MULTI STORE BRANDS STRATEGY, COMPANY IMAGE AND STRATEGIC POSITIONING INCONSISTENCY AND THEIR EFFECTS ON PRICE AND QUALITY EXPECTATIONS

Abstract

This study examines the role of multi store brand strategies, company image and strategic positioning inconsistency on store brand evaluations. A two-phases experimental study with packaged goods and two samples (students and general public) was used. Findings suggest that multi brand strategies and company image have relevant and positive effects on store brand evaluations, showing general consistency with previous research. Exploratory findings suggest that strategic positioning inconsistency (e.g., value positioned companies launching premium-promise brands or viceversa) may generate better overall results than multi store brand consistency strategies, when one of the store brands is the company brand.

Introduction

Store brands –those marketed by retailers- have increased its market share in the world and Latin America. AC Nielsen stats suggest that private labels are approaching market shares of 40% in consumer products in Europe, and different industry studies suggest that the penetration of store brands among Latin American consumers are growing over two thirds of the total market (PLMA 2012, BrandSpark 2013). Consumers are growing their beliefs that store brands represent good quality options to more expensive national brand competitors, at a more accessible price (Garretson et al., 2002). This growth has generated an increased interest of managers and researchers on understanding the creation, management and success factors of private labels. Particularly, retailers need to define store brand strategies as a central element in their revenue generation models. Much of previous research has focused on scenarios where retailers launch a single store brand. However, retailers do often launch two and sometimes three private labels in some product categories. Few studies have examined this subject in different contexts and the literature is somewhat new and scarce (see for example Palmeira & Thomas 2011, Kvalbein y Hansen 2012).

De Palmeira & Thomas (2011), suggest that when retailing companies establish a multi store brand strategy with 2 or more store brands, company results may be different compared to single store-brand strategies. Additional critical factors and drivers might be at work: retailers offering two (or more) store brands may benefit from accessing different segments and scale economies associated with size and resource sharing. However, loss of management focus and brand management team dilution across more brands might prevent obtaining higher benefits. If marketers decide to go with more than one store brand to the market, what would be the adequate positioning of these "competing". If retailers have already a "normal" or "just below the leader" store brand (in terms of general positioning and price) what would be better for the company, to launch an entry level brand (cheap and standard) or to launch "superior" or more "trendier" store brand.

In this article we look at multi store brand strategies in Latin America. In a two-phases experimental study we investigate the value of multi-store brand strategies, i.e., two different private labels by a retailer. We extend the branding literature by exploring the impact of multi store brand strategies compared to single store brand strategies when the retail company use its own company brand name for the store brand: for example JUMBO supermarkets launches JUMBO olive oil. Theoretical and managerial implications are derived based on our findings.

Private Labels and Retail Strategy

Several authors in the marketing field have suggested that retailers use their store brand strategies to generate economic benefits, competitive gains, and strategic benefits. Keller (1993) and other brand equity authors suggest, that private branding strategies translate into higher margins and superior economic value, consistent with Ailawadi and Harlam (2004). Moorthy (1988) indicates that store brands can increase competition with national brands, Dick et al (1996) highlight the role of store brands to generate "lock-in" consumers, increasing retailer competitivenes and bargaining power as suggested by Narasimhan and Wilcox (1998). Soberman and Parker (2004) suggest that private labels can help retailers to address new opportunities and segments, create consumer traffic and differentiate themselves (not only to reduce bargaining power of suppliers; Coughlan et al 2001; Wu and Wang 2005). This is consistent with evidence in Latin America regarding the role of store brands as a competitive/ strategic weapon for local retailers agains global and national brands (Manzur et al 2011; Hidalgo and Manzur 2005).

Previous studies on private labels have studied the determinants or antecedents of store brand choice (or attitudes) against national brands. Overall, four different general groups of antecedents have been identified in the literature: store brand image; store brand strategies (i.e. packaging and imitation strategies; promotions, innovations); store brand/national brand comparisons; and consumer characteristics and purchase motivations.

<u>Store Image and Experiences.</u> Earlier studies examined the role of store image on store brand loyalty, choice and purchase (Doyle and Fenwick 1974, Mazurski and Jacoby 1986), testing image transfer (Bellenger, Steinberg and Stanton 1976; Vahie and Paswan 2006), store experience (Korgaonkar, Lund and Price 1985); quality signaling and risk reduction hypotheses (Richardson, Jain and Dick 1996; Semejin, Van Riel and Ambrosoni 2004).

Store Brand Strategies: Another antecedent of store brand acceptance and success studied in the literatures is the specific strategy defined for the store brand by the retailer. For example, some studies have provided evidence that store brand imitation strategies of national brands (i.e. similar packaging) generates positive effects on store brand purchase intentions and choice (Sayman, Hoch, and Raju 2002;). Other important stream of studies has tested the role of store brand promotions (i.e. price, in store promotions) on attitudes, intentions and purchase of private labels (i.e. Ailawadi, Neslin, and Gedenk 2001; Garretson et al 2002, Manzur et al 2011).

National Brand Strategies: another stream of studies focus on the strategies and reactions of national brands to reduce the impact of store brands. Several articles have studied quality perceptions (Bellizzi et al 1981; De Wulf et al 2005), showing better results for national brands over store brands, negatively affecting store brand choice. Other studies have contradicted those findings suggesting that consumers can derive quality from store brands and they can even get emotional and simbolic benefits (Chandon, Wansink and Laurent 2000). Other specific strategies national brand manufacturers have used to defend themselves from store brands include store promotions and price (i.e., Halstead and Ward 1995), increased quality or flanker brands (Hoch 1996), and other competitive strategies (Sethuraman and Cole 1999).

Consumer characteristics and segments. Consumer traits might be another important antecedent of store brand choice according to the literature (Manzur et al 2011). Recent studies have studied moderating factors and interaction effects of familiarity, store image, product type (Park, Park and Dubinsky 2011; Caplliure, Miquel and Perez 2010) and disposition to pay (Kvalbein and Hansen 2012).

Store Brands Evaluations: Theory and Extensions

Store brand research has made important advances to understand the determinants of store brand and retail strategy success. However, one area that is somewhat lacking refers to multi store brand scenarios. Many retailing companies are now offering more than one brand per product category, and managers and professors need theory and frameworks to provide guidance and make decisions in such situations. This phenomenon is particularly relevant for retailing companies and their brands in Latin American and emerging nations, where local retail companies represent a strong actor in those countries growth, development and access to products and services (Bianchi 2009; Bianchi and Ostale 2006). In this study we will examine three drivers of store brand evaluations: the use of a multi store brand strategy, the role of company image, and the use of consistency vs. inconsistency positioning strategies for launching the new store brands.

Multi store brand effects on quality and expected prices

As stated earlier Palmeira & Thomas (2011) and few other authors, a multi store brand strategy (with 2 or more store brands) may lead to different results compared to single store-brand strategies. Clearly, two or more brands allow retailers to target multiple segments (in a changing consumer market) and may benefit from strong scale economies associated with real estate and store investments, procurement and logistics, store brand image, CRM systems, and other resource sharing opportunities.

However, loss of management focus and brand management team dilution across more brands might prevent the accrual of higher benefits. If marketers decide to go with more than one store brand to the market, what would be the adequate positioning of these "competing". If retailers have already a "normal" or "just below the leader" store brand (in terms of general positioning and price) what would be better for the company, to lunch an entry level brand (cheap and standard) or to launch "superior" or more "trendier" store brand.

In addition to more standard image (association) transfer arguments (Keller 1993), Palmeira & Thomas (2011) and others have suggested that when retailers offer just one store brand, clients may think that its quality would be substantially lower than the real quality offered by a the store brand- given there knowledge of the product category. Thus:

> ***H1 a/b.*** The (a) expected price or (b) perceived quality of a "premium" store brand will be higher if a "value" brand is launched by the same retailer.
>
> ***H2 a/b.*** The (a) expected price or (b) perceived quality of a "value" store brand will not experiment significant changes if a "premium" store brand is launched by the same retailer.

Halo effects of the company brand name on store brand evaluations

Store brands exist within particular retailers or stores. In that sense they affect and are affected by their company brand names and the other manufacturer or national brands a particular retailer carries (Martenson 2007). As suggested by Martenson (2007) and brand portfolio and extension literature it is more likely that the company brand has a stronger effect on the store brand (knowledge, attitude towards the store brand, likelihood to try, perceived quality). Therefore, we can expect an overall halo effect on perceived quality and expected prices of the store brands. This effect should be larger when the company brand itself is used (extended) to a particular product category. For example, when JUMBO supermarkets sell JUMBO olive oil, or ALDI sells ALDI crackers. In those situations brand extension literature would suggest a general transfer effects of overall quality judgments and particular brand associations and the role of fit between the parent category and the extension category (Völckner and Sattler 2006). Some retailers may use their own company names as store brands in order to increase the equity of the company brand name, strengthen the meaning and prominence of the brand (Keller 2007). Therefore, regular extension effects may occur:

> ***H3 a/b*** Brand image of the store –in terms of perceived quality- positively influences (a) store brand quality perceptions and b) expected prices of the private labels using the company brand name

> ***H4 a/b*** Brand image of the store –in terms of perceived quality- positively influences (a) store brand quality perceptions and b) expected prices of new store brands

<u>Company Brand and Store Brand Positioning Consistency</u>

In the two previous sections we have examined the theory and hypotheses regarding multi store brand vs. single store brand strategies, and the halo effects generated by stores on their store brands, mostly based on extension fit and feature similarity. However, there might be two general types of fit between the retail company name and the new store brand: category fit or feature similarity fir (for example COSTCO sells now COSTCO frozen food vs COSTCO sells COSTCO car insurance) and strategic/positioning fit (COSTCO sells premium frozen food vs value-low cost frozen food; Park, Milberg and Lawson 1991).

We will explore the second case: strategic positioning fit. Strategic fit consistency will be the case when a retail company with a value positioning launches value store brands. Strategic inconsistency will occur when a value retail company launches premium brands or a premium retail company launches value brands (or viceversa). If strategic consistency exists, one might expect that in both cases (value positioned and premium positioned stores) they will transfer their overall quality and associations to the store brand (s) (particularly if the brand is the same as the company brand). In those cases, the advantage of a multi brand strategy will dilute, since the halo effect -direct transfer from the company brand to the store brand- will be stronger than the benefits derived from a multi store brand strategy. However, in the case of inconsistency strategies, both value and premium positioned retailers will benefit form a multi store brand strategy. In the case of value retailers, the launching of a premium-promise store brand (in addition to another value-promise store brand) will expand the point prices and quality expectations possible under the single brand scenario. In the case of a premium positioned store, an multi store brand strategy including an inconstent brand (value store brand) will generate better store brand evaluations given the combination of company brand halo effects and multi brand effects. The value store brand will have a better evaluation since it was launched by the premium positioned company, and this will result in an anchoring effect, lifting the evaluations of the premium store brand of the same company. Therefore we propose_

> ***H5 a/b*** Multi store brand strategies will generate better evaluations of store brands ((a) expected prices and (b) quality perceptions) when they include positioning inconsistent brands (i.e. value-promise brands for a premium positioned retail company)

Method

Three different phases were used in this research. First a pretest was performed with a sample of 36 students in order to establish the economic/ financial thressholds for the main study and for testing product categories, brands and packagings of the brands that were to be included in the study.

In the pre test we assessed 16 different label combinations: 8 combinations for each type of store brand (premium or value). In the case of premium store brands we considered the combination of 2 premium brand names (Premier, Bonmark); 2 different label styles (ornamentalist, minimalist), and 2 consistent colors (black, gray). In the case of value brand names we considered a combination of 2 value brand names (Super, Classic); 2 styles (ornamentalist, minimalist) and 2 colors (red, white). For experimental purposes we picked those labels with stronger differences in terms of expected prices and quality perceptions: SUPER value brand (white label and ornamentalist style) and PREMIER premium brand (black label and minimalist style).

INSERT FIGURE 1 HERE

In the final study two different samples were considered: a student sample (n=80) and a general public sample of 76 subjects. Four different product categories were used: olive oil and dish washer liquid for general public, and potato chips and mayonnaise for students. Product categories were selected based on the pre test assessments of product relevance for different segments. Two phases were considered in order to test the different hypotheses.

<u>Phase I</u>

In phase I subjects needed to assess three different scenarios: Scenario 1 -SUPER value brand alone-; and Scenario 2 -PREMIER premium brand alone-, and scenario 3 -both SUPER and PREMIER are present in the store.

The dependent variables considered in the study are expected price and perceived quality. Consistent with Palmeira and Thomas (2011), perceived quality is assessed using a 6-point unbalanced scale: 1-Very Bad, 2-Bad, 3-Reasonable, 4. Good, 5-Very Good, 6-Excellent. Expected price was measured using the prices indicated by consumers, normalized in order to reduce variance and biases.

Subjects participated in an experiment where they assess the influence of multi store brand strategies on the perceived quality and price expectations of store brands, assigning price expectations and assessing quality of existing brands and new store brands in two scenarios: one store brand or multiple brands with different positionings (e.g. Super -value positioning-, and Premier -premium positioning- see Figure 2). Subjects were briefed regarding the two different store brands, getting an overall description of the brand (in addition to the product images). For example, SUPER was described as “a store brand of daily use, with a good price-quality relationship … helping the home economy since it allows for savings…”. The PREMIER brand was decribed as “a store brand of daily use with excellent quality, up to date technology and professional controls…”. Additionally, subjects were given images of the different brand packagings (national brands and store brands) and retail prices for the national brands, for anchoring purposes.

INSERT FIGURE 2 ABOUT HERE

<u>Phase II</u>

A first step in phase II of the study was to ask subjects to provide their assessment of supermarkets and their store brands in general. JUMBO and LIDER the two leaders in the supermarket industry were selected since the empirical results of the pre test offered contrasting results and given their widespread knowledge and very clear positioning (LIDER slogan is “everyday low prices” and JUMBO slogan is “more quality”).

After providing their judgments on different supermarket company brands, they had to assess the perceived qualities and expected prices of the store brands associated with those companies. In particular, we use a packaged cereal product using the retail brand names (see Figure 3), given its relevance for both the general public and student samples.

INSERT FIGURE 3 HERE

Finally, subjects were asked to provide price and quality expectations in multi store brand scenarios where they analyze consistent and inconsistent positioning scenarios (i.e. where Jumbo offers additional a new premium vs. value store brand, and Lider offers a new value vs. premium store brand).

Results

<u>Phase I Results: Single Store Brand vs Multi Store Brand Strategies main effects</u>

As indicated the final study had two phases. In phase I we tested hypotheses H1 and H2. We perform separate analysis for the general public and students samples. In the general public sample -using olive oil and dish washer detergent as product categories- results are consistent with hypotheses H1 and H2. As predicted, the presence of an additional value store brand generates higher assessments of expected prices and perceived qualities of the premier store brand, showing statistically significant results (thus supporting H1a and H1b). In the case of the value brand (i.e., SUPER), perceived quality is not affected by the presence of an additional premium store brand. However, results show significant differences in terms of expected prices in the multi store brand scenario (higher than) and the single brand scenario (just the value store brand), thus not supporting H2a.

INSERT TABLE 1 HERE

Results in the student sample study - using different product categories: potato chips and mayonnaise- where somewhat less supportive for H2. In the case of H1, as expected, premium brands increase their perceived quality and expected prices under the multi store brand scenario. However, in the case of the value brand (SUPER), the presence of a a premium brand dis result into a lower expected price for SUPER. Perceived quality was not affected as predicted.

INSERT TABLE 2 HERE

Phase II Results: Multi Brands using the Company Brand Name

As shown in Table 3 and consistent with hypotheses 3 a/b the new store brands from a company perceived as premium-positioned will have higher evaluations of quality and price expectations than brand extensions launched by a company with a value positioning, providing support for H3.

INSERT TABLE 3 HERE

Table 4 provides the evaluations of store brands when two real retailers -Jumbo or Lider- with specific positionings (premium and value-positioned)- are the owners of those brands. Overall the results are consistent with hypothesis H4: store brands assessments are higher in terms of expected prices and perceived quality when the company brand name is JUMBO (premium positioning) compared to when it is LIDER (value positioning). The expected prices and perceived quality of PREMIER are 1615,3 and 4,23 under JUMBO umbrella compared to 1601 and 4,14 under the LIDER umbrella. The expected price and perceived quality of SUPER are 1583 and 3,53 under the JUMBO umbrella compared to 1545,5 and 3,42 under the LIDER umbrella (for the total sample).

INSERT TABLE 4 HERE

Table 5 provides the evaluations of store brands when two real retailers -Jumbo or Lider- with specific positionings (premium and value) are the owners of those brands. Overall the results are consistent with hypothesis H4: store brands assessments are higher in terms of expected prices and perceived quality when the company brand name is JUMBO (premium positioning) compared to when it is LIDER (value positioning). The expected prices and perceived quality of PREMIER are 1615,3 and 4,23 under JUMBO umbrella compared to 1601 and 4,14 under the LIDER umbrella. The expected price and perceived quality of SUPER are 1583 and 3,53 under the JUMBO umbrella compared to 1545,5 and 3,42 under the LIDER umbrella (for the total sample). These results are consistent in the case of the students sample but some differences exist in the general public sample. In particular, in the case of the PREMIER (premium) brand, the expected price under the JUMBO scenario are slightly lower than under the LIDER scenario (1582 vs 1586), but the perceived qualities are consistent with H$ (4,38 vs 3,94). In the case of the SUPER (value) brand results are very consistent for the expected prices (1557 vs 1517), but differences are very low in the case of the perceived quality (3,44 vs 3,41 in the JUMBO and LIDER scenarios respectively). These results need to be further investigated because they might be indicating differential trasnfer or halo effects for store brands depending on the consistency or not of the brand strategies followed by the Company Brand and the store brand.

INSERT TABLE 5 HERE

Finally, results show that multi brand strategies including and inconsistent positioned brand will generate stronger differentials in terms of superior expected prices and perceiced qualities, compared to positioning consistent strategies, supporting H5.

Discussion and Implications

Overall, results are consistent with existing literature indicating that Latin American retail managers should consider the image of their stores in their store brand strategies. Results suggest that retail stores with a particular positioning will affect the positioning of their store brands. In particular, premium positioned stores will generate higher perceptions of quality and prices of their store brands compared to value-positioned stores. Halo effects are present both when the retail company uses the company brand name as their store brands (i.e. JUMBO cereals; COSTO frozen food) or when they use different store brand names (in this case Premier or Super). These results confirm previous results in the literature in a different emerging market country, and are relevant for Latin American retail managers, suggesting that retail or company brands can act as “umbrella or shadow” brands for their store brands families.

Results of this study are also consistent with recent work in the marketing and retailing literature, suggesting that stores and retail companies would be better off with multi store brand strategies than single store brand strategies. Multi store brands do not only allow retailers to address different consumer segments and control de retail space, but also may allow for better perceptions and evaluations of existing store brands. For example, launching a value store brand will allow a retail company to target a lower-end segment, but will at the same time generate a change in perception of an existing premium-promise store brand.

Additionally, we present exploratory evidence regarding the effects of multi store brand strategies in the case of combining new store brand names and existing store brands that use the company name (i.e. when in addition to LIDER cereals, LIDER decides to launch another cereal store brand –SUPER or PREMIER). Preliminary evidence presented in this study suggests that "inconsistent-positioning" strategies may produce better effects than "consistent-positioning" strategies. This means that premium-positioned retailers should add to their store brand line ups a value-promise brand, if they already have a store brand with the company name in the category, and that value-positioned retailers should add a premium-promise brand to their line ups if they already have their company brand in the category.

The study has limitations that need to be considered, and should advise readers to consider some of these results as preliminary. Sampling and experimental procedures are always an issue in experimental work. Additionally, although much care was placed in the production of experimental stimulus (pre test and package design, selection of store brands, etc.), there are always sources of errors and internal validity that should be considered for future analysis and research.

<u>Some implications for future branding research.</u>

Results presented in this study represent a good trigger of future research in the area and in emerging markets. Several effects need to be better understood, like feedback effects between the retail company brand and store brands, dynamic positioning and the effect o store brand strategies to make retail brands more elastic, the different aspects and angles of store-brand consistency and how they may affect store brand evaluations, company brand image, and brand elasticity; and the relation between retail brand elasticity and consumer segments, among other issues.

<u>Feedback and dynamic effects: Short term store brand success vs Long term Brand Equity development:</u> In most occasions retail chain managers would like to preserve their company brand and use its equity to generate traffic, to support store brands, and increase sales and profits. However, sometimes retail chain managers may want to upgrade their store/company positioning. They may be interested in reposition the store chain as part of a general competitive or marketing strategy against existing or new competitors. This was the case, for example with the entry of ZARA to the fashion retail industry in Latin America; and local retail chains like FALABELLA or RIPLEY, needed to respond and reposition themselves. As with umbrella/parent brands, the brand portfolio strategy may also be used to strengthen the positioning of the company (retail) brand. FALABELLA, for example, launched and supported heavily fashion store brands (i.e. BASEMENT) to reduce ZARA advantages, and to make their company brand stronger (in addition to strengthen the assortment of national and international fashion brand corners in their stores). Future research may address this empirical question regarding the effectiveness and boundaries of store brand portfolio strategies to change overall company brand positioning.

<u>Brands assortment selection:</u> Another area of potential work has been suggested previously by Martenson (2007), who indicated that the store as a brand will be affected by the

selection of store brands and the presence or assortment of manufacturer / national brands. In the previous section we have indicated (as stated in the literature) that feedback effects may exist, and that the selection of a particular store brand strategy (i.e. multi store vs. single store brand) may affect the image/positioning and equity of the company or retail brand. Additionally, it would be important to explore and separate the role of brand assortment within the store to explain store brand evaluations. For example, in Chile, LIDER supermarkets, after the acquisition by Walmart, has started to offer foreign brands (i.e. Great Value, the traditional Walmart store brand). The inclusion of Great Value and other brands may carry feedback effects on LIDER, but also may affect all store brands present in a particular category and the general store.

Store brand inconsistency effects. An important proposition from our study is that retail companies might be better off using multi store brand strategies and using an inconsistent-positioning new store brand strategy. This means that if they have already a store brand with their own company brand, they might get better results if they launch a new brand that is inconsistent with their original positioning: premium-positioned retailers launch a value store brand or value-positioned retailers launch a premium store brand. We believe that these results are interesting but need to be further tested in terms of different settings (i.e. fashion retailers), and different positionings (i.e. value-low cost, premium, and "middle or center" positioned retailers. For example, IKEA is not a value-low cost positioned retailer nor a premium-positioned retailer. Store brand vs. company brand inconsistency can be much lighter or simpler than just being the opposite (premium vs. value), and despite the general "inconsistency" argument, it might be the case that "subtle inconsistency" might be better than "strong inconsistency". How these findings may affect retail brand building and feedback effects is another interesting area to explore, which relates to the study on brand concepts (Park, Milberg and Lawson 1991) and brand elasticity (Monga and Roedder John 2010).

Brand elasticity, brand inconsistency and customer types. In addition to growing a company brand equity and a stronger brand portfolio, retail managers might be interested in expanding the elasticity of a brand. Park, Milberg, and Lawson (1991) suggest that brand elasticity is determined by the specific brand concept of the parent brand. In particular, parent brands with a prestige concept (premium concept in our study) may be more elastic compared to functional concept brands since prestige concepts are more abstract and functional concepts are more specific. Monga and Roedder John (2010) extended this research and suggest that consumers style of thinking (holistic vs. analytic) may affect the evaluation of more distant extensions. This stream of research may be very relevant for store brand research and effectiveness of store brand and retail brand architecture strategies and the use of company brand extensions as store brands or new store brands, in particular for gaining deeper understanding of our new store brand "inconsistency" proposition, and its boundary conditions. Additionally, our results show some differences between the student and general public samples. Regular explanations would suggest that product categories or choices would not be as relevant for students vs. consumers. However, a different explanation could be related with the style of thinking used by students and other customer types.

Figure 1. Experimental Stimulus selected in the Pre Test for the Olive Oil category

Positioning	Brand Name	Color	Style	Perceived Quality	Expected Price
Value	*SUPER*	BLANCO	Ornamentalist	2,4	$1827 (USD 3)
Premium	*PREMIER*	NEGRO	Minimalist	4,9	$3738 (USD 6)

Figure 2. Experimental Stimulus for the Olive Oil category

3 existing competitors plus 2 new store brands with premium ("PREMIER") and value ("SUPER") positionings.

Olive Oil Example: 3 Existing Brands + 2 New Brands (*Super* & *Premier*)

				
Brand: Banquete Extra Virgen 500 cc	**Brand: Chef** Extra Virgen cc	**Brand: Talliani** Extra Virgen 500 cc	**Marca: Super (value)** Extra Virgen 500 cc	**Marca: Premier (premium)** Extra Virgen 500 cc
Retail Price: $ 2.535	**Retail Price: $2.565**	**Retail Price: $ 2.780**	**Ask for Price / Quality** (1 Very Bad-6 Excellent)	**Ask for Price / Quality** (1 Very Bad-6 Excellent)

Figure 3. Experimental Stimulus for the evaluation of Store Brands using the Company Brand Names in the Cereal Category

Figure 4. Experimental Stimulus for the evaluation of New Store Brands competing against National Brands

(Scenario 1: 3 National Brands, 1 Store Brand using Company Name, 1 New SUPER Store Brand)

Table 1. General Public Sample One-Store Brand vs Multi Store Brand Scenario (Average Expected Prices and Perceived Quality)

	Premium Brand PREMIER H1			Value Brand SUPER H2		
	1 Store Brand Scenario	**Multi (2) Store Brand Scenario**	**Sig.**	**1 Store Brand Scenario**	**Multi (2) Store Brand Scenario**	**Sig.**
(a) Expected Price	10,95 (n=22) Min:6,7/Max:13,8	11,99 (n=25) Min:9,6/Max:14,5	0,053*	11,39 (n=22) Min:8,4/Max:15,5	12,33 (n=26) Min:10,2/Max:15,1	0,015**
(b) Perceived Quality	4,63 (n=22) Min:3/Max:6	5,2 (n=25) Min:3/Max:6	0,039**	3,68 (n=22) Min:2/Max:6	3,84 (n=26) Min:2/Max:6	0,610

Table 2. Student Sample One-Store Brand vs Multi Store Brand Scenario (Average Expected Prices and Perceived Quality)

	Premium Brand PREMIER (H1)			Value Brand SUPER (H2)		
	1 Store Brand Scenario	**Multi (2) Store Brand Scenario**	**Sig.**	**1 Store Brand Scenario**	**Multi (2) Store Brand Scenario**	**Sig.**
(a) Expected Price	10,54 (n=26) Min:7,3/Max:13,7	10,95 (n=24) Min:7,3/Max:15,1	0,476	11,96 (n=30) Min:10,7/Max:13,5	11,34 (n=24) Min:8,2/Max:13,7	0,029**
(b) Perceived Quality	3,42 (n=26) Min:2/Max:5	4,25 (n=24) Min:2/Max:6	0,007***	2,87 (n=30) Min:1/Max:4	3,00 (n=24) Min:1/Max:5	0,620

Table 3. The effect of brand quality image of the retail company on the existing store brands

	Retail Brand (the brand name of the supermarket)	Store Brand using the Company Retail Brand Name	
Retail Companies (Supermarkets)	Perceived Quality	Expected Price	Perceived Quality
Low-Cost Positioned Supermarket (LIDER)	4,11 (n=76)	$1469	3,56

Premium positioned Supermarket (JUMBO)	4,86 (n=76)	$1689	4,28
Sig		0,000***	0,000***

Table 4. Company Brands and their influence on Store Brand Evaluations

Company Brand Name	**Jumbo**				**Líder**			
Store Brand Name	Premier		Super		Premier		Super	
Total	1615, 3	4,23	1583,0	3,53	1601	4,14	1545,5	3,42
	(32)	(35)	(32)	(34)	(30)	(33)	(34)	(33)

Table 5. Consistent vs. Inconsistent New Store Brands with the Retail Brand Positioning (Average Differences of the Multi Brand Scenarios with the Single Company Brand Name Scenario)

	SUPER (Value Store Brand)		PREMIER (Premium Store Brand)	
	Expected Price	**Perceived Quality**	**Expected Price**	**Perceived Quality**
	Consistent		Inconsistent	
LIDER Supermarket (Value positioning)	75,6	0,13	**131,6**	**0,58**
	Inconsistent		Consistent	
JUMBO Supermarket (Premium positioning)	**106,6**	**0,62**	-54,6	0,03

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