Consumer behavior towards private label brands:
A study of Thai undergraduate students’ experience
Abstract

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Title: Consumer behavior towards private label brands: A study of Thai undergraduate students’ experience

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Problem: What factors affect consumer behavior of Thai undergraduate students towards private label brands?

Method: Both quantitative and qualitative methods were used. Quantitative method was used to collect the primary data for this research. Moreover, qualitative method was also used to support the results from questionnaires.

Conclusion: The research attempts to examine the different factors that influence consumers' purchasing intentions of private label brands among Thai undergraduate students. Five important factors were identified; there are collectivist culture, perceived risk, price, quality and store loyalty. Collectivist culture and perceived risk were found out to be important background factors which affect the other three factors. Furthermore, the result shows that price and quality of private label brands are highly related as most of the target consumers tend to associate expensiveness with high quality and vice-versa. However, the effect of store loyalty on consumers' (Thai undergraduate students) purchasing intention was found out to be insignificant.

Key words: Private label brands, manufacturer brands, collectivist culture, perceived risk, price, quality, store loyalty.
Acknowledgement

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1. Introduction

1.1 Background of research

Private label brand is a product which is produced or manufactured by one company for selling under other companies’ brand. The companies that sell and control these products are retailers. Private label brands are also known as label brands, house brands, store brands or retailer’s brand.

Private label brands become popular because the price of private label brands is lower than the price of national (manufacturer) brands. Due to the price of the private label brands, the popularity of private label brands has increased in many countries since nineteenth century (Chakraborty, 2011). In addition, there was an economic downturn in many countries during the middle of nineteenth century. Therefore, consumers became more price conscious (Chakraborty, 2011) and paid more attention on private label brand products.

Nowadays, private label brands are more popular especially in the United States and European countries. For example, there are many retailers selling their own brands such as Tesco and Sainsbury’s in the United Kingdom. A study by AC Nielson (2003) reported that, private label brands throughout 36 countries, including both developed and developing countries have a total global market share of 15 percent compared with national (manufacturer) brands. Even though private label brands are fast moving and steadily increase their market share throughout the world, they have not been successful in Asian countries especially in Thailand.

1.2 Problem statement

Retail grocery in Asian countries has been gradually changing from local owned supermarkets and family owned stores to an international hypermarket format. Western owned hypermarket chains have led a very large area of grocery in Asia such as Malaysia, China, Taiwan and Thailand. There are many retailers and hypermarkets in Thailand. These retailers offer their own brands which is called private label brands. However, these private label brands are not gaining much attention among Thai consumers. According to AC Nielson (2005), private label brand share in Thailand is accounted for only one percent of the total retail sales. Even though the report of private label brand share in Thailand is quite low, the country ranks as the fastest growing private label brand market (see Appendix 1).
The retailers in Thailand have heavily promoted and introduced private label brands. However, private label brands are not popular among Thai consumers. The difference in culture and consumer behavior might have affected consumers’ acceptance on private label brands. In accordance with Hofstede (2009) who indicated that, culturally Asian people are considered to have high uncertainty avoidance characteristics. In contrast to Western people who are considered to have low uncertainty avoidance. The Asian’s average of uncertainty avoidance is 58 percent and Thailand’s rank is 64 percent (Hofstede, 2009). Moreover, Thailand’s culture is also considered as collectivist culture (Hofstede, 2009). As a result, these Hofstede cultural dimensions might affect consumer behavior towards private label brands in Thailand. Nevertheless, people in generation Y in any culture have been found to be risk takers and quite individual (Evans et al., 2010, p.159) and Thai undergraduate students are categorized in this generation. Their purchasing intentions towards private label brands may be different from the original collectivist background.

There are many studies in the area of private label brands but the context was mostly focused in European countries and the United States (Boutzouki et al., 2008). The results and applications from these studies might not appropriate for Asian markets. Since private label brands’ marketing strategies are different in each geographical area (Hughes, 1997). Besides, consumer behavior’s information towards private label brands in Thailand is still limited. There are only researches from retailers’ perspective (Shannon & Lockshin, 2002). For these reasons, this research is conducted in order to gain broader knowledge and better understand the consumer behaviors of Thai undergraduate students towards private label brands.

1.3 Research question

The purpose of this research is to know the possible factors that affect consumer behavior towards private label brands’ purchasing intentions among Thai undergraduate students. Therefore, the research question is

“What factors affect consumer behavior of Thai undergraduate students towards private label brands?”
1.4 Strategic question

In order to provide the recommendation for marketers of private label brands, the authors provide the strategic question which is

“What marketing strategies should be considered in order to suit purchasing intentions towards private label brands of Thai undergraduate students?”

1.5 Purpose

The unpopular of private label brands in Thailand makes the authors wonder and want to study about this topic. Consequently, this research primarily aims to investigate the private label brand’s purchasing intentions of Thai undergraduate students. Moreover, the secondary aim is to investigate underlying factors that can effectively stimulate consumer behavior of Thai undergraduate students towards private label brands.

1.6 Structure of the report

The structure of this study is arranged in six following sequences. The first chapter, the introduction presents background of research, problem statement, research question as well as strategic question. Moreover, the purpose is also explained in this section in order to state clear objective for conducting this research.

The second chapter provides the previous studies in area of private label brands. The authors discussed and reviewed the literature. These literatures cover in area of factors that have an impact on consumer behavior towards private label brands. For instance, collectivist culture, perceived risk, price, quality and store loyalty. The conceptual framework is also discussed and explained in this chapter.

The third chapter provides information about the used methods in this study. It begins with topic selection and is followed by research method and data collection. The authors used both quantitative and qualitative research methods in this study. The primary data are included the survey questionnaires and interviews. In addition, the authors present the reliability of result from both survey questionnaires and interviews.

The fourth chapter provides empirical findings from both survey questionnaires and interviews. The findings from interviews will support and exemplify the results from questionnaires. However, there are some different findings between survey questionnaires and interviews. For instance, there are different findings from survey questionnaires and interviews in quality factor. The results from questionnaires show that people fairly think that
private label brands have similar quality to national brands conflicting with people from interviews explain that the quality of private label brands is different from national brands. Therefore, findings from interview can give more details and clear explanation in order to support the consequence from questionnaires.

The fifth chapter is an analysis part. In this section, the authors discussed and analyzed the findings related to literatures and conceptual framework. Moreover, hypotheses are proposed in this section.

The last chapter is conclusion and recommendations. The authors drawn conclusion from the discussion in analysis part. Moreover, the recommendations for further research and managerial implication are provided at the end of chapter.
2. Literature review

2.1 Purchasing intention towards private label brands in collectivist culture

According to Tajfel (1978) and Tajfel and Turner (1979), people relatively recognize themselves in terms of their social groups. It can be explained that if they have more social commitment to group, they will perceive that the group is an important part of their life. When considering Asian collectivist cultures, it is important to note that the characteristic of group is in contrast to Western individual cultures. This concept of social group has been used as a classification of luxury products consumption by Asian people (Wong & Ahuvia, 1998) and Social group is also important when we explain the elements of Thai culture (Wongtada et al., 1997). Thai culture is defined as collectivist, group oriented (Markus & Kitayama, 1991), social harmony (Hui & Triandis, 1986), interpersonal sensitivity, conformity and easy to be influenced by other people (Triandis, 2000). Asian people give more importance to the person’s face and status. They also intend to perform activity in group. For example, their shopping behaviors are likely to be dominated by group norms which come from their national culture, collectivist.

As reported by Hofstede (2009), in highly individualist cultures such as the United States, people will feel more comfortable when they do activities by themselves such as do grocery shopping alone therefore they can take their time. Blaylock and Smallwood (1987) stated that shopping might be for a person who has more time and it is more likely to be an individual activity that people can enjoy spending time alone. However, Ackerman and Tellis (2001) argued that people in collectivist culture would be more likely to buy goods and shop in group and they tend to have many persons in shopping trip. As a result, they can spend more time on shopping with group or friends. Because of time pressure in Western context, Western people are considered as smart shopper (Mano & Elliot, 1997). They have to spend their time to get market knowledge as much as possible because time is precious for them. Therefore, they can save money and it can be concluded that a smart shopper may relate to more information search, more pre-planning behavior by using shopping lists and concerning their budget (Schindler, 1989). It can be said that private label brands appeal to time pressured and value consciousness consumers (Ailawadi et al., 2001).

De Mooij and Hofstede (2002) stated that people in collectivist culture probably prefer national brands to private label brands. People in individualistic culture have less
interpersonal influence. They use their logical sense based on the products’ price, quality, or their own interests so they do not care what other people will think about themselves. Moreover, Wong and Ahuvia (1998) supported that people in collectivist culture are likely to consume more on luxury products and they will tend to buy well known brands which are already accepted. As a result, they may likely believe that the higher price means the higher quality.

Accordingly, we can conclude that Asian people prefer to stay in group and Thai people are like other Asian people. They belong to collectivist culture so they like to do activities in group such as group shopping. They interest in buying national brands or famous brands. This is because they are highly concern about what others will think of them. In addition they perceive that the price refers to the quality. It is totally different from Western people who belong to individualist culture. Western people are likely to do activities alone so they can have more time to search information about the products. This group of consumers would be interested in private label brands because they do not care what other people think of them. Moreover, they will prefer private label brand because they enjoy spending time alone. Therefore, they can have more market knowledge and they will use reasons when they consider product’s price and quality.

Eastern people are considered to have higher uncertainty avoidance (risk-averse) than Western people and this can be related to seeking a product that offers lower risk (Moss & Vinten, 2001; Samli, 1995). Batra and Sinha (2000) supported that people who prefer famous or higher price brands will believe that those brands offer higher quality and they are less likely to purchase private label brands. Therefore, the higher consumers perceive risk from using private label brands, the lesser they will interest in buying private label brands. Risk perceived due to the unexpected results from buying and using a product can cause the uncertainty. As a result, consumers may not satisfy with their purchasing goals (Mitchell, 1999).

In addition, Yeung and Morris (2006) pointed out that consumers probably reduce risky behaviors and they will buy other alternative products instead. For example, consumers may avoid buying private label brand products by purchasing national (manufacturer) brands. It can be assumed that in Eastern countries such as those in Asia, the level of perceived risk associated with private label brands is likely to be higher. It is because people in Eastern
cultures concern more about their face and status and they have higher uncertainty avoidance personalities than those in Western cultures (Hofstede, 2009).

To sum up, Eastern people have high uncertainty avoidance and they perceive that the purchase of private label brands is risky. Therefore, they will not interest in buying private label brand products.

2.2 Price and quality consciousness

Nowadays, retailers regularly attempt to introduce private label products with a lower price and the quality is almost the same as national brands (Evans & Berman, 2001). Monroe and Krishnan (1985) stressed that price still can be used to infer quality when considering about brand name. Consumers who believe in price and quality relationship probably depend on brand names and engage in price seeking behavior (Tellis & Gaeth, 1990). According to Hoch and Banerji (1993), the economic recession has an impact on private label brand share and price consciousness consumers. It is because their disposable income decreases and they probably become more price consciousness and turn to buy private label brands because most of private label brands offer a lower price. Therefore, the economic situation may have an impact on price sensitive consumers.

Besides, the private label manufacturer association identifies that, the difference of price between private label brands and national (manufacturer) brands is normally 20 percent (PLMA, 2004). This difference is also significant especially for consumers who are price consciousness. Price conscious consumers will be more likely to develop positive attitudes and have high purchasing intentions toward private label brands (Burton et al, 1998). However, the study from AC Nielsen (2003) showed that, price of private label brands in Thailand is averagely 30 percent lower than the price of national (manufacturer) brands. The difference of 30 percent is very important and may have an impact on lowering the quality of product because Thai consumers recognize that price refers to quality when they make any purchase.

Batra and Sinha (2000) revealed that the awareness of quality is important to the acceptance of private label brand usage. It means that, if all brands in the same category provide similar qualities, the private label brands usage level will increase. Richardson et al. (1996) described that people less interest in buying private label brands if they judge the products by brand and price. However, quality is more important than price in terms of private label brands according to Hoch and Banerji (1993), Sethuraman (1992) and Ailawadi
et al. (2001). The risk of buying becomes an issue when considering about price and quality. Consumers will less interest to buy private label brands if they perceived that the risk is high. Batra and Sinha (2000) have stated that if the risk of buying private label brands is high, then the interest in private label brands would decrease. However, Richardson (1997) pointed out that if retailers can communicate products’ qualities with a lower price image to consumers, it will benefit them and they can obtain a high level of private label brand market share. Also, Aker and Keller (1990) emphasized that the quality perception is one important aspect of private label brand usage. It means that, consumers will be more likely to use private label brands if they observe no difference in quality compared with national (manufacturer) brands in the same category.

From these opinions, we can summarize that the price of private label brands is normally cheaper than the price of national (manufacturer) brands and it is famous among price conscious consumers. However, some consumers think that there is a connection between price and quality. They believe that the cheaper price is an attribute of the lower quality. As a result, people do not usually buy private label brands because it offers a lower price.

2.3 Loyalty

According to McGoldrick (2002), private label brand manufacturers have faced a long time problem to create an image of brand loyalty toward private label brands. This is because the number of retailers in the market is increasing hugely. Therefore, it becomes more important for them to keep their existing customers and then turn those customers to be store loyalists. McGoldrick (2002) also argued that one of the most important motives for introducing private label brands is to create competitive advantage over rival chains. Therefore, it can lead to store loyalty. In accordance with Marcel and Rajiv (2000) who stressed that private label brands can create loyalty and the creation of private label products can strengthen consumer loyalty. The loyalty can contribute to repeated purchase according to Kahn and McAlister (1997). Furthermore, retailers intend to make consumers loyal to the store and take advantages from consumers’ loyalty which can lead to continual repurchases. This loyalty can help retailers in acquiring a competitive advantage and obtaining long term profitability. Sirohi (1998) generally stated that the more frequent the repurchase is, the more existing customers recommend the store to others.

East et al. (1997) said that consumers usually build positive attitude toward a store and its brands through their loyal behavior. Ailawadi et al. (2001) found that store loyalty is
perfectly correlated with the consumption of private label brands. In accordance with Dick and Richardson (1995) who emphasized that it is because store loyal consumers develop attitudes of trust to the store and become familiar with private label brand products.

We can summarize that loyalty can create benefit to the store. Store loyalty can create a positive attitude and make people trust the store. Consequently, store loyalty can increase the usage of private label brands because people prefer to shop at the store therefore they have a chance to see and buy private label brand products.

2.4 Conceptual framework

![Conceptual framework](image)

*Figure 1: Conceptual framework*

Source: Authors’ own illustration
The conceptual framework in figure 1 was drawn from the review of previous studies; consequently, it covers the relevant factors for this study. The conceptual framework is discussed in the subsequent paragraphs.

There are two main elements which are collectivist culture and perceived risk. These two elements are considered as background factors. When we examine collectivist culture in the previous studies, it was found that perceived risk is also connected to collectivist culture. According to Hofstede (2009), people in collectivist culture have high uncertainty avoidance. For instance, people in collectivist culture are likely to purchase well known brand because they want to avoid the risky consequences of unfamiliar products and mistakes from the purchase. Moreover, they also concern about what others will think about them if they purchase private label brands.

Collectivist culture and perceived risk influence the other three factors which are price, quality and store loyalty. Price, quality and store loyalty are also connected to each other. To exemplify, some people always believe that the higher price reflects the higher quality. Moreover, price and quality of private label brands which are sold by the retailers can create store loyalty. The store loyalty can lead consumer to repurchase the products at the store. Therefore, it is critical step to examine these three elements (price, quality and store loyalty). Because these three elements play an important role to understand consumer behavior towards private label brands. These three elements also have a direct impact on private label brands purchasing intentions.

Consequently, the authors use this conceptual framework to examine consumer behavior of Thai undergraduate students towards private label brand purchasing intentions in order to gain better understanding of their consumer behavior.
3. Methodology

3.1 Topic selection

The area of private label brand products is an interesting topic for the authors. As Fisher (2007, p.25) also said that the authors should select a topic that they interest to sustain their motivation in doing research. Private label brand products are popular among consumers in European countries and the United States. But private label brands in Thailand are still underdeveloped and relatively new among Thai consumers. Even though, private label brands in Thailand were heavily introduced by the retailers.

Bangkok, Thailand is the main focus of this study. Bangkok is a capital city which is a main drive of country’s economy, there are many domestic and foreign retailers operated in Bangkok. For instance Tesco-Lotus which is operated by a British company, Carrefour which is operated by a French company and Big C Superstore operated by a Thai company. Moreover, Bangkok is an education center which has 63 higher education organizations located (Office of the Higher Commission, 2010). Many students from other areas of Thailand are moving in and staying in Bangkok.

Therefore, this research is to study Thai consumer behavior towards private label brands by focusing on a specific group. The undergraduate students in Bangkok are targeted due to time constraint of spreading the questionnaires. Moreover, there are 354,279 undergraduate students who live and study in Bangkok (Office of the Higher Commission, 2010). From these reasons undergraduate students in Bangkok is the most suitable area to study.

3.2 Research method

In order to answer research question and come up with the best result, the authors decide to combine the use of both quantitative method and qualitative method to collect the data. The authors use the survey questionnaire as the quantitative method. The interview is used as the qualitative method to support the result from the questionnaire. To clarify, the questionnaire is the main method with the interview’s answers to support and exemplify the results from questionnaires. Ghauri and Gronhaug (2010, p.106) stated that, qualitative method is suitable in studying human behavior. Burns and Bush (2006, p.202) also supported that qualitative method is used for interpreting the data by observing what people think. Therefore, qualitative method can well support the result from large number of respondents from quantitative method. Since the objective of this research is to find what factor is the
most important that affect consumer purchasing’ intentions. Consequently, both of qualitative and quantitative methods are the most appropriate methods in order to answer research question.

3.3 Data collection

3.3.1 Primary Data

3.3.1.1 Questionnaire

In the first process, the primary data in this research were collected from the questionnaire survey. According to Ghauri and Gronhaug (2010, p.119), questionnaire is the most popular data collection method in business studies. Therefore, questionnaire is the most appropriate method for collecting primary data in a quantitative manner. The authors used a convenience sample of relevant population who can respond to the questionnaires. Also, the authors used Microsoft Excel which is generally used as statistical software, to process and formulate the collected data from questionnaires. The findings of the questionnaire will be explained by tables in the findings part.

3.3.1.2 Sampling size determination

Owing to the time, budget constraints and also the largeness of the target population; it is difficult for the authors to study the entire population. Therefore, in this study, a particular sample was chosen from a target population. The target population is Thai undergraduate students who live and study in Bangkok. An undergraduate student is a student who studies in a university or college and has not yet received his/her first degree. The authors choose this particular sample because undergraduate students are in generation Y (the range is between 16 -33 years old but the sample group in this study will be focused on the range between 17 –25 years old). Many in this generation have been found to be risk takers and quite individual (Evans et al., 2010, p. 159). Moreover, they normally do not have own income. They still get money from their parents. The authors consequently want to examine whether factors affecting their purchasing intentions are same or different from the original collectivist background and what factors can most affect them.

Non-probability sampling method was applied, because there is a limitation of time and budget to collect the data. Even though Ghauri and Gronhaug (2010, P. 139) stated that it is impossible to make valid inferences about the population from non-probable samples. Moreover, it is supported by Bryman and Bell (2011, p. 190) that “non- probability sampling cannot provide definite findings to be generalization but they could provide a springboard for
further research or allow links to be gorges with existing findings in an area”. However, non-probability samples can be used in qualitative research to understand and create explanations (Ghauri & Gronhaug, 2010, p. 139). Therefore, the authors used non-probability samples as if they were probability samples due to the limitation period of time. In addition, the use of non-probability sampling can provide findings and results that could be benefit for further research.

3.3.1.3 Methods of spreading the questionnaires

The 400 questionnaires have been distributed; the authors have distributed first 300 questionnaires to Thai undergraduate students who live in Bangkok via online spreadsheets by using Google Document which is a free online service website. Moreover, the authors try to reach the target samples to respond to it from social networking cites like Facebook by posting the URL on the respondents’ wall, Skype by sending the URL via Skype and email by sending the URL to the respondents’ emails. By using online communities, the authors can share URL and the respondents can easily click the URL and it will lead them automatically to the questionnaire. The authors provide instruction of how to do the questionnaire at the beginning of it. The respondents can easily follow the instruction and do the questionnaires. When the respondents finish answering the questionnaires, they can easily press the submit button at the end of page and the results will be automatically kept by the website. The results from the questionnaires are summarized into tables by the website and the authors can directly log in to check and bring out the data to process.

The authors gave another printed version of 100 questionnaires to their friends (distributors) and let them distribute the printed version of questionnaires to undergraduate students who live in Bangkok. The distributors have to provide questionnaire’s instruction and wait until the respondents finish filling the form. The distributors put data from the questionnaires into Microsoft excel and send back to the authors via email.

However, the authors get back only 391 questionnaires back. The 283 questionnaires were regained from Google document website and other 97 questionnaires were regained from the authors’ friends. One of 97 questionnaires did not complete therefore the authors have to remove it. The total 390 questionnaires are processed in the analysis part.

3.3.1.4 Questionnaire design

All the questions are structured in a logically way and are compulsory because they are essential for the data analysis. The questionnaire used in this study is constructed based
on the previous studies. The questionnaire composes of 31 questions. There are close-ended questions and five rating Likert-type scales to analyze five alternative values. This rating scale is generally used to ask people about their opinions and attitudes (Fisher, 2007, p.195) and it can indicate how well the items in a set are measured.

The questionnaire is designed in the English language and used the most common translation method. Back translation is applied to translate into Thai language to avoid items bias and to obtain the identical meaning of all questions in the two questionnaires. The two questionnaires are the original English version and the final Thai questionnaire that respondents are requested to complete. These two questionnaires are divided into two main parts and will be described as following:

Part 1 General information

The questionnaires ask about general information of respondents about their gender, age and income. It composes of three questions (question 1-3). However, the educational level will not be included because the authors have already selected Thai undergraduate students which are also mentioned in sampling size determination section.

Part 2 Factors influencing consumer behavior towards private label brands

Based on the previous studies, this part is separated into five important sections in order to measure five variables namely collectivist, perceived risk, price, quality and store loyalty.

Collectivist culture

In this part, the respondents are asked about how interdependent view of the self can affect the private label brands shopping behavior. It composes of five questions (question 4-7). Question 4 asks “How much do you concern what others think about you?” in order to measures the level that the respondents concern in the aspect of collectivist culture. Moreover, question 5-7 are designed by using five-point Likert Scales, questions 5-6 ask to measure whether family, group or friends in collectivist culture can impact shopping behavior. These questions are adapted from Ackerman and Tellis (2001). Question 7 asks “I am afraid that if I buy private label brands, it may negatively affect what others think of me” to measure how collectivist culture and private label brands are connected.
Perceived risks

In this part, the respondents are asked whether the risk perceived will affect consumer behavior towards private label brands. It composes of five questions (question 8-12). All questions are designed by using five-point Likert Scales and adapted from Batra and Sinha (2000) in order to measure the characteristic in perceived risk aspect of Thai undergraduate students.

Price

In this part, the respondents are asked how price sensitive have a relationship with consumer behavior towards private label brands. It composes of seven questions (question 13-19). Question 13 asks “How important of price is on your proneness to purchase private label product?” in order to measure how consumer concern on price when consumers decide to purchase private label brand products. Question 14-19 are designed by using five-point Likert Scales. Question 16-18 use statements from Ailawadi et al. (2001). But statements in question 14-15 and 19 are adapted from Batra and Sinha (2000).

Quality

In this part, the respondents are asked how quality consciousness will affect consumer behavior towards private label brands. It composes of six questions (question 20-25). Question 20 asks “To what extent do you satisfy with quality of private label products?” in order to measure the level of consumer satisfy with quality of private label brands. Question 21-25 also use five-point Likert Scales. The statements in question 21-22 and 25 come from Ailawadi et al. (2001). Question 23 and 24 are adjusted from Batra and Sinha (2000). All the questions in this part are used to measure quality consciousness of consumer behavior towards private label brands.

Store loyalty

In the final part, the respondents are asked how loyalty to the store chains has an effect on purchasing decisions of private label brand products. It composes of five questions (question 26-30. Question 26 asks “How likely would you be to shop at a store where you purchase private label product again?” in order to measure whether consumer loyalty to store chains can influence consumer purchasing decisions towards private label brands. Question
Question 31 asks about consumers’ purchasing intention towards private label brand products.

(Questionnaire form and URL can be found in Appendix 2)

3.3.1.5 Interviews

As mentioned earlier that, a complementary support is to be provided by a qualitative method, the interviews have been conducted. The interviews are semi-structured where the topics and issues are to be covered and questions are to be predetermined. The semi-structured interview can provide the authors about personal attitude (Ghauri & Gronhaug, 2010, p.126) and consumer behavior which can complementarily support the result from above questionnaires. The interviewees are random chosen and they are still members of target populations, but they are not included as respondents in questionnaire survey. Ten undergraduate students are selected from ten different universities in Bangkok, with the proportion of male and female interviewees being equal. According to Bryman and Bell (2011, p.206), these interviews can be done via telephone therefore the authors have conducted the interview by using an oversea calling because the authors are in Sweden and have to interview the target group who lives in Bangkok, Thailand.

The authors conduct the interviews in Thai and back translate their answers into English. Because Ghauri and Gronhaug (2010, p.131) have pointed out that “the interviewer has to use simple and understandable language”. Then, the authors interpret and analyze the interviewees’ answers with the findings to support the results from questionnaires. The interviews took place on May 11th-12th, 2011. Before interview, the authors have introduced the purpose of the interview. Bryman and Bell (2011, p.210) also support that it is important to introduce the study and the purpose of the study to the interviewees. Therefore, the interviewees will be able to know the research purpose. Moreover, they can understand the aim of interview and they can answer clearly. The authors also asked for permission from the interviewee that, the authors will use an audio recorder to record the conversation during the interview. Therefore, the data from the interview will not miss out and it can avoid the error during the interview according to Bryman and Bell (2011, p. 212).
3.3.1.6 Interviews questions

To conduct the interview, the authors use the same type of questions from the questionnaires to ask the interviewees. Moreover, the interviewees have an opportunity to give an opinion on what they consider important about the topic. The authors ask the interviewees to explain and clarify their answers. The collected answer is discussed together with the result from questionnaires in the analysis part. (The 27 interview questions can be found in Appendix 3)

3.3.2 Secondary data

The use of secondary data is important for this research study because the authors only use secondary data only in the literature review. Secondary data are beneficial to find information to solve our research problem and are used to better understand and explain the problem (Ghauri & Gronhaug, 2010, p. 90). The secondary data have obvious advantages because it can help saving time and money. The use of secondary data is also convenient approach for gaining data by mainly use online databases through MDH (Malardalen Hogskolan) library website and marketing research websites such as ACNielsen online. The online databases are included ABI/INFORM Global (Proquest), Emerald and JSTOR. The authors use the online journals and article from these databases as secondary sources for the research. However, because of large amount and diversification of online data, the authors have to select the most reliable and relevant data that meet the requirement and can be used for this topic. Besides, the authors also use credible and useful textbooks form MDH library as secondary sources.

3.4 Reliability

3.4.1 Reliability of questionnaire

In order to ensure reliability of the findings data from questionnaire and to measure the valid and consistence of the questionnaire, the authors conducted a pilot test on April 13th, 2011. The twenty of respondents were asked to complete the questionnaires. These respondents are members of target populations but they are not included in the final sample.

The pre-test questionnaire was conducted in order to capture any ambiguous questions and confuse questions that, the respondents can encounter while they answer the questionnaire. Moreover, in order to assure that the Likert Scales measurements are appropriate used to measure variables in accordance with the stated conceptual framework. An Internal Consistency Method was conducted to test the reliability of those measurements
by a calculation of Cronbach’s Alpha Coefficients (α Test) (Pallant, 2007, p.95.). According to Christmann and Van Aelst (2006), “Cronbach’s alpha is a popular method to measure reliability, e.g. in quantifying the reliability of a score to summarize the information of several items in questionnaires”. Therefore, the authors used this Cronbach’s alpha to measure the reliability of questionnaire.

From reliability analysis of pilot study (See in Appendix 4), there are five independent variables (collectivist culture, perceived risk, price, quality and store loyalty) that used five point Likert Scales format in the questionnaire. The normally preferable figure is above 0.8 because it is considered as having relatively strong internal consistency (Pallant, 2007, p.98). However, figure above 0.7 is also considered acceptable. Therefore, the overall Cronbach’s alpha value for the questions of perceived risk, price, quality and store loyalty are 0.723, 0.724, 0.848 and 0.763 respectively are acceptable to provide consistent and reliable data.

However, the alpha value of collectivist culture is 0.084, but this initial value can be improved by removing question 1 in collectivist culture section in order to increase the reliability which resulted in the increased value from 0.084 to 0.815.

3.4.2 Reliability of interview

In order to make this research more reliable, the authors decide to support the result from questionnaires by using interviews as another primary data. The total ten interviewees are among target group which are undergraduate students. According to Collis and Hussey (2009, p. 64) they pointed out that “reliability is concerned with findings of the research and is one aspect of the credibility of the findings”. Therefore, the authors have recorded the conversation during the interview as well as noted down the important comments during the interview. After that the authors have compared the record with noted down note in order to get complete raw data to analyze. Moreover, Collis and Hussey (2009, p. 64), also stated that in order to be reliable of the research result, the repeat study should create the same result. Therefore, the authors try to ask the interviewees by using simply and clearly question and also make the interviewees feel comfortable during the interview in order to get the true opinion from interviewees.
4. Empirical findings

The empirical evidences below are the results from the survey questionnaires and the extract from the recorded interview.

4.1 Collectivist culture factor

<table>
<thead>
<tr>
<th>Question</th>
<th>Very unconcerned</th>
<th>Unconcerned</th>
<th>Neither concerned nor unconcerned</th>
<th>Concerned</th>
<th>Very concerned</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much do you concern what others think about you?</td>
<td>2</td>
<td>9</td>
<td>134</td>
<td>200</td>
<td>45</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>0.51</td>
<td>2.31</td>
<td>34.56</td>
<td>51.28</td>
<td>11.54</td>
<td>100</td>
</tr>
</tbody>
</table>

*Table 1: Percentage of respondents who concern what other thinks about themselves*

Source: Authors’ own illustration

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shopping is a good way to spend time with family.</td>
<td>19</td>
<td>58</td>
<td>116</td>
<td>114</td>
<td>81</td>
<td>388</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>4.90</td>
<td>14.95</td>
<td>29.90</td>
<td>29.38</td>
<td>20.88</td>
<td>100</td>
</tr>
<tr>
<td>I feel the sense of belonging when purchasing the same brands that others purchase.</td>
<td>50</td>
<td>105</td>
<td>157</td>
<td>74</td>
<td>3</td>
<td>389</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>12.85</td>
<td>26.99</td>
<td>40.36</td>
<td>19.02</td>
<td>0.77</td>
<td>100</td>
</tr>
</tbody>
</table>
I am afraid that if I buy private label brands, it may negatively affect what others think of me.

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>23.91</th>
<th>29.56</th>
<th>33.16</th>
<th>9.26</th>
<th>4.11</th>
<th>100</th>
</tr>
</thead>
</table>

Table 2: The finding results of collectivist culture factor

Source: Authors’ own illustration

From the questionnaire result of collectivist culture factor in table 1 and table 2, the majority answers from approximately 390 respondents are described as following.

Most of the respondents, which accounted for 51.82 percent, concern what others think about themselves. Most of them, 29.90 percent of respondents, feel neutral that shopping is a good way to spend time with family. The majority of respondents, 40.36 percent, are also fair to feel the sense of belonging when they purchase the same brands with others. In addition, most of them, 33.16 percent, are fair to agree that if they buy private label brands, it may negatively affect what others think of them.

There are four interview questions to support the survey questionnaires (see in Appendix3). The first question is “How much do you concern what others think of you?” The results from the interview show that seven of the interviewees concern what others think about themselves. They explain that they are especially concerned what their acquaintances such as friends and family will think about themselves. They also care other people in society because they aware of gossip. But the other three interviewees do not concern about what others think of them. The second question is “Do you agree that shopping is a good way to spend time with family?” The answers from the interviewees show that seven of them prefer to go shopping with family. They give reasons that they can save money because parents will pay for them. Only three out of ten interviewees prefer to go shopping with friends. These three interviewees tell that they like to buy cloths and cosmetics with friends. It can be concluded that all of interviewees prefer to go shopping with the others.

The third question is “Do you feel the sense of belonging when purchasing the same brands that the others purchase?” The results from the interviewees show that all of them will
buy the product that they like. They will select the product that suits them the most. The last question is about whether using private label brands affect what other think of them or not. The results demonstrate that seven of the interviewees answer that they care the social very much therefore they do not want to buy private label brands. But another three interviewees do not care other people much when they buy private label brands. Those seven people explain that they will be very concerned especially for public consume products because the products are visible to the others. For example, if they buy private label brands, they will buy only a refill product and fill in other package such as national brand package. They will not reveal the private label brand logo. Almost of the interviewees are afraid that it will negatively affect their social image if they use private label brands. They give reasons that they think that the price of private label brands is cheap so it might have a low quality. Therefore, they are afraid of using private label brands.

4.2 Perceived risk factor

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I avoid risky things.</td>
<td>27</td>
<td>46</td>
<td>97</td>
<td>135</td>
<td>84</td>
<td>389</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>6.94</td>
<td>11.83</td>
<td>24.94</td>
<td>34.70</td>
<td>21.59</td>
<td>100</td>
</tr>
<tr>
<td>I would rather be safe than sorry.</td>
<td>5</td>
<td>10</td>
<td>49</td>
<td>155</td>
<td>171</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>1.28</td>
<td>2.56</td>
<td>12.56</td>
<td>39.74</td>
<td>43.85</td>
<td>100</td>
</tr>
<tr>
<td>I want to be sure before purchasing anything</td>
<td>4</td>
<td>11</td>
<td>65</td>
<td>152</td>
<td>156</td>
<td>388</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>1.03</td>
<td>2.84</td>
<td>16.75</td>
<td>39.18</td>
<td>40.21</td>
<td>100</td>
</tr>
<tr>
<td>The purchase of private label products is risky because its</td>
<td>37</td>
<td>59</td>
<td>142</td>
<td>103</td>
<td>47</td>
<td>388</td>
</tr>
</tbody>
</table>
The findings of perceived risk factor, from approximately 390 questionnaire respondents in table 3, are described as following.

Most respondents, 34.70 percent, agree to avoid risky things. Most of them, 43.85 percent, strongly agree to be safe than sorry. The majority, 40.21 percent of respondents, strongly agree that they want to be sure before purchasing anything. Most of the respondents, 36.60 percent, are fair to think that the purchase of private label brands is risky because its quality is questionable. Most of them, 30.93 percent, always find information about new products and brands.

There are five interview questions to support the result from survey questionnaires (see in Appendix 3). The first question is “Do you avoid risky products?” There are seven interviewees who are likely to take risk. For example, they prefer to try new products and new food. Only three interviewees do not want to take risk. They will wait until the product becomes popular and is widely used. The second question is “Do you prefer to be safe than sorry?” All of the interviewees prefer to be safe. They explain that they worry about the mistake therefore they have to be sure before doing anything. When they go shopping, they always plan and make a list. They will carefully read the label or the description of the product before buying. The second question is “Do you want to be sure before purchasing anything?” All people from the interviewees want to be sure before purchasing. They want to be confident before they will buy something.

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>9.54</th>
<th>15.21</th>
<th>36.60</th>
<th>26.55</th>
<th>12.11</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>I often seek out information about new products and brands.</td>
<td>29</td>
<td>44</td>
<td>120</td>
<td>110</td>
<td>85</td>
<td>388</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>7.47</td>
<td>11.34</td>
<td>30.93</td>
<td>28.35</td>
<td>21.91</td>
<td>100</td>
</tr>
</tbody>
</table>

*Table 3: The finding results of perceived risk factor*

Source: Authors’ own illustration
The third question is “Do you think that the purchasing of private label brand is risky?” Eight of the interviewees agree that the purchasing of private label brand is risky. For example, they think that the retailers want to reduce the cost, therefore they produce private label brands and sell the products at a low price. They have experienced that private label brand products are damaged so the retailers can sell the product at low price. Therefore, they prefer to buy national (manufacturer) brand. However, the other two interviewees think that the purchasing of private label brand is not risky because private label brands have the same quality as national (manufacturer) brands. The last question is “Do you often seek out information about new products and brands?” All of the interviewees often find information about new products and brands. They reveal that they always ask their friends who have experienced with the products. They used to search product information in the magazine or on the internet. For example, they will read the product’s review on the internet such as facial soap and shampoo. In addition, they always check the price and the benefits of each product before buying.

4.3 Price factor

<table>
<thead>
<tr>
<th>Question</th>
<th>Unimportant</th>
<th>Of Little Importance</th>
<th>Moderately Important</th>
<th>Important</th>
<th>Very Important</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important of price is on your proneness to buy private label product?</td>
<td>49</td>
<td>141</td>
<td>150</td>
<td>38</td>
<td>12</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>12.56</td>
<td>36.15</td>
<td>38.46</td>
<td>9.74</td>
<td>3.08</td>
<td>100</td>
</tr>
</tbody>
</table>

*Table 4: Percentage of respondents who think that price is important to buy private label brands*

Source: Authors’ own illustration
<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is important to get the cheapest price when purchasing a product.</td>
<td>72</td>
<td>92</td>
<td>125</td>
<td>69</td>
<td>31</td>
<td>389</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>18.51</td>
<td>23.65</td>
<td>32.13</td>
<td>17.74</td>
<td>7.97</td>
<td>100</td>
</tr>
<tr>
<td>It is usually worth time and effort to find lower prices if I can save money.</td>
<td>14</td>
<td>58</td>
<td>97</td>
<td>145</td>
<td>73</td>
<td>387</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>3.62</td>
<td>14.99</td>
<td>25.06</td>
<td>37.47</td>
<td>18.86</td>
<td>100</td>
</tr>
<tr>
<td>I compare the prices of a couple of product before I choose.</td>
<td>14</td>
<td>27</td>
<td>72</td>
<td>151</td>
<td>123</td>
<td>387</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>3.62</td>
<td>6.98</td>
<td>18.60</td>
<td>39.02</td>
<td>31.78</td>
<td>100</td>
</tr>
<tr>
<td>I look at the price even for the little things.</td>
<td>15</td>
<td>36</td>
<td>121</td>
<td>154</td>
<td>64</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>3.85</td>
<td>9.23</td>
<td>31.03</td>
<td>39.49</td>
<td>16.41</td>
<td>100</td>
</tr>
<tr>
<td>To me it is important that I get the best price.</td>
<td>19</td>
<td>41</td>
<td>104</td>
<td>139</td>
<td>85</td>
<td>388</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>4.90</td>
<td>10.57</td>
<td>26.80</td>
<td>35.82</td>
<td>21.91</td>
<td>100</td>
</tr>
<tr>
<td>Price is the primary reason of purchasing private label</td>
<td>36</td>
<td>66</td>
<td>118</td>
<td>105</td>
<td>65</td>
<td>390</td>
</tr>
</tbody>
</table>
The results of price factor in table 4 and table 5, approximately 390 respondents from questionnaires, are described as following.

Most of the respondents, 38.46 percent, think that the price is moderately important for them to buy private label brands. Most of them, 32.13 percent, quite agree that it is important to get the cheapest price when they purchase a product. The majority of them, 37.47 percent, agree that it is worth time and effort to find lower prices if they can save money. Most of the respondents, 39.02 percent, agree to compare the prices of a couple of product before buying. Most of them, 39.49 percent, agree to look at the price even for the little things. The majority, 35.82 percent, agree that it is important to get the best price. Most of the respondents, 30.26 percent, neither agree nor disagree that price is the primary reason of purchasing private label brands.

There are seven interview questions to support the result from survey questionnaires (see in Appendix 3). The first question is “How important of price is on your proneness to buy private label product?” All of the interviewees think that the price is an important reason for them to buy private label brands. They inform that they buy private label brands because the products offer a low price. In addition, they tell that some private label brand products can have the same quality as national (manufacturer) brands such as sugar. They think that any sugar can provide sweet and it is not necessary to buy an expensive sugar. However, all of them mention that price is not the most important reason for them. They perceive that the price of private label brands is cheap therefore they also consider quality.

The second question is “Do you think that it is important to get the cheapest price when purchasing a product?” All of the interviewees think that it is not important to get the cheapest price. They also consider quality and the usage purpose of the product. The third question is “Do you think that it is worth time and effort to find lower price if you can save money?” Five of them think that it is worth to find lower price. They comment that it is better to spend time to find lower price especially for an expensive product. Therefore, they can

| Percentage (%) | 9.23 | 16.92 | 30.26 | 26.92 | 16.67 | 100 |

Table 5: The finding results of price factor

Source: Authors’ own illustration
save money for other purposes. While another five of the interviewees do not think that it is worth to find lower price. They inform that it is not necessary to find lower price. They will not try to find lower price for a personal care that they usually buy such as soap and shampoo. Moreover, if they are satisfied with the product, they will buy it without considering the price.

The fourth question is “Do you compare the prices of a couple of products which are different brands before you buy?” All of the interviewees compare the prices of products before buying. They comment that they will always compare the price of the products. For example, if it is the same kind of products and the same ingredients but different brands. They will compare the price of products from each brand and buy the products that offer the lower price. They inform that they will not compare the price of products if it is a favorite brand that they are familiar with. Even the price is high, they still buy it. The fifth question is “Do you look at the price even for the little things?” Six of the interviewees agree to look at the price even the little products such as cotton bud, toilet paper and toothpick. They comment that they will try to buy the cheapest price of little products. For example, one interviewee informs that she will look for the cheapest toilet paper because she can use any toilet paper. Moreover, it is a little thing so it is not necessary to buy an expensive toilet paper. Another four said they do not look at the price for the little products. They claim that they also consider the package, the quantity and the figure of each product. For example, if they want to buy the toothpick, they will look for a beautiful package because they have to use it in public.

The sixth question is “Is it important for you to get the best price” All of the interviewees think that it is important to get the best price. They will compare the value and the price of the product. The last question is “Do you think that price is primary reason of purchasing private label brands?” All of the interviewees strongly agree that price is not primary reason of purchasing private label brands. They comment that the price of private label brands is cheap and all of them know it. All of them know that the price of private label brands is cheaper than the price of national (manufacturer) brands. Therefore, they also concern about quality when they want to buy private label brands.
### 4.4 Quality factor

<table>
<thead>
<tr>
<th>Question</th>
<th>Very satisfied</th>
<th>Dissatisfied</th>
<th>Neither satisfied nor dissatisfied</th>
<th>Satisfied</th>
<th>Very satisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent do you satisfy with quality of private label products?</td>
<td>5</td>
<td>40</td>
<td>218</td>
<td>118</td>
<td>8</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>1.28</td>
<td>10.26</td>
<td>55.90</td>
<td>30.26</td>
<td>2.31</td>
<td>100</td>
</tr>
</tbody>
</table>

*Table 6: Percentage of respondents who satisfy with quality of private label brands*

Source: Authors’ own illustration

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I always buy the best.</td>
<td>3</td>
<td>13</td>
<td>86</td>
<td>170</td>
<td>117</td>
<td>389</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>0.77</td>
<td>3.34</td>
<td>22.11</td>
<td>43.70</td>
<td>30.08</td>
<td>100</td>
</tr>
<tr>
<td>I do not sacrifice quality to get a lower price.</td>
<td>3</td>
<td>16</td>
<td>13</td>
<td>77</td>
<td>281</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>0.77</td>
<td>4.10</td>
<td>3.33</td>
<td>19.74</td>
<td>72.05</td>
<td>100</td>
</tr>
<tr>
<td>Private label brands are similar in quality to national (manufacturer) brands.</td>
<td>8</td>
<td>80</td>
<td>204</td>
<td>71</td>
<td>26</td>
<td>389</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>2.06</td>
<td>20.57</td>
<td>52.44</td>
<td>18.25</td>
<td>6.68</td>
<td>100</td>
</tr>
<tr>
<td>I don’t think</td>
<td>9</td>
<td>89</td>
<td>185</td>
<td>84</td>
<td>23</td>
<td>390</td>
</tr>
</tbody>
</table>

27
that there are any significant differences in overall quality between national (manufacturer) brands and private label brands.

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>2.31</th>
<th>22.82</th>
<th>47.44</th>
<th>21.54</th>
<th>5.90</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>For me high quality is important when I shop.</td>
<td>1</td>
<td>5</td>
<td>38</td>
<td>161</td>
<td>185</td>
<td>390</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>0.26</th>
<th>1.28</th>
<th>9.74</th>
<th>41.28</th>
<th>47.44</th>
<th>100</th>
</tr>
</thead>
</table>

Table 7: The finding results of quality factor

Source: Authors’ own illustration

The findings of quality factor of approximately 390 respondents from the survey questionnaires are described as following.

From table 6, it shows that most of the respondents, 55.89 percent, neither satisfy nor dissatisfy with the quality of private label brands. From table 7, most of the respondents, 43.70 percent, agree to always buy the best. The majority, 72.05 percent of respondents, strongly agree to not sacrifice quality to get a lower price. Most of the respondents, 52.44 percent, moderately think that private label brands are similar in quality to national (manufacturer) brands. Most of them, 47.44 percent, quite agree that there are significant differences in overall quality between national (manufacturer) brands and private label brands. The majority of respondents, 47.44 percent, also strongly agree that high quality is the most important aspect when they go out for shopping.

There are six interview questions in order to support the results from survey questionnaires (see in Appendix 3). The first question asks “To what extent do you satisfy with the quality of private label products?” All of the interviewees demonstrate the same result. They do not satisfy with the quality of private label products. They comment that the quality of private label brands is not good therefore private label brands have a lower price.
They tell that private label brands are produced from the same producer as national (manufacturer) brands. The producer of private label brands can reduce cost by using inferior raw material. Therefore, the price of private label brands is cheaper than national (manufacturer) brands. The second question asks “Do you always buy the best?” Eight of the interviewees answer that it is not necessary to always buy the best. They will buy the product that they like even it is not the best one. They explain that it depends on their own budget and the price of product. If it is a fashionable product, they will not buy the best one because it is easier to be out of trend. One of them gives example that she will buy a detergent powder that she likes and can afford. Even it is not the best detergent powder. Another two of them comment that they will always buy the best because they want to use the best products. They will try to buy the best product. For example, they will buy the best quality shampoo because they want to have beautiful and healthy hair.

The third question asks “Are you willing to buy the cheap product that offers a low quality?” Eight of the interviewees answer that they will not buy the cheap product that offers a low quality. For example, they will not buy a cheap personal care product because they worry about side effects such as allergy and irritation. However, two of them will buy the cheap product that offers a low quality. If they will use the product for temporary used, they will buy the cheap product with low quality. For example, if they forget to bring a pen to the university and they have to use it, they will buy a cheap pen to use only that day. The fourth question asks “Do you think that private label brands provide the same quality as national brands?” All of the interviewees think that private label brands do not have the same quality as national (manufacturer) brands. They comment that the target market of private label brands is low income people. Therefore, the price is cheap and its quality is different from national (manufacturer) brands. Moreover, they think that the manufacturer of private label brands is not specialist and do not have research and development department. Therefore, they cannot provide a good quality product. For example, they used to buy private label brands snack. The package looks similar to national brands but the taste is totally different.

The fifth question asks “Do you think that there are significance differences in overall quality between national brands and private label brands?” All of them think that private label brands are clearly different from national brands especially price and quality. They tell that private label brands offer lower quality than national brands. For example, they think that the food product of private label brands uses inferior ingredients and the quality is unacceptable. In addition, they suggest that if private label brands can provide a similar quality as national
brands, it will become more popular. The last question asks “Do you think that when you go shopping, high quality is important for you?” Eight of the interviewees answer that high quality is the most important for them when they go shopping. They will look for the good quality product first and then consider other factors such as price and package. Nevertheless, two of them do not think that high quality is the most important. They comment that they will not only look at quality, but also look at the price. For example, if the product has high quality but it is very expensive. They will not buy it. They comment that a beautiful package can also attract them to buy a product.

4.5 Store loyalty

<table>
<thead>
<tr>
<th>Question</th>
<th>Definitely would not</th>
<th>Probably would not</th>
<th>Might or might not</th>
<th>Probably would</th>
<th>Definitely would</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>How likely would you shop at a store where you purchase private label product again?</td>
<td>60</td>
<td>1811</td>
<td>100</td>
<td>42</td>
<td>7</td>
<td>390</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>15.38</td>
<td>46.41</td>
<td>25.64</td>
<td>10.77</td>
<td>1.79</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 8: Percentage of respondents who would likely to shop at a store where they purchase private label brands again

Source: Authors’ own illustration

<table>
<thead>
<tr>
<th>Alternatives</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>I prefer to always shop at the store that I feel familiar with.</td>
<td>8</td>
<td>15</td>
<td>78</td>
<td>182</td>
<td>105</td>
<td>388</td>
</tr>
<tr>
<td>Percentage</td>
<td>2.06</td>
<td>3.87</td>
<td>20.10</td>
<td>46.91</td>
<td>27.06</td>
<td>100</td>
</tr>
</tbody>
</table>
I make an effort to shop at the store I feel familiar with.

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>3.60</th>
<th>11.57</th>
<th>26.74</th>
<th>39.59</th>
<th>18.51</th>
<th>100</th>
</tr>
</thead>
</table>

In general it is important for me that I shop at the store I feel familiar with.

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>3.09</th>
<th>7.22</th>
<th>27.06</th>
<th>43.30</th>
<th>19.33</th>
<th>100</th>
</tr>
</thead>
</table>

I recommend others to purchase private label brand from the store that I use.

<table>
<thead>
<tr>
<th>Percentage (%)</th>
<th>13.88</th>
<th>15.94</th>
<th>46.02</th>
<th>13.88</th>
<th>10.28</th>
<th>100</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Percentage (%)</th>
<th>3.60</th>
<th>11.57</th>
<th>26.74</th>
<th>39.59</th>
<th>18.51</th>
<th>100</th>
</tr>
</thead>
</table>

**Table 9: The finding results of store loyalty factor**

Source: Authors’ own illustration

The findings of store loyalty factor from survey questionnaires with approximately 390 respondents are described as following.

From table 8, most of the respondents, 46.41 percent, probably would not go to shop at the store where they buy private label brands again. Table 9 shows that most of them, 46.91 percent, prefer to shop and make an effort to shop at the store that they feel familiar with. The majority, 43.30 percent of respondents, agree that it is important for them to shop at the familiar store. But almost all of respondents, 46.02 percent, moderately recommend others to purchase private label brands from the store that they used to buy.

There are four interview questions to support the results from survey questionnaires (see in Appendix 3). The first question asks “How likely would you be shop at a store where
you purchase private label product” All of the interviewees answer that they probably would not shop at a store where they purchase private label products. They explain that they can buy consumer products at any store. Moreover, they prefer to shop at the nearest store. The second question asks “Do you prefer to shop at the store you are familiar with?” Four of the interviewees prefer to shop at the store they feel familiar with. They explain that they can remember the store layout and it is easy for them to walk around and find the product. Another six of them do not prefer to shop at a familiar store. They comment that all stores provide the same kind of national brands therefore they can buy at any store.

The third question is “Do you make an effort to shop at the store you feel familiar with?” Only two of them make an effort to shop at the store they feel familiar with. They comment that they feel familiar with the store layout and satisfy with the provided parking lot and the service of the store. As a result, they would prefer to shop at the store again. While the other eight of them do not make an effort to shop at the store they feel familiar with. They claim that they will compare the distance between the store and their home. They firstly concern the convenience. For example, if the familiar store is far away from their home and it has another store located near their home. They will go to shop at the nearest store because it can save their time and their travelling cost. If they cannot find the product that they want, they will go to the familiar store. The fourth question asks “Do you recommend others to purchase private label brands from the store you use?” There are six interviewees who will not recommend others to purchase private label brands. They explain that they do not buy private label brands so they will not recommend others to buy also. Four of the interviewees will recommend others to purchase private label brands. They comment that they will recommend others to buy if it is a good product. But if it is not a good product, they will not recommend and also tell others not to buy the product.

Last but not least, there is the last question about purchasing intentions towards private label brands. The question is “Do you have an intention to purchase private label brand products?” The result from the survey questionnaires shows that most of the respondents feel neither interested nor uninterested to purchase private label brand products. To support the questionnaires’ result, the answer from the interviewees shows that five of the interviewees are not interest to buy private label brand products. Even though the price of private label brand is cheaper than national brand, they will not buy. However, another five of interviewees are interested to buy private label products. For example, if their friends tell them that the product is good, they will buy it. Two of them explain that they will buy only
little things such as cotton bud, tissue paper and toothpick. They also suggest that private label brand should improve its quality and should have nice package in order that the product will be more attractive. Moreover, it can create purchasing intention towards private label brand products.
5. Analysis of findings

The empirical evidence from the survey questionnaires and the interviews are analyzed in this section.

5.1 Collectivist culture factor

As discussed in the previously literature, Asian people give more importance on person’s face and status and they recognize themselves in terms of their social groups (Tajfel, 1978; Tajfel & Turner, 1979). The findings show that, most of the target group concerned what others think of them therefore they prefer to do activities in group. It is supported by the answer of the interviewees that, they especially concern what their friends and family will think about themselves. Moreover, they would like to save their money. Because of shopping with their parents, they do not have to pay their money. They concern other people in the social group because they are aware of gossip. Therefore, if they go shopping with friends, they can avoid those gossip and they can select the same products as their friends. In accordance with Tajfel and Turner (1979) who stated that, if people have more social commitment to group, they will realize that the group is important for their life. However, the results from the interview show that, all of them prefer to buy the product that they most prefer. It is described as this target group is in generation Y which found to be individual (Evans et al., 2010, p.159). This individual characteristic looks like Western individualist culture. Therefore, they have less interpersonal and do not care other people (Hofstede, 2009).

According to the survey questionnaire, most of the respondents feel the sense of belonging when they purchase the same brands with others. They also think that if they buy private label brands, it will negatively affect what others think of them. This can be supported by the results from the interviews that, most of the interviewees very care the social. They very concern when they buy public consume products because the products can be seen easily from others. For example, they will not reveal the logo of private label products so they use other package instead. Even though they will choose the product that suits them the most, they still prefer the well known products accepted by others. The statements in the literature also reinforce these findings that, people in collectivist culture prefer national brands or well known brands because the brands are already accepted by the society (De Mooij & Hofstede, 2002). In addition, all people use national brands but not all of them use private label brands. The discussion of Wong and Ahuvia (1998) also support the findings that people in collectivist culture tend to buy well known and luxury products. Therefore, based on the
discussion above, we can confirm that, collectivist culture has an impact towards purchasing intentions towards private label brands. It can hypothesize that:

“There is a significant relationship between collectivist culture and Thai undergraduate students’ purchasing intentions towards private label brands”

5.2 Perceived risk factor

From the findings, it shows that, almost of the target group want to be sure before buying anything and the target group questions about the quality of private label brands. In addition, they always find new information about new products and brands. This can be supported from the statement in literature that Asian people have high uncertainty avoidance (Moss & Vinten, 2001; Samli, 1995). As a result, they will search for a product that offers the lower risk. The findings demonstrate that they worry about the mistake from buying therefore they will carefully read the descriptions or labels of the products before buying. Mitchell (1999) supported that, people perceive risk because they worry about the unexpected results from buying and using the products. Consequently, people want to be sure before making a decision to buy. As mentioned earlier in the findings that, they will do the shopping list and make a plan before buying anything in order to avoid mistakes.

The discussion in the literature stated that, if people perceive the risk of buying private label brands, they will less likely to buy private label brands (Batra & Sinha, 2000). It is related to the findings that most of the target group thinks the purchase of private label brands is risky. The target group from the interviews thinks that, the retailers sell the product at a low price because they can reduce the cost by using any inferior raw material. As a result, the target group prefers to buy the national product because of higher quality. This can be supported by Yueng and Morris (2006) who stated that, consumers will buy other products in order to reduce the mistake from buying private label brands. It is clearly seen from the findings that the target group buys national products to avoid the mistake. The findings also support the conceptual framework that perceived risk is a background factor which impacts on price and quality factors towards purchasing intentions of private label brands. This means that, people are not sure about the quality of the low price product. Therefore, they think that purchasing private label brands is risk. This evidence stressed that perceived risk, price and quality factors have an impact towards purchasing intentions of private label brands. In addition, the findings’ results show that they always find information about new products and brands. For example, they keep asking their friends, searching information in magazine or on
the internet. They always check the price and benefits of products also. The findings are related to the literature that Asian people have high level of perceived risk and this behavior is clearly seen from these examples. We can ascertain that, perceived risk affects purchasing intentions towards private label brands. From the discussion, the hypothesis is proposed:

“There is a significant relationship between perceived risk and Thai undergraduate students’ purchasing intentions towards private label brands”

5.3 Price factor

As discussed previously in the literature that, the price of private label brands in Thailand is averagely 30 percent lower than the price of national brands. This difference of 30 percent is important for price conscious person. The evidences from the findings stress that; price is an important reason for the target group to buy private label brands. This means that, people buy private label brands because they realize the cheap price of the product. They also think that, it is worth to spend time to find lower price because they can save money especially for an expensive product or high involvement product (product that has high personal relevant and high interest (Evans et al, 2010, p. 142)). But they will not check the price if they satisfy with the product or it is a product that they usually use and familiar with. It further showed that the target group compares the prices of products before buying and they check the price even the little products such as cotton bud and toothpick. These findings support the statement of Hoch and Banerji (1993) that, if people have less disposable income, they will become more price conscious person. This implies that, the target group is undergraduate student and they do not have a job. They get money from their parents therefore they will not have much income. When they have to purchase something, they have to check the price and try to get the best and cheap price. Therefore, price is an important reason for them to buy private label brands.

However, the target group thinks that, price is not the most important reason for them to buy private label brands because they consider other aspects such as package, quantity and quality of the products. This means that, if the product offers a cheap price but it is a low quality, they will not buy the product. The discussion of Monroe and Krishnan (1985) emphasized that, price can be used to infer quality when they consider about brand name. In addition, Thai consumers perceive that higher price means higher quality. It can indicate that, if the price is very cheap, consumers will concern the quality as well. Moreover, the price of private label brand is cheaper than national brands and the product is not very well known.
Consequently, consumers have to consider other aspects such as quality when they make any purchase. In comparing the findings with the literature, it supports the conceptual framework that, price and quality are connected to each other and both factors have an effect towards purchasing intentions of private label brands. As a result, it can be hypothesized that:

“There is a significant relationship between price and Thai undergraduate students’ purchasing intentions towards private label brands”

5.4 Quality

The findings show that the people from the survey questionnaires feel neutral about quality of private label brands but it is clearly seen that, people from the interviews do not satisfy with the quality of private label brands. As it was stressed in the literature that, quality is an important reason for private label brand usage (Batra & Sinha, 2000) and quality is more important than price in terms of private label brands (Hoch & Banerji, 1993). This means that, people think that private label brands do not have a good quality. They will not buy the product that offers a low quality especially personal care product because they worry about side effects. They will use a low quality product only for some reasons. For instance; they will use it only for temporary usage. Although they want to buy the best product, it depends on their budget and the quality of the product. This implies that, if they can afford to buy the product that offers the best quality, they will buy it. But if the product is very expensive or easily to be out of date, they will buy only the product that they like and can afford.

According to Aaker and Miller (1990) who stressed that, quality perception is an important aspect of private label brand usage. It can be implied that, if private label brand has good quality as national brand, the interest in private label brand can increase. The results from the survey questionnaires do not clearly support this statement because the majority of respondents moderately think that the quality of private label brand is similar to national brand. However, the result from the interviews can clearly support the statement from Aaker and Miller. The interview result shows that the target group realizes that private label brands do not have the same quality as national brands. They think that the quality of private label brands is lower than the quality of national brands because of inferior ingredients. This implies that, they think that the quality is bad because the retailers want to target private label brands to low income people. Therefore, they are aware of using private label brands. They think that others people will think that they have low income. It can be supported by the
collectivist culture from the literature. Because Thai people worry about personal’s face and status, they concern what other people will think about them. It also can be supported from the statement of Batra and Sinha (2000) that, if the risk of buying private label brands is high, people will have less interest to buy them. From the findings, we can see that people are not sure about the quality therefore they do not want to buy it. Furthermore, they recommend that if private label brands can offer a similar quality like national brands, people will be more interest in buying the private label products. This can be supported from the statement of Aaker and Keller (1990) that, consumers will be more likely to use private label brands if there is no difference in quality compared with national brands. Accordingly, it can indicate that, the quality is important for them when buying private label brands. The results from the findings show that, they will firstly consider the quality and compare with the price of the product later. The statements from Hoch and Banerji (1993), Sethuraman (1992) and Ailawadi et al. (2001) can clearly support these findings that, quality is more important than price in terms of private label brands. We can confirm that quality can affect purchasing intentions towards private label brands. In addition, it is relevant with the conceptual framework that, price and quality factors are related. Because the target group perceives that, the price can refer to the quality. In addition, collectivist culture and perceived risk also have a background impact to quality factor. Therefore, these two factors are connected and important when purchasing private label brands. From the discussion, it can be hypothesized that:

“There is a significant relationship between quality and Thai undergraduate students’ purchasing intentions towards private label brands”

5.5 Store loyalty

From the discussions of many authors in the literature, we can see that retailers introduce private label brands because they want to create customer loyalty. The findings demonstrated that consumers normally have store loyalty but private label brands cannot create store loyalty to them. It is supported by the interview results that, consumers do not shop again at a store where they buy private label product. They think that all stores provide the same kind of products. Even though Marcel and Rajiv (2000) and Ailawadi et al. (2001) stressed that private label brands can create store loyalty and can strengthen consumer loyalty, this statement cannot be proved by these findings. The target group rarely makes an effort to shop at the store they feel familiar with. However, they prefer to go to the store located near their accommodations. They will compare the price of the product and the
travelling cost they have to pay. This means that, if the travelling cost to go to the familiar store is more expensive than the price of the products, they would rather shop at the nearest store. Only if they cannot find the product they want, they will go to the familiar store. Moreover, the target populations are undergraduate students and it can be implied that they do not have their own vehicles and do not have much money. As a result, they prefer to go to the nearest store in order to save their travelling cost.

The findings also show that, the target population will not recommend others to buy private label brands. They will recommend it if the product is very good. This can be implied that, private label brands do not have good quality or the quality of the product is still questionable. Therefore, people would not recommend others to buy the product. In contrast with Kahn and McAlister (1997) and Sirohi (1998) who argued that, loyalty can create repurchase behavior and if they frequently repurchase, they will recommend the store to others. From the findings we can see that, store loyalty cannot create purchasing intentions toward private label brands. Most of the target populations prefer to shop at the familiar store and they make an effort to shop at the familiar store. It is because they have store loyalty. But their loyalty cannot make them to buy private label brands. Although they are familiar with the store, they will not go to the familiar store to buy private label brands. They go to the store to buy other national brand products. Moreover, they have the store loyalty and are familiar with the store because of the store layout and the store service. We can confirm that, store loyalty does not affect purchasing intentions towards private label brands. Therefore, it can be hypothesized that:

“There is no significance relationship between store loyalty and Thai undergraduate students’ purchasing intentions towards private label brands”

For the last question about purchasing intentions towards private label brands, the findings show that most of the target populations feel neutral about this aspect. They feel neither interested nor uninterested to buy private label brand products. The answers from the interview emphasize that they will buy the product only if their friends recommend the products to them. This is in line with the explanation given in the literature that, Thai people are group oriented and easy to be influenced by other people in society because of their collectivist culture. As a result, they tend to believe what their friends recommend and follow their friends suggestions. This means that, if their friends tell them that the product is good, they will buy it. But if their friends do not suggest them to buy, they will not buy the product.
In addition, the findings show that, the target population will buy only little things namely cotton bud and tissue paper. It can be implied that, these products cannot be seen in public therefore they can buy and use the products. The target populations suggest that private label brands can be more attractive if the retailers improve the brands’ quality and package. We can see from the above discussions that people concern about products’ quality and they interest in buying a low price product. As a result, if the retailers can improve the quality and maintain the low price of private label brands, it can consequently create purchasing intentions towards private label products.
6. Conclusion and recommendations

6.1 Conclusion

This study is conducted to investigate consumer behavior in Thailand towards purchasing intentions of private label brands. The target group is Thai undergraduate students. The purpose of this study was to investigate the private label brand’s purchasing intentions of Thai undergraduate students. Moreover, the secondary aim is to investigate underlying factors that can stimulate consumer behavior of Thai undergraduate students towards private label brands. After studying through our secondary data which are books, online articles and websites, the data presented that there are five factors that have an influence on purchasing intention towards private label brands. The five factors are collectivist culture, perceived risk, price, quality and store loyalty. Collectivist culture and perceived risk are background factors that have an impact over the other three factors. The authors conducted a survey by using 390 questionnaires and conducted an interview by interviewing another ten undergraduate students. The results demonstrated as following:

Firstly, collectivist culture has great impact on consumer behavior towards purchasing intention of private label brands because our target group normally cares and concerns about their face and status. They are aware of losing their image if they use private label brands products. In addition, collectivist culture is related to perceived risk because people in collectivist culture have high uncertainty avoidance. They worry about unexpected results therefore they are aware of using private label brands.

Secondly, the target group perceives the risk of buying private label brand products in terms of quality. They are not sure about the lower price and the product performance. Therefore, they are less likely to buy private label brands. Because Eastern people with collectivist culture are considered to have high uncertainty avoidance, so they may rarely buy private label products. The two background factors, collectivist culture and perceived risk, also have an effect to other two factors which are price and quality that will be explained below.

Thirdly, price factor also have great impact on consumer behavior towards private label brands. From the findings, price is an important reason for making decision to buy private label brand. Because the target group is undergraduate students who do not have their own income and they seem to be price consciousness person. Moreover, they perceive that private label brands offer the cheaper price. However, they also concern quality of the
products and they believe that the higher price means the higher quality. As a result, they eager to pay more for national (manufacturer) brands because it can guarantee the product quality even they have to pay more.

Fourthly, quality factor also have great impact on consumer behavior towards private label brands. It can be found that quality is primary reason for buying private label brands. Because they already know that private label brands offer a cheap price. Therefore, they concern the quality as first priority when they decide to buy private label brands. However, as mentioned earlier that, they believe that the higher price means the higher quality. As a result, they are less likely to buy private label brands. From these findings, it can be concluded that price and quality are connected to each other.

Lastly, store loyalty does not have an impact towards purchasing intentions of private label brands. Because the target group normally has store loyalty to the store but their loyalty does not affect or attract them to buy private label brands at the same store. Moreover, store loyalty does not connect to price and quality. Store loyalty does not have an impact from background factors which are collectivist culture and perceived risk.

In summary, price and quality are the most influential factors towards purchasing intentions of private label brand products. It is suggested that retailers in Thailand should improve the position of private label brands to value for money by considering price and quality as vital factors. Store loyalty cannot create purchasing intentions towards private label brands. Although, the target population is generation Y which found to be risk takers and individualist (Evans et al., 2010, p. 159), their consumer behaviors are not different from people in collectivist culture in general according to discussions from the findings and the literature reviews.

6.2 Managerial implication

The results of the study also exhibit many important issues for the management of private label brands. The research findings indicate that consumers seem to be price consciousness and quality consciousness. To illustrate, both price and quality factors are greatly affect private label brands’ purchasing intention.

This suggests that the retailers should maintain their pricing strategy and should keep the price of private label brands as cheaper than national brand. In addition, the retailers should increase the quality of private label brands. The quality of private label brands should
not be significant different from the quality of national brand or it should have the same quality as national brands. The retailer should use marketing communication and marketing activities to illustrate and promote private label brands. The retailers should emphasize that the brands have good quality and have cheaper price in order to penetrate the private label brand market. For instance, they should give free samples of private label brands or a promotion of buy one get one for free.

Moreover, the retailers should develop the package of private label brands. The retailers should design the package of private label brands by make it different from package of national brands. Consumers always misunderstand the package between private label brands and national brands because the package of private label brands is similar to national brands. If the retailers follow these suggestions, consumers will pay more attention to private label brands.

6.3 Recommendation for further research

This study has some recommendations that would be interesting and demanding for further research related to this context. Firstly, because of time limitation, this study only focuses on specific sample group which are Thai undergraduate students who study in Bangkok, Thailand. The consumers who are not undergraduate students in Bangkok and who live in other areas are not included in this study. The area is mainly in Bangkok and the findings and results may not cover other areas in Thailand. Therefore, further research should include the diversity of sample groups and people who live in other areas since it may result in different findings. The varied findings will results in variety of results and will lead to more understanding of consumer behavior towards private label brands in Thailand as a whole. Moreover, this research is conducted based on non-probability samples and it may be impossible to make valid inferences about the whole population.

Secondly, the study bases on private label brand products in general. It does not specify in any category of private label brand products. The result from this study will represent private label brands in general and it may be not applicable to particular private label brand categories. Consequently, it might be interesting for further research to develop and apply this conceptual framework to particular category of private label brands because it can have various results from different context such as high involvement private label brand products.
References


## Appendices

### Appendix 1: Top ten fastest growing private label brands markets

<table>
<thead>
<tr>
<th>Country</th>
<th>Region</th>
<th>PL Growth</th>
<th>Manufacturer Growth</th>
<th>PL Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croatia</td>
<td>Emerging Markets</td>
<td>77%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Greece</td>
<td>Europe</td>
<td>24%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Thailand</td>
<td>Asia Pacific</td>
<td>18%</td>
<td>8%</td>
<td>1%</td>
</tr>
<tr>
<td>Argentina</td>
<td>Latin America</td>
<td>16%</td>
<td>22%</td>
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<tr>
<td>South Korea</td>
<td>Asia Pacific</td>
<td>17%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Finland</td>
<td>Europe</td>
<td>16%</td>
<td>-3%</td>
<td>10%</td>
</tr>
<tr>
<td>Spain</td>
<td>Europe</td>
<td>16%</td>
<td>6%</td>
<td>26%</td>
</tr>
<tr>
<td>Singapore</td>
<td>Asia Pacific</td>
<td>16%</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Colombia</td>
<td>Latin America</td>
<td>15%</td>
<td>6%</td>
<td>2%</td>
</tr>
<tr>
<td>Hungary</td>
<td>Emerging Markets</td>
<td>15%</td>
<td>5%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: ACNielsen (2005)
Appendix 2: Questionnaire
(The questionnaire’s link is
https://spreadsheets.google.com/spreadsheet/viewform?formkey=dERLWEJBWldLOHo4RF
EwdHJjak9TRnc6MQ )

Questionnaires
This questionnaire is part of a master thesis entitled “Consumer behavior towards private
label brands: A study of Thai undergraduate students’ experience” conducted for the
completion of a Master’s Degree in International Marketing of Mälardalen University,
Sweden. Please complete all parts of this questionnaire in accordance with your experience. I
assure that all of your information acquired from this questionnaire will be confidentially
kept and will be used for academic purpose only. Thank you in advance for your kindly
cooperation.

Definition of private label brand:
The products offered by a retailer under its own name or other alternative names chosen by
that retailer are called “Private label brand” such as Khumkha by Tesco Lotus and Big Saver
by Carrefour.

Definition of national brand (manufacturer brand):
The products sold under a brand name owned by the producer. The producer is responsible
for marketing the brand. An example of manufacturer brand would be Lux body soap by
Unilever.

Please tick (√) the box that most matches your answer.

Part 1: Personal Information
1. Gender
   ( ) Male ( ) Female

2. Age
   ( ) Under 18 years old ( ) 18-20 years old ( ) 21-23 years old
   ( ) Over 24 years old

3. Monthly income
   ( ) Less than 3,000 baht ( ) 3,001 baht-6,000 baht ( ) 6,001 baht – 9,000 baht
   ( ) 9,001 baht -12,000 baht ( ) Over 12,000 baht
### Part 2: Factors Influencing Consumer Behavior towards Private Label Brands

4. How much do you concern what others think about you?
   - ( ) Very concerned
   - ( ) Concerned
   - ( ) Neither concerned nor unconcerned
   - ( ) Unconcerned
   - ( ) Very unconcerned

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Shopping is a good way to spend time with family.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. I feel the sense of belonging when purchasing the same brands that others purchase.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7. I am afraid that if I buy private label brands, it may negatively affect what others think of me.</td>
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<td></td>
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</tr>
<tr>
<td>8. I avoid risky things.</td>
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<tr>
<td>9. I would rather be safe than sorry.</td>
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</tr>
<tr>
<td>10. I want to be sure before purchasing anything.</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>11. The purchase of private label products is risky because its quality is questionable.</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. I often seek out information about new products and brands</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
13. How important of price is on your proneness to buy private label product?
   ( ) Very important
   ( ) Important
   ( ) Moderately important
   ( ) Of Little Importance
   ( ) Unimportant

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. It is important to get the cheapest price when purchasing a product.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. It is usually worth time and effort to find lower prices if I can save money.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>16. I compare the prices of a couple of product before I choose.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. I look at the price even for the little things.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. To me it is important that I get the best price.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Price is the primary reason of purchasing private label brands.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

20. To what extent do you satisfy with quality of private label products?
   ( ) Very satisfied
   ( ) Satisfied
   ( ) Neither satisfied nor dissatisfied
   ( ) Dissatisfied
   ( ) Very dissatisfied
<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. I always buy the best.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22. I do not sacrifice quality to get a lower price.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>23. Private label brands are similar in quality to national (manufacturer) brands.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. I don’t think that there are any significant differences in overall quality between national (manufacturer) brands and private label brands.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. For me high quality is important when I shop.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

26. How likely would you be to shop at a store where you purchase private label product again?
   ( ) Definitely would
   ( ) Probably would
   ( ) Might or might not
   ( ) Probably would not
   ( ) Definitely would not
<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>27. I prefer to always shop at the store that I feel familiar with.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28. I make an effort to shop at the store I feel familiar with.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29. In general it is important for that I shop at the store I feel familiar with.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30. I recommend others to purchase private label brand from the store that I use.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

31. Do you have an intention to purchase private label brand products?

( ) Very interested
( ) Interested
( ) Neither interested nor uninterested
( ) Uninterested
( ) Very uninterested

😊😊😊😊😊😊😊Thank you for your help😊😊😊😊😊😊😊
Appendix 3: Interview questions

Part 1 General information

In this section, we will ask the interviewee about personal information: name, age, university and personal income per month.

Part 2 Factors influencing consumer behavior towards private label brands

In this section, we categorize questions into main five groups. The questions will be explained as following:

Collectivist

1. How much do you concern what others think about you?
2. Do you agree that shopping is a good way to spend time with your family? If agree, please clarify your answer.
3. Do you feel the sense of belonging when purchasing the same brands that the others purchase?
4. Are you afraid that if you buy private label brands, it may negatively affect what others think of you? If afraid, please explain why do you afraid?

Perceive risk

5. Do you avoid risky things? For example, do you avoid buying risky products?
6. Do you prefer to be safe than sorry? If yes, please give example how do you want to be safe?
7. Do you want to be sure before purchasing anything?
8. Do you think that the purchasing of private label is risky? If yes, please give example.
9. Do you often seek out information about new products and brands? If yes, please give example.

Price

10. How important of price is on your proneness to buy private label product?
11. Do you think that it is important to get the cheapest price when purchasing a product?
12. Do you think that it is worth time and effort to find lower price if you can save money?
13. Do you compare the prices of a couple of products which are different brands before you buy? If yes, please give example.

14. Do you look at the prices even for the little things? If yes, please give example.

15. Is it important for you to get the best price?

16. Do you think that price is primary reason of purchasing private label brands?

Quality

17. To what extend do you satisfy with quality of private label brands?

18. Do you always buy the best? For example, do you always buy the products that offer the best quality? If yes, please give example.

19. Are you willing to buy the cheap product that offers a low quality? And if yes, please give example.

20. Do you think that private label brands provide the same quality as national (manufacturer) brands?

21. Do you think that there are significant differences in overall quality between national (manufacturer) brands and private label brands?

22. Do you think that when you go shopping, high quality is important for you?

Store loyalty

23. How likely would you be shop at the store where you purchase private label product again?

24. Do you prefer to shop at the store you familiar with? If yes, why do you prefer to shop there?

25. Do you make an effort to shop at the store you feel familiar with?

26. Do you recommend others to purchase private label brand from the store you use?

Purchasing intentions towards private label brands

27. Do you have an intention to purchase private label brand products?
### Appendix 4: Reliability of questionnaire

<table>
<thead>
<tr>
<th>Factors</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
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</thead>
<tbody>
<tr>
<td>Collectivist culture</td>
<td>0.084</td>
<td>4</td>
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<tr>
<td>Perceived risk</td>
<td>0.723</td>
<td>5</td>
</tr>
<tr>
<td>Price</td>
<td>0.724</td>
<td>6</td>
</tr>
<tr>
<td>Quality</td>
<td>0.848</td>
<td>5</td>
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<tr>
<td>Store loyalty</td>
<td>0.763</td>
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</table>

### Appendix 5: The demographic of respondents from questionnaires

<table>
<thead>
<tr>
<th>Respondents profile</th>
<th>Frequency</th>
<th>Percentage (%)</th>
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<tbody>
<tr>
<td><strong>Gender:</strong></td>
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</tr>
<tr>
<td>Male</td>
<td>169</td>
<td>43.33</td>
</tr>
<tr>
<td>Female</td>
<td>221</td>
<td>56.67</td>
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<tr>
<td><strong>Total:</strong></td>
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<td>100</td>
</tr>
<tr>
<td><strong>Age:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 18 years old</td>
<td>66</td>
<td>16.92</td>
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<tr>
<td>18 - 20 years old</td>
<td>129</td>
<td>33.08</td>
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<td>21 - 23 years old</td>
<td>155</td>
<td>39.74</td>
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<tr>
<td>Over 24 years old</td>
<td>40</td>
<td>10.26</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>390</td>
<td>100</td>
</tr>
<tr>
<td><strong>Monthly income:</strong></td>
<td></td>
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</tr>
<tr>
<td>Less than 3,000 baht</td>
<td>30</td>
<td>7.69</td>
</tr>
<tr>
<td>3,001 - 6,000 baht</td>
<td>78</td>
<td>20.00</td>
</tr>
<tr>
<td>6,001 - 9,000 baht</td>
<td>55</td>
<td>14.10</td>
</tr>
<tr>
<td>9,001 - 12,000 baht</td>
<td>75</td>
<td>19.23</td>
</tr>
<tr>
<td>Over 12,000 baht</td>
<td>152</td>
<td>38.97</td>
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<tr>
<td><strong>Total:</strong></td>
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</table>
## Appendix 6: The demographic of interviewees

<table>
<thead>
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<th>Interviewee</th>
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<th>Income</th>
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<tr>
<td>1</td>
<td>22 years</td>
<td>Male</td>
<td>9,000 baht</td>
</tr>
<tr>
<td>2</td>
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<tr>
<td>3</td>
<td>20 years</td>
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<tr>
<td>4</td>
<td>19 years</td>
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<tr>
<td>5</td>
<td>18 years</td>
<td>Male</td>
<td>4,000 baht</td>
</tr>
<tr>
<td>6</td>
<td>19 years</td>
<td>Female</td>
<td>5,000 baht</td>
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<tr>
<td>7</td>
<td>23 years</td>
<td>Male</td>
<td>10,000 baht</td>
</tr>
<tr>
<td>8</td>
<td>20 years</td>
<td>Female</td>
<td>7,000 baht</td>
</tr>
<tr>
<td>9</td>
<td>22 years</td>
<td>Female</td>
<td>12,000 baht</td>
</tr>
<tr>
<td>10</td>
<td>21 years</td>
<td>Female</td>
<td>4,000 baht</td>
</tr>
</tbody>
</table>