

อิทธิพลของระดับความเกี่ยวข้องของผลิตภัณฑ์ (Product Involvement) ที่มีผลต่อการเลือกซื้อแบรนด์ ที่มีตราสินค้าของผู้ค้าปลีก (Private Label Brands) ของผู้บริโภคชาวไทย

THE EFFECT OF PRODUCT INVOLVEMENT ON THAI CUSTOMERS' WILLINGNESS
TO BUY PRIVATE LABEL BRANDS

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บทคัดย่อ

ตลอดปีที่ผ่านมาแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก (Private Label) ได้เพิ่มส่วนแบ่งการตลาดทั่วโลกและมีแนวโน้มที่จะยังคงเติบโตและถือเป็นโอกาสที่ยิ่งใหญ่สำหรับผู้ค้าปลีก ในขณะที่เดียวกันก็เป็นคู่แข่งใหม่สำหรับแบรนด์ที่มีตราสินค้าของผู้ผลิตซึ่งขายทั่วไปในตลาด (National Brand) การวิจัยเรื่องแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก (PL) จึงเป็นที่น่าสนใจสำหรับนักวิจัยการตลาด เนื่องจากสินค้าด้านอาหารและของอุปโภคประจำวันในธุรกิจค้าปลีกในประเทศไทยมีการเปลี่ยนแปลงในช่วงหลายปีที่ผ่านมา อย่างที่ตลาดยุโรปได้เข้ามาในประเทศไทยและเริ่มมีอำนาจเหนือตลาดในประเทศ งานวิจัยนี้จัดทำเพื่อที่จะวิเคราะห์ความสัมพันธ์ระหว่างระดับการตัดสินใจของลูกค้าในการเลือกซื้อแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก และแบรนด์ที่มีตราสินค้าของผู้ผลิตซึ่งขายทั่วไปในตลาด (NB) งานวิจัยนี้จะช่วยให้ความเข้าใจที่ชัดเจนเกี่ยวกับการตัดสินใจเลือกซื้อสินค้าของผู้บริโภค เพื่อหาปัจจัยที่ส่งผลกระทบต่อตัดสินใจของลูกค้าชาวไทยที่มีต่อการเลือกซื้อแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก การสำรวจครั้งนี้จึงได้จัดทำขึ้นเพื่อสำรวจว่าลูกค้ามีแนวโน้มหรือไม่ที่จะซื้อแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก สำหรับผลิตภัณฑ์ที่ลูกค้าไม่ต้องอาศัยข้อมูลในการตัดสินใจมาก (High Involvement Product) ผลที่ได้จากการสำรวจถูกวิเคราะห์เพิ่มเติมผ่านระบบโปรแกรมคอมพิวเตอร์สำเร็จรูปทางสถิติ และแสดงให้เห็นว่าลูกค้ามีความตั้งใจที่จะซื้อแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก มีปริมาณน้อยกว่าในผลิตภัณฑ์ประเภทที่ต้องอาศัยข้อมูลในการตัดสินใจมาก (High Involvement Product) นอกจากนี้ผลสำรวจระบุว่า การรับรู้ถึงคุณภาพของผลิตภัณฑ์ที่ต้องอาศัยข้อมูลในการตัดสินใจมากจะเกิดขึ้นกับแบรนด์ที่มีตราสินค้าของผู้ผลิตซึ่งขายทั่วไปในตลาด มากกว่าแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก การค้นพบนี้นำไปสู่ข้อสรุปที่ว่าลูกค้ามีความเต็มใจที่จะซื้อแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก สำหรับผลิตภัณฑ์ประเภทที่อาศัยข้อมูลในการตัดสินใจน้อย (Low Involvement Product) แต่เมื่อมาถึงการตัดสินใจเกี่ยวกับผลิตภัณฑ์ที่อาศัยข้อมูลในการตัดสินใจมาก พวกเขาไม่เต็มใจที่จะซื้อแบรนด์ที่มีตราสินค้าของผู้ผลิตซึ่งขายทั่วไปในตลาด เพราะพวกเขามองเห็นว่าแบรนด์ที่มีตราสินค้าของผู้ผลิตซึ่งขายทั่วไปในตลาด จะมีคุณภาพที่ดีขึ้นเมื่อเทียบกับที่ของแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก ดังนั้นแม้จะมีข้อจำกัดในการทำสำรวจอยู่บ้าง แต่ในการศึกษานี้ก็เป็นประโยชน์สำหรับบริษัทต่างๆ ทั้งผู้ผลิตและผู้ค้าปลีก โดยการช่วยให้พวกเขาสามารถกำหนดกลยุทธ์สำหรับสินค้าได้ ผู้ผลิตสามารถเรียนรู้ว่าเขา

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ควรจะเสริมสร้างลักษณะผลิตภัณฑ์ของตนให้มีคุณภาพที่ดีขึ้นสำหรับสินค้าประเภทอาศัยข้อมูลในการตัดสินใจมาก (High Involvement Product) ในขณะที่ร้านค้าปลีกก็สามารถเรียนรู้ได้ว่าสำหรับสินค้าที่ต้องอาศัยข้อมูลในการตัดสินใจมาก ก็จะต้องยากสำหรับแบรนด์ที่มีตราสินค้าของผู้ค้าปลีก (PL) ที่จะประสบความสำเร็จในการเจาะตลาด

คำสำคัญ: สินค้าที่มีเครื่องหมายการค้าของบริษัท แบรนด์ที่มีตราสินค้าของผู้ผลิตซึ่งขายทั่วไปในตลาด สินค้าประเภทที่อาศัยข้อมูลในการตัดสินใจมาก สินค้าประเภทอาศัยข้อมูลในการตัดสินใจน้อย

ABSTRACT

Throughout the last years private labels have increased their market share all over the world and this trend seems to be still growing. They represent a big opportunity for retailers and a new main competitor for a lot of national brands (NB). This made private labels (PL) an interesting research theme for marketing researchers. Food and other daily life products retailing in Thailand have changed over the past years as European markets entered Thailand and started dominating the local market. This work wants to analyze the relationship between the level of product involvement and the choice between private labels and national brands for customers as this will allow a better understanding of how customers will make their purchase decisions. To find out how customers' willingness to buy private label brands are affected by the level of product involvement, a survey was conducted to find out whether the customers are more inclined to buy private label brands for low involvement products and are less likely to buy private label brands in case of high involvement products and whether or not they consider private label brands as of less quality as compared to that of national label brands. The results from the survey was further analyzed through computerized statistic package and the findings indicate that indeed customers' willingness to buy private label brands is lower in high involvement product categories. Also, the results indicate that perceived quality of high involvement products is higher for national label brands than that for private label ones. These findings lead to the conclusion that customers' are more willing to buy private label brands in case of low involvement products but when it comes to take decision regarding buying high involvement products, they are more likely to buy national label brands as they consider national brands to be of better quality as compared to that of private label brands. Hence, despite limitations, this study can be useful for companies, both for manufacturers and retailers, by helping them defining their strategies. A manufacturer can learn that he should reinforce the aspect of having a better quality in its products for the high involvement category as well as try to be more competitive in factors other than quality in low involvement. While a retailer can learn that the higher the level of involvement, the harder it is for a PL to successfully penetrate the market.

Keywords : Private Label Brand, National Brand, High Involvement Products, Low Involvement Products

INTRODUCTION

Long are gone the days when private label brands were considered as a cheaper option compared to the manufacturer brands and were thought to be for the lower income level consumers only. With an ever growing number of private brands the last decade has indeed proved that manufacturers need to wake up to the shoppers now to stop losing market shares in many of the product categories. Retailing had been thriving in Thailand in the past 20 years of double digit economic growth.

Between 1989 and 1997, European companies tied up partnerships with Thai companies. Big-C, Tesco-Lotus, Carrefour, Makro were separated from department stores and were carrying their own names.

Though there was restriction for a maximum stake for a foreign company

in Thailand before 1997, private label brands now literally appeal to all segments of consumers consisting of all income levels

irrespective of the demographic variance. It has already become a trillion dollar market and the increase is predicted to be even more in the coming years. This great turn of mind of such a great number of consumers towards the private brands has raised great consciousness among both the retailers and the manufacturers as both are equally eager to increase their share of markets. In Thailand, for example, “Private Label penetration is currently running at 18 percent, compared to a Modern Trade share of grocery of 40 percent. Where the retail landscape is highly fragmented, a lot of shoppers are only just getting used to visiting supermarkets and hypermarkets regularly for their groceries, and Private Label is still a relatively new concept for them,” said Mrs Chantira Luesakul, Managing Director, ACNielsen (Thailand) Ltd. This makes it very significant to have more detailed insight on what makes consumers choose retailer brands over manufacturing ones.

The following chart shows a summarized order in which the Research would be conducted:

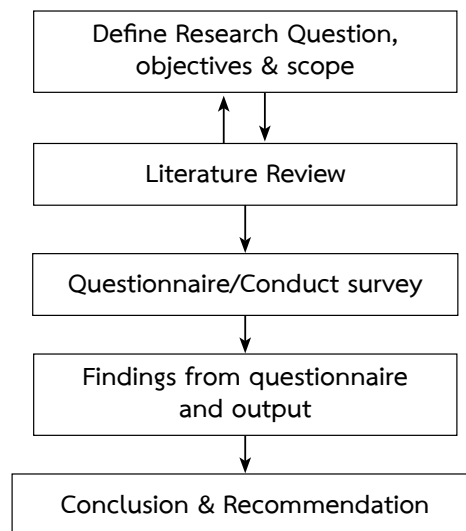


Figure 1 : Flow Chart for Research Methodology

PURPOSE OF STUDYING PRIVATE LABEL BRANDS

Attitude toward private label products can be defined as ‘a predisposition to respond in a favorable way to retailers’ private label brands’ (Burton, S. L., 1998) and positively influences the percentage of private labels purchased (Bellizzi, 2005). This relationship can be explained using the Theory of Planned Behavior (Ajzen, 1991) which suggests that an individual strives for attitude-behavior consistency. This relationship is likely to hold across many different private label brand categories as consumers appear increasingly willing to spend more on private label brands and to spread their expenditure across a growing number of product categories .

Since there is an inevitable growth in the demand for the private label brands, the only possible options to find out more about what consumers think and how they take purchase decisions are by conducting consumer research.

Hence a marketing research on the effect of product involvement on Thai customers’ willingness to buy private label products was chosen. It is believed that it will add great value to existing knowledge of consumers’ purchase decision in details regarding the private label brands.

The result of this research will shed light on the existing scenario of customers’ buying decisions as well as the factors regarding product quality that play a role in their buying decisions. This will further allow the manufacturers of both private and national label brands to come up with relevant and updated marketing strategies to capture bigger portion of the market shares by providing the exact value expected by the customers.

LITERATURE REVIEW AND HYPOTHESIS

The aim of the research is to shed light on the way in which the level of product

involvement might affect the willingness to buy PLB that is, the propensity to purchase a PLB. Product involvement has been defined as “the perceived relevance for a specific product on the basis of inherent interests, needs and values” (Zaichkowsky, 1984). More specifically, *high-involvement decisions include high importance to the individual, lots of information processing and an extensive problem solving, while low involvement decisions entail products bought frequently without any specific and deep process of information research about the product itself because it isn't very important to the consumer. Researchers agree that product involvement is a relevant explanatory factor for the reason why people accept PL products among the others* (Baltas G., 1998) . In particular *low involvement (LI) products entail low risk to the consumer if he/she would find himself/herself not satisfied, while the risk is high for high involvement (HI) products*. Perceived risk is a critical factor, which draws guidance for customer intentions to buy private label or national brand products (Dick, 1996), (Sestokaite, 2010), Batra, R. S. (2000) have found a negative correlation between risk and willingness to buy PLB: *the higher the perceived risk, the lower the willingness to buy PLB*. According to Baltas, an explanation of this tendency is that “*national brands provide a safer choice in many consumption situations*” (Baltas G., 1997). Moreover consumers with *low involvement* towards certain products show a *lesser desire to spend large quantities of money on them* (Kwon, 1990), and consider *price to be one of the most important attributes of the*

product (Miquel, 2000).

Being PLB priced at a discount towards NB we expect to find a higher level of willingness to buy PLB in low involvement products. On the contrary a high level of involvement entails a strong attachment towards a particular product and little influences might be made by external factors, such as price. In fact high involvement purchases are non-frequent, generally expensive, can have serious personal consequences, or could reflect on one's social image. As a result this lead to believe that high-involved consumers prefer to “risk less” and to buy well-known NB.

H 1: For high involvement products consumer's willingness to buy private labels is lower than for low involvement products.

What factors would encourage consumers to feel more willing to buy national brands rather than private labels in high involvement purchases? Researches on attitude related factors influencing consumers' intentions to buy indicate perceived quality of products as a critical driver of purchase intentions (Monroe, 1990, Boulding, 1993).

Perceived quality is defined as “the consumer's perception of the overall excellence of a product” (Zheithaml, 1998) and it influences the attitude towards a product. Although it is a fact that consumers consider price an important driver for private labels' popularity (Batra, 2000), quality has been gaining more relevance as a factor determining private labels' success.

Many researches and models examining factors moderating quality perception can be found from current literature. For instance, one of the most recognized models was proposed by Steenkamp (1990). This model, named “Perceived Quality Model” suggests that perceived quality can be influenced mainly by two core constructs; quality cues, representing what consumers are able to notice before actually purchasing the product, and quality attributes, referring to what consumers really want from the product but cannot observe before the actual purchase. In addition, environmental, personal and situational factors also affect consumers’ perceptions (Steenkamp, 1990)

To start with high involvement products that, as previously mentioned, are generally expensive and entail higher risks either these being personal or social factors, and taking into account the first hypothesis that “For high involvement products consumers’ willingness to buy private labels is lower than for low involvement products”, it makes sense to predict that consumers will perceive private label brands quality as inferior compared to national brands.

H 2.1: For high involvement products, consumers perceive quality of private label brands to be lower than that of national brands.

Low involvement products are less expensive and do not involve as much personal

risks or external influences (e.g. social pressure). Moreover, as consumers’ self-perception leads them to formulate justifications to support their purchase decision, they will tend to consider that differences in quality between national and private labels are relatively small, thus giving price a more relevant role in the purchase decision.

H 2.2: For low involvement products, consumers perceive quality of private label brands to be the same as that of national brands.

Finally the researcher predicts that although perceived quality of private labels may not be exactly equal to that of national brands for the low involvement segment, the difference must be lower than for high involvement. In fact, as quality has a different importance in the decision making process concerning high and low involvement products, the perceived quality gaps should be different as well. This leads to the following hypothesis:

H 2.3: Consumers perceive a higher quality differential between private labels and national brands for high involvement than for low involvement products.

METHODOLOGY

The hypotheses raised focus on studying the interaction of different variables, such as willingness to buy or perceived quality of PL and product involvement, which are concepts, which mainly reflect personal judgments and

therefore not directly observable or measurable. Thus, given that the hypotheses would be better tested through a quantitative approach, measurement scales are introduced in the questionnaire so that consumers were able to convert their perceptions into numerical values.

Data was collected through an online questionnaire and sent to the email, since this offered several advantages comparing to other alternatives such as real experiments. Indeed, online questionnaires are faster, easier for both parts; they don't have any financial cost, and through the inclusion of pictures and different questioning formats participants were still able to capture some qualitative aspects that would be present in an experiment.

The sample comprises people from both Thai and Non Thais in order to amplify the range of the analysis. From the 100 respondents, 56 were female and 44 were male. The age range varied between 17 and 31 years old, which makes sense.

DATA ANALYSIS AND FINDING

For the data analysis SPSS was used, that allowed the possibility to combine together all the information from the survey and analyze the possible correlations.

To analyze this first hypothesis (H 1), the paired two-sample t-test was used. It could compare the average number of private label products bought in the low involvement vs. the high involvement category. In order to do this, two products representative were aggregated of each level of involvement (sunglasses+mp3, HI

and toilet paper + dishwashing, LI), hence getting the following result pattern:

- Value = 2 \Rightarrow 2 NB chosen
- Value = 3 \Rightarrow 1 NB and 1 PL chosen
- Value =4 \Rightarrow 2 PL chosen

The test performed to analyze the statistical significance of the prediction assumed as null hypothesis $H_0: \mu_{PL(LI)} - \mu_{PL(HI)} = 0$ and the alternative hypothesis $H_a: \mu_{PL(LI)} - \mu_{PL(HI)} > 0$. The results obtained from the sample indicated that $\mu_{PL(LI)} = 3,4$ and $\mu_{PL(HI)} = 2,3$ and a p-value of approximately 0. These results indicate that there is no sufficient statistical evidence supporting the null hypothesis and therefore it has to be rejected. The results give legitimacy to the prediction that indeed, consumers' willingness to buy private labels is lower in high involvement rather than in low involvement categories.

At the second level of the research it was aimed to access how consumers perceive quality for high and low involvement brands

To test these hypotheses (H 2.1 & H 2.2), again a paired two-sample t-test was used to compare the average Perceived Quality (PQ) between Private Labels (PL) and National Brands (NB) for each level of involvement. In order to run the test, the researcher aggregated the questionnaire information into 4 new variables:

	Private Label	National Brand
High involvement	PQ_Hi_PL: Sunglasses _{PL} + Mp3 _{PL}	PQ_Hi_NB: Sunglasses _{NB} + Mp3 _{NB}
Low involvement	PQ_Lo_PL: Dishwashing _{PL} + Toilet Paper _{PL}	PQ_Lo_NB: Dishwashing _{NB} + Toilet Paper _{NB}

Taking into account the following assumptions for the hypothesis,

Hypothesis 2.1 (PQ in High Involvement)	Hypothesis 2.2 (PQ in Low involvement)
$H_0: \mu_{PQ_Hi_NB} - \mu_{PQ_Hi_PL} = 0$ $H_a: \mu_{PQ_Hi_NB} - \mu_{PQ_Hi_PL} > 0$	$H_0: \mu_{PQ_Lo_NB} - \mu_{PQ_Lo_PL} = 0$ $H_a: \mu_{PQ_Lo_NB} - \mu_{PQ_Lo_PL} > 0$

It was found that for high involvement products, there was a statistically reliable difference between the mean of perceived quality in NB ($\mu = 166$) vs. PL ($\mu = 85$). Variables were summed up and therefore quality could oscillate between 0 and 200. As the p-value of the test is approximately 0, it can be said that there is sufficient statistical evidence to state that perceived quality of high involvement products is higher for national brands than for private labels.

For low involvement products, the paired samples t test also reveals a statistically reliable difference between the mean of perceived quality in NB ($\mu = 145$) vs. PL ($\mu = 112$). With a p-value that is approximately 0, it can be said that there is sufficient statistical evidence to state that perceived quality of low involvement

products, is higher for national than for private labels, which contradicts our initial hypothesis. Finally a paired two-sample t-test was conducted in order to assess H 2.3.

The null hypothesis was that $H_0: \mu_{PQ_Hi_NB} - \mu_{PQ_Hi_PL} = \mu_{PQ_Lo_NB} - \mu_{PQ_Lo_PL}$ while the alternative hypothesis was $H_a: \mu_{PQ_Hi_NB} - \mu_{PQ_Hi_PL} > \mu_{PQ_Lo_NB} - \mu_{PQ_Lo_PL}$. The findings indicate that $\mu_{PQ_Hi_NB} - \mu_{PQ_Hi_PL} = 80.99$ whereas $\mu_{PQ_Lo_NB} - \mu_{PQ_Lo_PL} = 32.41$. With a p-value of 0, there is no sufficient statistical evidence supporting the null hypothesis. Therefore it concludes that, although consumers perceive NB to be of greater quality than PL both in high involvement and low involvement products, the differential is much higher in the high involvement category.

LIMITATIONS

1. The main limitation of the research is included in the own concept of involvement. This is an abstract notion strongly related with a person's experiences and attitudes. Due to this reason, it has been difficult to find products that where objectively recognized as low- or high-involvement by general consumers.

2. Conclusions may have also been influenced by the fact that only two products for each category of involvement have been chosen as it may have caused limited robustness of results. It helped to decrease the complexity of the analysis but, at the same time, raised issues related to their representativeness.

3. Finally, the conclusions that were derived from the analysis may be limited by the fact that it did not truly replicate a real purchasing environment. In a real situation, consumers could be influenced by the packaging, the lights of the store, the location of products on the shelves, etc., and there might be different responses from their parts.

CONCLUSION AND RECOMMENDATION

The aim of this report was to understand how the level of product involvement affects Thai consumers' willingness to buy private labels. Thai Consumers' preferences were studied in terms of brand among different product categories and levels of involvement. Conclusion is that the level of product involvement is negatively related to consumers' willingness of to buy PL. Thus, the higher the level of involvement, the lower the willingness to buy PL.

A bit further was studied and understood the reasoning behind this by analyzing Thai consumer's perception of quality among different categories and brands. The findings indicate that consumers perceive the quality of PL to be lower than NB both for high and low involvement products. However the difference of perceived quality is higher for high involvement than for low involvement products.

This may suggest that quality is a less important factor driving consumers' decision making in what concerns low involvement products. Other factors that could play an important role in the purchase decision are frequency of purchase or location, among others. However, there is no statistical evidence to prove this. Further investigation on depth study of other factors influencing consumers' higher preference for PL in the low involvement category, as well as to complement this analysis by including a broader sample, a broader set of products in each level of involvement and by doing the study in a real environment.

Despite limitations, this study can be useful for companies, both for manufacturers and retailers, by helping them defining their strategies. A manufacturer can learn that he should reinforce the aspect of having a better quality in its products for the high involvement category as well as try to be more competitive in factors other than quality in low involvement. While a retailer can learn that the higher the level of involvement, the harder it is for a PL to successfully penetrate the market.

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