were significant on more than one occasion. The results provide an initial indication as to how the Tesco brand is perceived by customers in the health and beauty category and was a pilot for a larger study into the Tesco brand and consumer behaviour due to begin in 2011.

INTRODUCTION
The study aims to investigate a subject which has not previously been researched in any great depth, namely the Tesco health and beauty product category and the extent to which supermarket customers differentiate between store brands and manufacturer brands. The exploratory research found some interesting results with the quality and reliability of Tesco own brand perceived as comparable to that of manufacturer branded health and beauty products. However, performance levels between Tesco own brand and manufacturer brands were not seen as comparable. As one would expect, health and beauty products were considered by a majority of the sample as high involvement purchases. The variables of age, gender, income, frequency of shop and monthly spend on health and beauty products were generally not found to be significant. In the cases where there was significance the relationship was weak. During the course of the paper the research findings will be related back to the literature review, with the methodology explained and results discussed prior to conclusions being drawn and implications for further research explained.

LITERATURE REVIEW
Previous studies of consumer perceptions of brands suggest that manufacturer brands were superior to store brands in terms of taste, aroma, reliability and quality (Sundel, 1974; Bellizzi et al. 1981 and Cunningham, Hordy and Imperia, 1982). This was at a time when store brands were generally perceived to be a lower quality product alternative for a lower price (De Wulf et al. 2005). This is supported by Burt (2000) who produced the typical three-tier brand1 product structure of the 1970s and early 1980s.

Later studies such as Fitzell (1992) suggest that consumers perceive store brands to be equal, in terms of quality, with manufacturer brands. This is further supported by Verhoef et al (2002) and Dunne and Narasimhan (1999) who found that a large number of consumers felt that store brands performed as well as manufacturer brands. Therefore, there has been a considerable shift in consumer perceptions to the extent that they now believe store brands provide a true quality brand alternative (De Wulf et al. 2005).

The purchasing of store brands is becoming increasingly popular e.g. in 1990, own labels accounted for 54% of Tesco’s sales (Ogbonna and Wilkinson, 1998). According to Beneke (2010) the UK grocery retail market share is currently divided 50/50 between the manufacturer brand and own-brand alternatives. The popularity of store brands is believed by many to

1 Leading manufacturer brand (High quality/high price alternative)  
Retailer brand (Mid quality/mid price alternative)  
Generic range (Acceptable quality for low price)
be the result of consumers having greater trust in the quality of these products and as a consequence a reduced risk in purchasing of own brand products (DeVeny, 1992, Baltas, 1997, Wilensky, 1994 and Buck, 1993). Walker (2006), De Wulf et al (2005), Quelch and Harding (1996) and Dawar and Parker (1994) have demonstrated in their studies that retailers have discovered the important role of quality in the success of store brands and have addressed the perception that lower prices equal lower quality (Walker, 2006). Roach (1995:65) agrees with this view claiming that “30% of retailers are indicating a growing enthusiasm for premium, high quality store brands that compete directly with leading manufacturer brands on quality and image, not price”.

Smith and Sparks (1993) suggest that consumers make purchase decisions based upon price and perceived value, as well as quality. However, Laaksonen (1994) states that price play less of a dominant role in the selection of store brands than it previously did. First generation (generic brands) are where store brands used to be positioned, with a commitment to selling plain packaged, no frills products at the lowest possible prices (Tsoulos, 2000). This approach is still used by Tesco on its Value range, although its own brand range and finest (in product categories other than health and beauty) are in line with other retailers who prefer to position their store brands with a quality emphasis, described by Laaksonen (1994) as 3rd generation brands.

Davis (1992) believes that the main benefit for consumers when purchasing store brands is that they receive value for money. This is supported by Veloutsou, Giouliostanis and Moutinho (2004) who suggest that the most obvious benefit from a consumer’s point of view is that they are able to buy good quality products cheaper than the manufacturer brands. A result echoed by previous studies such as Zieke and Dobbelstein (2007), Miquel, Caplliure and Manzano (2002) and Zeithaml (1998) which demonstrated that quality and value for money, as well as price have a major impact on the decision to buy store brand products in the retail sector.

One of the most important tasks for a manufacturer brand is to offer a unique benefit for which the consumer is willing to pay a higher price, compared with corresponding generic products (Aaker and Sansby, 1982). However, as the quality perceptions of store brands increase and the price stays around 5-10% cheaper than manufacturer brands (Laaksonen, 1994) then it becomes vital that manufacturers ensure that their price is reasonable in proportion to the benefit derived (De Chernatony and McDonald, 2003). In other words there may be a trend towards store brands and manufacturers brands ‘meeting in the middle’, with store brands improving quality but maintaining lower prices and manufacturers brands reducing prices but maintaining standards on quality. Such a scenario would make the market place more competitive and place even greater emphasis on brands providing value for money.

Certain consumer characteristics may also influence the decision to buy health and beauty products (Talking Retail, 2008, Market Research, 2007, Report Buyer, 2006, Batra and Sinha, 2000, Richardson, Cole, 1999, Dick, Jain and Richardson 1995). These consumer factors included age, gender, take-home pay and involvement levels and will be used as analysed variables in this study. It is noted that the research of Szymanski and Busch (1987) and Myers (1967) suggest that individual characteristics are not indicative of preferences for store brands, concluding that they have little explanatory power and Zieke and Dobbelstein (2007) suggest that the overall impact of socioeconomic characteristics is unclear as previous studies have found mixed results (Murphy, 1978, Fugate, 1979, Coe, 1971, Frank and Boyd, 1963). The research also acknowledges the work of Burger and Scott (1972) who suggest that attitudinal and behavioural variables are better predictors of store brand preference. However, as argued by Baltas and Argouslidis (2007) such empirical studies are fairly dated and do not reflect the dramatic image and quality improvements experienced by store brands and the context in which they are consumed. In addition, there is no evidence to suggest that examining consumer factors do not provide insight into consumer behaviour. To this end, this research will investigate whether identified variables such as quality, reliability, performance, quality, value for money, price and involvement levels influence brand purchase decisions in the health and beauty sector.

**METHOD**

The study was conducted over two days in February 2008 inside the Tesco Kingsway store in Dundee, Scotland. The fieldwork was carried out using face-to-face questionnaires with 100 respondents. Of the 100 respondents, 67 females and 33 males were questioned across five age bandings: 16-24 (13 females and 11 males), 25-34 (9 females and 5 males), 35-44 (10 females and 8 males), 45-54 (14 females and 4 males) and 55 and over (21 females and 5 males). This sample represents 7% of the Dundee population which is 143,390, 82.3% of which are in the age profile 16 and above (General Register Office for Scotland, 2010). In terms of gender, 47% of the Dundee population are male and 53% are female (General Register Office for Scotland, 2010). Regarding this research, the number of females questioned compared to males is higher than the 53%/47% division of the local Dundee population, but given existing research
which suggests that females spend more than males on health and beauty products (Report Buyer, 2006) and based on researcher observation of customer footfall in the store it was deemed necessary to question females to males on a 2:1 ratio. The researcher, based at a stand on the shop floor, carried out the survey by asking passing shoppers if they would take part in an the survey (Moser and Kalton, 1971). The questionnaire mainly used closed questions which predominantly included the use of a likert scale, supplemented by two open questions. Convenience sampling (Worcester and Downham, 1986) was used as respondents were selected based on their availability to the interviewer.

ANALYSIS AND DISCUSSION
Tesco was found to be the most popular retailer for health and beauty products, with 53 out of the total sample of 100 selecting Tesco (32 females and 21 males). This result is arguably not that surprising given that the research was carried out within a Tesco store in the health and beauty aisle; although perhaps as a result of the research location the popularity may have been expected to be higher. In terms of monthly income 25 respondents earned less than £500, 25 earned between £500 and £999, 20 earned between £1000 and £1499 and 30 earned over £1500. These figures indicate that the majority of respondents had a reasonable disposable income to spend on health and beauty products and were therefore not financially restricted to only purchasing brands on the basis of price. Most respondents in the sample (21 females and 13 males) shopped for health and beauty products once a week. However an equal number of males stated that they shopped once a week (13) and once a month (13), whereas more females stated that they preferred to shop once a week (21) than once a month (17). This suggests that females were more frequent buyers of health and beauty products than males. This is further supported by the results as 11 females indicated that they shopped 1-3 times a week for health and beauty products, whereas no males were present in this category. On a monthly basis the most favoured amount spent on health and beauty products within the sample was £0-£20 (37 females and 21 males). However, females were more dominant in both the £21-£30 category (14 females and 8 males) and the £31-£40 category (13 females and 2 males). These results are not surprising as in the literature it has been suggested that on a monthly basis females spend more than males on health and beauty products (Report Buyer, 2006).

Only 27 of the 100 respondents indicated that they preferred to buy Tesco branded health and beauty products, 17 in the 16-24 age group, 1 in the category 25-34 and 9 respondents aged 55 and over. These results suggest that the younger and older age groups are the most likely to buy store branded health and beauty products.

Due to the small number of positive responses to the question ‘do you prefer to buy Tesco branded health and beauty products’ it was not possible to determine any relationship between age and store brand preference. This was reflected in the r-value of 0.161 which is not significant. These results are at variance with studies conducted by Sethuraman and Cole (1999) and Dick, Jain and Richardson (1995) who suggest that younger age groups are more store brand prone than older age groups. However, the variance may be a result of the small numbers of respondents used in the research and may have been influenced by the nature of the product being investigated (Fugate, 1979, Murphy, 1978), namely health and beauty.

Of a total of 67 females, only 14 answered yes to preferring Tesco branded health and beauty products (20.9%), whereas 53 answered no (79.1%). However out of a total of 33 males, 9 of them answered yes to preferring Tesco branded health and beauty products (27.3%), whereas 24 answered no (72.7%). These results suggest that males are slightly more store brand prone than females which is supported by Frank and Boyd (1963) and Sethuraman and Cole (1999). However, it should also be noted that the sample size is relatively small. This was reflected in the r-value of 0.476 which was not significant. Therefore, it could be argued that the results are in line with Zieke and Dobbelstein (2007) and Baltas and Argouslidis (2007) who suggest that gender is not a significant indicator of store brand preference. The significance of gender will be investigated later in the paper.

What is clear from the results on preferring manufacturer brand or Tesco branded health and beauty products is that respondents prefer to purchase the manufacturers brand of health and beauty products regardless of age, gender, income, monthly spend or frequency of shop. But there was a high level of agreement to the statement ‘Do you prefer to purchase a mix of brand name and Tesco branded health and beauty products’ with 70 (49 females and 21 males) respondents giving a positive reply. This suggests that respondents accept the use and usability of own branded products and are not averse to purchasing such products but perhaps remain sceptical of Tesco branded products being comparable to the manufacturer’s brand.

In order to ascertain whether or not store brands were perceived to be equal to manufacturer brands in terms of quality, reliability and performance the sign test was used
to calculate levels of agreement or disagreement indicated by the sample in relation to certain likert scale statements and regression analysis used to calculate significance of the variables age, gender, income, frequency of shop and monthly spend on health and beauty products. This was carried out in two parts. Firstly for Tesco own brand and branded products and secondly for Tesco Value and Tesco brand health and beauty products. The results are displayed in Table 1 and include overall levels of agreement/disagreement between males and females, as it is thought they may differ in their opinions towards the quality, reliability and performance of health and beauty products (Talking Retail, 2008). Prior to evaluating the results from Table 1, it should be noted that to test validity a Cronbach’s $\alpha$ of variables pertaining to branded and own brand health and beauty products was conducted, producing a figure of 0.419 which indicates a moderate test model.

**Table 1**

Levels of agreement to questions concerning the quality, reliability and performance of store brands

<table>
<thead>
<tr>
<th>Question</th>
<th>Mean Value</th>
<th>Number Of Those Of Strongly Agreed/Agreed</th>
<th>Percentage Of Agreement</th>
<th>Significant Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tesco own brand and branded health and beauty products are similar in terms of quality.</td>
<td>2.78</td>
<td>51: 36 females and 15 males</td>
<td>51%</td>
<td>Monthly spend = 0.020</td>
</tr>
<tr>
<td>Tesco own brand and branded health and beauty products are equally reliable</td>
<td>2.73</td>
<td>64: 47 females and 17 males</td>
<td>64%</td>
<td>Gender = 0.006</td>
</tr>
<tr>
<td>Tesco own brand and branded health and beauty products are similar in terms of performance</td>
<td>2.91</td>
<td>38: 22 females and 16 males</td>
<td>38%</td>
<td>None</td>
</tr>
<tr>
<td>I perceive more risk in purchasing Tesco own brand health and beauty products compared to branded health and beauty products</td>
<td>3.68</td>
<td>12: 10 females and 2 males</td>
<td>12%</td>
<td>Monthly spend = 0.008</td>
</tr>
</tbody>
</table>

1=Strongly Agree (SA), 2=Agree (A), 3=Neither agree/nor disagree, 4=Disagree, 5=Strongly disagree

Table 1 demonstrates that 51% of the sample (36 females and 15 males) expressed agreement with the statement ‘Tesco own brand and branded health and beauty products are similar in terms of quality’. This suggests that both males and females perceive the quality of Tesco’s own brand range of health and beauty products to be fairly similar to that of manufacturer brands. Monthly spend on health and beauty products was a significant variable, $r=0.020$, $p=0.001$. These results are in accordance with De Wulf et al (2005), DeVeny (1992) and Fitzell (1992), and indicate that consumers perceive quality levels between store brand and manufacturer brand health and beauty products to be fairly similar. Therefore, Tesco can position its own brand range of health and beauty products as comparable to the brand leaders, which Laaksonen (1994) describes as 3rd generation store brands. However, only 31% (21 females and 10 males) agreed with the statement ‘the quality of Tesco Value health and beauty products are as good as branded health and beauty products’. This suggests that males and females consider the quality of Tesco Value health and beauty products to be lower than manufacturer brands. In fact, almost 48% of the sample disagreed with this statement (29 females and 19 males). Therefore, it is suggested that within the sample, Tesco’s Value range of health and beauty products were considered as 1st generation generic brands (Laaksonen, 1994), which are generally lower in terms of quality compared to competing manufacturer brands (Burt, 2000).
Table 1 indicates that 64% of the sample (47 females and 17 males) expressed a particularly high level of agreement with the statement ‘Tesco own brand and branded health and beauty products are equally reliable’. This suggests that both males and females perceive Tesco’s own brand range of health and beauty products to be at least comparable in terms of reliability with competing manufacturer brands. Gender was a significant variable r=0.006, p=0.001. These results are in line with the findings from previous studies conducted by Baltas (1997) and Wilensky (1994) which found consumers to be expressing higher levels of trust in the reliability and quality of store brands can be transferred into the health and beauty sector. In addition 46% of the sample (35 females and 11 males) agreed and only 33% (18 females and 15 males) disagreed with the statement ‘Tesco Value health and beauty products are just as reliable as branded health and beauty products’ which suggests that consumers see a degree of similarity between Tesco own brand and branded health and beauty products in terms of reliability at the generic level. These results are at variance with older studies such as Belizzi et al (1981) and Sundel (1974) which suggest that manufacturer brands are superior to store brands in terms of reliability. However as it was observed in the literature review the standard of own brand products has improved since the 1980s to the extent that own branded products have a 50% market share in the UK grocery market (Beneke, 2010). Customers perceive less of a risk in purchasing own branded products (Verhoef et al, 2002) which is illustrated by a low level of respondent agreement (12% of the sample 10 females and 2 males) to the statement ‘I perceive more risk in purchasing Tesco own brand health and beauty products compared to branded health and beauty products’. The variable monthly spend on health and beauty products proved significant, r=0.008, p=0.001. Such a low level of agreement supports the literature that customers perceive less of a risk in purchasing own branded products not simply because of the improved availability but as a result of the dramatic quality and reliability improvements made to store brands in recent times (Baltas and Argouslidis, 2007, De Wulf et al, 2005, Dunne and Narasimhan, 1999).

From Table 1, it can be seen that when compared to questions on quality and reliability the sample were less agreeable to the statement ‘Tesco own brand and branded health and beauty product are similar in terms of performance’ with 38% (22 females and 16 males) expressing agreement and 39% (30 females and 9 males) expressing disagreement. None of the variables age, gender, income, frequency of shop or monthly spend on health and beauty products were significant. This suggests that the sample were divided in their perceptions of the comparable performance between Tesco own brand and manufacturer branded health and beauty products. These results were almost mirrored when analysing the statement ‘Tesco Value health and beauty products perform as well as branded health and beauty products’ as 36% (25 females and 11 males) agreed and 39% (26 females and 13 males) disagreed. These results suggest that although the sample indicated that they perceived Tesco’s own brand range of health and beauty products to be at least comparable in terms of quality and reliability, they were still divided on the issue of performance. This is at variance with previous studies such as Dunne and Narasimhan (1999) and Roach (1995) who suggest that consumers believe store brands perform as well as manufacturer brands. However these results may have been influenced by the nature of the product, as performance is considered as a particularly important factor when purchasing health and beauty products (Talking Retail, 2008).

Respondents would appear to engage in a great deal of thought when it comes to purchasing health and beauty products. Sixty two (44 females and 18 males) respondents agreed or strongly agreed with the statement with the variable income proving significant (r=0.002, p=0.001). Having put a lot of thought into their purchase it would appear quality, price and value for money are the important factors in their purchase. Of the 100 respondents, everyone (67 females and 33 males) rated quality as either very important or quite important, 89 (62 females and 27 males) rated value for money as very important or quite important and 81 (57 females and 24 males) rated price as either very important or quite important when purchasing health and beauty products (see Table 2). The other two variables examined, brand name and habit received lower levels of agreement; 56 (36 females and 20 males) considered the brand name as very important or quite important and 48 (32 females and 16 males) thought habit was very important or quite important to their purchasing of health and beauty products. The variable of age was significant in terms of price (r=0.002, p=0.001) and brand name (r=0.037, p=0.001). These results suggest that quality, price and value for money are important motivators in a
customer’s purchase decision of health and beauty products and are in accordance with the research findings of Zieke and Dobbelstein (2007), Miquel, Caplliure and Manzano (2002), Tsoulos (2000), Zeithaml (1998), Laaksonen (1994) and Smith and Sparks (1993).

### TABLE 2
Levels of agreement to questions concerning motivations to purchase store brand health and beauty products

<table>
<thead>
<tr>
<th>Question</th>
<th>Mean Value</th>
<th>Number of those of indicated very/quite important</th>
<th>Percentage who indicated very/quite important</th>
<th>Significant Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important do you rate price when shopping for health and beauty products</td>
<td>1.91</td>
<td>81, 57 females and 24 males</td>
<td>81%</td>
<td>Age = 0.002</td>
</tr>
<tr>
<td>How important do you rate quality when shopping for health and beauty products</td>
<td>1.29</td>
<td>100, 67 females and 33 males</td>
<td>100%</td>
<td>None</td>
</tr>
<tr>
<td>How important do you rate brand name when shopping for health and beauty products</td>
<td>2.55</td>
<td>56, 36 females and 20 males</td>
<td>56%</td>
<td>Age = 0.037</td>
</tr>
<tr>
<td>How important do you rate value for money when shopping for health and beauty products</td>
<td>1.72</td>
<td>89, 62 females and 27 males</td>
<td>89%</td>
<td>None</td>
</tr>
<tr>
<td>How important do you rate habit when shopping for health and beauty products</td>
<td>2.75</td>
<td>48, 32 females and 16 males</td>
<td>48%</td>
<td>None</td>
</tr>
<tr>
<td>I put a lot of thought into purchasing my preferred health and beauty products</td>
<td>2.47</td>
<td>62, 44 females and 18 males</td>
<td>62%</td>
<td>Income = 0.002</td>
</tr>
<tr>
<td>How important do you rate habit when shopping for health and beauty products</td>
<td>2.75</td>
<td>48, 32 females and 16 males</td>
<td>48%</td>
<td>None</td>
</tr>
</tbody>
</table>

1=Strongly Agree (SA), 2=Agree (A), 3=Neither agree/nor disagree, 4=Disagree, 5=Strongly disagree

To assess whether quality was rated more importantly by people stating a preference for store brand health and beauty products, a cross-tabulation was carried out between quality and store brand preference and suggests that respondents who rate quality as very important or quite important are not any more likely to prefer to buy store brands. Of the 71 respondents who rated quality as very important only 19 stated a preference for store brands. Similarly, 4 of the 29 respondents who rated quality as quite important preferred to buy store brands. No significant relationship existed between quality and store brand preference.

To assess whether price was rated more importantly by people stating a preference for store brand health and beauty products, a further cross-tabulation was used to assess the relationship between price and store brand preference and
suggests, similarly to the results on quality, that respondents who rate price as very important or quite important are not any more likely to prefer to buy store brands. Interestingly, it was very much the opposite as 28 out of 39 respondents who rated price as very important did not prefer to buy store brands, whereas only 11 of the 39 respondents who rated price as very important stated a preference for store brands. No significant relationship existed between price and store brand preference. These results are in accordance with Laaksonen (1994) and Aaker and Sansby (1982) who suggest that price play less of a role in the selection of store brands.

Using cross-tabulation to assess the relationship between the importance of value for money as a buying factor and preference to buy Tesco branded health and beauty products, the results show that respondents who rate value for money as very important or quite important are not any more likely to prefer to buy store brands. Of the 89 respondents who rated value for money as very important/quite important only 21 preferred to buy Tesco branded health and beauty products. No significance relationship existed between value for money and store brand preference. These results are at variance with the previous studies of Zeithaml (1998) and Davis (1992) who suggest that the main benefit for consumers when purchasing store brands is that they receive value for money. The results are also quite surprising given that a majority of the sample considered value for money as an important buying factor and 28% of the sample stated that they considered the Tesco brand to mean ‘value for money’. However, this did not make them any more likely to buy Tesco branded health and beauty products. Therefore, it is suggested that other factors must have been guiding the purchase decision. This is supported by Collins-Dodds and Zaichkosky (1999) and Martineau (1957) who suggest that in addition to price and value for money, the place of purchase, brand name and store name can all impact upon a consumer’s purchase decision.

An individual’s level of involvement was calculated by adding together the scores from three Likert scale questions (e.g. SA=1, A=2, N=3, D=4, SD=5):

1. I perceive risk in purchasing Tesco branded toiletries
2. My preferred brand of toiletries reduces any risk I may perceive
3. I put a lot of thought into purchasing my preferred toiletries

The highest score of 15 indicated extremely low involvement, whereas the lowest score of 3 indicated extremely high involvement. However, there is a certain point at which a customer switches from simply displaying low involvement to the point where they become highly involved with a purchase (Miquel, Caplliure and Manzano, 2002). For the purposes of this research, the neutral involvement level point was determined as ‘8’, the mid point of 15. Therefore, any respondents scoring 7 or under were seen to be indicating high involvement, whereas respondents scoring 9 or over were deemed to be indicating low involvement. However, as argued by Jankowicz (2005) this method of scoring Likert scale questions does have a flaw, as although some scores appear to be the same they actually have very different meanings e.g. a score of ‘9’ could be arrived at by selecting 2 Disagrees (D) and 1 Strongly agree (SA) or by selecting 3 Neutrals (N). Therefore, the results for individual involvement scores cannot be assumed to be completely reliable but can produce interesting insight.

Results from the scoring show that 56 out of 100 respondents in the sample had involvement scores of 8 or under. This suggests that a majority of respondents considered health and beauty products as high involvement purchases. However 43 out of the 56 respondents who expressed high involvement only had scores of 7 or 8 which indicated that they were at the bottom end of the high involvement category. Only 25 out of 100 respondents had scores of 10 or over and therefore considered health and beauty products as low involvement purchases. This suggests that within the sample an increased level of thought and therefore risk is associated with the purchasing of health and beauty products. An observation supported by the high level of agreement (62%) amongst the sample to the question ‘I put a lot of thought into purchasing my preferred health and beauty products’ and partially supported by the low level of agreement (12%) to the question ‘I perceive more risk purchasing Tesco own brand health and beauty products compared to branded health and beauty products’. We say partially supported as it is not clear whether respondents do not perceive a risk in purchasing health and beauty products.
products or simply do not perceive more of a risk purchasing Tesco own branded products compared to manufacturers brands. From these results, the small positive response rate to the question ‘do you prefer to buy Tesco branded health and beauty products’ (23 out of 100 respondents) can be partially explained by the high level of involvement perceived in the purchase of health and beauty products. These results are in accordance with Kwon (1990) and Lastovicka (1979) who suggest that a consumer will be less likely to accept store brands when making high involvement purchases. This is not surprising given the sensitive nature of health and beauty products and the perceived negative outcomes an incorrect purchase choice could have on one’s self image (Miquel, Caplliure and Manzano, 2002; Dunn, Murphy and Skully, 1986, Park and Young, 1983).

An Independent samples t-test was then used to assess whether involvement levels differed between respondents that preferred to buy Tesco branded health and beauty products and respondents that did not. The results of the test indicated that people who preferred to buy Tesco branded health and beauty products felt less involved with these purchases than people who did not. This was reflected in the significant r-value of 0.04 (p<0.05). These results are somewhat surprising but are however in accordance with Quelch and Harding (1996) and Dick, Jain and Richardson (1995) who suggest that store brands are more likely to be accepted by consumers if these purchases are considered to be low involvement. This indicates that respondents who prefer to buy Tesco branded health and beauty products perceive less risk in the negative outcomes of making a wrong purchase choice and generally put less thought into making health and beauty purchases.

CONCLUSIONS AND RECOMMENDATIONS
This study examined the extent to which supermarket shoppers differentiated between store brand (Tesco own brand/Tesco Value) and manufacturer brand health and beauty products. Tesco own brand was found to be comparable in terms of quality and reliability with manufacturer brand health and beauty products (Fitzell, 1992; Wilensky, 1994; Dunne and Narasimhan, 1999). However, the Tesco brand and in particular the Value range was generally considered to be lower in terms of quality and to a lesser extent reliable when compared to manufacturer brands (Laaksonen, 1994; Aaker and Sansby, 1982). The sample expressed an almost even number of negative and positive responses when asked about the comparable performance between Tesco own/Value brand and manufacturer brand health and beauty products. These results indicate that respondents believe that Tesco own brand and manufacturers brands are reaching parity with the low involvement customers the most likely, although not exclusively, to prefer own brand products.

In addition to quality, reliability and performance it was found that quality, price and value for money were also considered as important factors when making health and beauty purchases (Smith and Sparks 1993; Tsoulos, 2000; Davis, 1992 and Zeithaml, 1998). However, quality, price and value for money were not found to have a significant influence on whether Tesco branded health and beauty products were chosen. It was found that income, gender, frequency of shop and to a lesser extent age and monthly spend on health and beauty products were not significant variables on the decision to buy store brand or manufacturer branded health and beauty products.

It was revealed that health and beauty products were considered by more than half of respondents (56%) as high involvement purchases, with 73% of the sample indicating they put a lot of thought into their purchases of health and beauty products. This suggests that respondents put a certain level of thought into purchasing health and beauty products, whilst associating a degree of risk with making an incorrect purchase decision (Dunn, Murphy and Skully, 1986).

Regarding future research, the study will be expanded to a wider sample of Tesco customers in the four major cities of Scotland: Edinburgh, Glasgow, Aberdeen and Dundee and across a wider range of product categories, include attitudinal as well as behavioural variables. The research will explore in more depth customer perceptions of the Tesco own brand range (value, own brand and finest) and contribute to the current debate surrounding the success of Tesco as a grocery retailer in the UK.
BIBLIOGRAPHY


CONSUMER AND RETAIL EMPLOYEE PERCEPTIONS OF BRANDED EVENTS IN RETAIL SETTINGS

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ABSTRACT
Companies increasingly encourage meaningful consumer-brand interactions at the point of sale in an effort to convert shoppers to buyers. Manufacturers hope that their communication efforts benefit the brand and increase brand sales. By hosting the event, retailers hope to engage consumers and to enjoy sales and other benefits for the store. However, little is known about the factors that determine the ability of these shopper marketing efforts to drive success toward either party’s goals. To address this gap in the literature, this research project studies how commonly measured event characteristics affect consumers’ and retail employees’ opinions about branded in-store events.

The advertising marketplace is progressively becoming more fragmented. To avoid the negative impact of competitive advertising in the fragmented marketplace, marketers may use a different modality from competitive advertising or change the context of the marketing communication executions (Unnava and Sirdeshmukh 1994). For example, some marketers have adopted experiential field marketing to engage consumers. Unlike traditional sampling promotions that are designed to promote trial, these events are often designed as an alternative way to get the consumer to interact with the brand’s message.

The extensive use of experiential marketing tactics is part of the reason some authors suggest the economy has been transformed into “an experience economy” (e.g. Pullman and Gross 2004, p. 551). Experiential field marketing adds an experiential layer to marketing programs, creating an opportunity for the consumer to touch, feel, taste, play with, hear, and use the brand (Palumbo 2003). For example, Kimberly-Clark used experiential field marketing to encourage product awareness and trial of Scott® Extra Soft tissue by engaging shoppers in games which included product-related trivia and prizes, including their Scott® Extra Soft tissue. The goal was to create an interactive, memorable brand experience that informed consumers about a product and helped build both the brand’s and the host store’s images.

Kimberly-Clark’s event, which was staged in the retailer at the point of purchase, is an example of a specific type of experiential field marketing which is sometimes called retailtainment brand marketing. Retailtainment has been generally described as the use of drama and entertaining activities to increase consumer interest in and desire for the merchandise (Bellafante, et al. 1998). During these brand marketing activities, the product manufacturer creates an entertaining event around a specific brand at a retail location where it is sold. Featherton (2009) cites evidence from an OgilvyAction study that these types of events can turn shoppers into buyers, noting that brand visibility and in-store, branded events help drive brand choice and impulse purchases. During branded in-store events, field marketers, also known as brand ambassadors, are typically stationed in visible locations within highly trafficked retail environments. Brand ambassadors entertain consumers, answer questions, engage consumers in branded activities and are frequently armed with samples and/or informative takeaways about the featured brand.

In general, in-store branded events are designed to help both the brand and the retailers that host the brand experience. Retailers provide square footage or parking lot space with the hope that the branded event will increase sales of the featured brand in the long-term. The retailer may also receive a special price on merchandise in exchange for the space and promotional consideration. The branded event is designed to promote the benefits of the brand and to let consumers...