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An Exploratory Study on Private Label Brand Knowledge and Consumer Loyalty

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Abstract: The objective of this research is to assess the relationship between retail private label brand knowledge and loyalty in Taiwan. A questionnaire survey is conducted among 529 customers in Taiwan as the research design. The results of this study indicated that retail PLB awareness and retail PLB image both have a positive effect on consumer retail PLB loyalty. The research finding is one of the first to demonstrate that retail PLB knowledge affect consumer loyalty positively in Taiwan through examining PLB food and non-food products. Retail PLB knowledge must be considered as a 'whole package' for developing services marketing effectively.

Key words: private label brand; brand knowledge; brand loyalty; survey, Taiwan
JEL code: M310

1. Introduction

The topic of retail brands has been discussed and investigated a great deal by previous researchers and scholars (e.g., Aaker, 1996a; Ailawadi and Keller, 2004; de Chernatony and McDonald, 1998; Gordon, 1994; Kapferer, 1997; McGoldrick, 2002; Randall, 2000; Wileman and Jary, 1997) and the concept of retail brands has been recognised and argued since the 1960's (McGoldrick, 2002). With the growth of retailer brands over the past 25 years, particular in Europe, the evolution of these product ranges has started with private labels offering the consumers a lower quality product alternative for lower prices, into retail brands offering a true quality brand alternative (Burt, 2000). Meanwhile, compared with the mature European retailing market, the concept of retail brands in Asia has just started from the beginning stage and more and more Western retail companies go global and enter into the Asian market with their successful operation experiences. According to Au-Yeung and Lu (2009), many international retailers believe that use of own label brand in Taiwan is important. However, an understanding of the development and strategic use of own label brand by retailers in Taiwan is not yet well established. Burt (2000) pointed out that not all countries' or companies' private label brands progress through the same sequence as the development of retailer brands. Current research from the US indicated that consumers are considering purchasing a greater proportion of retail private label brands, e.g., in 2008, 24% of foods and drinks were got from private label brand products in American families, and 97% of American families bought private label brand products (Su, 2009). In Taiwan, retail branding has been introduced for over one decade (since about 1998 and 2000) by international retail brands, e.g., Carrefour, COSTCO and TESCO (Ho, 2008). Since then they started creating and promoting low-priced private label brand products as the first stage for developing retail

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branding in Taiwan. The research finding from Au-Yeung and Lu (2009) summarized that the developing progress of retail own label brand products in Taiwan does not follow the pattern witnessed in the West. According to Ho, Vignali & Temperley's research (2006), at the beginning few years Taiwan's retail private label brand still stayed at the introduction stage, but in recent years, it is forecasted to have a growth trend (Carat Media Weekly, 2008). It has been believed that more and more Taiwanese consumers have started to know, accept and use retail private label brands. The key issue therefore is whether the more retail brand knowledge consumers acquire, the more retail brand loyalty they have. It is an interesting issue to observe and explore after a decade into retail brand development in Taiwan.

Therefore, this research paper is going to explore consumers' retail private label brand knowledge which is adopted from Keller's brand knowledge concept (1993) to examine whether consumers' retail private label brand knowledge affect their retail private label brand loyalty. The previous discussions about the relationship between brand knowledge and brand loyalty are mainly for the manufacturer brand or in general (Peng, 2006), less for the field of service or retail branding specifically, thus this research will investigate a proposed conceptual research framework for the relationship between retail private label brand knowledge and retail private label brand loyalty.

2. Background to Retail Private Label Brand in Taiwan

Taiwan is one of the newly industrialized economies and its retail industry is currently in a very strong competitive phase. Taiwan's modern retail market started from the first 7-Eleven in 1979 and then the first international chain warehouse, Makro, from Dutch in 1987 and the last three decades have seen rapid growth of chain system (McDonnell et al., 2011). The development and density of hypermarkets in Taiwan (per 229 thousand people have one hypermarket) leads throughout Asia Pacific (ACNielsen, 2004; Retail News, 2004).

With regard to retail private label brands in Taiwan, which were launched from 1979 by 7-Eleven, but late to 1995 they started to be used in hypermarkets by Carrefour Taiwan. At the beginning, private label brands only had non-foods commodity products (e.g., commodity products) and did not get consumers' attention. 76% of Taiwanese consumers said, "I don't know these private label brands so I don't want to have a try." (ACNielsen, 2005). According to Ho, Vignali and Temperley's research (2006), the first few years (till 2005) still stayed at the introduction stage. At that stage, all products no matter foods or non-foods which were higher price-sensitive and lower preference had potentiality to develop as private label brands, and private label brands did not have any brand value. Every retailer just operated private label brands with low price strategy (Wang, 2005).

According to Wang and Lu (2005), the private label brand share was under-developed with only 2.1 percent market shares in Taiwan, but the growth rate was 30 percent. Figure 1 illustrates that global private label brand share is 17 percent and average retailer concentration is 60 percent. The UK and Switzerland was at the position of over both average levels where is the well-developed private label brand market. In the grey zone, e.g., New Zealand and Australia, it is the highest potential market for private label brand growth. Though Taiwan was in the under-developed marketplace, it was moving toward to grey zone by increasing retailer concentration.

Until 2009, both quantity and quality of private label brand products had a big growth trend. For the quantity, Carrefour's private label brand products accounted 10% for total sales in 2007 and aimed to up to 17%-20%; RT-Mart's private label brand products also had 10% of annual sales; COSTCO's "KIRKLAND" achieved 20% of annual sales (Carat Media Weekly, 2008). For the quality, both Carrefour and RT-Mart created the second private label brand label to claim that the products under this label are provided with the same good quality as national brand products (Card U News, 2009). Since then, brand value for private label brand products was concerned as a key issue for both retail players and Taiwanese consumers.

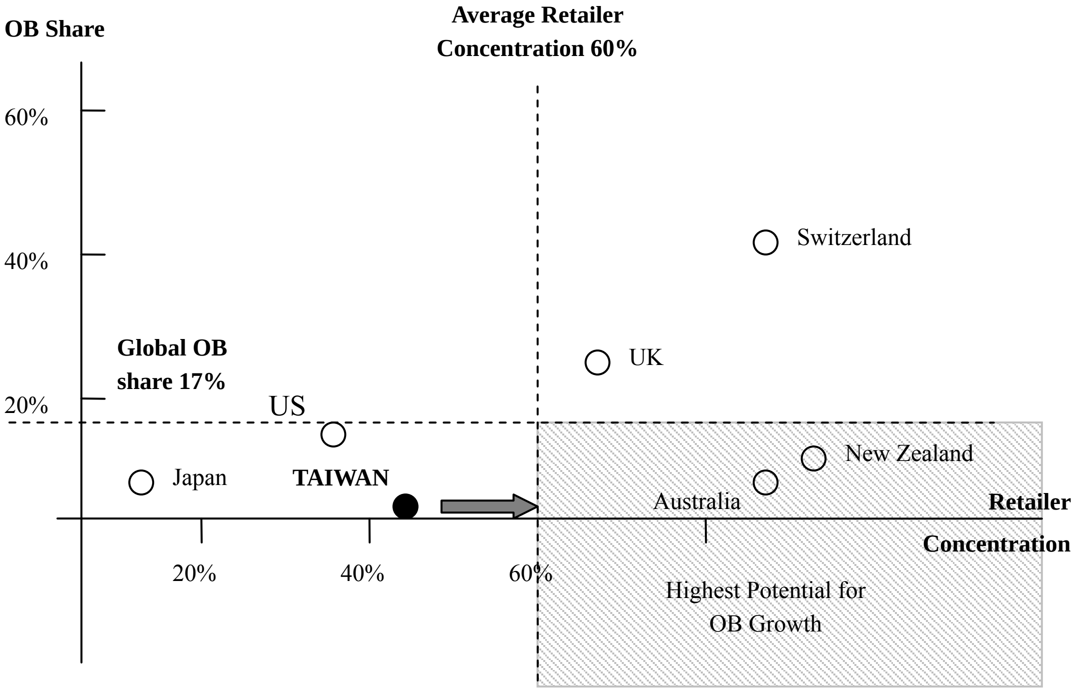

Figure 1 Private Label Brand (OB) Shares and Retailer Concentration

Source: Wang and Lu (2005)

Meanwhile, in recent years, Taiwanese consumers have started to know, accept and use retail private label brand. After observing Taiwanese consumers' private label brand shopping behavior, Peng (2011) concluded that nowadays when making a buying decision, more and more consumers have considered the knowledge and value about retail private label brands not just the price issue. Furthermore, it could be found that private label brand loyalty for Taiwanese consumers was developed during these years, e.g., there were 90% of Carrefour's consumers realized to buy private label brand and have high repurchase rate, according to PR Manager of Carrefour Taiwan, Lin (Card U News, 2009).

Moreover, for the development of own label brand product categories, it also had a change. At the introduction stage (before 2005), the developing strategies of private label brand more focused on non-foods products, such as commodity products (e.g., toilet paper) than foods product, i.e. fresh foods, such as meat, vegetable and fruits, and frozen foods (Wang, 2004). Actually, at the first few years, non-foods products particularly paper products and plastic goods were the most popular private label brand products for consumers, but from 2005 AC Nielsen report, foods products, e.g., milk, cheese and ready-to-eat products, had 32% market shares with 9% growth rate, which means that foods products replaced non-foods products to be the most accepted private label brand products (Ho, 2007).

3. Literature on Retail Private Label Brand

There are many different definitions of retail private label brands (own-label brands, private labels, or own brands), Brassington and Pettitt (2003, p. 1106) defined as "branding applied to goods that are produced by a manufacturer on behalf of a retailer or wholesaler who owns the rights to the brand." Meanwhile, Rousell and White (1970) pointed out the feature of "exclusively" for private label brands and indicated that products sold under a retail organization's house brand name, which are sold exclusively through that retail organization's outlets. Also Koskinen (1999) argued the definition with the greater diversity of branding and channels: a brand name owned by the retailer or a wholesaler for a line or variety of items under exclusive or controlled distribution.

The evolution of retail private label brands can be traced back to 1870s, according to de Chernatony and McDonald, multiple retailers emerged around that period and developed their own range of brands for which they controlled the production and packaging. The early versions of distributor brands (usually referred to as own labels or private labels) tended to be basic grocery items (1998, p. 31). "The late 1960s was when private label brands started to be widely noted as a threat to manufacturers' brands, especially in packaged grocery markets" (McGoldrick, 2002, p. 337). The development of retail private label brands in Europe is much more than in US and any other countries, especially in the UK. Laaksonen and Reynolds (1994) developed a typology of product brand development which suggests that retail branding in the UK has developed through a number of generations from generics to private label brands and through to added value retail branding (Table 1) (Burt, 2000; Burt and Sparks, 2002; Veloutsou et al., 2004).

Table 1 The Five Generations Model

	1st Gen	2nd Gen	3rd Gen	4th Gen	5th Gen
Branding form	Generic; No name; Unbranded	Own label; Unsupported private label brand	Supported private label brand	Extended retailer brand, i.e., segmented retail brands	Corporate brand
Strategy	Generic	Low price copy	Me-too copy of major brands	Value-added	Corporate positioning
Quality/ Image	Lower quality and inferior image	Medium quality but still perceived as lower than leading manufacture brands	Comparable with the brand leaders	Same or better than brand leader; Innovative and different products from brand leaders	Quality and consistency through the organization
Price position	20% or more below the brand leader	10-20% below	5-10% below	Equal or higher than knprivate label brand	Focus on delivering value
Consumers' motivation to buy	Price is the main criterion for buying	Price is still important	Both price and quality, i.e., value for money	Better and unique products	Trust

Source: Adapted from Burt and Sparks (2002).

Similarly, Wileman and Jary (1997) suggest five stages in the development of retail brands-generics, cheap, re-engineered cheap, par quality, and leadership- which roughly match the maturity of the brand concept (Burt, 2000). Meanwhile, McGoldrick (2002) also identifies a number of different "species" of retailer brands: retailer name brands, store sub-brands, generic brands, exclusive brands and exclusive products. The result is that the stages concept in these schemes does not only present the development and evolution of private label brands, but also indicates a hierarchy of retailer brands. Under the same retailer's name, private label brands have different layers comprising generics, core own-brands and sub-brands and form a brand hierarchy in order to target and satisfy different consumer segments and hence differing consumer needs. Basing on those models, Ho, Vignali and Temperley (2006) created a hierarchy of retail branding, i.e., Generic, Value, Standard, Exclusive and Retail store/company, which is not only to present the evolution of private label brands but also to classify the typology of private label brands (Table 2).

Table 2 A Hierarchy of Retail Own Label Brand

Own label brand hierarchy	Characters of hierarchy model	Five Gens model	Five stages model	Examples
Exclusive	Sub-brands (high quality)	4th: Extended retailer brand	Par quality	Tesco: Finest Asda: Extra Special
Standard	Core own-brand	3rd:Supported private label brand	Re-engineered cheap	Tesco: Tesco Asda: Asda
Value	Sub-brands (low price/quality)	2rd:Own label	Cheap	Tesco: Value Asda: Smart Price
Generic	Generics	1st: Generics	Generics	Vegetables and fruits without any brand name

Source: Ho, Vignali and Temperley (2006, p. 46).

4. Retail Private Label Brand Knowledge- Brand Awareness and Brand Image

As mentioned above, retail private label brands are developed over ten years in Taiwan and Taiwanese consumer should realize more retail private label brand knowledge than before. It is the time when after a decade into retail own label brand development in Taiwan to examine what Taiwanese consumers know and feel about retail private label brands. That is to say, to investigate the retail private label brand equity in Taiwan. Current marketing literature defines brand equity based on different thoughts, e.g., brand knowledge such as brand awareness and brand image/association (Keller, 1993), proprietary brand assets like perceived quality, brand awareness, brand loyalty, brand association (Aaker, 1991), attitudinal dispositions (Rangaswamy et al., 1993), incremental utility (Kamakura and Russell, 1993; Roy and Chau, 2011). This research will adopt Keller's brand knowledge concept as he defined brand equity as when a brand is well known and has some favourable and unique association in mind of consumers (1993). Thus, the two components of brand knowledge, i.e., brand awareness and brand image, will be discussed and explored for retail private label brand in this study.

Brand awareness is one of the main crucial issues for consumers when assessing products (Aaker, 1991). The importance of brand awareness has been discussed a great deal in previous literatures, e.g., Hoyer and Brown (1990), Rao and Monroe (1988), Shimp and Bearden (1982) and Simon (1970). From Keller's model, brand awareness consists of brand recognition and brand recall performance by consumers. Brand recognition requires that consumers can correctly distinguish the brand as having been previously seen or heard (Keller, 2003). Brand recall requires that consumers correctly generate the brand from memory (Keller, 1993). Aaker (1996b) indicated that brand awareness could influence consumers' perceptions and attitudes, as well as drive the choice and loyalty of a brand. However, it is not easy to find out the relevant issue of brand awareness for retail private label brands from previous researches.

The issue of brand image has been seen as one of the key topic in the field of consumer behaviour since the 1950's (Dobni & Zinkhan, 1990). Keller (1993) defined brand image as perceptions about a brand as reflected by the brand associations held in consumer memory. He also believed that brand image includes types, favorability, strength and uniqueness of brand association. Research has also demonstrated that brands with a better image are preferred than those with a less positive image (Kwon, 1990). Besides, Vahie and Paswan (2006) studied the private label brand image and explored its relationship with store image. One of the findings indicated that the store atmosphere and store quality positively influence the perception of private label brand's quality. The results and knowledge gained from this research on department store may not easily applicable to grocery retailers for this research.

Even though previous studies have investigated the topic about brand awareness, brand image, and the relationships between each other, most of them still focused on the field of the brand in general (e.g., Peng, 2006) but less for the field of retail brand. Therefore, the following hypotheses are proposed:

H1: Retail private label brand awareness has a positive effect on retail private label brand image.

5. Consumer Loyalty for Retail Private Label Brands

Consumer loyalty means that consumer insists on buying the same brand the next time (s)he needs to buy the product again without any reason or stimulation (Bloemer & Kasper, 1995; Hu, 2006). If the consumer believes that a brand has attractive attributes, s/he will have a more favourable attitude toward it. These attitudes then may be measured by asking people how much they like the brand, feel committed to it, will recommend it to others, and have positive beliefs and feelings about it (Kassim and Abdullah, 2010; Donio et al., 2006).

The importance of retail private label brands has contributed to change many consumers' purchase and consumption behaviors particularly in the grocery industry (Binninger, 2008). Theoretically, retail private label brands' role in building consumer loyalty is usually taken for granted because retail private label brands' differentiation strategy toward competes their consumer attraction and loyalty-building capacity (Cortsjens & Lal, 2000; McMaster, 1987), but has not yet been completely identified. In reality, only some authors have directly dealt with retail private label brands by concentrating on consumer loyalty (Ailawadi et al., 2001; Cortsjens & Lal, 2000; de Wulf et al., 2005; Steenkamp & Dekimpe, 1997). Moreover, undoubtedly, it is believed that consumer loyalty in the context of retailing is a complex issue, e.g., Robinson, 1995, as it involved in both store loyalty and brand loyalty. Therefore, this research is going to focus on the brand side, namely the retail private label brand, to examine the loyalty for retail private label brands. On the basis of the above discussion, the following hypotheses are proposed:

H2: Retail private label brand awareness has a positive effect on consumers' retail private label brand loyalty

H3: Retail private label brand image has a positive effect on consumers' retail private label brand loyalty

AC Nielsen has advised that the more private label brand information and knowledge are provided by retailers, the more intention to try are happened by Taiwanese consumers (ACNielsen, 2005). Therefore, to sum up, according to this actual situation in the market, it is an interesting issue to observe and explore the relationship between retail private label brand knowledge and consumers' retail private label brand loyalty, especially at the time that after a decade into retail private label brand development in Taiwan. The concept of brand knowledge in this research is adopted from Keller (2003) who defined brand knowledge in terms of two components: brand awareness and brand image. Figure 2 illustrates the conceptual research framework for this study. It is going to examine the relationship among retail private label brand (PLB) awareness, retail private label brand (PLB) image, and consumers' retail private label brand (PLB) loyalty.

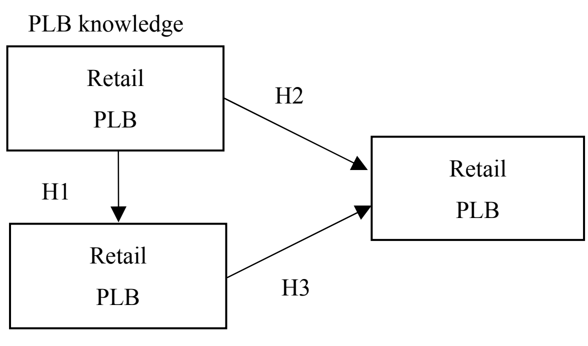

Figure 2 A Conceptual Research Framework

6. Research Method

6.1 Research Setting

To test the above hypotheses, an empirical study was conducted to examine the behaviours of Taiwanese customers of hypermarkets. Taiwan has four main nationwide hypermarket brands, i.e., Carrefour, RT-Mart, Costco, and Ai Mai, and the first three of them have focused on the development of their retail branding. Therefore this study covered these three retail brands to give comprehensive coverage of all the key retail players in Taiwan.

6.2 Sample and Data Collection

A questionnaire survey with consumers was conducted in this research for examining these 3 hypotheses. The sample for the study was selected to be representative of the hypermarket consumers in terms of having the experience of buying hypermarket own label brands. Due to the limitation of the place and time cost, the questionnaire survey was distributed from those three hypermarkets in Taichung (the third biggest city in Taiwan) by simple random sampling. All participants were randomly conducted in front of those retail stores with face-to-face guidance of the questionnaire respondents. Of the total number of 600 responses, 71 were discarded due to missing values, which left 529 in the sample, which was in a valid response rate of 88.17%.

6.3 Measures

Retail PLB awareness. Brand awareness is typically measured by recall or recognition (Rossiter and Percy, 1987). Meanwhile, Keller's (1993) model, brand awareness consists of brand recognition and brand recall performance by consumers. Moreover, according to the researches from Wang (2004) and Ho (2007), Taiwanese consumers had changed attitudes for PLB food and non-food products. Therefore, this study is going to apply retail brand recognition (for PLB food and non-food products) and retail brand recall (for PLB whole products) as the research elements for measuring retail private label brand awareness.

Retail PLB image. Aaker (1996a) proposed that the brand association involves image dimensions that are unique to a product or to a brand. The measurement of brand association can be structured around three aspects: the brand-as-product (value), the brand-as-person (brand personality) and the brand-as-organization (organizational associations). This research tries to focus on the private label brand product side, so it took brand value (for PLB food and non-food products) and brand personality (for PLB whole products) as the means of measurement for retail private label brand image in this study.

Consumer retail PLB loyalty. Many studies have been discussed how to measure consumer's brand loyalty, e.g., Dick and Basu (1994); Jones and Sasser Jr. (1995), but it still depends on the research object to decide which measurement is suitable. Among those, Jones and Sasser Jr. (1995) used three major categories to conduct measures of loyalty, which is considered to be applied in this research as the measurement for consumer retail private label brand loyalty:

- Intent to repurchase, e.g., consumers' future intentions to repurchase retail PLB whole products
- Primary behavior, e.g., actual repurchasing behaviour for retail PLB food and non-food products
- Secondary behavior, e.g., consumer endorsements for retail PLB whole products

Retail private label brand (PLB) awareness, retail private label brand (PLB) image, and consumer retail private label brand (PLB) loyalty were measured based on the items created from theoretical literature reviews mentioned above because it is not easy to find the similar items from previous research. Scales of all items in this questionnaire were designed to be measured on a 5 points Likert scale (1 = strongly disagree and 5 = strongly agree). The measurement items are presented in Table 3.

Table 3 Measurement Items

Constructs	Item	Loadings
Awareness	Applied from Keller's (1993)	
	It is easily to recognize retail PLB food products.	0.720
α = 0.754	It is easily to recognize retail PLB non-food products.	0.837
AVE= 0.531	It is easily to recall what products they have when seeing the retail PLB logo.	0.611
Image	Applied from Aaker (1996)	
	The image of retail PLB foods products has clear brand value.	0.765
α = 0.683	Retail PLB whole products have clear brand personality.	0.449
AVE= 0.458	The image of retail PLB non-foods products has clear brand value.	0.767
	Applied from Jones and Sasser Jr. (1995)	
Loyalty	I have intentions to repurchase retail PLB whole products.	0.872
α = 0.870	I'm actual repurchasing retail PLB food products.	0.662
AVE= 0.636	I'm actual repurchasing retail PLB non-food products.	0.887
	I would recommend people to buy retail PLB whole products..	0.748

6.4 Reliability and Validity Testing

To assess the internal consistency of the constructs, a Cronbach's Alpha reliability test was applied. As a general rule of thumb, Nunnally (1978) has recommended the Cronbach's α with a 0.60 value as acceptable (see Table 3). Convergent and discriminant validity tests were performed to determine construct validity. Factor loadings and average percentage of variance extracted (AVE) were used to measure convergent validity. As noted by Hair et al. (2006), factor loadings with estimates at 0.50 or higher are considered significant. Almost all loadings on the constructs were higher than 0.50 (see Table 3). This study compared the inter-construct correlations with the square root of AVE of each construct to check for discriminant validity between constructs. If the square root of AVE estimates were higher than the correlations, it would indicate the discriminant between constructs (Strong, Dishaw, and Bandy, 2006). Table 4 presents the means, standard deviations, correlations between constructs, and the square root of AVE of each construct.

Table 4 Means, Standard Deviations, Correlations

Constructs	Mean	S.D.	Awareness	Image	Loyalty
Awareness	3.764	0.771	0.531		
Image	3.613	0.668	0.230	0.458	
Loyalty	3.434	0.786	0.139	0.144	0.636

Notes: all correlations are significant at 0.01 level; N = 529 and square root of AVE is reported in parentheses in the diagonal.

7. Findings

7.1 Sample Characteristics

Among the 529 valid samples in this research, males are 40.6% and females are 59.4% and the majority of the respondents were 25-44 years old (60.9%); 18-24 years old were 37.1% and above 45-year-old were 2.1%. Mainly participants' educational background were college/university (91.1%). majority of them (66.9%) had less than 30K monthly income and 28.5% of them were 30K-50K. Carrefour was the most frequency to shop (62.8%), and then RT-Mart (20.6%) and COSTCO (13.6%). For the shopping frequency, 67.3% of shoppers had a monthly shopping and 25.3% of them went there half a month.

7.2 Testing the Hypothesized Model

The structural model was calculated using Amos 16.0 software. The final overall model fit was adequate (chi-square = 4.171, df = 32; p = 0.00; GFI = 0.949; AGFI = 0.912; PGFI = 0.552; NFI = 0.940; CFI = 0.953; RMSEA = 0.077; RMR = 0.043), showing that the model fits the data well enough. Table 5 illustrates the hypothesized relationships and summarizes the supported hypotheses. The standardized of the model support all of the three hypotheses. According to standardized estimates, both awareness and image had a positive influence on other dimensions. Of them, awareness had a stronger effect on image (β = 0.63) than loyalty (β = 0.23). In addition, image also had a significant impact on loyalty (β = 0.33).

Table 5 Structural Model Results

Hypothesized relationship	Standardized estimates	T-value	Hypothesissupported
H1: awareness → image	0.63	10.203***	yes
H2: awareness → loyalty	0.23	3.245**	yes
H3: image → loyalty	0.33	4.494***	yes

Note: **P < 0.05, ***P < 0.001.

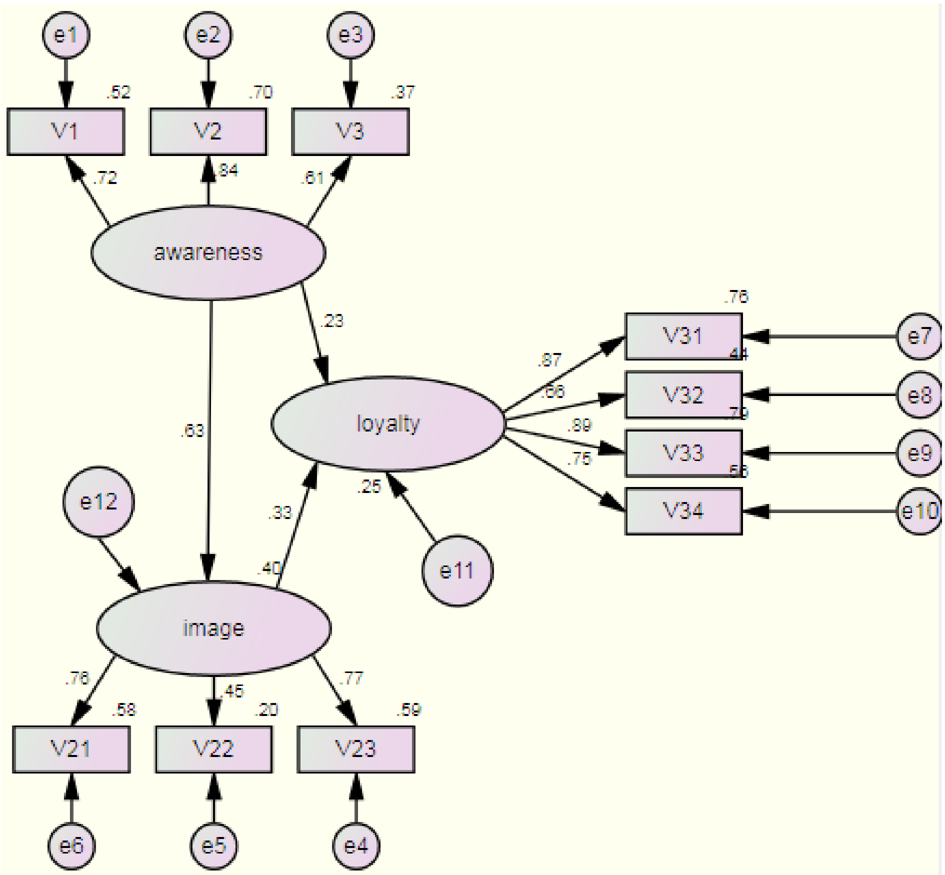

Figure 3 The Results of the Empirical Study

8. Discussion and Implications

This study assessed the relationship between retail private label brand knowledge and loyalty, as well as the relationship for both brand awareness and brand image in brand knowledge. Overall, the results provide evidence supporting all proposed hypotheses.

Retail PLB awareness (0.23) and retail PLB image (0.33) both have a positive effect on consumer retail PLB loyalty. This approves previous studies about brand awareness with loyalty (e.g. Hoyer and Brown, 1990) and brand image with loyalty (e.g., Grewal et al., 1998). That is to say, retail private label brand knowledge has a positive effect on consumer retail private label brand loyalty. Similar to the findings of AC Nielsen's report (2005), the more private label brand knowledge are provided by retailers, the more intention to buy are happened by Taiwanese consumers. However, both positive effects are not very strong. A likely reason behind the finding is that after a decade into retail brand development, the Taiwanese consumers may recognize and recall retail private label brands (i.e., awareness) and realize retail private label brand image but have not been familiar with them very well. This outcome could provide and suggest retail managers to improve the construction and communication of their retail private label brand knowledge to consumers.

Furthermore, for the two dimensions of retail private label brand knowledge, retail private label brand awareness has a positive effect on retail private label brand image (0.63). It demonstrates that in Taiwan, there is a positive relationship between private label brand awareness and image. This supports that the branding issue in retailing has the similar result to the brand in general. Therefore, the retail private label brand knowledge (including both retail private label brand awareness and retail private label brand image) must be conceived of as a "whole package", which requires co-ordination and consistency.

To sum up, the findings of this research should serve as a guide to retail managers in developing retail private label brand and help managers make more suitable decisions when doing retail private label brand knowledge's construction and communication.

In additions, the research results could also be valuable to contribute academic area for Taiwanese retail service industry. Integrating retail private label brand's developing trend and situation analysis by reviewing the previous studies from different sources would provide a whole clear picture for Taiwanese retail branding. This study also adopted the concept of brand knowledge model to propose a conceptual model for investigating retail branding issues in the service industry. Meanwhile, this research would be one of the first to demonstrate that retail PLB knowledge affect consumer loyalty positively in Taiwan through examining PLB food and non-food products.

9. Limitations and Future Research

As with all research, the present study has certain acknowledged limitations. First, because the study was conducted in Taiwan, which is a developing situation for retail private label brand development, the findings might not apply in other countries where have developed maturely, such as the UK or the Western Europe. Future research could address these differences. Second, because the majority of the respondents are under 40-year-old for participation in the study, the sample might have been biased towards "youth-oriented" customers with a modern view of retail branding value. However, there was evidence from previous research to support that the main consumers for hypermarkets in Taiwan were under 40 years old (Chen, 2004).

To enhance the generalisability of the findings, more research needs to be undertaken. Replicating the study in different countries with the similar developing situation would test the applicability of this research approach in different countries. Research on the other retail and service sectors in the service industry (such as, banking, convenience store and pharmacy) are also required.

Doing branding in retailing is much more complicated than in manufacture or brand in general. This research would provide a different insight into analyzing retail branding, which is not easy to be found in the previous researches and expect to be a benchmark for both retail brand players and academic researchers for further research in this field.

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