An Exploratory Study on Relationships between Factors that Influence Consumers' Perceptions of Retail Branding and Purchase Behavior

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Abstract

The purpose of this study was to build a conceptual framework for the relationship between the factors that influence consumers' perceptions of retail branding and purchase behavior within East Asian context. Specifically, this research investigated the influencing factor on perceived retail brand identity (including positioning on range, positioning on price, positioning on convenience, positioning on store experience, retail brand personality, and retail brand communication) and perceived retail brand performance. A questionnaire survey involving consumers was conducted in this research for examining the proposed hypotheses. The sample was selected to be representative of the hypermarket consumers in terms of having the experience of buying hypermarket own label brands. The findings indicated that both perceived retail positioning on range and price had a positive influence on purchase behavior. Also both perceived retail brand communication and perceived retail brand performance had a positive influence on purchase behavior. In addition, positioning on range, convenience and store experience all had positive influence on the perceived retail brand communication. Meanwhile, consumers' perception of retail brand communication had significant positive influence on their perceptions of retail brand performance. This study highlights Taiwanese consumers' retail brand perceptions and the relationship with purchase behaviors, specifically hypermarkets, at a time of a decade old retail brand development in Taiwan. This research suggests that in the current Taiwanese context there appears to be little difference from previous research studies on retail

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branding in the context of western economies.

Key Words: Brand identity, brand perception, retailing, Taiwan.

1. Introduction

Consumers respond to branding by purchasing the same products or brands or by showing preference towards a particular brand. After reviewing previous studies, loads of researchers, e.g. Aaker (1996), Helman et al. (1999), de Chernatony, Dury and Segal-Horn (2003), and Keller (1993), have focused on how to build and manage a strong brand. Chang and Liu (2009) and Krishnan and Hartline (2001) claimed that there has been comparatively little literature in service branding. In fact, the importance of retail brands in fast moving consumer goods marketing has increased during the recent years (Zielke and Dobbelstein, 2007). Bharadwaj, Varadarajan & Fahy (1993) suggested that service branding might be more essential because of the complexity consumers are faced with in the purchasing process.

Retailers expect increased loyalty by developing retail branding (Corstjens and Lal, 2000). Before a retail brand increases customer loyalty, many stages in the process have to be completed. The customer must notice the own label product, develop some kind of interest, try the product the first time, become satisfied and then develop a preference that creates loyalty to the retailer (Zielke and Dobbelstein, 2007). During this process, the consumer's perception of a retail brand identity is important. A strong brand identity allows a sustainable differentiation of the offering and helps to enhance customers' identification with the brand (Baumgarth and Schmidt, 2010). Retail brand identity and retail brand perception are related but are distinct concepts as both are essential ingredients of a strong brand (Floor, 2006; Nandan, 2005). Identity represents the retailer's reality while perception represents consumers' experience and feeling. The perception established in the mind of the consumer is determined by the identity emanating from the brand-owner (Baumgarth and Schmidt, 2010). In reality, a communication gap exists if there is a discrepancy between the coding

(retailer) and decoding (consumer) process (Nandan, 2005). Floor (2006) also mentioned that the desired brand identity of the retailer and the brand perception of the consumer do not have to match. This is a very interesting issue and should be considered as a serious and important subject by brand marketers and researchers. Therefore, this study attempts to focus on this gap in the literature.

Previous studies have investigated the issues of retail brand identity and retail brand perception, but there are few studies that considered retail brand identity as a crucial factor in influencing the retail brand perception. Therefore, the purpose of this study was to build a conceptual framework for the relationship between the factors that influence consumers' perception of retail branding and purchase behavior within the East Asian context. Specifically, this research investigated the influencing factors on the perceived retail brand identity (including positioning on range, positioning on price, positioning on convenience, positioning on store experience, retail brand personality, and retail brand communication,) and the perceived retail brand performance.

2. Literature Review

Brand Identity

One of the most recent and best-known brand conceptualization approaches in the marketing studies is the brand identity concept (Baumgarth and Schmidt, 2010), initially developed by Aaker (2002) and Keller (1992). Through brand identity, a company seeks to convey its individuality and distinctiveness to all (Srivastava, 2011). According to Harris and de Charlnatony (2001), brand identity is made of brand vision, brand culture, positioning, personality, relationship and presentation. Ghodeswar (2008) also created a conceptual model for building brand identity, which identified brand positioning, brand communication, brand performance and brand equity as important elements. Meanwhile, Floor (2006) also mentioned that every strong brand identity is built on three pillars: a clear, differentiating

positioning, a distinct personality and consistent communication. To sum up, from the above discussions about the key elements of building brand identity, brand positioning, brand personality and brand communication are the most mentioned. Therefore, this research will focus on these three elements to examine the impact of brand identity on purchase behavior in retailing.

Retail Brand Positioning- Range, Price, Convenience and Store Experience

A brand position is part of the brand identity (Aaker, 2002) and positioning is correlated with creating the perception of a brand in the customer's mind and of achieving differentiation that it stands apart from competitors' brand/offerings and that it meets the consumer's needs/expectations (Ghodeswar, 2008). According to Arnott (1993) and Blankson (2004), positioning is concerned with management's attempt to modify the tangible characteristics and the intangible perceptions of a marketable offering in relation to the competition. Over these years, the issue of service positioning (Arnott, 1992, 1993; Arnott and Easingwood, 1994; Darley and Smith, 1993; Dibb and Simkin, 1991, Easingwood and Mahajan, 1989; Fisher, 1991; Javalgi, Joseph & Gombeski, 1995 Kara, Kayanak & Kucukemiroglu et al., 1996; Lovelock, 1983; Young, 1993) has got much attention and interest (Blankson, 2004). The previous literatures have evidenced that positioning a service is more complicated than positioning a product because of the need to communicate vague and intangible benefits (Assael, 1985; Blankson, 2004). Therefore, Floor (2006) indicated that retailer should consider four attributes: range, price, convenience and store experience, when formulating a retail brand positioning.

The range of products is the foundation of every retail positioning. Successful retail brands always have a clear, recognizable range (Floor, 2006). A lack of distinction within product categories is commonly associated with lower product involvement situation in which consumers unclearly differentiate between alternative brands (Giese, Spangenberg & Crowley, 1996). For a retailer with a large range of private brands it is easier to differentiate itself from the competition and build up a competitive

advantage. A retail brand has many different ways in which it can profile itself through its range of goods, namely range brand types: merchandise brands, selection brands, brand-mix brands, product-mix brands, target-group brands, speed brands and ideology brands (Floor, 2006). In the previous studies, the topic for frequently purchased branded products (Gornley, 1974; Jamieson and Bass, 1989; Penny et al., 1972; Tauber, 1975) and product type effect (Moon, Chadee & Tikoo et al., 2008) have shown that there is a significant effect on purchase intention, however, less focused are the frequently purchased retailer products (namely for FMCG.) and their range of product categories. Therefore, this research explores the relationship between consumer's perception of retailer's range brand types (e.g. brand/product-mix brands, target-group brands, and speed brands) and purchase behavior and proposes the following hypothesis:

H1: The perceived retail positioning on range will significantly affect purchase behavior

Retail Brand Positioning on Price

Many retail brands try to position themselves on price but no retail brand can afford to be seen as expensive in the competitive retail environment. Floor (2006) argued that the retail brand with highest market share never has the highest price. Supermarkets like Wal-Mart, wholesale membership clubs like Costco, discount stores like the German Aldi, hypermarkets like Taiwanese Carrefour and lots of other retail companies use price as their most important weapon. However, in every sector only one can be the cheapest, so for other retailers it is difficult to base their differential advantage also on price (Floor, 2006). Meanwhile, Doug Raymond, President and CEO of Retail Advertising & Marketing mentioned that retailers cannot depend on these price promotions to attract customers on a regular basis (Grewal et al., 1998). In reality, many consumers are not looking for the lowest prices; they are looking for a store that offers a number of other benefits besides low prices. If the product adds great value, price becomes a less important factor (Moon et al., 2008). Therefore, a positioning on price

can be distinguished in retail as of four types: low-price brands, high-value brands, one-price brands and premium brands (Floor, 2006). While a number of studies have shown that price has a moderately significant effect on buyers' perception and purchase intention (Grewal et al., 1998; Moon et al., 2008), few have focused on retailing and addressed from different types of price positioning. Therefore, this research is going to explore the relationship between consumer's perception of retailer's brand prices as of four types: (e.g. low-price brands, high-value brands, one-price brands and premium brands) and purchase behavior. Therefore, the hypothesis proposed is:

H2: The perceived retail positioning on price significantly affects purchase behavior

Retail Positioning on Convenience

Convenience has been acknowledged to be increasingly important to consumers since the 1980's and 1990's labeled as the 'decades of convenience' (Clulow and Reimers, 2009). Regarding the conceptualization of convenience, it occurs when the barriers to the undertaking of an activity are reduced or eliminated (Clulow and Reimers, 2009; Clulow and Reimers, 2004). In the field of retailing, these barriers are referred to as costs (Bell et al., 1998; Bender, 1967; Downs, 1961), particularly for the nonmonetary cost, such as time, opportunity, and energy that consumers give up to buy goods and services (Berry, Seiders & Grewal, 2002). In the literature review, time and effort saving are the two aspects of convenience most often cited (Berry et al., 2002). Yale and Venkatesh (1985) suggested that there are six "classes" of convenience: time utilization, accessibility, portability, appropriateness, handiness, and avoidance of unpleasantness. However, it is debated that several of them are ambiguous and difficult to measure. He proposed five dimensions for the concept of convenience: time, place, acquisition, use, and execution dimension (Brown, 1989). Meanwhile, Berry et al. (2002) identified five types of service convenience: decision convenience, access convenience, transaction convenience, benefit convenience, and post benefit convenience. Moreover, Floor (2006)

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mentioned that there is clearly a need for retail brands that focus on convenience, and pointed out three different approaches for convenience when creating a retail brand: accessibility brands, efficiency brands, service brands which make shopping easier by offering the customer perfect service. The previous empirical findings have indicated that convenience is significantly related to customer satisfaction and behavioral intentions (Andaleeb and Basu, 1994) and customer perceptions and retention (Rust et al., 2004). Convenience has been conceptualized as a multidimensional construct that has particular importance for retail patronage behavior (Seiders et al., 2000). Therefore, this research is going to focus on retail brand through positioning on convenience to explore the relationship between consumer's perception of retailer's convenience brand types (e.g. accessibility brands, efficiency brands, and service brands) and purchase behavior and propose the following hypothesis:

H3: The perceived retail positioning on convenience significantly affects purchase behavior

Store Experience

Retailing nowadays is more than just about products, and consumers are looking for experiences, recreation and to have a good time. Buying products now becomes buying into an experience. According to Floor (2006), consumers experience the store through the range of stock, prices, store design, visual merchandising, employees and many other impulses. Namely, the experience is created by the total of all impressions in the store. Thus, a store can also consciously try to differentiate itself from other competitors by providing a unique store experience which will be the differentiating positioning attribute (Floor, 2006). In the earlier literature, the issue of experience has been investigated to focus on previous purchase experience with specific shopping format by some researchers, e.g. Elliot and Fowell (2000), Sen et al. (2000), and Yoh (1999) as a consumer characteristic. Moreover, Floor (2006) perceived store experience as a positioning technique for creating retail brand identity and classified six types of brand

experience: entertainment brands, expertise brands, design brands, hedonism brands, lifestyle brands and bargain brands. Additionally, regarding the relationship between experience and purchase intention, many studies discussed the issue of a customer's previous experience with products or services, e.g. Howard and Sheth (1969), Park and Stoel (2006) and Sen, et al. (2000), but not actually the topic of store experience. Therefore, this study is going to focus on store experience to explore the relationship between consumer's perception of retailer's store experience brand types (e.g. entertainment brands, expertise brands, design brands, hedonism brands, and lifestyle brands) and purchase behavior. The proposed hypothesis is:

H4: The perceived retail positioning on store experience will significantly affect purchase behavior

Retail Brand Communication

When talking about communicating the brand message, the challenges faced are: to be noticed, to be remembered, to change perceptions, to reinforce attitudes, and to create deep customer relationships (Aaker and Joachimsthaler, 2000; Ghodeswar, 2008). According to Ghodeswar (2008), the major channels of communications used widely to position brands in the minds of consumers are advertising, direct marketing, sales promotion, sponsorships, endorsements, public relations, the internet, and integrated brand communications. For a retailer the store itself is the most important communication tool. Floor (2006) pointed out that there are two types of communication tools for retail brand: out-of-store communications (advertising and direct marketing communications) and in-store (store design, visual merchandising, and employees). However, currently in Taiwan, most retail advertising looks alike, and the stores' offerings show hardly any difference in design, visual merchandising and employee behavior. Also there is no or hardly any consistency between out-of-store and in-store communication. Theoretically, Floor (2006) mentioned that consumers are drawn to the store through the brand promise in the out-of-store communications. When entering, the consumer becomes a browser and the in-store communication then has to try to convert the browser into a

purchaser. Therefore, this study examines the relationship between consumer's perception of retailer brand communication and purchase behavior to propose the following hypothesis:

H5: The perceived retail brand communication significantly affects purchase behavior

Retail Brand Performance

Brand performance represents the success of a brand within the market (Wong and Merrilees, 2007). Past performance information provides a basis for one's expectations, attitudes, and stored evaluations (Howard, 1989; Johnson and Fornell, 1991). An individual's product or service experience and resulting access to past performance information should directly affect the antecedent of satisfaction (Johnson and Fornell, 1991). For retailing, brand performance could mean the entire in-store performance and brand performance should exceed the customer's expectations. A successful retail brand performance would ensure that a buyer or a browser becomes a loyal customer (Floor, 2006). From previous studies, the brand performance has been measured from different viewpoints, but many of them were around awareness, satisfaction and loyalty for brand in general, e.g. Chaudhuri and Holbrook (2001), Reid (2002), and Wong and Merrilees (2007). Ghodeswar (2008) mentioned five items (i.e. product performance, service performance, customer care, customer satisfaction, and customer delight) to examine brand performance, which is more suitable for the retail circumstance. Therefore, this study uses these five items to examine retail brand performance and explore the relationship between consumer's perception of retail brand performance and purchase behavior. The proposed hypothesis is:

H6: The perceived retail brand performance significantly affects purchase behavior

Retail Brand Personality

Current research defined brand personality as "the set of human

characteristics associated with a brand" (Aaker, 1997). The brand personality dimension was developed by Norman (1963) and corresponded to five human personalities: sincerity, excitement, competence, sophistication, and ruggedness (Freling and Forbes, 2005). Aaker (1997) identified these five dimensions as a framework, i.e. the brand personality scales (BPS) for measuring the extent to which a given brand possesses any of these personality traits (O'Cass and Lim, 2002; Paker, 2009). To date, the BPS is the only published and most widely employed brand personality measure (Paker, 2009).

After reviewing the relevant previous studies including Aaker (1997), Belk (1988), Fiske (1989), Keller (1993), Malhotra (1988), Wang and Yang (2008), it is concluded that the formation of brand personality could be classified into two categories: direct and indirect sources. Direct sources consisted of the set of human characteristics associated with a typical brand user, company employees, corporate CEOs, and brand endorsers. Indirect sources included all the decisions which are related to the product, price, distribution, and promotion made by company managers (Wang and Yang, 2008). Therefore, the brand personality also can be described the retail brand. According to Floor (2006), retail brand personality is reflected in the look and feel of all in-store and out-of-store communication. Customers use retail brand to create their own individual identity and to communicate something about themselves to others (Floor, 2006).

Prior research indicates that a strong and positive brand personality could result in favorable product evaluations, e.g. Aaker (1991), Fennis, Pruyn & Maasland (2005), Freling and Forbes (2005), Ramaseshan and Tsao (2007). Wang and Yang, (2008) also examined that brand personality tends to exert a significantly positive impact on purchase intention. Floor (2006) mentioned that the better a retail brand personality match a consumer's value, the stronger his/her preference for, and loyalty to, this brand will be. However, a few studies discussed the relationship between retail brand personality and purchase behavior. Therefore, this study explores the relationship between consumer's perception of retail brand personality and purchase behavior and

proposes the following hypothesis:

H7: The perceived retail brand personality significantly affects purchase behavior

Relationships among Retail Brand Positioning, Communication and Performance

According to Ghodeswar's (2008) PCDL model retail brand positioning, retail brand communication and retail brand performance are the main elements for building brand identity in competitive markets. Also significant relationship exist between these three elements in a sequential order: positioning the retail brand, communicating the retail brand message, and delivering the retail brand performance. Therefore, this research proposed the following hypotheses for further examining the relationship among these three factors:

H8: The perceived retail brand positioning on range significantly affects the perceived retail brand communication

H9: The perceived retail brand positioning on price significantly affects the perceived retail brand communication

H10: The perceived retail brand positioning on convenience significantly affects the perceived retail brand communication

H11: The perceived retail brand positioning on store experience significantly affects the perceived retail brand communication

H12: The perceived retail brand communication significantly affects the perceived retail brand performance

Purchase Behavior

In order to assess purchase behavior, Esch, Langer, Schmitt & Geus (2006) proposed to distinguish two dimensions: current behavior and

intended future behavior. Current behavior is referred to the purchase of the brand as well as its usage while future behavior is referred to intentions to purchase the brand in future. Meanwhile, Jones and Sasser Jr. (1995) and Pike et al. (2010) used three major categories to indicate the extent of purchase behavior: intent to purchase, primary behavior, and secondary behavior. To sum up, this study proposes to differentiate three dimensions: intent to purchase, actual repurchase, and referral behavior. Intent to purchase can refer to intentions to purchase retail brand products in the future; actual repurchase refers to the frequency of actual purchase and usage; referral behavior refers to the endorsement and spreading the word. Therefore, these three dimensions are examined in this study.

Figure 1 illustrates the conceptual research framework for this study. It examines the relationship between retailer's range, price, convenience, store experience, brand communication, brand personality, brand performance and purchase behavior.
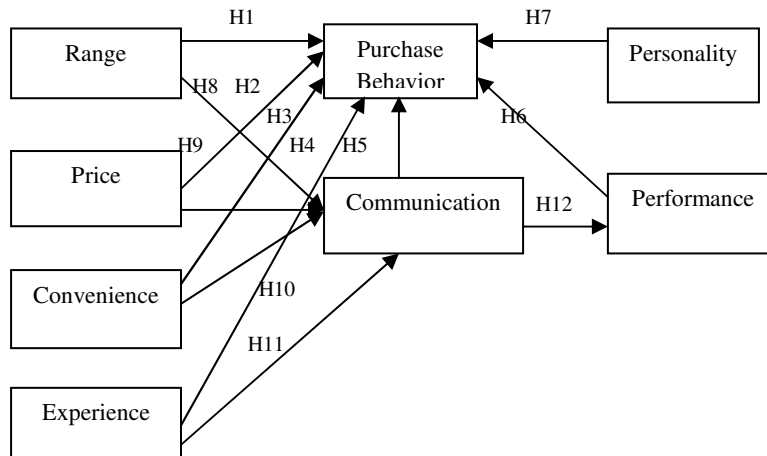

Fig 1 A Conceptual Research Framework

3. Research Method

3.1 Research Setting

To test the above hypotheses, an empirical study was conducted to

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

3.2 Sample and Data Collection

A questionnaire survey mentioned involving consumers was conducted in this research for examining the above 7 hypotheses. The sample for this study was selected to be representative of the hypermarket consumers in terms of having the experience of buying hypermarket own label brands. Due to the limitations of place, time and cost, the questionnaire survey was distributed in three hypermarkets in Taichung (the third biggest city in Taiwan) by simple random sampling. The survey was conducted in front of these retail stores with face-to-face guidance of the questionnaire respondents. Of the total number of 450 responses, 48 were discarded due to missing values or inappropriate responses. The remaining questionnaires formed a response rate of 89.33 percent.

3.3 Construct Measurement

The constructs measured for the study needed to capture consumers' retail brand perceptions of the relationship with their purchase behaviors and were developed from existing sources before being pilot-tested with consumers. Some minor revisions were made on the basis of the feedback received. Each construct was measured using a five-point Likert scale (1 = strongly disagree and 5 = strongly agree).

3.3.1 Perceived Retail Positioning on Range

Perceived retail range captures the extent to which the consumer perceives that retail brand should position itself through a clear and differentiated range. This study examines three types of retail range: target-

group, mix, and speed, which were sourced from Floor (2006). Three items were used to measure the extent of consumer's perception of each type of retail range.

3.3.2 Perceived Retail Positioning on Price

Perceived retail price captures the extent to which the consumer perceives that retail brand should position itself through a recognizable and differentiate price. This study examines two types of retail price: high-value and premium, which were sourced from Floor (2006). Two items were used to measure the extent of consumer's perception of each type of retail price.

3.3.3 Perceived Retail Positioning on Convenience

Perceived retail convenience is based on the extent to which the consumer perceives that retail brand should position itself through recognizable and differentiated convenience. This study examines three types of retail convenience: accessibility, efficiency, and service offered, which were sourced from Floor (2006). Five items were used to measure the extent of consumer's perception of these three types of retail convenience.

3.3.4 Perceived Retail Positioning on Store Experience

Perceived retail store experience is based on the extent to which the consumer perceives that retail brand should position itself through a recognizable and differentiated store experience. This study examines five types of retail store experiences: entertainment, expertise, design, hedonism, and lifestyle, which were sourced from Floor (2006). Six items were used to measure the extent of consumer's perception of each type of retail store experience.

3.3.5 Perceived Retail Brand Communication

Perceived retail brand communication captures the extent to which the

consumer perceives the retail brand communication. This study examines two types of retail brand communication: out-of-store and in-store communication, which were sourced from Floor (2006). Five items were used to measure the extent of consumer's perception of these two types of retail brand communications.

3.3.6   Perceived Retail Brand Personality

Perceived retail brand personality is based on the extent to which the consumer perceives the retail brand personality. This study examines five types of retail brand personality: sincerity, excitement, competence, sophistication, and ruggedness, which were sourced from Aaker (1997). Five items were used to measure the extent of consumer's perception of each type of retail brand personality.

3.3.7   Perceived Retail Brand Performance

Perceived retail brand performance captures the extent to which the consumer perceives the retail brand performance. This study examines five types of retail brand performance: product performance, service performance, customer care, customer satisfaction, and customer delight, which were sourced from Ghodeswar (2008). Five items were used to measure the extent of consumer's perception of each type of retail brand performance.

3.3.8   Purchase Behavior

Purchase behavior is based on the extent to which the consumer is willing to purchase retail brands in the future. This study examines three types of purchase behaviors: intent to purchase, actual repurchase, and referral behavior, which were sourced from Pike et al. (2010). Three items were used to measure the extent of consumer's purchase behavior. The measurement items for all the above constructs are presented in Table 1.

Table 1
Measurement Items

Constructs	Item	Loadings
Retail positioning on range α=.606 AVE=.659	I think the retailer focus his entire range on one specific target group	0.744
	I think the retailer offer consumers a unique combination of private and/or manufacturer brands	0.717
	I think the retailer is faster than any other retail brands in adjusting their range to consumer behavior	0.610
Retail positioning on price α=.700 AVE=.614	I think the retailer offer consumers low prices (not necessary the lowest price) with added values	0.831
	I think the retailer offers very high prices and extreme exclusivity	0.847
Retail positioning on convenience α=.886 AVE=.921	I think the retailer offers the customer maximum accessibility to its own label products	0.761
	I think the retailer optimizes the speed and ease of the total buying process	0.832
	I think the retailer should offer the customer maximum accessibility to the store	0.828
	I think the retailer makes shopping easier by offering efficient service	0.833
	I think the retailer offers the customer perfect service	0.799
Retail positioning on store experience α=.798 AVE=.824	I think the retailer builds his experience more or less comparable to amusement park	0.742
	I think the retailer offer customers new knowledge or information every time they visit the store	0.763
	I think the retailer builds his experience with excellent store design and visual merchandising.	0.728
	I think the retailer offers pleasure and stimulation for the senses.	0.761
	I think the retailer focuses on customers' actual or desired lifestyle, and offer everything for that lifestyle.	0.622
Retail brand communication	I can get the retail brand message from in-store design.	0.769

α=.802 AVE=.748	I can get the retail brand message from in-store visual merchandising.	0.817
	I can get the retail brand message from in-store employees.	0.687
	I can get the retail brand message from out-of-store advertising.	0.724
	I can get the retail brand message from out-of-store direct marketing communication.	0.659
Retail brand personality α=.806 AVE=.963	I think this retail brand is sincerity.	0.674
	I think this retail brand is excitement.	0.768
	I think this retail brand is competence.	0.795
	I think this retail brand is sophistication.	0.744
	I think this retail brand is ruggedness.	0.745
Retail brand performance α=.891 AVE=.856	I feel this retailer's product performance is good.	0.777
	I feel this retailer's service performance is good.	0.777
	I feel this retailer's customer care is good.	0.852
	I feel this retailer's customer satisfaction is good.	0.828
	I feel this retailer's customer delight is good.	0.827
Purchase behavior α=.826 AVE=.922	I would have the intention to purchase retail brand products.	0.720
	I would definitely repurchase retail brand products.	0.834
	I would recommend retail brand products to others.	0.781

3.4 Reliability and Validity Testing

To assess the internal consistency of the constructs, a Cronbach's Alpha reliability test was applied. As a general rule of thumb, Nunnally (1978) has recommended the Cronbach's α with a 0.60 value as acceptable (see Table 1). Convergent and discriminant validity tests were performed to determine construct validity. Factor loadings and average percentage of variance extracted (AVE) were used to measure convergent validity. As noted by Hair, Anderson, Tatham & Black (2006), factor loadings with estimates at 0.50 or higher are considered significant. Almost all loadings on the

Table 2
Means, Standard Deviations, Correlations

Constructs	Mean	S.D.	Range	Price	Convenience	Experience	Brand Communication	Brand Personality	Brand Performance	Purchase Behavior
Range	3.653	0.611	0.659							
Price	2.965	0.470	.046**	0.614						
Convenience	4.233	0.636	.160**	.068	0.921					
Experience	3.498	0.557	.079**	.056**	.022**	0.824				
Brand Communication	4.044	0.551	.119**	-.002	.144**	.082**	0.748			
Brand Personality	3.580	0.633	.059**	.015*	.009	.304**	.127**	0.963		
Brand Performance	3.489	0.655	.075**	.075**	.018**	.003	.019**	.006	0.856	
Purchase Behavior	3.479	0.709	.010**	.049**	.031**	.003	.055**	.009	.298**	0.922

Notes: Square root of AVE is reported in parentheses in the diagonal. **P<0.01, *P<0.05

constructs were higher than 0.50 (see Table 1). This study compared the inter-construct correlations with the square root of AVE of each construct to check for discriminant validity between constructs. If the square root of AVE estimates were higher than the correlations, it would indicate the discriminant between constructs (Strong, Dishaw, and Bandy, 2006). Table 2 present the means, standard deviations, correlations between constructs, and the square root of AVE of each construct.

4. Findings

4.1 Sample Characteristics

Among the 402 valid samples, males were 45.5 percent and females were 54.5 percent and the majority of the respondents were less than 35 years old (71 percent); belonging to the age group of 35-44 were 16 percent and the remaining 13 percent were above the age group of 45 years. Participants' main educational background was college/university education (61 percent). Majority of them (56 percent) had less than 30K monthly income and 35 percent of them were in the income bracket of 30K-50K. Table 3 outlines the sample composition.

Table 3
Sample Composition

		Percent
Gender	Male	45.5%
	Female	54.5%
Age	<25	34%
	25-34	37%
	35-44	16%
	45 and above	13%
Educational level	Junior high school	03%
	Senior high school	15%
	Bachelor	61%
	Master and above	21%
Monthly income (NT$)	<30K	56%
	30K-50K	35%
	50K-80K	07%
	>80K	02%

Hypotheses testing

The structural model was calculated using Amos 16.0 software. The final overall model fit was adequate (chi-square=1.682, df=445; p=.00; GFI=.897; AGFI=.871; PGFI=.712; NFI=.886; CFI=.959; RMSEA=.041; RMR=.041), showing that the model fits the data well enough. Table 4 illustrate the hypothesized relationships and summarizes the supported hypotheses. The standard model supports eight of these twelve hypotheses.

In H1 it is proposed that perceived retail positioning on range significantly affects purchase behavior. This relationship can be assessed by examining the structure path coefficient. The measured coefficient is 0.224 and significant at the p<0.05 level, it suggests the perceived retail positioning on range positively affects purchase behavior. Thus H1 is supported. H2 proposed that perceived retail positioning on price significantly affects purchase behavior. The measured coefficient is 0.281 and significant at the p<0.001 level, it means perceived retail positioning on price positively affect purchase behavior. Thus, H2 is supported. H5 proposed that perceived retail brand communication significantly affects purchase behavior. The measured coefficient is 0.200 and significant at the p<0.05 level, suggesting the positive effect of perceived retail brand communications on purchase behavior. Thus H5 is supported. H6 proposed that perceived retail brand performance significantly affects purchase behavior. The measured coefficient is 0.427 and is significant at the p<0.001 level, suggesting a strong positive effect of perceived retail brand performance on purchase behavior. Thus H6 is supported. H8 proposed that perceived retail brand positioning on range significantly affects perceived retail brand communications. The measured coefficient is 0.267 and significant at the p<0.05 level. It means perceived retail brand positioning on range affects perceived retail brand communications. Thus H8 is supported. H10 proposed that perceived retail brand positioning on convenience significantly affects perceived retail brand communications. The measured coefficient is 0.185 and significant at p<0.05 level. Therefore, perceived retail brand positioning on convenience affects perceived retail brand communication. Thus H10 is

supported. H11 proposed that perceived retail brand positioning on store experience significantly affects perceived retail brand communications. The measured coefficient is 0.220 and significant at the p<0.001 level. So, perceived retail brand positioning on store experience affects perceived retail brand communications. Thus H11 is supported. Finally, H12 proposed that perceived retail brand communications significantly affects perceived retail brand performance. The measured coefficient is 0.199, which is significant at the p<0.001 level, suggesting the positive effect of perceived retail brand communication on perceived retail brand performance. Thus H11 is supported. The resulting parameter estimates for the standardized solution are shown in Figure 2.

Table 4
Structural Model Results

| Hypothesized Relationship	Standardized Estimates	P-Value	Hypothesis Supported
H1: Range ---->Purchase Behavior	0.224	.014**	Yes
H2: Price ----> Purchase Behavior	0.281	***	Yes
H3: Convenience----> Purchase Behavior	0.047	0.530	No
H4: Experience----> Purchase Behavior	-0.164	0.056	No
H5: Brand Communication----> Purchase Behavior	0.200	0.001**	Yes
H6: Brand Performance----> Purchase Behavior	0.427	***	Yes
H7: Brand Personality----> Purchase Behavior	0.000	0.996	No
H8: Range ----> Brand Communication	0.267	0.005**	Yes
H9: Price ----> Brand Communication	-0.023	0.711	No
H10: Convenience ----> Brand Communication	0.185	0.021**	Yes
H11:Experience ----> Brand Communication	0.220	***	Yes
H12: Brand Communication ----> Brand Performance	0.199	***	Yes

**p<0.05, ***p<0.001

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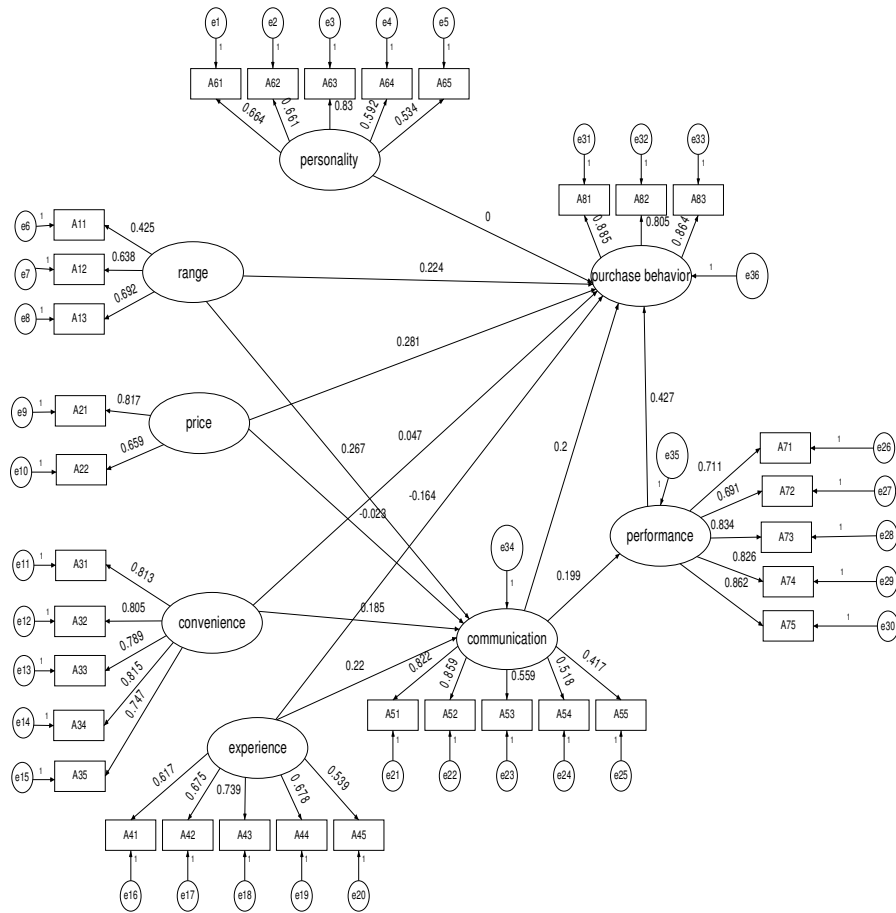
Fig 2 The Results of Empirical Study

5. Discussion and Conclusion

The aim of this paper was to explore the relationship between the aspects that influence consumers' perception of retail branding and purchase behavior within East Asian context. Specifically, according to Floor's (2006) retail brand perception model, this research investigated the perception of retail brand positioning (including range, price, convenience, and store experience), retail brand personality, retail brand communication, and retail brand performance. Moreover this study used intent to purchase, actual repurchase, and referral behavior to measure purchase behaviors.

According to the results, both perceived retail positioning on range (β=.224) and price (β=.281) had a positive influence on purchase behavior, which suggests that both consumers' perception of retail brand positioning on range and price had significant positive impact on their purchase behavior. Also both perceived retail brand communication (β=.200) and perceived retail brand performance (β=.427) had a positive influence on purchase behavior, which suggests that both consumers' perceptions of retail brand communications and performance had significant positive impact on their purchase behavior. Of them, performance had a stronger effect on purchase behavior than positioning, communication and personality.

In addition, regarding the relationships among perceived retail brand positioning, communication, and performance from Ghodeswar's (2008) PCDL model, positioning on range (β=.267), convenience (β=.185) and store experience (β=.220) all had positive influence on the perceived retail brand communication. This means that consumers' perception of retail brand positioning (particularly on range, convenience and store experience) had significant positive impact on their perception of retail brand communications. Meanwhile, consumers' perception of retail brand communication had significant positive influence on their perception of retail brand performance (β=.199).

Although the findings of this research did not support all research hypotheses, it is emphasized that "null outcomes can be meaningful" (Hubbard and Armstrong, 1992, p.133). Among four hypotheses for retail brand positioning, both Hypothesis 3 and 4 were unapproved. It might be explained that consumers' buying behavior for retail own brands did not have significant association with the store brand image (or perception) of "convenience" and "store experience", even though these two factors are the essential elements to create retail brand positioning for describing the retail brand identity. This could be supported from Floor (2006) that the desired brand identity of the retailer and brand perception of the consumer do not have to match. There can be a difference between what the retailer wants and what the consumer experiences. Furthermore, the results suggest that the

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perceived hypermarket's retail brand positioning on convenience and store experience do not have significant association with consumer's buying behavior. This also reflects the current situation in this industry that every hypermarket brand in Taiwan only focuses on their product range and price but with very similar in-store experience.

In H7 it is proposed that perceived retail brand personality significantly affects purchase behavior, which is not supported. It reveals that consumers in Taiwan do not have any perception or image of retail brand personality. This also reflects a fact that currently there is really less effort on building retail brand personality for Taiwanese hypermarket players. Moreover, H9 proposed that perceived retail brand positioning on price significantly affects perceived retail brand communications, which is not supported. In fact, Taiwanese consumers have stereotype on price positioning for hypermarkets' retail brands (normally it is the perception of low price positioning), therefore this would have a positive influence on purchase behavior (H2, supported) but would not have a significant association with perceived retail brand communication.

Managerial Implications

A number of studies have investigated the relationship between retail branding and purchase behavior, yet there is almost no study to date that explores the interaction between the factors that influence retail brand perception and purchase behavior in Taiwan. Majority of the studies on retail branding were carried out in a Western context. However, as the concept of retail branding is increasing in East Asia, there is a need to explore if research conducted in a Western context is also supported in East Asian circumstances.

Overall, this study highlights Taiwanese consumers' retail brand perceptions and the relationship with purchase behavior, specifically hypermarkets, at a time after a decade of retail brand development in Taiwan. This research suggests that in the Taiwanese current context there appears to

be little difference from previous Western-based research on retail branding. Compared with the mature European retail markets, both retail branding development and consumers' perception of the retail brand in Asia are just at the initial stage. Even though more and more Western retail companies go global and enter into the Asian market with their successful operation experiences, not all countries' or companies' own brands progress through the same sequence as the development of retailer brands (Burt, 2000). This study also advises that the retail brand communication should be modified because the current consumers have negative image on it and influence their intention of buying.

To sum up, the findings of this research should serve as a guide to retail managers in developing retail branding through understanding the interaction between the factors that influence the retail brand perception and purchase behavior. The retail manager needs to know how the retail brand identity is constructed, communicated and performed to consumers. All these are the key components to improve managing service marketing in the service industry.

6. Limitations and Future Research

As with all research, the present study has certain acknowledged limitations. First, this study focuses on hypermarkets' retail branding in Taiwan, the generalizability of these results to other retail sectors, industries, or countries may be limited. To develop a more global perspective, further replication of this work is necessary to test the applicability of this research approach in other contexts.

Second, the study has limitations due to several measurement issues. This research modified several measurement scales to contextualize the constructs, which may have negatively impacted scale performance (McDonnell, Beatson & Huang, 2011). There is no way to guarantee that every critical explanatory construct is included in the study (Wang, Liang & Wu, 2006). Additional variables could be included in future iterations of the

proposed model.

Finally, a limitation of quantitative research method could be noticed in this research work. The statistical results can show whether the relationship is significant but hardly explain why it did not have significant association. Therefore, future research could be suggested to apply qualitative methods for further investigations.

Doing branding in retailing is much more complicated than in manufacturing or branding in general. This research would provide a different insight into analyzing retail branding and expect to be a benchmark for both retail brand players and academic researchers for further research.

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