

UNIVERSIDADE  
CATÓLICA  
PORTUGUESA

**THE IMPACT OF REBRANDING OF THE PRIVATE LABEL  
ON THE CONSUMER PERCEPTION OF THE BRAND:  
A CASE STUDY ON THE BRAND MINIPREÇO**

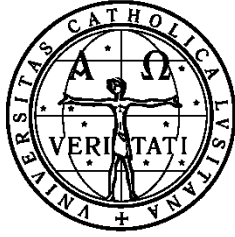
Dissertation submitted to Universidade Católica Portuguesa to  
obtain a Master's Degree in Communication Sciences,  
Marketing and Advertising

By

Joana Lopes Madeira

Faculdade de Ciências Humanas

September 2022



UNIVERSIDADE  
CATOLICA  
PORTUGUESA

**THE IMPACT OF REBRANDING OF THE PRIVATE LABEL  
ON THE CONSUMER PERCEPTION OF THE BRAND:  
A CASE STUDY ON THE BRAND MINIPREÇO**

Dissertation submitted to Universidade Católica Portuguesa to  
obtain a Master's Degree in Communication Sciences,  
Marketing and Advertising

By

Joana Lopes Madeira

Faculdade de Ciências Humanas

Under the supervision of Professor João Simão

September 2022

## ABSTRACT

Since the birth of DIA Group, in 1979, the opening of Minipreço first supermarket and the creation of their private label in 1991, the company never conducted a rebranding on their products. In 2020, Minipreço decided to change the image and communication of the products, with the purpose of increasing the perception of the quality and keep their position as proximity leaders in the sector. By focusing in the rebranding, the aim of this study is to analyze the strategies used during the process, the challenges faced until now and how the consumer perceives these changes.

To do it, a market research was conducted with the purpose of analyzing the perception of the customers about the products and to understand if the rebranding would change their perception about the brand – namely the quality of the products - and affect their decisions when buying it. The findings indicated a positive impact on the perception of the consumers about the brand and that there was an improvement in the organization of the brand, becoming easier to identify. Regardless all the positive arguments, it was not possible to conclude the existence of an increment in sales nor loyalty and the quality of the products did not suffer any changes in the perception of the consumer. Because this rebranding is still ongoing – as more and more products will be created - it would be important to maintain the monitoring of the sales and loyalty cards, in order to understand the direct influence of the rebranding in the profits of the company and confirm or reject if there is, indeed, no relationship between the rebranding and the growth of sales.

**Key words:** Private Label, Consumer Behavior, Packaging

## RESUMO

Desde o nascimento do Grupo DIA, em 1979, a abertura do primeiro supermercado Minipreço e a criação de sua marca própria em 1991, a empresa nunca realizou um rebranding nos seus produtos. Em 2020, o Minipreço decidiu alterar a imagem e comunicação dos produtos, com o objectivo de aumentar a percepção da qualidade e manter a sua posição como líder de proximidade do sector. Com foco no rebranding, o objectivo deste estudo é analisar as estratégias utilizadas durante o processo, os desafios enfrentados até o momento e como o consumidor percebe essas mudanças.

Para tal, foi realizada uma pesquisa de mercado com o objectivo de analisar a percepção dos clientes sobre os produtos, perceber se o rebranding alteraria a sua percepção sobre a marca – nomeadamente a qualidade dos produtos – e afectaria as suas decisões de compra. Os resultados indicaram um impacto positivo na percepção dos consumidores sobre a marca e que houve uma melhora na organização da marca, tornando-se mais fácil de identificar. Independentemente dos resultados positivos, não foi possível concluir a existência de aumento de vendas nem de fidelização e a qualidade dos produtos não sofreu alterações na percepção do consumidor. Como o rebranding ainda está em andamento – mais produtos serão criados – seria importante manter a monitorização das vendas e dos cartões de fidelização, de modo a entender a influência directa do rebranding nos lucros da empresa e confirmar ou rejeitar se não há, de fato, relação entre o rebranding e o crescimento das vendas.

**Key words:** Private Label, Consumer Behavior, Packaging

## TABLE OF CONTENTS

<b>Introduction.....</b>	<b>8</b>
<b>1. Brand.....</b>	<b>11</b>
1.1. Brand – concept and definition.....	11
1.2. Brand identity.....	16
1.3. Brand equity.....	21
1.4. Brand reputation.....	25
<b>2. Consumer behavior.....</b>	<b>30</b>
2.1. Consumer behavior.....	30
2.2. Purchase decision process.....	33
2.2.1. Attitude on consumer’s purchase decision process.....	37
2.2.2. How external factors influence the consumer’s purchase decision process...39	
2.2.3. The advertisement role in consumer’s purchase decision.....	40
2.3. Consumer’s loyalty.....	44
<b>3. Private label .....</b>	<b>47</b>
3.1. Private label.....	47
3.2. History of private label.....	52
3.3. Packaging on private label.....	53
3.4. Impact of the pandemic on private label/food retail.....	57
3.5. Private label in Portugal.....	59
<b>4. Methodology .....</b>	<b>61</b>
4.1. Relevance of the study.....	61
4.2. Main question.....	61
4.3. Objectives.....	61
4.4. Data collection.....	62
4.5. Universe and sample.....	62
<b>5. Case study.....</b>	<b>64</b>
5.1. DIA Group.....	64
5.1.1. DIA group in Portugal.....	65
5.1.2. Strategy.....	65
5.1.3. Organizational structure.....	67
5.1.4. Minipreço in 2022.....	67
2.2. Minipreço’s private label.....	68
2.3. Implementation of a new communication.....	69

<b>6. Market research</b> .....	75
6.1. Sampling.....	75
6.2. Analysis.....	76
6.3. General shopping habits.....	77
6.4. Minipreço’s private label and its rebranding.....	81
<b>7. Discussion of the results</b> .....	87
7.1. Objective 1.....	87
7.2. Objective 2.....	88
7.3. Objective 3.....	89
7.4. Objective 4.....	90
<b>Conclusion</b> .....	<b>92</b>
<b>Bibliography</b> .....	<b>95</b>
<b>Appendices</b> .....	112
Appendix A – Interview Guide.....	112
Appendix B – Questionnaire conducted in Portuguese.....	113
Appendix C – Transcription and translation of the interview.....	118

## LIST OF FIGURES

Figure 1 - The brand identity planning model.....	18
Figure 2 - The Customer-Based Brand Equity Pyramid (CBBE mode.....	22
Figure 3 - Brand Asset Valuator.....	24
Figure 4 - Corporate reputation communication/trust model).....	26
Figure 5 - Model for an organizational VS individual consumer.....	31
Figure 6 - Model of the consumer decision-making process.....	34
Figure 7 - Five stage buying decision process model.....	35
Figure 8 - Components of attitudes model.....	37
Figure 9 - Dimensions of brand personality.....	42
Figure 10 - Portuguese supermarket shares in 2020.....	59

## LIST OF GRAPHS

Graph 1 - Gender of the respondents.....	75
Graph 2 - Age of the respondents.....	75
Graph 3 - Residence of the respondents.....	75

Graph 4 - Occupation of the respondents.....	75
Graph 5 - Household's montly income of the respondents.....	76
Graph 6.- Frequency of shopping at the supermarket.....	77
Graph 7 - Rate the preference regarding supermarkets.....	78
Graph 8 - Reasons for supermarket preference.....	78
Graph 9 - Monthly value spent on groceries.....	79
Graph 10 - Most important attributes of a food product.....	79
Graph 11 - How frequently do you go to Minipreço.....	80
Graph 12 - Brand bought more frequently.....	80
Graph 13 - Familiarization with new Minipreço Super Brands.....	81
Graph 14 - Have you ever bought a Minipreço's private label product? .....	82
Graph 15 – Rate Minipreço's products quality.....	82
Graph 16 - Rate Minipreço's products packaging.....	83
Graph 17 - Mean of prices customers are willing to pay for a Private Label's yogurt.....	83
Graph 18 - Which group do you consider more appealing? .....	84
Graph 19 - Is it more noticeable that the products belong to Minipreço after the rebranding? .....	84
Graph 20 - Rate the relationship between a product's packaging and quality.....	85
Graph 21 - Relationship between the rebranding and the perceived quality of the products.....	85
Graph 22 - Rate the following sentences.....	86

## LIST OF EXHIBITS

Exhibit 1 - Clube Minipreço app.....	66
Exhibit 2 - Hierarchical structure at DIA Portugal.....	67
Exhibit 3 - App Clube Minipreço.....	68
Exhibit 4 - "Price of reality".....	70
Exhibit 5 - #DIApelaUcrânia initiative.....	71
Exhibit 6 - Minipreço and Too Good To Go partership.....	71
Exhibit 7 - Minipreço on Whatsapp.....	72
Exhibit 8 - Superbrands campaing.....	73
Exhibit 9 - Supermarket with wheels.....	73
Exhibit 10 - "Músicas de fundo" initiative.....	74

## I. INTRODUCTION

In recent years, there has been a big increase of academic interest in private label brands (Gielens, et al. 2021) The motivation behind this rising interest is the increasing presence of store brands throughout the fast-moving consumer goods market (FMCG). Over the last years, sales of store brands have expanded exponentially, which enabled them to become a strong and competitive side against national brands, or brands developed by manufacturers (Batra & Sinha, 2000).

The growth in the share of the private label market has continued in recent times: These brands are in more product categories over time and consumers increasingly believe more in the good qualities of the products of this type of brand. Looking specifically into the Portuguese FMCG industry, it is clear that it has followed the pattern of the rest of the world, showing significant increase in sales volumes for private labels across the different product categories. This has happened for two main reasons: The first one is that the general consumers of FMCG have changed their opinion about private label, looking at these products in a favorable way and buying them regularly. The second main reason for the private label success is the economic crisis the country and the world faced in recent years. It is now, more than ever, important to cut consumption costs and private label brands, with their significantly lower prices than national brands, are a great option for families.

Packaging has indeed been a widely studied topic in the field of marketing as it represents not only a means of logistically ensuring safe and efficient delivery to the consumer but also one of the most powerful tools for communicating the brand message (Hellström & Nilsson, 2011). Rundh (2005) states that product packaging can impact and influence the opinions of consumers draw in consumer's attention and stimulate consumer's perceptions into forming their purchase intention about a particular product. Past studies have also suggested that most impulse buying happens because of product display and that attractive packaging plays an important part in product display (Ghani & Khamal, 2010) - a product's packaging can, therefore, provide an opportunity to communicate and directly influence the consumer's behavior at the point of sale. This shows that packaging is a crucial aspect of product development that directly influences sales performance, which proves to be especially true in the FMCG market, where the high level competitiveness and

number of brands available has intensified the need to “stand out” and the consumer purchase involvement seems to be on the lower end, resulting in impulse guided decisions. The sector has evolved through the years, the market share of private labels has been growing faster than expected and the consumers’ needs and concerns have becoming more specific, forcing the main retailers to change their objectives and adapt their brands to the market. In 2021, the share of private labels reached 45% in Portugal, with the Minipreço supermarket chain currently at 50%, with a growing trend. Thus, the private label is the point of differentiation between supermarket brands and this study can help confirm its importance in this context and if, in fact, the private label is one of the keys to the success of the supermarket brand, in this case the DIA/Minipreço.

Having joined Dia Group as a trainee in 2021 and, later, as a private label packaging manager, I soon realized how interesting it would be to understand how packaging can change the perception of the consumer over the products. The company started this process to reorganize the brand, by developing a new image and a new plan of communication. Minipreço changed its main focus to a more innovation-driven approach through the quality of their products, diversity, image and communication.

Thus, the main purpose of this research is to understand what the main effects in the brand are and, after a market research and the analysis of all the information collected, reunite the conclusions that will help to understand if this private label rebranding can:

- **Affect the consumer’s decision-making process.**
- **Change the consumer’s perception of the products quality.**

To achieve this, it was conducted a theoretical framework, beginning with the literature review - where the brand and private label are the main topics -, following the case study and, finally the empirical study. This study will include an interview to a commercial director of the company - where the focus is on the private label evolution and on the new super brands -, and an online questionnaire that aims to understand consumer’s opinions regarding the variables under study. This online questionnaire was built based on the research questions and on the bibliographic references investigated.

Subsequently, results from the mentioned methodologies are presented and discussed. Lastly, conclusions are summarized as theoretical contributions and managerial implications, and limitations of the study as well as suggestions for future research are also listed.

## II. THEORETICAL FRAMEWORK

### 1. BRAND

#### 1.1. BRAND – CONCEPT AND DEFINITION

In the contemporary world, the brand's value as a component of differentiation and competitiveness is commonly accepted (Mendonça, 2008). In this sense, with the growing perception of the importance of the brand and the constant expansion of products and services, there were many contributions to its concept: According to Ogilvy (1964), the brand corresponds to the intangible sum of all the attributes of a product, from its name to its price.

In the legal definition, the website of the Portuguese Ministry of Justice defines a brand as a sign used to identify and distinguish the products or services of a company from the products or services of other companies. It also defines that a brand can be:

- **Nominative:** composed of words, letters, or numbers.
- **Figurative:** composed of images, drawings or figures.
- **Mixed:** Composed of words and drawings, images or pictures.
- **Three-dimensional:** composed of the shape of the product or its packaging.
- **A sound:** composed of a sound or a combination of sounds.
- **A slogan:** Composed of an advertising phrase.

A brand is an identity that is built from an idea, a given vision, but which is embodied in the experience that a consumer has with it. It is these sets of experiences, positive and negative, of the consumer with the brand that will subsequently lead to the preference or rejection of that brand (Oliveira, 2019). Kapferer (2004) states that brands can and should be analyzed through various perspectives: macroeconomics; microeconomics, sociology, anthropology, history, semiotics, philosophy and so on. The same line of reasoning in which the brand was related almost exclusively to products or services was adopted in subsequent years, as can be seen in the view of Aaker (1996), who defends that a brand is a

distinctive name or symbol and that its purpose is to identify the goods or services of a seller or group of sellers, and differentiate them from competitors' products/services.

Another definition explains that a brand can be settled as an asset that does not have a physical existence and its value cannot be determined until it becomes the primary issue of a transaction of a specific type of business, for instance a sale and acquisition (Keller, 2003). Brand is not an end in itself; it is the means to achieve certain objectives of various interest groups and should always be complimenting a value offering (Upendra, M. & Mishra, P. 2012). Thus, the brands would be worth mainly for the names, symbols or designs that accompanied the products or services and that helped to the recognition and awareness of the consumer.

Following the AMA's (2007) definition, a brand is its name or symbol - and the tangible associations and allied emotional attributes - that are used to identify the goods or services of a sale in order to create differentiation of its competitors. This definition emphasizes the intention of superiority of the brand over the product, involving the entire company and removing brand management exclusively from the name or logo of a product. Brands are a short and simple way of expressing or referring to something and consumers, under time constraint, are more likely to buy brands with names they recognize. More importantly, brands are more than mental association: strong brands also have intense emotional association (Upendra & Mishra, 2012). On the same line of thought, Kabadayi & Alan (2012) enunciate that from consumers' point of view, brands have moved to the center of consumers' behavior intention. Consumers use brand to create connection between their self-concepts and brand image, this connection cause brand equity and long term consumer-brand relationship. From the companies' point of view, brand is an efficient way for companies to distinguish their selves from competitors and enhance the marketing effectiveness. Additionally, brand related outcomes such as market share and relative prices help them to differentiate their selves from their competitors and provide them competition advantages (Sung & Kim, 2010).

Thus, a separation can be made between a brand and a product, while the product is something tangible and manufactured; the brand is something intangible that goes far beyond the physical characteristics of the product, passing through the communication,

marketing actions of a company. It can also be considered the corporate identity<sup>1</sup> since it is, indeed, a social and relational process that includes visions and external and internal actors (Hatch, M. J. & Schultz, M. 2002).

Although the quality of a product or service is an important principle, it is not enough for a company to distinguish itself from the others, as it only represents a rational and tangible form of differentiation, and therefore it has to add values, ideas and ideals to products and services. This less rational aspect can be achieved through an intelligent management of the brand, and how the company positions itself, through this, in the minds of consumers. It is in this sense, and according to Keller (2003), the brand is more than a product, because it can have dimensions that differ, in some way, from other products designed to satisfy the same need. These differences can be rational and intangible – related to the performance of the brand's product, or more symbolic, emotional and intangible – related to what the brand stands for.

Oliveira (2017) explains these differences by stating that a brand encompasses a product or a service, having a set of characteristics that go beyond the product itself. A brand has a given identity and personality, a set of symbols that identify it, has several associations to causes, provides certain emotional benefits, recognition and self-image, and has the possibility of fostering relationships with users of its products. A brand has the ability to bring to the product or service a supplementary set of perceived intangible emotional benefits that, if considered relevant by consumers, may lead them to choice and preference over other competing products. More than a product – easily copied -, a brand has its own unique identity and is difficult to copy, it reflects someone's dream, materialized in an idea and an identity project, under which goods or services can be produced.

A brand “travels” in the subconscious of consumers, which can cause positive or negative sensations and emotions. A brand also has the ability to bring an additional degree of confidence to the consumer, especially when there is greater risk associated with the purchase: a durable good, a car or a high-priced household appliance. This can be denominated as brand trust which is the trust given to a brand refers to consumer’s

---

<sup>1</sup> A concept to be developed in the next chapter.

<sup>2</sup> Any group or individual who can affect or is affected by the achievement of the organization's objectives (Freeman, 1984).

<sup>3</sup> Corporate image can be interpreted as a strategic manifestation of corporate-level vision and mission, underpinned by the strategies which a corporation employs in its operations or production (Melewar, T. &

expectations that a product is able to fulfill its promise made to consumers. Trust is built by the hope that the other party will act in accordance with the needs and desires of consumers (Amron, 2018):

“Creating a differentiated brand name or look is the easy part. The real challenge is creating a unique brand experience – a distinct feeling that results from buying, using and dating the brand. The brand experience, not the name or logo, is the basis for a brand relationship” (McEwen, 2005, p.18).

As stated by Simões & Dibb (2005), the brand is much more than a simple name given to a product, it entails and incorporates a set of physical, socio-psychological attributes and beliefs that will influence the consumer. A brand is defined as a name, term, sign, symbol or design, or a combination of these elements, with the objective of identifying the products or services of one or more sellers, in order to differentiate them from the other competitors (Kotler, 2003). In other words, it is the brand itself that is the source of conflicts between suppliers in the same environment, which compete with each other to be the dominant brands at the time of consumer choice, as it is the consumer's perception of a certain brand, which makes them choose, at the time of purchase, for a certain brand instead of another (Simões & Dibb, 2001). This choice process is called customer value, which is the difference between what a customer receives from a product and what he has to give to obtain it (Chernatony et al, 2000).

According to Riley (2000), this is a relationship between the customer and the brand, in which the first must, of course, see the benefits from engaging on. The same author states that the two main criteria in the willingness of consumers to establish this relationship are the degree of perceived risk and purchase involvement. In this way, companies use brands, personalizing them and giving them distinctive and unique personalities, so that they can distinguish themselves from other market players and maximize their potential according to the type of consumer they intend achieve: “One way to legitimize the brand-as-partner is to highlight ways in which brands are animated, humanized, or somehow personalized” (Fournier, 1998, p. 344).

Regarding the logo, this is the first identification of the brand for the consumer; it basically represents the signal to the customer of the origin or source of provenance of the product, and protects both the customer and the producers from competitors. Basically, it consists of

the visual or graphic representation that identifies a brand or company. A brand can identify an item, a family of items, or all items in that family company. Being that if it is used for a company as a whole the preferred term is the trade name (Vasques, 2016).

According to Kotler et al (2000), for a better interpretation of brands, they can be differentiated into six levels of meaning: attributes, benefits, values, culture, use and personality. While the attributes refer to the identity of the brand itself, all the others refer to the brand's personality and the development of its personal characteristics:

- **Benefits:** The attributes must be translated into functional and emotional benefits.
- **Values:** What the brand stands for.
- **Culture:** What the brand represents.
- **Use:** The brand's suggestion on how to use the product/service.
- **Personality:** Human characteristics/traits that can be attributed to the brand.

That is why several authors defend that the brand is among the most fundamental and lasting assets of a company (M'zungu, et al, 2010) and that it is subject to constant influences through a wide range of actors: consumers, technologies, media, and external markets, among others. In this way, the success of a company does not depend exclusively on its product or service, the brand plays a crucial role in the moment of consumer choice, being one of the most important intangible assets of a company, and thus, it is extremely necessary to provide maximum attention and care to maintain its value (M'zungu, et al, 2010). On the same line of thought, Oliveira (2019), states that one of the secrets of the brand's success is to become a beloved brand, arousing curiosity, interest and desire. In an environment in which information and diversification of general and social media proliferate, brands' main concern is to reach audiences and the attention of their targets.

Thus, one of the functions of the brand is to differentiate – per example, an institutional brand should do this through the transmission of the mission, values, attributes and principles (Silva, 2017). It is necessary for brands to be aware that everything changes quickly: the competition, consumer tastes and culture. Somehow, it is necessary for the

brand to surprise the consumer when he is not expecting it, but at the right time, and for that, it is necessary to be able to read the trends, to anticipate their needs.

## **1.2. BRAND IDENTITY**

Before exploring the concept of brand identity, a context on corporate identity should be done to further understand the link between the two concepts. Thus, corporate identity indicates the way in which a company presents itself through behavior, as well as through symbolism, to internal and external audiences and it can also be defined as the self-presentation of an organization, rooted in the behavior of individual organizational members, expressing the organization's continuity and distinctiveness (Van Riel, C. 1996). On the same line of thought, Simões, Dibb & Fisk (2005) state that corporate identity is formed from the subset of personality traits that the brand wants to emphasize to audiences. Also, that corporate identity is the ideal self-image that an organization projects to its stakeholders<sup>2</sup>; that is, it is what the company communicates about itself, and it represents how the company wants to be perceived. The value of corporate identity and/or corporate image is its ability to enhance business performance directly or indirectly because it is a potential source of differentiation and competitive advantage.

This advantage is explained by Baker & Balmer (2007) that declare that the objective of corporate identity management is to acquire a favorable corporate image among an organization's key stakeholders which, over time, results in the acquisition of a favorable corporate reputation which leads to key stakeholders having a favorable disposition towards an organization. The outcome of this is a propensity to buy an organization's products or services, or to work, invest or trade with the company. Simões, Dibb & Fisk (2005) state that a number of authors have transposed the concept of human identity to the organization, therefore companies have their own personalities, character, individuality and distinctiveness, meaning and behavior (Whetten, 2006). As argued earlier, however, the identity metaphor has come under scrutiny of late and, thus, it is more appropriate to view brand identity as relating to a set of dimensions without drawing from the domain of human and social psychology. Thereupon, brand identity can be defined as “the set of

---

<sup>2</sup> Any group or individual who can affect or is affected by the achievement of the organization's objectives (Freeman, 1984).

meanings by which a company allows itself to be known and through which it allows people to describe, remember, and relate to it” (Rekom, 2007 p.411). The concept is an outward-looking perspective and relates closely to the “the ways a company chooses to identify itself to all its publics” (Simões, Dibb & Fisk 2002).

Balmer (1998) equals this same definition, stating that brand identity is the key concept underlying corporate branding and is an important corporate asset which consists of the ethics, goals and values of an organization that assists to differentiate itself from the competition. Nonetheless, although all these factors affect the brand’s identity, the most important element is the relationship between the brand and the product, which is the conscious approach a company follows while structuring the relationship of its products within the brand’s identity (Melewar, 2008). Product appearance in mass-market products is mainly influenced by brand identity. Brand identity must be clearly defined, as it is instantly communicated to others through any interaction with the brand’s products, services, employees and others. Therefore, product appearance itself is an element of communication between the brand and the customer and for it to be consistent the product family of the brand may use the same color, surface, texture, shape angularity, shape orientation and patterns (Ondra et. al, 2017).

The aim of brand identity is to acquire a favorable corporate image <sup>3</sup>among key internal and external stakeholders<sup>4</sup> so that, in the long run, this image can result in the acquisition of a favorable corporate reputation, which leads to internal and external stakeholders having a favorable disposition towards the organization. Since stakeholders are defined as any group or individual who can affect or is affected by the achievement of the organization's objectives, this means that internal and external stakeholders (e.g. employees, individual consumers, brand communities etc.) have a role to play in appropriating and co-creating brand identity (Essamri, McKechnie & Winklhofer, 2018). Among the several models of identity created each of which includes different characteristics, Aaker’s (1996) model, called The Brand Identity System, includes four different brand topics being them awareness, loyalty, perceived quality and brand

---

<sup>3</sup> Corporate image can be interpreted as a strategic manifestation of corporate-level vision and mission, underpinned by the strategies which a corporation employs in its operations or production (Melewar, T. & Wooldridge, W. 2001).

<sup>4</sup> Any group or individual who is affected by or can affect the achievement of an organization’s objectives (Freeman, R. & Mcvea, J., 2001).

associations. The extended identity includes brand identity elements, organized into cohesive and meaningful groups. Brand Identity consists of twelve dimensions organized around four perspectives- the brand –as-product, brand as organization, brand as person and brand as symbol.

These different topics give value to different types of brands and, according to the author, brand identity helps to establish a relationship between a brand and the customer by generating a value proposition where functional, emotional and self-expressive benefits are involved. Aaker’s (1996) brand identity planning model, which includes the brand identity system, can be helpful to understand these ideas:



Figure 1. *The brand identity planning model*

Source: Aaker (1996), p. 79

According to this model, brand identity consists of twelve dimensions organized around four perspectives: the brand as a product, brand as organization, brand as person and brand as symbol. Brand identity structure includes a core and extended identity. The core identity – the central, timeless essence of the brand- is most likely to remain constant as the brand travels to new markets and products. The extended identity includes brand identity elements, organized into cohesive and meaningful groups.

- **The brand as a product:** This deals with product scope, associations with product class, product related attributes, quality/value, association with use occasion, association with users, link to a country or a region.
- **The brand as organization:** This perspective focuses on attributes of the organization like innovation, a drive for quality, people, culture, values and programs of the company.
- **The brand as a person-brand personality:** This perspective suggests a brand identity that is richer and more interesting than other attributes. Like a person, a brand can be perceived as being upscale, impressive, trustworthy, fun, active, humorous, casual, formal youthful or intellectual .
- **The brand as symbol:** A strong symbol can provide cohesion and structure to an identity and make it much easier to gain recognition and recall. Its presence can be a key ingredient of brand development and its absence can be a substantial handicap.
- **Providing a value proposition:** A brand's value proposition is a statement of the functional, emotional, and self-expressive benefits delivered by the brand that provide value to the customer. An effective value propositions should lead to a brand customer relationship and drive purchase decisions. Value propositions include functional benefits, emotional benefits and self-expressive benefits.
- **Providing credibility<sup>5</sup>:** The main brand's primary role is to provide credibility for sub-brand rather than value proposition.

According to Belmonte (2009), there is an obvious order in building the brand through these questions: there is no meaning without the Brand identity being established; the

---

<sup>5</sup> Brand credibility is defined as the believability of the product information contained in a brand, which requires that consumers perceive that the brand have the ability and willingness to continuously deliver what has been promised (Erdem & Swait, 2006).

answers cannot occur without the correct meaning being developed; and a relationship cannot be settled without highlighting the necessary answers. Also, the brand management ends up playing a crucial role in establishing these relationships and implementing experiences that can fulfill consumer expectations. Visionary brands have already understood that the responsibility of brand management is not restricted to marketing but to the organization as a whole. This builds greater meaning for the relationship and a more lasting, competitive advantage through the ability to anticipate consumer needs and using all points of contact with the brand (Belmonte, 2009).

When it comes to internal stakeholders, brand identity management brings about several benefits to employees (Melewar, 2003): Identity acts as a force to motivate and obtain a greater degree of support from employees. Brand's identity allows employees to adapt to the prevailing organizational culture with less difficulty and acts as an integrative force in the case of mergers or acquisition. Management's ability to recruit employees with the necessary skills is indirectly improved through corporate identity.

According to Vance & Angelo (2007), the organization's identity is affected by the publicity carried out by the company, by its actions with the community and by the advertising conveyed in the media. This perception is also the result of experiences that individuals have interacting with company employees or with the organization's products and services. So, when there is an alignment between the perceptions of the different groups with the company's identity, it is considered that there was success in the formation of the corporate reputation. On the other hand, when there is a divergence between the identity and the community's perception, the alignment strategy may have failed or the company's identity needs to be modified. In sum, the construction of the brand identity and the construction of stakeholder identities are reciprocally intertwined through the many performances of stakeholders, which means that brands "are social entities experienced, shaped, and changed in communities" (Essamri et. al, 2018, p.367).

Enhanced employee retention and morale, higher labor productivity and lower staff turnover are other benefits attributed to corporate identity management. Recent researchers have found considerable agreement among respondents over such benefits (Melewar, 2003). Thus, the importance of managing corporate identity for internal audiences is

undeniable: “Effective management of company identity positively affects the corporate brand, contributing to a corporate reputation and favoring the relationship with stakeholders.” (Vance & Angelo, 2007, p.101).

## **1.2.BRAND EQUITY**

The concept of brand equity had its greatest expression from the 1980s onwards, since until now, according to Ambler & Styles (1995), it was a little used term. This was the period when the wave of acquisitions of brands, and only in the late 80s the hidden value concept of brands surfaced. Basically, at the time, it became implicit that the higher the purchase price of a certain company, this directly reflected the value of its brand. Tybout & Carpenter (2010) state:

“A product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a brand is timeless” (p. 79).

This statement demonstrates the current importance of brands in companies, and that any asset is important to be measurable. It is through brand equity that a brand can be measured and exploited by a company.

According to Girard et. al (2017), brand equity is the value that consumers associate with a brand. Basically, the power of the brand lies in what customers have learned, felt, heard, and responded to regarding the brand over time. As a key indicator of a brand’s health, brand equity is built through the effective management of the brand promise and brand experience. Also, brand equity can be referred to the additional value that is attributed to the product, a value that influences the behavior of consumers in relation to brands (Aaker, 1996; Yoo et al., 2000). According to Keller (1998), the differential effect that brand knowledge has on the consumer's response to the marketing of the brand itself.

Keller (1998) also defines brand equity as the additional amount the consumer is willing to pay to obtain a branded product, rather than a physically comparable product, but without a known brand. Because brand equity as a single concept is subtle, nuanced and difficult to

quantify, it's best approached in measurable stages. On a more recent definition, Oliveira (2017) asserts that brand equity represents the equity value of the brand and is the value added to the product or service that a given brand generates. In other words, two products can be identical in terms of quality, fulfilling the same functional benefits, but one of them may have a much higher market price corresponding to the demand and availability of consumers paying a premium price due to the brand to which they belong.

The Keller's Customer-Based Brand Equity Pyramid model shows brands how to build from a strong foundation of brand identity upwards towards the brand equity fullness, where customers are in a sufficiently positive relationship with a brand to be advocates for it. Thus, according to this model, in order to build a strong brand, it is important to answer some questions that, as a consumer, can be made and that can be understood below, in the Figure 2:

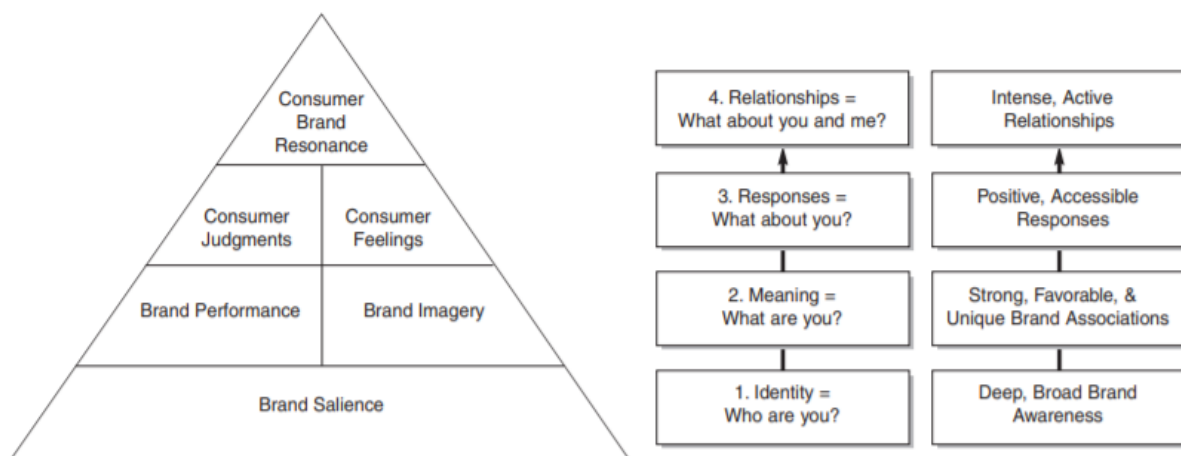


Figure 2. *The Customer-Based Brand Equity Pyramid (CBBE model)*

Source: Keller, K. (2001), p.7.

The CBBE model is represented by six progressive blocks which lead to a final stage: The formation of a company's brand equity. By progressively building these blocks, a company is developing a relation with its clients and investing on building a long-term bond. Keller's CBBE model symbolizes the power of the brand which remains on peoples' minds. The six brand-blocks – brand saliency, brand performance, brand imagery, brand judgments, brand feelings and brand resonance – seek to achieve the top of the pyramid, where the brand resonance endures. The brand resonance is the most important brand-building-block and is where the maximum level of loyalty from the clients is achieved (Keller, 2001).

According to Fombrun & Van Riel (1997), building brand equity requires the creation of a familiar brand that has favorable, strong and unique associations. This can be done both through the initial choice of the brand identity (the brand name or the logo) and through the integration of brand identities into the marketing campaigns so that consumers purchase the product or service. The brand name element provides equity to the branded entity in three ways: through denotation, connotation and linking functions. The denotation function is the function that the brand name performs in the representation of its identity: A positive brand name can create equity for the brand identity to the consumer by improving the awareness of the brand. The connotation function comprises the arrangement of additional value by the brand name element, through the associations held by a particular name. The linking function of the brand name arises when the brand name is used as a primary device for the linking of different branded identities in the mind of the consumer, such as with brand extension and multilevel brand architecture strategies (Round, G. & Roper, S. 2017). Although the assets and liabilities on which the brand value is based may vary from case to case, Oliveira (2017) introduces that the WPP group, the largest advertising group in the world, has its own methodology for measuring the strength of a brand in the market, which covers 52 countries with the participation of thousands of consumers and brands. This methodology is based on four pillars: Differentiation, Relevance, Esteem and Familiarity.

- **Differentiation** – Recognition of a differentiated brand is important for the decision of experimentation, preference and loyalty.
- **Relevance** – Relevance and degree of involvement for the consumer/degree of market penetration.
- **Esteem** – Consumer appreciation for the brand.
- **Familiarity** – As it is known, as it is present in the consumer's daily life.

The more a brand is Familiar and Esteemed, the greater its current strength; the more it is relevant and differentiated, the greater its vitality, which reveals the greatest potential for growth in the future:

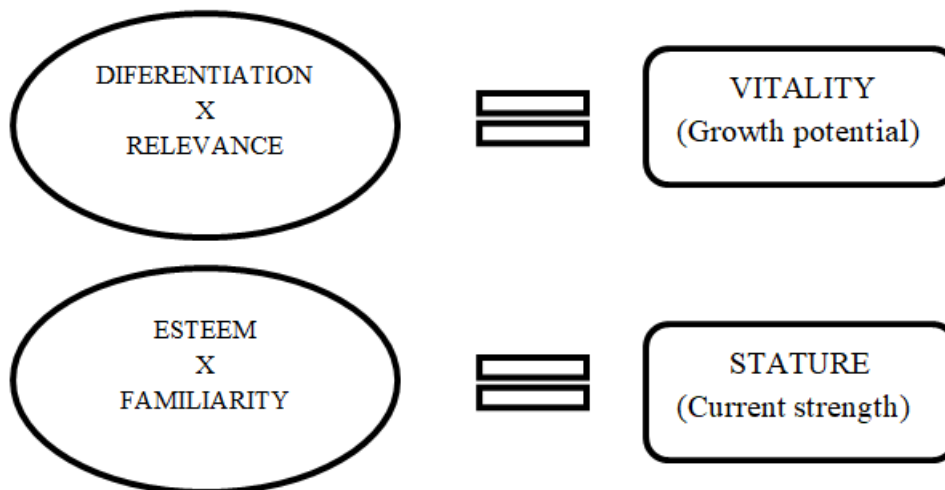


Figure 3. *Brand Asset Valuator*

Source: Oliveira, C. (2017), p.389

When it comes to the brand associations, they define the meaning of the brand for the consumer, as they establish the way in which the consumer perceives the brand and keeps it in memory. According to Keller (1993), there are three types of associations:

**a) The Attributes:**

- i. Not related to the product – They do not directly influence the performance of the product or service, but can affect the acquisition or consumption process, such as price or packaging;
- ii. Product related - In this case we talk about attributes directly linked to the performance of the product or service, corresponding to its physical composition.

**b) Benefits:**

- i. Functional – These are the benefits related to the performance attributes of the product or service;
- ii. Experimental – Corresponds to the emotions resulting from the use of the product or service, these emotions can arise from both attributes related to the product, attributes not related to the product or both;
- iii. Symbolic - Unlike what happens with functional benefits, which are based more on internal factors of the product or service, such as performance, symbolic benefits rely more

on factors external to the product, corresponding to attributes not related to the product or service .

c) **Attitudes** – These are defined as the global assessments of a brand's consumers. Brand attitudes are relevant as they can form a basis for consumer behavior.

d) **Other brand assets** – These are other assets such as patents and other legal protections. When conducted to a more favorable behavioral response to the focal product than to the equivalent unbranded product, any marketing effort will be positively related to brand equity: “To create, to manage, and to exploit brand equity, the relationships of marketing efforts to the dimensions of brand equity must be determined.” (Yoo et al. 2000). A higher brand equity contributes to “consumer satisfaction, brand loyalty and the possibility for the brand to offer a premium price; also facilitating the diversification of brands in other markets” (Lieven et al., 2014). Regarding the ways to measure the brand equity of a brand, there are some as indicated by various researchers who assess this scale at the business level, product level or at the consumer level (Besharat, 2010).

### 1.3. BRAND REPUTATION

Whereas image reflects the more recent beliefs about the organization, reputation is the perception of an organization built over time (Balmer, 1998). Reputation results from a reflection upon historical accumulated impacts of previously observed identity cues and transactional experiences. In other words, and according to Simões and Dibb (2002), it is evaluative and its image endowed with judgment on what the organization has done and how it has behaved. Image may be changed relatively quickly while reputation requires consistency of image and nurturing over a relatively longer time period. Hence, reputation is an enduring perception. A consequence of identity, reputation is believed to earn distinctiveness (Balmer, 1998) and provide an organization competitive advantage. For Veloutsou & Moutinho (2009), the development of brand reputation means more than keeping consumers satisfied: It is something a company earns over time and refers to how various audiences evaluate the brand. Brands with a good reputation are likely to attract more customers and a brand will lose its positive reputation—and eventually develop a

negative reputation—if it repeatedly fails to fulfill its stated intentions or marketing signals.

On the same line of thought, according to Loureiro, S. et al. (2017), reputation embodies the general estimation in which a company is held by employees, customers, suppliers, distributors, competitors, and the public. Also, reputation refers to the more general emotional response that an individual has toward an organization as a consequence of its action over a longer period of time. Thus, reputation can be seen as a driver to emotional brand attachment. But how can a brand’s reputation be measured? According to Eccles, R. et al (2007), since reputation is perception, it is perception that must be measured. Thus, reputation should be assessed in multiple areas that are contextual, objective and quantitative. Three questions need to be addressed: What is the brand’s reputation in each area? Why? And how do these reputations compare with competitors?

Evaluating a brand’s reputation can include media analysis, surveys of stakeholders, focus groups and public opinion polls. The figure above shows the multiple factors that can be present on this process:

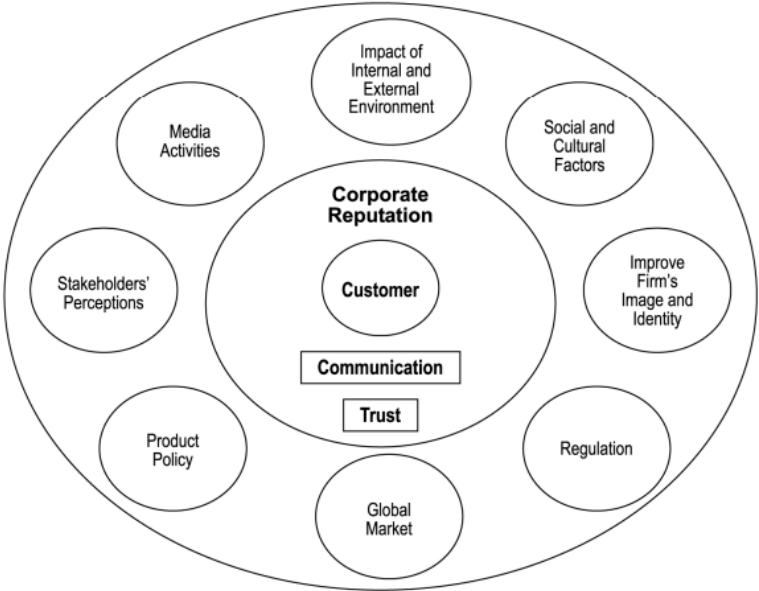


Figure 4. *Corporate reputation communication/trust model*  
Source: Omar. et al, 2009, p.181

According to the authors, corporate reputation can be affected by a series of factors including, but not necessarily limited to: internal/external environment; social and cultural factors, improvement and change in a company's identity, global market activities, product policy, media activities, regulations and stakeholders perceptions. The figure above explains how these different factors interact to create the company's reputation.

In former times, consumers who felt dissatisfied with a brand had only a limited set of options to expose their dissatisfaction. They could either remain loyal to the brand, end the relationship or/and complaint directly to it. The power given to the customers were very little and limited and companies rarely felt obliged to actually respond in a specific way or respond at all. However, nowadays, these types of situations have changed drastically, due to the rise of social media platforms. In a short period of time, consumers can make a complaint online for everyone to see which can easily create a sharing network and, consequently, discontent among multiple customers or potential customers (Rauschnabelet. et. al, 2016).

Regarding social media in this context, it is also important to clarify that it represents a powerful marketing and communication tool where brands can create and improve their brand reputation, sharing contents and facilitating interactions not only between brands and consumers but also among consumers. Social media is now a legitimate, trusted voice that resonates with consumers, affecting consumer's preferences and decisions. In this regard, social media can positively affect brand reputation if brands actively use and manage social media as an integrated and complementary part of their communication mix and, if used in a more effective and well managed way, can represent a great asset to achieve a favorable brand reputation (Chierici et. al, 2018)

Reputation may be seen as a standard against which decisions are evaluated (Balmer, 1998). Regarding recruitment processes, executives might consider the question whether the prospective employee would maintain the organization's reputation (Balmer, 2003). Thus, ultimately, reputation also has an influence on corporate identity management programs and, to a certain extent, organizational identity.

For Vercic & Vercic (2007), there is a difference between what the brand is and its reputation. While the brand is customer-centric and represents the promise that the company makes about its products/services to its customers, the brand reputation is company-centric and is focused on the credibility and consideration that the company has towards different stakeholders: customers, partners, suppliers, among others. Companies compete for brand reputation, because they know that organizations with a strong reputation can adopt higher sales prices than the competition (Loureiro & Kaufmann, 2016). Thus, when consumers make a choice, it is based on the balance between the price they are paying and against that price the benefits they are receiving and these benefits are closely linked to the brand's reputation since it is one of the primary contributors to perceived quality of the products carrying the brand name. Consumers expect that products manufactured today have a similar quality as products manufactured in the past, since the brand has earned the credibility that forces it to meet high customer's expectations (Veloutsou & Moutinho, 2009).

Several authors, when designing the concept of reputation, considered an approach that includes multiple stakeholders. For instance, Moreira & Carvalho (1997) state that corporate reputation corresponds to the general assessment of a company's stakeholder over time, and that it will ensure a competitive advantage, being often identified as a barrier to the entry of new competitors. From an economic perspective and depending on the context, the concept of reputation is defined with significant differences: the perceived probability with which markets are defended (Clark & Montgomery, 1998). On the other hand, from a perspective close to strategic and marketing themes, Fombrun & Shanley (1990) defend that it is the perception of stakeholders about an organization, resulting from the organization's communication received by them and that investigating the influence of reputation requires a fully articulated model of organizational performance that also recognizes the effect of market, product, and strategic variables.

Reputation is also built over the positioning the brand reflects, which means how it wants to be seen and identified among the market. Thus, the brand's choices on their positioning should reflect their differential features so it can be immediately be recognized within its competition (Oliveira, C. 2017). Although, according to the same author, this can be hard to achieve nowadays since "One of the problems that companies face is the difficulty of

producing differentiated goods and services in the eyes of their customers and potential markets” (Oliveira, C. 2017 p. 131).

Based on the different perspectives, Barnett et al. (2006) defines corporate reputation as “the collective judgments of observers’ of a corporation, which are based on the assessments of the financial, environmental and social impacts attributed to the corporation over time”. The analysis of this definition shows that reputation is closely linked to the responsibility of an organization towards managing itself in an environmentally, financially and socially responsible manner. The authors also found three clusters of meaning: awareness, assessment and asset.

Argenti & Druckenmiller (2004) state that the strengthening of brand reputation happens when the brand promises made by a company are properly met: “When customers get what they expect from a company time and time again, reputation is strengthened”. Thus, consistency of performance is of absolute importance and promises made during overtimes should be met. In addition to this, it can also be assumed that as the business environment changes, customers expect that companies have new standards and promises to be kept whether they are explicitly communicated or not. Concluding, positive reputation affects marketing by improving positions in the evoked set, finance by improving the firm’s attractiveness as an investment object, and human resource management by attracting new employees, increasing their involvement of with their company and reducing costs of litigation (Van Riel, C. 1996).

## 2. CONSUMER BEHAVIOR

### 2.1. CONSUMER BEHAVIOR

The consumer behavior concept is an essential notion to be able to understand their needs and with that demand the development objectives, production and placing on the market. This task becomes complex due to the numerous possibilities that involve the human being and the areas of his knowledge, such as psychology, religion, sociology, anthropology, among others, as we will understand further (Bellman & Johnson, 1999). Consumer behavior analyzes the way in which people take their purchasing decisions that can encompass resources such as time, money, effort, among others. It consists of interpreting the behavior that consumers have when they find, purchase, use and evaluate products that they hope will meet their needs (Hopper, 2020).

Solomon et al. (2006) defines consumer buying behavior as the study of the ways of buying and disposing of goods, services, ideas, or experience by the individuals, groups, and organizations to satisfy their needs and wants. Solomon (2015) also states that it is an ongoing process which exists before, during and after the purchase since the process is not merely what happens at the moment a consumer exchanges their money for a product or service. It goes from the identification of a need or desire, goes through the actual purchase, and/or then the disposal of the product. According to Engel et. al (2000), consumer behavior consists of a activity directly involved in obtaining, consuming and have products and services, including the processes decisions that precede and follow these actions. The concept also represents the way individuals choose, buy and use products and services within the social and cultural context in which they are inserted and according to preferences and influences arising from various factors (Andrade & Domingues, 2016).

In addition, as far as overall consumer behavior is concerned, there are many social and cultural influences that may have an impact, including cultural and sub-cultural levels, social class, reference groups, family influences and interpersonal communication. Through new technologies, companies have greater possibilities of personalize their products and services and also to identify specific needs of consumers that help them maintain effective relationships with their consumers. Currently, consumers have greater decision making power since they have information that allows them to have the necessary

knowledge to make the purchase. The new technologies also help companies analyze their purchases and determine your tastes and preferences, in addition to mediating the effectiveness of the promotional campaigns, as we will see further on a later chapter about loyalty (Schiffman & Kanuk, 2010, p.16).

The concept of consumer itself is also important to identify in order to make the connection with the consumer behavior. The term consumer is frequently used to describe two different types of consumer entities: The personal or individual consumer, who buys goods and services for their own use and the organizational consumer who purchases raw materials or supplies for the production of goods or services on (Yi-Ru, 2017). The individual consumer is the one who buys a product for their own use; on the other hand, the organizational consumer refers to organizations that must acquire goods and services in order to carry out their functions. There are several differences between both of them: Individual consumers are driven both by need and by want, meaning that it is possible that an unnecessary product is bought, which does not happen frequently with the organizational consumer, who is mostly driven by the demand for manufacturing materials. This means that the first one is more subdued to marketing strategies, when the organizational consumer is not, since it is more analytical and predicts exactly what it is necessary to spend money on (Yi-Ru, 2017). Below, on Figure 5, are shown the main differences between these two consumers: Organizational and individual.

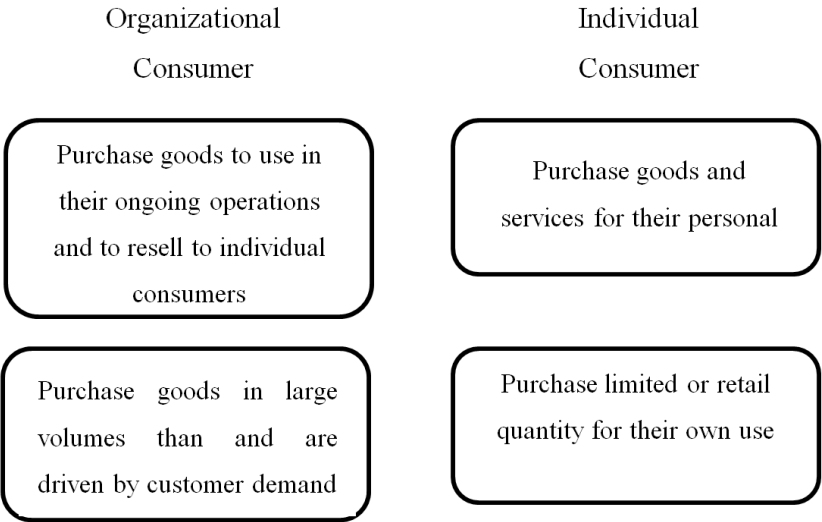


Figure 5. Model for an organizational VS individual consumer

Source: Aaker (1996), p. 79

The scheme sums up what has been previously stated: It is much harder to entice an organization to buy an un-needed product, especially when dealing with a purchasing department that is accountable for what it spends. Individual consumers, on the other hand, are driven both by need and by want. It is possible to entice a consumer to purchase something he does not need through effective marketing or peer pressure<sup>6</sup>. The influence of reference groups on individual behavior is often manifested in the types of products and brands purchased by individuals. That is, product involvement affects consumer behavior, such as purchase intention (Chang & Nguyen, 2018). In sum, the more peer pressure there is, the more customers are likely to follow their group to buy certain products or brands.

Overall, consumer behavior involves more than the acquisition and usage of a product, it is also the disposition which represents the act of getting rid of a product previously bought, either by re-selling it or lend them to others.

Consumer behavior is highly affected by the consumer's emotions being that buying products and the products themselves are often used to regulate feelings (Hoyer et. al, 2016). Solomon (2015) defends this same idea, stating that marketing stimuli and personal psychological factors also play an important role in influencing consumer behavior, such as individual personalities and lifestyles, motivations, opinions and information processing. Due to the uniqueness of consumers, it is important to understand the needs and wants of different market segments influenced by a range of factors, which require further segmentation strategies. Consequently, it is a matter of interest to any company, whatever its activity or function to study and understand the consumer in order to create and promote better products and services. This understanding enables companies to discern what the motivations behind the buying decisions are and how to respond to those motivations, thereby to successfully meet and, perhaps, exceed consumer expectations (Kardes et al., 2015, p.11). This understanding should lead to brand trust which is the willingness to rely on a brand to perform certain functions as well as expectations about that brand's reliability.

The establishment of brand trust is strongly ingrained in someone's experience with that particular brand, where delivery consistency is crucial. This trust from the consumer will

---

<sup>6</sup> Peer pressure is the influence of a group on behaviors of individual members of that group such that the individuals tend to follow what everybody does (Chang & Nguyen, 2018)

build a strong relationship and he/she will be more willing to pay more for that brand since consumers often invest resources like emotions, loyalty and personal information in a particular brand with the expectation of receiving special benefits later on in the relationship. Thus, the strength of a consumer's emotional connection to a brand increases over time. For this connection to develop, brands should invest in learning about consumers' expectations and desires, consistently meet these through brand activities related to advertising and communication:

“Companies may therefore center on attractiveness and passion while creating closer proximity between their brands and consumers, such as by highlighting human personality traits in their communications.” (Bairrada et. al. 2018, p. 43).

## **2.2. PURCHASE DECISION PROCESS**

Purchase intention is a term referring to a consumer future behavior and is actually a subjective judgment of a consumer in relevance to his/hers willingness to purchase a product in the future. Complementarily, Mowen & Minor (2006) explain that the consumer decision process, involving problem recognition before performing a purchase, goes through a decision making process that is constructive, where consumers make decisions on an ongoing basis and the process employed is influenced by the difficulty of the problem. Hanaysha (2017) confirms the previous idea, stating that purchase decision involves a sequence of choices formed by a consumer before making a purchase which starts once he/she has a willingness to fulfill a need. The consumer should reach a decision with regard to the place of purchasing, the desired brand, model, purchase quantity, time to buy, amount of money to be spent and the method of payment. The same author also defends that when consumers intend to buy certain products, they pass through numerous phases which influences their purchase decision process and post-purchase behavior: The first phase represents the problem recognition wherein consumers intend to satisfy their needs and wants. In the second phase, consumers begin to seek information from either internal sources (usually from their past experiences) about the products or outside sources - for example friends or social media. Finally, consumers evaluate the alternatives and select from brands that best suit them and satisfy their needs (Hanaysha, 2017). The model

below of consumer decision-making proposes a simple and transparent system of steps that must be carried out and that the consumer should undertake to make a purchase, being them: problem identification, information search, evaluation of alternatives, the choice or decision and post-purchase behavior.

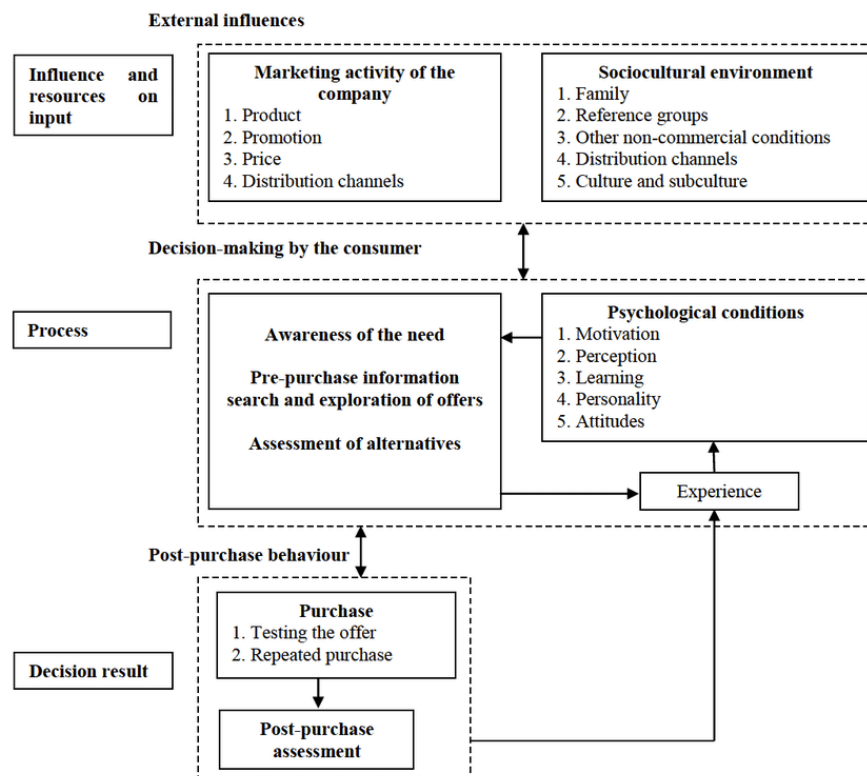


Figure 6. *Model of the consumer decision-making process*

Source: Mokrysz, 2016, p.95

According to Kotler et. al. (2009), decision making is essentially influenced by four important psychological and individual factors, namely:

- **Motivation** - Drives the consumer to act upon recognition of a desire or need.
- **Learning** - Retention of information and knowledge that the individual obtained on the subject up to the moment of decision making;
- **Perception** - Awareness of the individual, it is largely related to the way he interacts with his environment;
- **Memory** - The individual's ability to store information and experiences experienced.

In addition, the consumption decision is also influenced by internal and external factors to the consumers' own environment (Salomon, 2006), a topic we will analyze further. On this matter, Kotler (2000) distinguished five different actors that act in the consumption process:

- **Initiator** - The person who suggests the idea;
- **Influencer** - The person with views and advice that influences the purchase decision;
- **Decision maker** - the person who decides to buy;
- **Buyer** - the person making the purchase;
- **User** - the person who consumes the product and/or service.

Another well-known model is the five stage model describes the consumer purchase event as a process which starts long before the actual purchase is consummated and continues after the purchase (Comegys, et. al, 2006). As the name implies, there are five different stages in the process: need recognition, information search, evaluation of alternatives, purchase decision, and post purchase behavior (Figure 7).

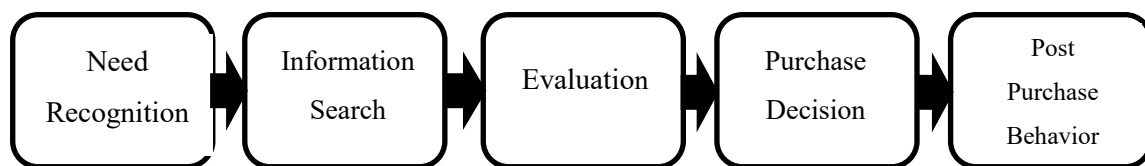


Figure 7. *Five stage buying decision process model*

Source: Comegys, et, al, 2006

According to this model, the buying process begins with need recognition, where the buyer senses a difference between their actual state and a state they desire. This need can be triggered by either an internal (hunger, thirst) or external (passing through a restaurant stimulates hunger) stimuli. The next stage is information search, where the consumer uses different channels to gather information about available products, which might fulfill the needs discussed before. The consumers then try to meet their needs by evaluating their options being that one decisive characteristic is that when there is a positive correlation between two attributes (for example, low price and high quality). After the evaluation stage, there is the actual purchase decision stage. There are two factors that come between the evaluation and purchase decision stages: The attitudes/opinions of others that may change the preference and there can be some unexpected situation that affects the purchase

decision, being them the sudden raised of the product price, or some other purchase becomes more urgent. As stated by Hoyer (2016), the purchasing decision does not necessarily reflect the action of a single individual, being that this process can include more than one person. Finally, the purchase process continues even after the actual purchase is made. The consumer will compare products with their previous expectations and will be either satisfied or dissatisfied. Therefore, this stage can be critical in retaining customers, since they can greatly affect the decision process for similar purchases from the same company in the future, having a knock-on effect at the information search stage and evaluation of alternatives stage (Comegys, et. al, 2006).

In many cases, however, different people may be involved in the process. The purchaser and user of a product may not be the same person, as when a parent chooses clothes for a child. In other cases, another person may act as an influencer, providing recommendations of certain products without actually buying or using them, such as influencer marketing<sup>7</sup>. Influencer marketing can be explained by a new shape of word-of-mouth since it takes place on digital space. In influencer marketing the social interactions are initiated by the influencer and since they are often paid to exhort about products, sometimes their product reviews can be biased so it is important that brands work with genuine influencers who actually use their products since they end up catching the consequences if some deception of the influencer is revealed (Conick, H. 2018).

Finally, consumers may be organizations or groups in which one person may make the decisions involved in purchasing products that will be used by many, as when a purchasing agent orders the company's office supplies. In other organizational situations, purchase decisions may be made by a large group of people – for example, company accountants, designers, engineers, sales personnel and others – all of whom will have a say in the various stages of the consumption process (Solomon, 2015).

---

<sup>7</sup> When anyone who has the power to affect purchase decisions of others because of their (real or perceived) authority, knowledge, position, or relationship (Bladow & Laura, 2018).

### 2.2.1. ATTITUDE ON CONSUMER'S PURCHASE DECISION PROCESS

Attitude plays a key role in the consumer's purchase decision process, offering information about the rules and procedures that lead consumers to have certain actions, that is, the principles and mentality that lead consumers to have certain attitudes and behaviors. Rosenberg & Hovland (1960) argue that attitude formation is improved through from direct personal experience, being influenced by people's ideas and experiences that are close to us, through exposure to mass communication and macro factors environment. In their model of attitude components, the authors highlight three components basic: cognitive, affective and behavioral (Figure 8).

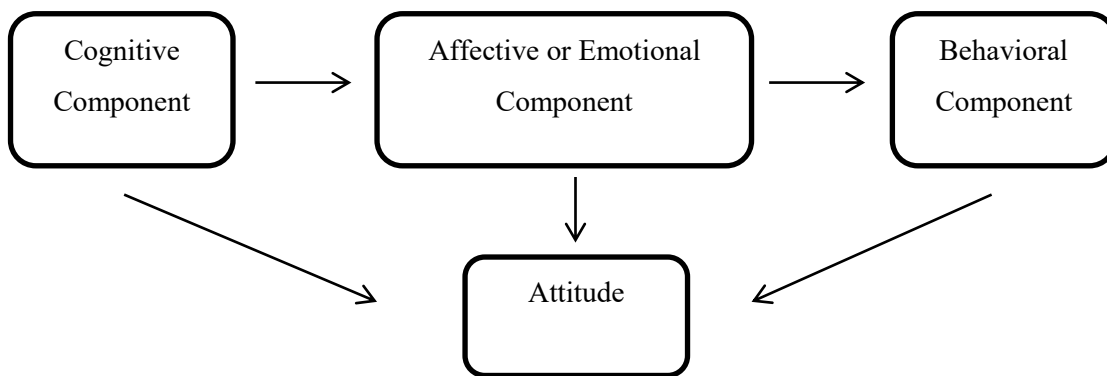


Figure 8. *Components of attitudes model*

Source: Rosenberg & Hovland, 1960

The cognitive component is related to thoughts or ideas acquired over time from the experience of the consumer, thus giving rise to a knowledge acquired through the combination of consumer experience with available information (Mowen & Minor, 2006). The affective component relates to the emotional experiences or preferences of consumers, making their emotional experience allow them to establish a positive or negative opinion in relation to a particular good or service. The behavioral component is related to the palpable actions of the consumer in relation to a particular good or service, that is, it is through the analysis of several factors such as safety, trust, perceived risk, among others, that the consumer makes the decision to choose or not to purchase the good or service in question (behavioral component). This component is also related to the probability that the individual will choose a certain type of behavior rather than another, allowing us to perceive a pattern individual's behavior (Rosenberg & Hovland, 1960)

According to Fishbein & Ajzen (1975), the main characteristic that distinguishes the attitudes of other concepts is its evaluative or affective nature. On the other hand, Eagly & Chaiken (1993), argue that attitude is a psychological tendency that is expressed through valuation of a particular entity with some degree of appreciation. The authors Mowen & Minor (2006), defined attitudes as behaviors of the consumer and as subjective judgments about how to act in the future in relation to the acquisition, disposal and use of products and services. With this, attitudes are developed by consumers about everything that surrounds them and all their past experiences, creating consumer insights positive or negative, leading them to behave in a coherent way (Kotler & Keller, 2009). Attitudes imply acquired tendencies to show consistent favorable or unfavorable responses that often drive individual to demonstrate relatively consistent behaviors with regard to the same objects. Attitudes are also often determined by values as well as beliefs attained overtime (Obonyo, 2019).

According to Botti & McGill (2011), consumer purchase decisions come from different factors, such as personal pleasures (decadent motivations), the case of some luxury goods, and how the satisfaction of functional needs (utilitarian motivation), for example the purchase of basic necessities. Being derivatives of several psychological processes, attitudes are not directly discernible but are derived from the actions and words of individuals and, therefore, individuals have specific attitudes with regard to a variety of objects ranging from behaviors that are product specific to those that are more general. Also, the process of assessing attitudes is based on asking questions to individuals or through inferring from their behaviors (Obonyo, 2019).

Blackwell et. al (2006) argue that attitudes are predispositions directly involved in obtaining, consuming and disposing of services, including the processes decisions that precede and follow the purchase decision. In this context, it is also important to mention consumer habits, which are a key point in consumer resistance to new ideas, products and markets. Most precisely, consumers with habits that are already quite ingrained will hardly want to opt for new products and markets, even if they offer them better quality in satisfying your needs. Once they feel comfortable with their routine carried out for years, they will not risk this comfort and security and choose something that is unknown to them.

As stated previously, consumers normally search for relevant information about a specified consumption related need from their past experiences before looking for external sources of information. In other words, past purchase experience is regarded as an internal source of information that a consumer relies on before making a decision. In sum, the internal and external influences that help decide on the purchase of a particular product are all an inseparable whole. No action can be considered without taking into account individual and sociocultural impacts on the individual. This is because both in the group of internal and external factors, there is a simultaneous penetration and mutual conditioning between these groups (Mokrysz, 2016).

### **2.2.2. HOW EXTERNAL FACTORS INFLUENCE THE CONSUMER'S PURCHASE DECISION PROCESS**

According to Younus, Rasheed & Anas (2015) the decision making of consumers is based on searching for the internal and external environment. The internal information is collected from previous experiences such as advertisement; external information may be gathered from peers or market place, for instance. The external factors can also gather demographic, group and geographic specificities and have influence on purchase intention. However, there are some problems in applying these factors and also some issues regarding the measurements of purchase intention. For example, consumers between the ages of 18 to 24 years old are likely to change their brand preferences as their mood prefers (Razak & Kamarulzaman, 2009).

Also, culture has a big impact in consumer behavior and consequently in the consumer buying process, since it “influences individual preferences, how decisions are made what actions are taken based on those decisions and how the world is perceived” (McDonald, 1994, Teimourpour & Hanzae, 2011). According to Mooji (2010), cultural values will define the self and the personality of the consumers, and according to the authors, there are five dimensions that distinguishes culture: power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance and long/short-term orientation.

Regarding power distance, it can be defined as “the extent to which less powerful members of a society accept and expect that power is distributed unequally” (Mooji, 2010, p. 84). For example, in large power distance cultures, there is a social hierarchy where each member belongs to a specific place, and shows respect to other’s status, and so global brands will serve that purpose. Individualism/collectivism can be defined as “people looking after themselves and their immediate family only, versus people belonging to in-groups that look after them in exchange for loyalty” (Mooji, 2010, p.177). In this case and in sales process, individualistic people want to get to the point fast, and are more willing to be persuaded, while collectivistic people first need to build a relationship and trust with the other parties.

Regarding masculinity/femininity, data shows that there are two types of cultures, the masculine and the feminine, and that there are plenty of differences between them, since in feminine cultures, men do more household than in masculine ones, doing more shopping activities, as stated by the authors. Finally, some authors stated that the price of a product will help determining the perception of quality of that product, and that higher prices will give higher status to the consumers. Nevertheless, it was observed that this attribute was more important in collective cultures than in individual ones (Teimourpour & Hanzae, 2011).

### **2.2.3 THE ADVERTISEMENT ROLE IN CONSUMER’S PURCHASE DECISION**

Advertising can be defined as any non-personal communication means of ideas or products by using mass communications media such as television, newspapers, magazines, cinema, radio etc. and is implemented through a specific sponsor, for a fee paid to influence consumer behavior. Advertisement – which always has a message behind it - aims to communicate the brand, product or services to consumers with the different alternatives (Odunsi, 2020).

Advertisement plays a very important role when studying the purchase behavior of consumers. Nevertheless, according to Zenetti & Klapper (2016) it is a very difficult task to measure the effects of advertising on consumer’s behavior regarding purchasing, since

there are several factors, such as past brand experiences, that can change and distort the idea that a consumer has about a specific product or brand. The main objective of advertising is to affect the consumer buying behavior, which can be changed or reinforced frequently in people's minds. This is because, in addition to ensuring that the consumer is affected by the product, the aim of the advertisement is also to undertake to persuade the consumer to buy the product (Odunsi, 2020).

Advertising is often considered as the main marketing tool in terms of influencing consumer purchase decisions and can be defined as “a form of communication intended to convince an audience to purchase or take some action upon products, information or services” (Nofal et. al. 2020). On the same line of thought Malik et. al (2013) state that advertising is an effective tool to attract people and to divert their attitude positively towards a product, and, of course, if a consumer is emotionally attached with the brand/product, their preference will be that exact product, being that there is a moderate relationship between consumer purchase attention, environmental factors and emotional factors. Consumers tend to buy brands that reflect their own personality or brands that portray personalities they want to acquire, and this perception is mostly acquired by the brand's advertisement choices (Guthrie & Kim, 2008). This phenomenon can be called brand awareness, characterized as the quality of the brand in the consumer's memory. Certainly, the higher the dimension of brand mindfulness, the more prominent the probability that customer will purchase from it, is (Nofal et. al, 2020). To epitomize, advertisement probably occupies the largest place in the marketing network. It has an important role in the process from production to introduction of product to the market and its main purpose is to introduce products or services and make consumers use them (Mustafa, et. al. 2010).

This, brands end up representing characteristics that allow the consumer to mentally create a connection between names, images and cognitions, thus attributing a certain meaning to a specific brand, culminating in the development of a relationship with brands which may or may not facilitate, depending on the relationship developed, in the consumer's priority choice (Parsons, 2007). When purchasing a brand, consumers are purchasing the symbolic meaning associated with the product in addition to the physical product. In essence, they are purchasing the brand image they perceive to be attached to the product. Brand's

personality can be used to convey one's ideal self or different versions of the self, as well as, one's perceptions and evaluations of the brand and can also indicate how consumers judge the brand itself and value certain characteristics over others, which may ultimately influence their brand choice. Previous research has suggested consumers prefer certain brands when the brand personality matches the consumer's own personality or the personality they aim to achieve (Guthrie et al. 2008). This proves to be a real challenge for brands, as consumers' needs as well as their perceptions change very quickly and easily over time (Borg & Gratzner, 2013), so it depends on brands to succeed monitor these changes closely, so that they can adapt over time to their consumers.

Aaker (1997) defines the associated personality of a brand as a set of human demographic characteristics (age, gender, social class and race), human lifestyle characteristics (activities, interest, and opinion) and human personality traits. Brand personality develops the interaction between the brand, product, service, organization and their users. Nearly everything associated with the brand affects the perceived brand personality.

Aaker (1997) developed a cognitive framework for understanding how we, as consumers, relate to brands. This framework concludes that there are five core dimensions of personality (Figure 9):

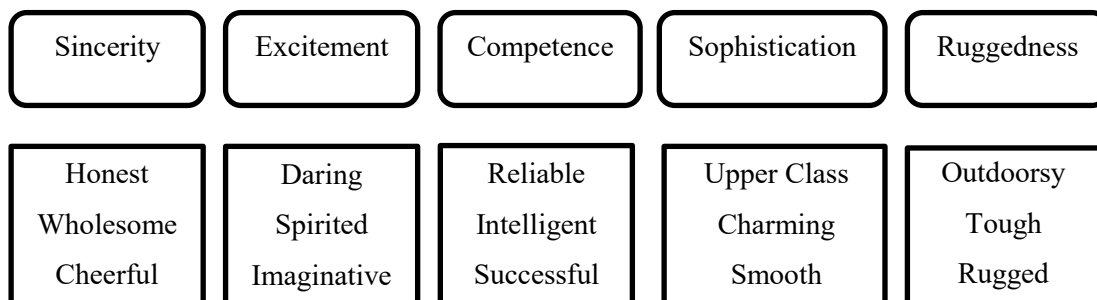


Figure 9. *Dimensions of brand personality*

Source: Aaker, 1997

As seen on the model, brand personality dimensions are similar to characteristics which define a person and these parameters can be explained as:

- **Sincerity** - Sincere brands are viewed this way due to the fact that they follow and communicate ethical practices, their commitment to the community or concerns with consumers.

- **Excitement** - This dimension involves brands which are perceived as being imaginative, up-to-date, inspiring, edgy and spirited. This is an attribute that most sporting brands aim to be associated with.
- **Competence** - Competent brands are the ones which are primarily seen as being reliable, responsible, intelligent, and efficient. These consumer perceptions are often based on how well a product or service performs, and how the organization behaves in society and in the market.
- **Sophistication** - Sophisticated brands are the ones perceived by consumers as upper class, romantic, charming, – and at times perhaps also pretentious. It comes as no surprise that sophisticated brands are commonly found within the luxury sector.
- **Ruggedness** - This dimension includes brands that are seen as outdoorsy, tough and generally speaking more masculine.

In order to correctly study the importance of advertising is important to understand the relevance of creativity regarding this matter since it is, a lot of times, the detail that makes the difference on the consumer's purchasing decision. As Smith & Yang (2009) stated, creativity, that can be defined as “The use of imagination or original ideas to create something; inventiveness” by the Oxford dictionaries, is recognized to be one of the determinants of advertisement effectiveness. Moreover, the same study reveals that there are two types of relevance that can be implemented in advertisement: The ad-consumer relevance and the brand-consumer relevance. The first one materializes when the stimulus properties of an ad generate a significant link with the consumer; the second one occurs when the ad generates a significant link between the brand itself and the consumer.

Nowadays, marketers and consumers are at present extending their communication through a dynamic new media called the social network. This is the latest development in advertising products and communicating with consumers. Social media – such as Facebook and Instagram - is growing fast on this matter, which encompasses enormous spontaneous brainstorming among its network members for developing an opinion. Actually, these robust social media platforms have created an exemplary scope for any brand to advertise its product through exposure, attention and perception, to develop opinions and to create values. The use of traditional one-way communication to promote consumer perception

and boost favorable attitudes towards product value has been dramatically losing its persuasive influence due to the overarching appeal of social media as a method of connection for peers. These changes are extremely important since now product judgment, evaluation, perception and the final attitude development processes have been drastically aligned with a new pattern of multidimensional communications where consumers are more interested in and find more credibility through pursuing peered opinions instead of getting traditional marketing advertisements (Shareef et. al. 2019).

To conclude, advertisement has a great impact on the consumer purchasing behavior (Zia, 2016) and can also be used to generate perceived value and position the brand, to create brand awareness and to contribute to its corporate image and prestige (Mustafa, et. al. 2010).

### **2.3 CONSUMER'S LOYALTY**

Customer loyalty is the result of a successful marketing strategy in markets where there is a significant competitiveness, thus still managing to create value for the customer (Li & Green, 2011). Loyalty is both a long-term attitude and a behavioral pattern reinforced by multiple experiences over time. When a consumer is regarded as loyal, this loyalty may be related to a company, a brand, a loyalty program, or even to the company's employees (Evanschitzky et al., 2012). Customer loyalty can arise from the development of a satisfaction and enchantment plan, being that, this generates a feeling of being wanted. Loyalty is based on belief in fulfillment of promises made by marketing about the product or service and the satisfaction of the needs of the client (Li & Green, 2011).

Loyal consumers expect to receive preferential treatment from the company, greater recognition, and products/services with higher quality standards than those set by the organization, which can lead to a lower likelihood of the consumers choosing the competition's offer (Morrisson & Huppertz, 2010). In order to retain customers and reward their behavior, the organizations have adopted various strategies. The most used is the

implementation of loyalty programs<sup>8</sup>, since these help to increase customer loyalty and consequently the company's long-term profitability (Gandomi & Zolfaghari, 2013). These programs include a wide range of marketing actions such as reward programs, frequency reward programs, and loyalty cards. Consumers usually appreciate loyalty programs because they help them automate their decision making process and avoid complex evaluations of available alternatives (Berry, 1995; Bolton et al., 2000). Loyalty programs can reduce consumer search and decision costs through value-added services such as exclusive reservations, priority checks in, and other benefits. Therefore, consumers consider that these programs turn shopping experience more convenient, allows them to save time and money (Mimouni-Chaabane & Volle, 2010). It is important to note that a company can offer different loyalty programs at the same time, without the launching of one program causing the failure of another (Demoulin & Zidda, 2008).

Thus, customer loyalty plays an essential role in the companies and its many benefits regarding the organizational success are widely recognized (McMullan & Gilmore, 2008). There are numerous reasons justifying the importance of customer loyalty, such as allowing the business to continue as well as growing due to the contribution loyal customers have in increasing the company's profitability since they are more likely to convey to potential clients a positive image of the organization through word-of-mouth advertising making it possible to reduce marketing operating costs (Evanschitzky et al., 2012). Also, loyal customers have greater willingness to pay a higher price for the company's products/services and are less price sensitive they are more reluctant to leave the organization in favour of the competition (McMullan & Gilmore, 2008).

Making the customer loyal is part of the company's mission, creating value and transforming satisfied customers in loyal customers, keeping them loyal ends up becoming harder for the company than to win them over. According to Mowen and Minor (2006), another factor related to consumer behavior is loyalty to the brand, the consumer establishes a commitment with it and intends to continue buying it in the future. The consumer often becomes loyal for the quality that the product offers where, often, a small increase in price will not influence the purchase.

---

<sup>8</sup> Any institutionalized incentive system that attempts to enhance consumers' consumption behavior over time Steinhoff & Plamatiar (2013).

Connecting with the previous sub-chapter, advertisement directly influences consumer awareness, which affects customer loyalty and consumer buying behavior. Advertisement is one of the essential tools to increase the level of identification and is a type of cost, although Zhao et. al (2022) states that it is not a cost if an advertisement lasts for a long period. Besides, every year millions of companies are generating revenue that result in brand loyalty and in making customers loyal. Consequently, advertisement has a direct impact on brand loyalty. Thus, it is concluded that if advertisement spending is increased, there will be an increase in customer loyalty level (Zhao et al., 2022).

Loyalty means that company is willing to sacrifice at least one time their interests, therefore, the success of the relationship that is built in the long term is more important than any immediate benefit (Mowen & Minor, 2006). Develop the customer loyalty must be a commitment of all companies, and all its activities must serve the objective of creating value for the customer, as it is the company's focus and when it realizes that it is being considered, will feel motivated to return to the company (Evanschitzky et al., 2012).

### 3. PRIVATE LABEL

#### 3.1 PRIVATE LABEL

Used to designate a brand that names a line of products or items distributed and controlled on an exclusive basis by a retailer or distributor, the term “Private Label” was coined by Nielsen in 2005 and has been the subject of several studies and definitions (Consuegra & Kitchen, 2006, p. 116). Store brands, own labels, own brands, retailer brands, private brands, and home brands are some of the many designations that private label brands have been known for overtime. Much like its designations, Private Label brands have had several different definitions over the years, however, they are commonly known as super and hypermarket’s brands and products, sold exclusively on their stores, alongside other brands (Sutton-Brady et al., 2017).

According to Dive & Ambade (2016), a private label brand is a retailer’s brand, developed by the retailer. Hence, it can have the store’s own label, or a name generated entirely by that store. On the contrary, a national brand is owned and promoted by a large manufacturer, where its products and services can be promoted nationally or globally, focusing on brand differentiation. The great attractions of private labels for retailers are related to the following facts:

- They have a greater opportunity for growth, due to higher margins than in the case of manufacturer brands;
- Give retailers more power in their fight with manufacturers (allow retailers to negotiate lower prices, faster delivery and more promotions, for example);
- Allow the construction of a distinctive image of the store;
- Finally, and in the case that private labels have a highly exclusive image, they can lead to the development of traffic and loyalty to the store (Cardoso & Alves, 2008, p. 41).

This is, in fact, according to Lepsch et. al (2005) one of the main objectives of retailers when they develop their own brand strategy, retailers that also intend to present the consumer with a better offer in terms of products as well as to enhance the dissemination and establishment of the company's image (Peeters et al. 2006, p. 3). Specifically, this

strategy can leverage data and technology to market private labels that meet diverse customer needs and achieve greater retail differentiation, store loyalty, margins, and profits (Gielens et al., 2021).

When analyzing the way private labels present themselves in the market, we realize that they are marketed according to different strategies:

- **Brands with the name of the store itself** – Use the name of the store. They aim to capitalize on the store's image with the consumer, and therefore there must be coherence between the brand's positioning and the store's image.
- **Independent brands** – They assume different names from the store's designation. This strategy aims to contribute to the development of a strong brand image, being necessary that the brand has a valid reason for being and that there is a long-term quality positioning, not based on the reputation of the store's name.
- **Exclusive brands** – Are created by designers with an exclusive contract with the retailer. As a result, the creator's know-how and notoriety are transferred to the brand, which will allow for greater differentiation in terms of the market. This strategy, however, requires great care with regard to the association between designer and store, and the creation of a unique style and a quality index suitable for the price charged is still essential for success.
- **Licensed brands** – Are exclusive product lines, endorsed by publicly known personalities or characters, in order to benefit from their notoriety. For this to be a successful strategy, it is essential that these personalities/characters know how to make the most of the marketing opportunities presented to them, and that they are able to control the design and quality of the products created.
- **Generic brands** – Cover products that do not have any brand, being considered essential goods. At the base of this strategy is the desire to offer the market an alternative at a more affordable price. For this to be successful, it is necessary that the product has a good quality, and the retailer must educate the consumer in order to make him understand its advantages (Peeters et al., 2006).

To do as it is stated on the last topic, retailers have some communication tools in order to achieve the consumer to prefer private label to national brands, being them: In-store

promotion, visual merchandising and store image. Although these variables are very important on the purchase decision process, the costumer value factor is still the most valuable to the consumer, being that purchase intentions are directly affected by three essential factors: brand image, price, and perceived value (Maharani et al. 2020).

The price factor is, in fact, one of the main attractions of private labels, which are generally 10% to 30% cheaper than manufacturer brands. According to analysis by Fontenelle & Pereira (1996), this situation is based on several reasons:

- Retailers pay producers lower values, taking into account that they do not incur additional costs in the production process related to private labels;
- The purchase of large quantities of products by retailers allows them to negotiate lower prices with producers;
- The promotion of these brands is it is also cheaper, with a guaranteed exhibition area in the store space (Cardoso & Alves, 2008).

Also, private labels are able to offer more attractive prices than manufacturer brands because they do not have as high research and development or communication costs as the former (Cardoso & Alves, 2008). While, in 2005, the Nielsen report stated that the growth of private labels was directly related to their presence in an increasingly larger number of categories, as well as to the notorious development of the discount and hard discount chains - brands strongly marked by the price factor (Silva, 2011) - currently, private labels are no longer seen as just a way to achieve savings. In fact, retailers “today position their own brands as legal brands” (Kumar & Steenkamp, 2007), increasingly freeing them from the label of low-price brands.

According to Chernatony & McDonald (2003), many retailers are currently working to establish high quality standards for their own brands. For this reason, they only launch a new private label product if the results of the tests carried out on the product match exceed the quality levels of the leading brand in the respective category. As a result of this movement that aims to improve quality on private label products, says this same work, consumers have shown themselves to be much more confident in their choices, including not being afraid to show products of this type of brand in social gatherings at home. Since

quality perception is a key determinant of the success of private labels and the quality gap between private labels and national brands has been narrowing recently, consumer is also been feeling more confident when purchasing private label products.

In fact, not only low prices are talked about today when it comes to private labels. It can even be said that the so-called private labels compete with the manufacturer's brands both in terms of value and quality, usually assuming the role of challenger in the market. In the study carried out by Corstjens & Lal (2000) on the relationship between retail brands and brand loyalty, these authors conclude that high-quality private labels pave the way for greater differentiation from competing brands, loyalty to with a store and profit, while lower quality private labels are the basis of price wars, as they intensify consumer sensitivity to prices.

In fact, as stated in “The Rise of the Value-Conscious Shopper”, Nielsen report of March 2011, the innovation aspect has an important role in boosting the brand's image, being that these are some of the most recent innovations in this field: fresh products of suitable local/regional origin at a premium price, ranges of healthy products that can be identified through an identifiable color code and premium and exclusive private labels.

As for the perception that consumers have of private label, Collins-Dodd & Lindley (2003) establish a relationship between the image that the consumer has of a store and the image that he ends up developing of the respective own brand, an opinion that is equally defended by Vahie & Paswan (2006), who claim that the image transmitted by the environment and the quality of the store influence the perception that consumers will have of their own brand (Silva, 2012). For this reason, McGoldrick (2002) argues that retailers that present a good image are in a better position to introduce their own brands in the market. Vahie & Paswan (2006) also add that, when a retailer decides to give his name to a brand, he exactly seeks to transfer to that brand the benefits of the brand's own image.

Giving a strong contribution to the conquest of a competitive advantage by the brands, according to McGoldrick (2002), the potential benefits of private labels may be related to the store's image and customer loyalty. According to the same author, the overall objective of private labels is to achieve competitive advantage. Gilbert (2003) supports this point of

view, stating that the commercialization of private labels may have certain advantages: The improvement of store loyalty, it can be used as a coordinated range or positioned to fill gaps left by the competition and can lead to higher profits through increased sales and the ability to achieve higher margins.

It is also relevant to analyze the consumer profile of private labels. Both Cataluña et al. (2006), as Bergès et al. (2013) consider that sociodemographic variables do not greatly determine the purchase of this type of product. However, several authors claim that the probability of consuming private label products decreases with high incomes (Dhar & Hoch, 1997), increasing, however, in cases of larger households (Dhar & Hoch, 1997).

According to Begley & McOua (2021), the main reasons for the consumer to buy private label products are:

- The product has equal quality for less money;
- The product is cheaper;
- The product is good enough for everyday use;
- The product is often on promotion or special deals.

As previously understood, private labels are gaining importance all over the world in the retail business and a reason for this is that, according to (Girard, 2017), a private label brand delivers benefits for the consumers and for the retailers, since this type of brands offer good quality products at a very good price and help build store loyalty. As a result of continuous private Label growth, retailers have been betting on different strategies to maintain its consumption, focusing on quality, design and marketing efforts, thus acquiring a competitive advantage which has gradually allowed them to market their products better with incisive impacts on profitability (Cuneo et al., 2012). This strategy derives from the fact that, in general, shoppers no longer want just acceptable quality products at affordable prices. They desire products that are both affordable and experiential, affordable and sustainable, affordable and health conscious, while requiring convenience at the same time (Gielens et al., 2021).

### **3.2 HISTORY OF PRIVATE LABEL**

It was in the 1970s that private labels, as a business strategy, began to emerge in Europe, more precisely through the brands Fine Fare, Tesco and Carrefour. From here, they then begin to be valued by retailers, producers and consumers (Keller & Kotler, 2005). Chernatony (2006) states that as retailers become more professional in the way they manage their stores, they begin to realize that private labels effectively contribute to strengthening their positioning.

The evolution of the private label concept over time is recognized by several authors, namely Laaksonen & Reynolds (1994), who identifies four generations of private labels, where in the first generation private label products were considered to be of inferior quality due to their low price, whereas in the fourth generation the strategy is to offer value-added products, thanks to the use of technology (Laaksonen & Reynolds, 1994).

The 2000s, however, brought another type of offer, with an expansion of private label ranges, with the introduction of high quality products by retailers. They refer, in spite of everything, that, in this segment, consumers continue to be more sensitive to the price of private label products than to the price charged by national manufacturers, which may be related to the fact that these have recently been introduced in the market (Bergès et al, 2013). However, at this time, retailers also began to develop a strategy focused on quality, marked by the creation of ranges aimed at certain market niches, in relation to which, for example, the flavor of the products or the quality of the land from which the products originate (Bergès et al, 2013).

However, the economic crisis experienced in recent years in some countries seems to have contributed to the growth of private labels. According to the March 2011 Nielsen report, for example, Portugal, Spain, Greece and Ireland were at the time among the top 5 countries where consumers claimed to have purchased the most private label products during tough times. It should be noted, however - the same report says - that virtually all consumers surveyed in Norway, Sweden, Japan, Hungary, Austria, Finland, United Kingdom, Norway, Portugal and Canada stated, with more than 95% certainty, that they wanted to continue to buy private label products after the economy recovers (Nielsen Global Private Label Report, 2011).

As of today, two changes seem clear when comparing with the initial phase of the life of private labels: In the first place, and as previously mentioned, the low price factor, which is no longer the only focus of these brand's value proposition. Finally, the gradual investment in what turns out to be, almost always, the only communication support of these brands: the packaging. Borghi (2010) precisely supports this idea, defending the contribution of packaging to the success of private labels: "In this way, quality, the offer of differentiated products, a well-crafted packaging design that attracts the consumer, the correct exposure at the point of sale and the lower price than the leading brand, form a very strong product strategy that makes the "Private Brand" a competitor to be respected by any company" (Borghi, pp.3, 2010).

### **3.3 PACKAGING ON PRIVATE LABEL**

As already mentioned, the price was, initially, the great seduction factor of private label products, stimulating the market and leading consumers to introduce new products on their shopping list. Currently, however, there are many other variables that interfere in the customer's decision process, namely, the brand that names the product, its quality, and even some issues related to the point of sale, such as service and variety of offer available to the consumer in a given commercial space. Another element that has become increasingly important is packaging (Borghi, 2010).

If it is true that the packaging of own brands were, in general, similar to some packaging of manufacturer brands - connoted with the attribute of quality - registering with the same great similarities in terms of size, shape, color and graphics, it is important to point out that this strategy ceased to make sense precisely when a different business strategy gave rise to a new positioning for these brands. In fact, there has been such an improvement in the quality and packaging of private labels that they ended up becoming brands in their own right (Consuegra & Kitchen, 2006). Before, private labels were considered inferior to manufacturer's brands due to the its lack of presence in the store's linear, one of its characteristics being the mimicry of the most particular features of national brands, nowadays, an evolution in the created packaging has been visible, thus leading to a change

in the perception of consumers, who are more attracted to private labels displayed on store shelves (Hurley et al., 2013).

In the past, private label packaging tended to resemble the look and feel of national brand equivalents. Retailers are now developing brand language on their packaging that not only draws consumer's attention but also conveys the functional benefits of the brand.

Retailers are now, more than ever, considering questions regarding communication, marketing and packaging of private brand products:

- How are brands making consumers aware of their quality parity versus the competition?
- In each category, what are consumers' primary sources of information and purchase drivers—and are the brands investing in those channels?
- How can brands harness their own channels (for example, point of purchase, store flyers, or own website) to market their private brands?
- What can be changed in the packaging so that it is on par with the look and feel of the leading national and private brands?
- How can the design convey quality and benefits such as origin of ingredients?  
(Begley & Angus, 2021)

According to Hurley et al. (2013), even though the average price of private label products remains below the average of manufacturer brands, this is not the only reason why these are chosen by consumers, who also take into account the evident “linear appeal”. An idea reinforced by a study, in which it is recorded that 73% of consumers interviewed said they depend on packaging design to help them make decisions at the time of purchase. It is therefore essential that it works as a commercial assistant (Hurley et al., 2013). An opinion corroborated by Borghi (2010), for whom “the packaging of “own brand” products can be considered a competitive differential” (Borghi, 2010, pp. 1), assuming an important role in brand communication, especially in a place where the conquest of consumer attention is crucial: the linears of commercial space. Packaging cannot, therefore, continue to be seen as a mere “instrument for packaging and protecting the product” (Borghi, 2010, p. 3). They must, however, meet the banners' new commercial strategy, in the sense of contributing to greater differentiation from the competition and (in the long-term) conquest of greater

profits, helping to present the attributes of private labels to the consumer (Gold & Gold, 1999).

The fact that the brands do not direct their above-the-line communication towards the promotion of their own brands gives packaging an even more relevant role in this whole process. And, if capturing the consumer's gaze in the store space is a crucial objective, the packaging should also have the function of contributing to the construction of the brand's own image, allowing the instant recognition of the brand (Yokoyama et al., 2012) among the many brands available on the market. As reported by Hurley et al. (2013), many consumers see the brand and its packaging as “a single identity”. Bearing in mind that the packaging establishes an emotional connection with the consumer that leads him to choose the product and proceed with the purchase, it can be inferred that if a brand has an appropriate design, it will contribute to it being able to surpass the competition, increasing the its market share. On the contrary, “packaging with a lower quality design may have a negative impact on the brand image” (Hurley et al., 2013, p. 400).

In fact, contrary to what happens with manufacturers' brands, in the particular case of private labels, the packaging design aims to provoke positive feelings, not only in relation to the product, but also in relation to the entire store, in the sense that, seeks to convince the consumer to return to that commercial space and buy other own brand products that are also available. This means that the packaging design of private labels must incorporate the store's image, conveying the true philosophy of the brand to the consumer (Hurley et al., 2013). But, in addition to meeting the personality of the brand, according to these authors, private labels can also present a package that is closer to the specific profile of their customers than manufacturer brands, which are often present in several stores, several insignia across the country (Hurley et al., 2013).

These concerns with the image of their own brands have led some retailers to opt for a type of packaging in line with the fancy for fewer concepts, which combines of beauty and quality with affordability. In addition to the business development and marketing teams, a work to renew the brand and the respective packaging as mentioned above inevitably requires the close involvement of the agencies and/or design departments, in charge of the graphic design work. Having developed a study focused on this theme, Muller (2011)

concluded on the importance of packaging for distribution brands, even understanding that the development of packaging distinct from the insignia itself is beneficial for them. According to him, the commitment to this autonomy will lead to the aforementioned brands being perceived by consumers as having a higher quality, thus increasing the probability of purchasing said products, especially when it comes to categories of consumption for pleasure or social consumption.

In fact, several authors emphasize the importance of packaging for the development of private labels, insofar as they draw the consumer's attention to the product and contribute to the construction of the retailer's brand image, by allowing immediate recognition. (Kotler & Keller, 2005). For this reason, Yokoyama et al. (2012) underline that there must be a standardization of packaging with regard to its design and layout, so that a true promotion of the products is achieved. On a study conducted by Marquesa, et. al (2020) to evaluate the effects of new rebranding strategies on consumer based brand equity, the results show that consumers see the new version of the brand as “innovative” and “original”, whilst they consider the previous version to be “trustworthy” and “inexpensive”. On one hand, not associating the rebranded image with “inexpensive” is positive. On the other hand, considering the past image particularly, the word, trustworthy may indicate that the brand needs to work on its perceived risk since consumer’s trust of the previous brand was not completely transferred into its new image. This argument is also backed by the fact that the only difference in consumer’s perceptions of quality was with regards to seeing the brand as “reliable”.

Alluding to research already carried out, Agariya et al. (2012) even claim that the sensory experience of a brand, which includes the packaging, “creates in the minds of consumers an image capable of inspiring loyalty, building trust and underlining recognition” (Agariya et al., pp.2, 2012). The authors say that the main role of packaging is not to communicate, but to trigger the memories of the brand's communication moments prior to the consumer's entry into the store space. Thus, it is essential that the packaging is aligned with the brand's communication strategy (Agariya et al., 2012).

### **3.4 IMPACT OF THE PANDEMIC ON PRIVATE LABEL/FOOD RETAIL**

Covid-19 pandemic that paralyzed the global economy since March 2020 must be factored into this Private Label journey. Donthu & Gustafsson (2020) declared that the pandemic has had severe consequences all over the world, affecting each country around the globe and leading to dramatic changes in the operations of business entities and the behavior of consumers, who mostly fear for their health and personal finances.

Early in the COVID-19 crisis, many products disappeared from store shelves due to panic buying and pantry loading. Some shoppers, not finding their preferred brands, instead bought private label products — and, since then, have continued to do so. The fact that private brands are frequently less expensive than national brands has also helped. These two advantages—high availability and low price—made private label products considerably more appealing to consumers during the pandemic (Begley & McOuat, 2021) Martos-Pardal (2012) state that consumers are more willing to buy products from Private Labels during economic downturns and once they try a private label product they will keep buying it, even when the economy raises. Thus, retailers can continue to attract new buyers to their own brands, either by highlighting their greater accessibility, in terms of price, or their benefits.

Consumers switch more extensively to private label during bad economic times, then they switch back to national brands in a subsequent recovery. In addition, the switch to private labels during economic downturn is faster than the opposite movement to national brands after the recession ends (Lamey et al. 2007). Due to budgetary constraints, consumers may be more easily inclined to try a value option that they have not purchased before. If they also subsequently learn that the quality is on par with some more expensive alternatives, they may alter their attitudes towards Private Label and remain loyal to it. Given that the private label quality has only improved over the last decade, it is fair to assume that the pandemic lift may indeed last (Begley & McOuat, 2021).

According to an article on Grande Consumo (2021), there were five main vectors of innovation in the private label:

- **Plant-based** - Across Europe, there has been increased interest in vegan and flexitarian diets and, as a result, in meat alternatives. To respond to this demand, retailers have introduced new “plant based” private label ranges.
- **Sustainability** - Another of the innovation vectors of the distribution brands was sustainability, through greater transparency, in the first place, and the awareness and education of shoppers about their environmental impact, on the other hand.
- **Local** - The third innovation vector focused on supporting local production and small and medium-sized companies
- **Online** - Private labels also sought to benefit from the growth of online. Retailers increased their ability to respond to orders, helping this channel to increase its share
- **Proximity** - Since the beginning of the pandemic, sales of frozen foods and alcoholic beverages in proximity stores have increased significantly in many markets. In this perspective, retailers have expanded the sales space dedicated to these categories.

According to the same article, the evolution of purchasing behaviors, during the confinements and restrictions implemented during the pandemic, represented a real opportunity to increase awareness and experimentation of private label products. To capitalize on this context, retail invested in improving products and packaging to stand out on the shelves and activated its brands in new ways both in stores and online, in order to increase its visibility with shoppers (Grande Consumo, 2021).

According to Begley & McOuat (2021), during the pandemic, consumers have proved quite willing to change their buying behavior. Nearly 40% of consumers in the United States have tried new products or brands since the beginning of COVID-19. As previously mentioned, much of the switching behavior was because of availability issues—some branded products were out of stock for weeks as manufacturers struggled to meet sudden spikes in demand. Private brands have been one beneficiary of this switching trend. Consumers also believe private brands have the same or better quality for less money, with availability only a minor driver of switching behavior. Amid prolonged economic uncertainty, consumer’s hunt for greater affordability might keep the private label preference going for a while longer. Due to budgetary constraints, consumers may be more easily inclined to try a value option that they have not purchased before. Given that the

private label quality has only improved over the last decade, it is fair to assume that the pandemic lift may indeed last (Martos-Pardal, 2012). For some retailers, the private label offering might have been successful in COVID-19 environment but now requires reevaluation. For retailers that haven't invested meaningfully in private-brand capabilities, making bold moves is even more urgent. (Begley & McOuat, 2021)

### 3.5 PRIVATE LABEL IN PORTUGAL

Private label in Portugal arisen in 1984 in the form of generic products. The opening of the Continente hypermarket in Matosinhos, in 1985, marked the beginning of a profound transformation of food retail in Portugal: in 10 years, the hypermarket format became the leader, and at the end of that period, 35 points of sale represented 40% of industry turnover. In the 1990s, there was a strong development of important national and international operators (namely, Minipreço, Auchan, Carrefour, Euromarché, Leclerc, Intermarché and LIDL), and large commercial support projects were also built (namely the shopping centers). After 2005, discount stores and supermarkets came to control most of the market, and the leadership of the sector has been continuously maintained by the Continente brand, which belongs to the Sonae group. In 2020, the market share of grocery retailers in Portugal is the following:

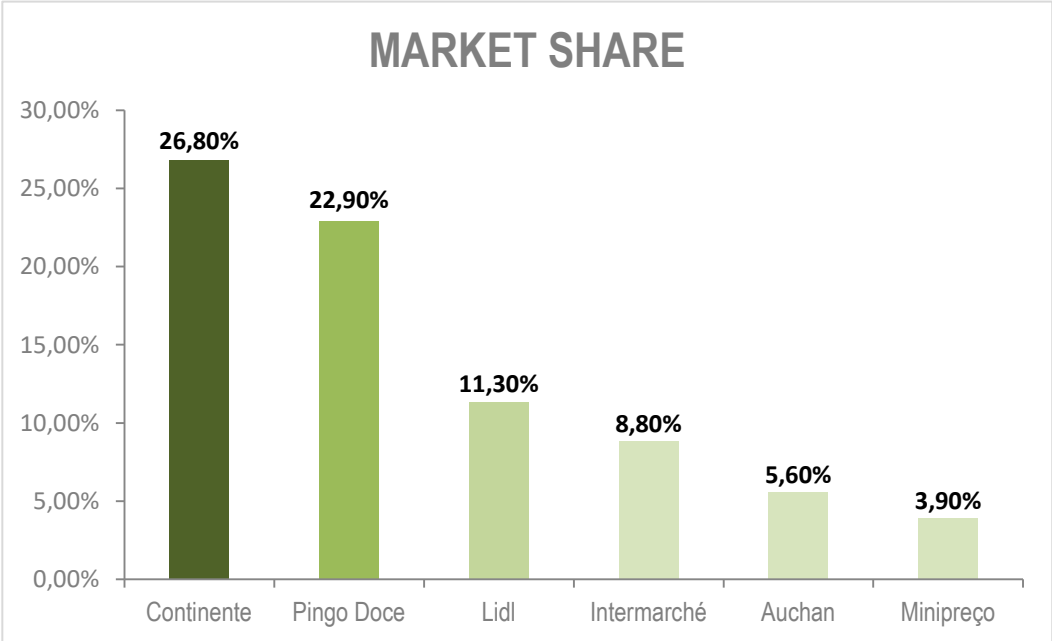


Figure 10. Portuguese supermarket shares in 2020

Source: Distribuição hoje, 2020.

As it happened in other countries, initially consumers feared the low quality associated with the low prices practiced by store brands, and opted to stick with what they know favoring national brands. But, as time went by private labels stayed in the market and consumers were able to get more information and experience these products. With that they were able to realize that these products constitute a good opportunity, due to the fact that they present a very good balance between price and quality. Since then, these products have registered a growth in sales volume and have become a competitive element for the other brands.

In Portugal, private labels have been increasing their market share, reaching market shares of over 40% in some product categories (Nielsen, 2010). After a fast growth, private label's penetration has been decreasing since 2012 - private labels market share in the Fast-Moving Consumer Goods [FMCG] market was 37% in 2012 and around 33% in 2016). However, in the first quarter of 2017, private label share has started to grow again for the first time since 2012, accounting for 34.5% of total FMCG market sales (Nielsen, 2019). As it has been stated before, private label has suffered a great increase in sales due to the pandemic and its financial consequences, something that happened globally, being Portugal not an exception. Thus, although each country has its own history and FMCG dynamics, financial crisis is greatly linked to the arisen of private label brands due to their less expensive products.

### **III. EMPIRICAL STUDY**

#### **4. METHODOLOGY**

##### **4.1. RELEVANCE OF THE STUDY**

Being the main proximity brand in terms of supermarkets in Portugal and being the evolution of the private label decisive for the market repositioning, DIA/Minipreço decided to set in 2021 a rebranding of its private label in order to achieve a closer, innovative, distinguishable brand, always ensuring quality and a good prize. After difficult years trying to keep up with the main competitors, will this change reconnect the consumer to DIA/Minipreço? This is the question aimed to be answered in a study where the main focus is the effect of credibility, familiarity and brand image on the attitude and attraction of the brand, in the eyes of the consumer.

##### **4.2.MAIN QUESTION**

Since packaging represents a big factor regarding the consumer's decision-making process - at least a third of this process is based on it – and this rebranding is focused on creating a more appealing packaging, the main question is:

- Can Minipreço's private label rebranding change the consumer's perception about the brand?

##### **4.3. OBJECTIVES**

With this study it is intended to analyze the influence of the image, credibility and familiarity of the brand on the attitude towards the brand and attraction to the brand, on the part of the consumer. As specific objectives to be achieved are:

- Analyze the effect of the rebranding on the credibility and familiarity of the Minipreço brand.

- Understand the effect of the rebranding on the perceived quality of the products.
- Analyze whether this effect has preponderance or changes the consumer's purchase decision.
- Understand the general effects of the rebranding on the opinion of the consumer.

#### **4.4 DATA COLLECTION**

The method used for data collection is, firstly, an interview<sup>9</sup> to a commercial director of Minipreço, Sofia Teixeira. This was an exploratory and semi structured interview, which took around 30 minutes and was done in person at the 8<sup>th</sup> of august of 2022. The focus was mainly on the company's strategy around this rebranding and how the objectives were achieved.

Afterwards, an online questionnaire<sup>10</sup> was conducted with the objective of reuniting as many answers as possible to achieve a greater sample while reaching consumers with different income levels, gender and age. 170 answers were obtained that will be further analyzed within a timeline of 4 weeks – from the 3<sup>rd</sup> of august to the 31<sup>st</sup> of august of 2022. This inquiry was aimed to all Portuguese customers that buy their groceries and goods in supermarkets and hypermarkets. Throughout the questionnaire, the respondents were asked about their groceries shopping habits, in order to get a greater knowledge about the sampling, then about their opinion and knowledge about Minipreço chain, and finally about the changes made during the rebranding, regarding the positivity of the changes, the easiness, the appealing and quality of the products. Some of the questions were measured using statements with 7 and 5-point Likert type scales, from “not satisfied/positive” to “very satisfied/positive”. Regarding the analysis of the survey, the answers were analyzed by using SPSSStatistics, through descriptive analysis and through the comparison of means.

#### **4.5. UNIVERSE AND SAMPLE**

Since the Minipreço consumer – and all the Portuguese supermarkets in general – is mainly composed by women above 40 years old, this is the target audience for the sample. Also, it

---

<sup>9</sup> Semi-structured interview questions and answers on appendix A and C.

<sup>10</sup> Questionnaire on appendix B.

was aimed that the respondents buy or know the brand Minipreço in order to better answer the questions about the topic.

To complement both forms of data collection, a case study will be done to further analyze and understand the company's path until now – not only its history but also its private label course and how the brand has been communicating in the last few years. This case study will provide a chance to get an in-depth look at the organization, the inner workings and interactions of it. In terms of the outcome, the questionnaire and the interview were to complement this case study and provided a comprehensive understanding that helps the reader examine this study correctly since a full context is going to be provided.

## 5. CASE STUDY

### 5.1. DIA GROUP

Distribuidora Internacional de Alimentación (which together with its subsidiaries forms the DIA Group) opened its first store on Valderrodrigo Street in Madrid's Saconia district, in 1979. This store was a market move, introducing the discount store model into Spanish food retail market. The success of its business model in Spain quickly led to an expansion across borders being present in 5 countries: Spain, Portugal, Argentina, Brazil, and China.

In 1984, was the first retail chain to launch a private label in Spain, the corporate image was born with the first DIA-branded product arriving on the shelves with the red DIA banner, which was present in their private label packaging until the rebranding. By 1989, the franchise was added to the business model and the company began to offer to individual entrepreneurs the chance to manage a brand which had already become entrenched, well-recognized and strongly positioned in the marketplace. In the meantime, franchise became a strategic point within the Group as the flexibility of the franchise model and the proximity to the end customer facilitate the provision of personal service, reinforce the supply of quality products at the lowest prices and keeps the insignia in the top of mind of consumers.

Over time, DIA's store network reached a successful 60% under franchise regime, i.e, near of 4000 stores across the five countries, the largest franchisor in Spain and the number three in Europe food sector. Also, globally in TOP 100, DIA was positioned in 20th place. The first destination for the first DIA store outside Spain was in 1993, in Portugal, under the Minipreço trademark. In a few years, after successive expansion victories, the company set its sights on South America in 1997, opening its first store in Argentina where it received a warm welcome and opened more than 100 stores in just two years. After a while it arrived to Brazil in 2001. In 2003, DIA landed in China and once again provided evidence of its successful strategy. In just one year, the company reached 300 stores.

### 5.1.1. DIA GROUP IN PORTUGAL

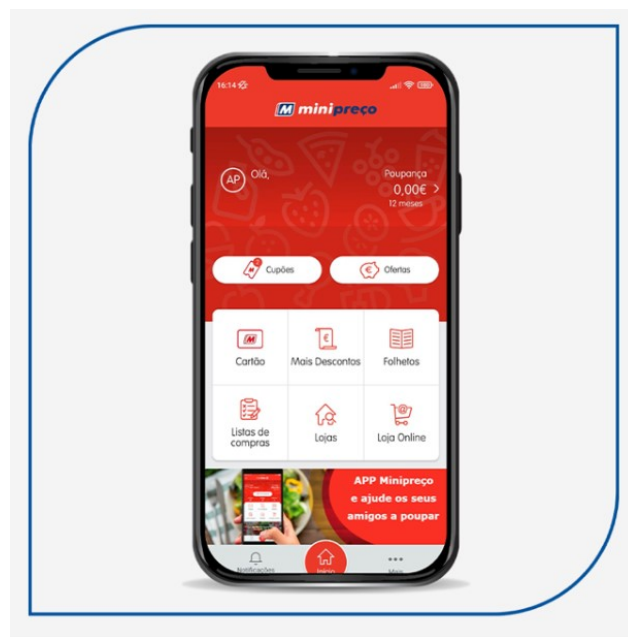
The first Minipreço was inaugurated in 1979 in Lisbon, pioneering the launch of the discount concept in Portugal. It featured a sober store, with a limited assortment, reduced prices and launched as a novelty the first products of own brand. With a growing success, DIA Portugal acquired the Minipreço chain in 1998, and started to operate only this insignia, maintaining, however, the own brand “DIA%”. From 2010 on, Minipreço presented a sustained growth, offering a complete assortment with competitive prices on the market.

### 5.1.2. STRATEGY

DIA Group strategy is to follow customer trends and offer the lowest prices. The company offers several brands, which have different formats and target different client needs. For the next years the Group has three main concerns for the business: the first one, continuous improvement of the business model; the second is to begin a digital transformation in all levels of the Group. The last priority is to create and develop new business opportunities. All these aspects are taken into consideration also in franchise, which the company believes is one of the best strategies to enter in new markets and maintain the proximity between DIA and its customers. In addition to these priorities, DIA bases its business strategy in several pillars, which are:

- **Proximity segment** - The company specializes its business model in proximity and, in Portugal, it is considered the leader on this sector. This model allows the company to provide its customers with every day grocery products, saving time and money in the process.
- **Customer-focused** - DIA has been adapting to the trends of consumer habits.
- **Offer the best value of money** - DIA aims to offer the best quality at the best price in the markets in which it operates.
- **A private label with quality** - DIA has continuously developed and adapted its private label to the needs of the consumer, in order to increase consumer loyalty.

- **An unique loyalty program** - DIA created ‘Clube DIA’, which is a loyalty card that offers immediate discounts – in Portugal, its name is “Clube Minipreço”. Plus, it still has coupons that offer additional discounts in future purchases. Currently, 76% of the company's total sales are made through the use of this card. Also, in 2022, a new phone app was launched in order to keep up with the digitalization of the market and to facilitate and encourage the use of the loyalty card and its advantages by customers (**Exhibit 1**).



**Exhibit 1.** App Clube Minipreço

*Source: Minipreço*

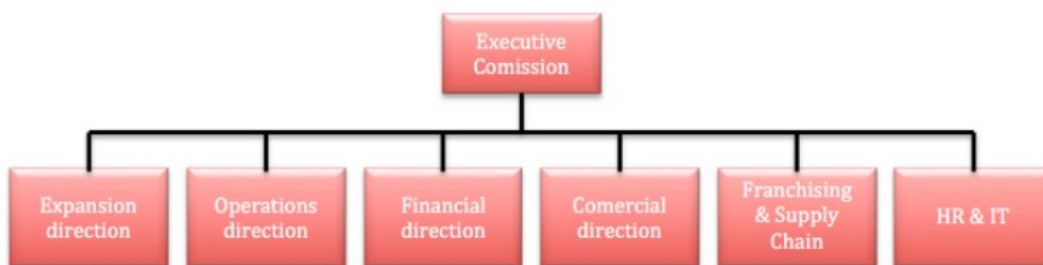
- **Continuous efficiency and process improvement** - To guarantee the most competitive price, it is necessary to ensure efficiency in the process. In order to adapt quickly to the customer’s needs, an efficient, profitable and agile logistics network must be assured.
- **Franchise** - Nowadays, DIA is the leader of franchises in Spain and the number three in Europe in the distribution sector. The essential factors to develop this business model of proximity are commercial commitment and knowledge in the local market, that franchising model brings to DIA Group.
- **Profitable growth** - In the recent years DIA has been growing in international markets, mostly Argentina and Brazil. The effort on profitable growth sometimes

means to discontinue some markets as happened with Greece, Turkey and France for example.

- **Focus on an omni-channel approach** - This strategy means an important advance in ecommerce. As we will see further, the company's e-commerce in Portugal was released in 2020 in order to keep up with the new shopping trends and to add value to the company itself.

### 5.1.3. ORGANIZATIONAL STRUCTURE

DIA Portugal, in addition to the top management, has eight different sub-management departments: Operations, Financial, Expansion, Commercial, Franchising, Operations Development & Supply Chain, Human Resources, and Information Systems. Along the history, DIA Portugal has developed a proximity style of management. Directors of each department know well each employee and also people who work directly in stores: from the cashier to the store manager. In spite of there is a formal hierarchy all the floors work in an open space system with different knowledge areas in the same space to ensure good relationship and communication among all workers and hierarchical classes (**Exhibit 2**).



**Exhibit 2.** Hierarchical structure at DIA Portugal

*Source: DIA Portugal (adapted)*

### 5.1.4. MINIPREÇO IN 2022

In 2019, DIA Portugal started a plan to transform its business model, which includes a resizing of its store network. In the specific case of Portugal, this plan included the closure of loss-making stores and the focus on stores with greater profitability, with reflections

throughout 2020. This resizing effort has allowed for a concentration of resources in the most profitable stores. In short, during 2020, and in accordance with the plan outlined in 2019, the priorities for transforming the business included the resizing of our store network to enhance the development of a new commercial value proposition for DIA, with the reinforcement of the private label offer and online sales, together with continuous operational efficiency.

Regarding to e-commerce, Minipreço launched its e-commerce website - Minipreço Online in 2020, right in the middle of the Covid-19 pandemic (**Exhibit 3**). The platform is already a reference in the online food distribution scene, having doubled its market share to 2.8% in 2022, according to the study by Nielsen Homescan S12, confirming all the assumptions underlying its launch, as an essential complement to the purchase in the brand's physical stores. Also, on the same year, DECO PROTESTE analyzed consumer preferences at the time of purchase and chose Minipreço Online as the best online brand for shopping. The questionnaire, which had more than 5 thousand subscribers, highlights the punctuality of Minipreço Online deliveries.



**Exhibit 3.** Minipreço Online

*Source: Minipreço*

## **5.2. MINIPREÇO'S PRIVATE LABEL**

The FMCG sector has evolved through the years, the market share of private labels has been growing faster than expected and the consumers' needs and concerns have becoming more specific, forcing the main retailers to change their objectives and adapt their brands to the market. In 2021, the share of private labels reached 45% in Portugal, with the

Minipreço supermarket chain currently at 50%, with a growing trend. Thus, the private label is the point of differentiation between supermarket brands and this study can help confirm its importance in this context and if, in fact, the private label is one of the keys to the success of the supermarket brand, in this case the Minipreço.

Since its launch in Portugal in 1979, Minipreço pioneered the launch of a wide range of private label solutions in various categories and has now a long history in this area. Private label is essential for sales growth, especially in the food and home cleaning categories and since Minipreço's private label represents more than 40% of their profits, the company started a process to reorganize the brand, by developing a new image and a new plan of communication. At the moment, the company is working intensively on their private label and transforming its entire offer in this field, guaranteeing the highest possible quality, in a highly attractive value proposition for the consumer. It is a transversal project that includes a whole new approach in terms of design, packaging and positioning that Minipreço believes will contribute to a new commercial dynamics for their private label: "It is a transversal project that includes a whole new approach in terms of design, packaging and positioning that we believe will contribute to a new commercial dynamics for our private label", as stated by the private label director of the brand. Thus, since the start of this rebranding, Minipreço changed its main focus to a more innovation-driven approach through the quality of their products, diversity, image and communication: "This transformation happens in a context of a natural evolution of the private label in the company: We understand that our consumer is demanding a larger offer with extreme quality at the best prices, our goal is to achieve all of this among with an attractive packaging that reflects our brand identity", completes Sofia Teixeira.

### **5.3. IMPLEMENTATION OF A NEW COMMUNICATION**

When it comes to its communication, Minipreço has recently been very active when it comes to its communication, both on social media, television and in store. On social media, on International Women's Day of 2022, Minipreço activated "The price of reality" which addresses the issue of the disparity between the salaries of men and women in Portugal, through a guerrilla marketing action that consists of the

implementation of posters in stores showing all products with a price increase of 14% – an average value that corresponds to the wage gap between genders (**Exhibit 4**).

Raising awareness of this issue involved developing an action to surprise men who went to Minipreço to shop, realizing the 14% increase in their products but also the real cost that articles represent for females. This action would have no practical effect, since the increase in values would not apply at the time of purchase, the objective being only to impact the customer and make him reflect on this issue of the gender pay gap (Do It, 2022).



**Exhibit 4.** “Price of reality”

*Source: Minipreço*

Also in the social awareness field, in 2022 DIA Group mobilized with the common purpose of helping the Ukrainian people in the face of the humanitarian crisis. Thus, the #DIApelaUcrânia movement was born, which includes several initiatives. One of them is the immediate shipment of food and basic hygiene and essential items to Ukraine in collaboration with the Ukrainian community in Spain, but also the sending by DIA Portugal of medicines, water and food for children via the association “Médicos do Mundo”. In addition, the employment program for vulnerable groups in Portugal and Spain was also intensified to respond to the need for professional integration of Ukrainian citizens (**Exhibit 5**).



**#DIA  
pela  
Ucrânia**

**Exhibit 5.** #DIApelaUcrânia initiative

*Source: Dia Portugal Supermercados on LinkedIn*

Social media is also a field to amplify and communicate partnerships. In 2021, and since food waste is one of the 15 pillars of the DIA Group's 2021-2023 Sustainability Plan, Minipreço established a partnership with Too Good To Go, which allows customers to find quality food and meals at more affordable prices that can be booked through the Too Good To Go App. A partnership that began in November of 2021 and resulted in over 600 Magic Boxes saved in less than 10 days. A success in the first stores that is now present in more than 200 stores (**Exhibit 6**).



**Exhibit 6.** Minipreço and Too Good To Go partnership

*Source: Minipreço on Instagram*

In 2022, campaigns and promotions of Minipreço started to be broadcasted via WhatsApp since it is likely that the distribution of physical brochures will have an “expected reduction” (**Exhibit 7**). This is seen as another step towards achieving an even greater proximity to the communities and a continuous investment in a fully modern and integrated proximity network, reinforced by the commitment to digital, using a communication tool widely used by all our customers (Briefing, 2022).



**Exhibit 7.** Minipreço on Whatsapp

*Source: Grande consumo, 2022*

Also in social media but mainly on television and radio, a campaign to communicate the Minipreço Super Brands has been launched in 2022. To boost this process, Minipreço prepared a communication campaign with the participation of actress and influencer Sara Prata (**Exhibit 8**): “It was the first time that the company bet on a widely recognized public figure, such as Sara Prata, to materialize this entire process. The idea with this choice was to associate our brand with a personality known to the public, with great energy, fun and joy who, in addition to this, is still a family mother concerned with food and the quality of the products she consumes at home”, says the Private Label director of Minipreço.



**Exhibit 8.** Superbrands campaign

*Source: Minipreço on Instagram*

Towards the same goal – communicate the Super Brands – the retailer created a supermarket with wheels to tour all over Portugal in the summer. This is the biggest activation in the history of Minipreço that will be present in the popular and traditional parties of 2022 (**Exhibit 9**). To impel this activation, every Sunday of the summer, the entertainment program of SIC “Domingão” will join Minipreço with the ambassador of this initiative, the actress and presenter Luciana Abreu (Grande Consumo, 2022).



**Exhibit 9.** Supermarket with wheels

*Source: Minipreço on Instagram*

In store the communication is now mainly focused on the Super Brands, following the communication on the other spheres. However, in December of 2020, Minipreço launched an important support to help some emerging Portuguese artists at a time when culture was slowly drowning because of Covid-19 pandemic (**Exhibit 10**). The initiative allowed seven

names of national musical culture to have some of their repertoire in rotation at Minipreço stores (Rimas e Batidas, 2020).



**Exhibit 10.** “Músicas de fundo”

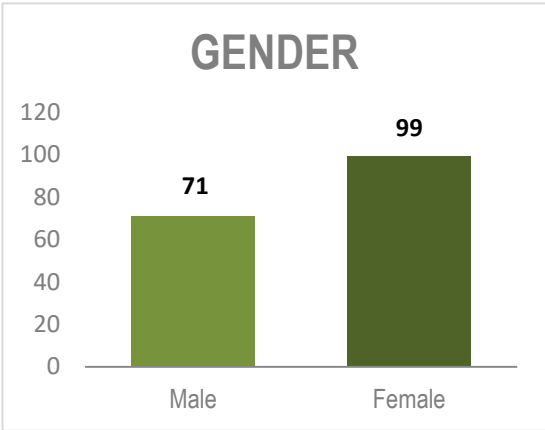
*Source: Minipreço on Instagram*

After all, Sofia Teixeira – Private label director of Minipreço – states that “these dynamics and others always arise with the aim of promoting Minipreço as close as possible to our customers, making this perfect sense as we are leaders in proximity”.

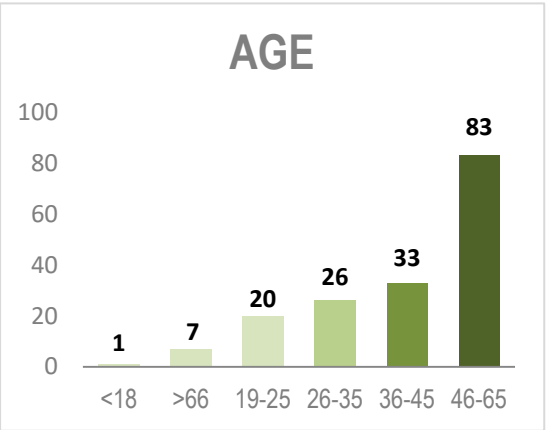
# 6. MARKET RESEARCH

## 6.1. SAMPLING

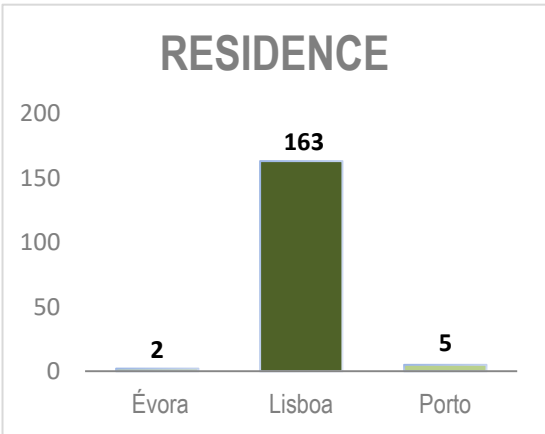
In order to obtain the sample characterization data, five initial questions were asked in the first section of the questionnaire, namely concerning the gender, age, residence, occupation and household's monthly income. These data were essential to identify the profile of the respondents.



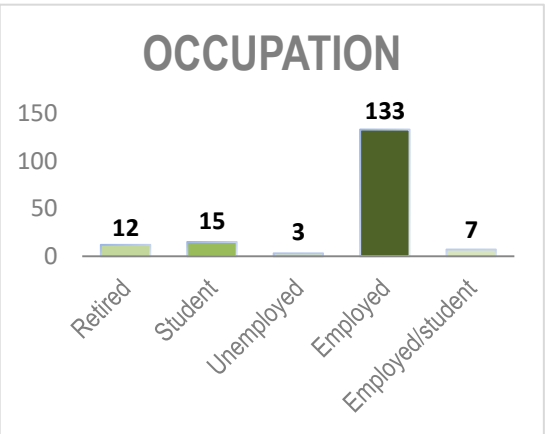
Graph 1. Gender of the respondents



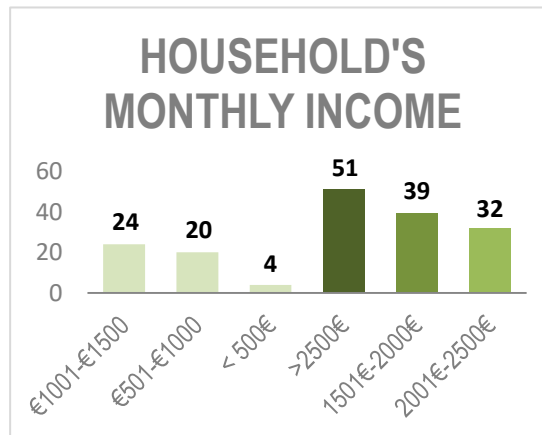
Graph 2. Age of the respondents



Graph 3. Residence of the respondents



Graph 4. Occupation of the respondents



Graph 5. Household's monthly income of the respondents

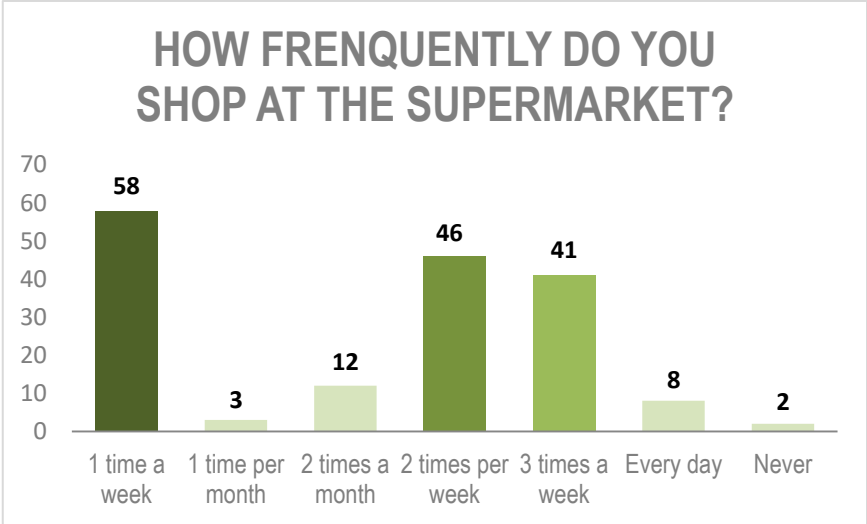
Concerning the sampling, 170 respondents (N=170) answered the questionnaire, that was available for a four weeks period. 99 of the respondents were Female and 71 were Male (**Graph 1**), Considering the age, the respondents have mainly – 83 - between 45-65 years old, 33 between 36-45, 26 between 26-35, 20 between 19-25, 7 with more than 66 years old and 1 with less than 18 (**Graph 2**). 163 were residing in the Metropolitan Area of Lisbon, 5 were from Porto and 3 from Porto (**Graph 3**). Regarding the occupation, 133 respondents were employed, 15 were students, 12 were retired, 7 were employed/student and 3 unemployed (**Graph 4**). Finally, concerning the household's monthly income, 51 have remunerations higher than 2.500€, 39 between 1501-2000€, 32 between 2000€-2500€, 24 between 1001€-1500€, 20 between 501€- 1000€ and 4 have salaries below 500€ (**Graph 5**).

## 6.2 ANALYSIS

After the descriptive analysis of the sample characterization data and consequent specification of the profile of the Portuguese consumers who answered the questionnaire, an analysis of the data that proceeds after this one. To this end, a set of questions were posed, divided into three distinct groups. The first group was intended to analyze consumer's general shopping habits, in order to obtain a more general perspective of the consumer behavior of the respondents when shopping for groceries. Next, in a final phase of the questionnaire, to focus was to analyze the knowledge of the respondents about

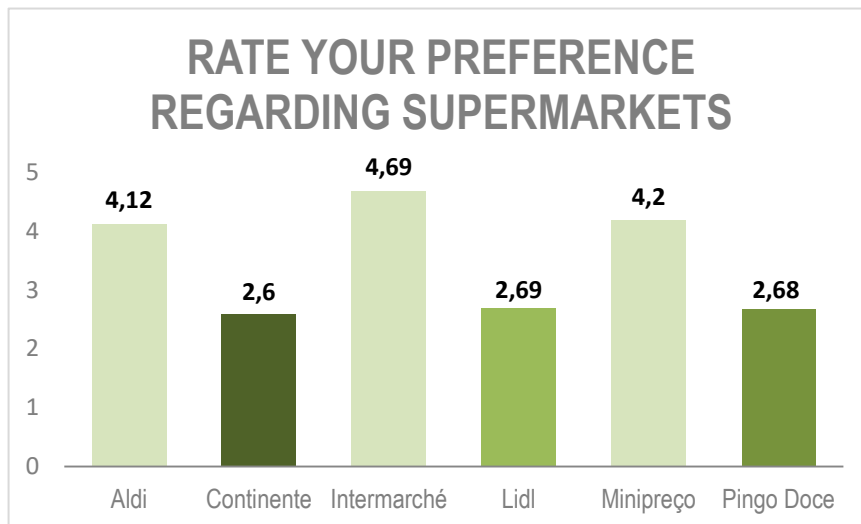
Minipreço, Minipreço's Private label and its rebranding in order to understand the familiarity and how the rebranding has affected the perception of the brand.

### 6.3 GENERAL SHOPPING HABITS



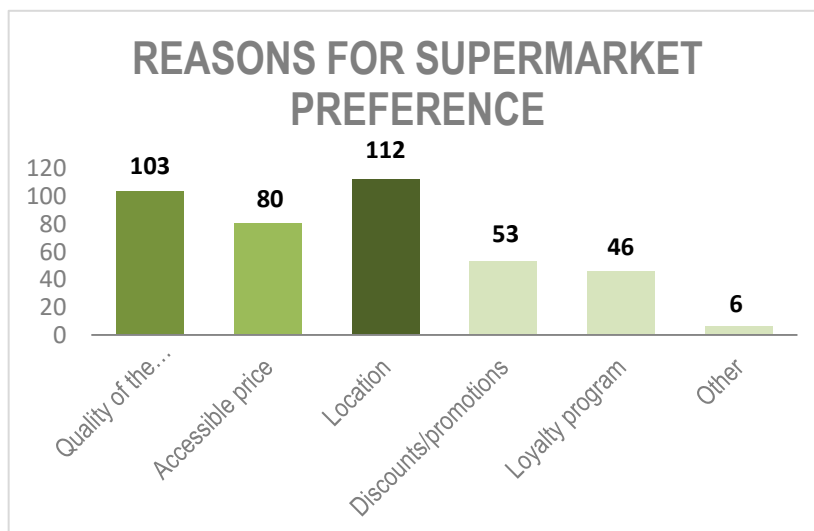
Graph 6. *Frequency of shopping at the supermarket*

When asked about how often they shop for groceries and goods, 58 of the 170 respondents claim they go shopping for goods once a week, 46 say they go twice a week, 41 go three times a week, 12 shop at the supermarket 2 times a month, 8 go every day, 3 go one time per month and only 2 never go, which means that the majority of the respondents go shopping at least once a week (**Graph 6**).



Graph 7. Rating from 1 – first choice – to 6 – last choice – the preference regarding supermarkets

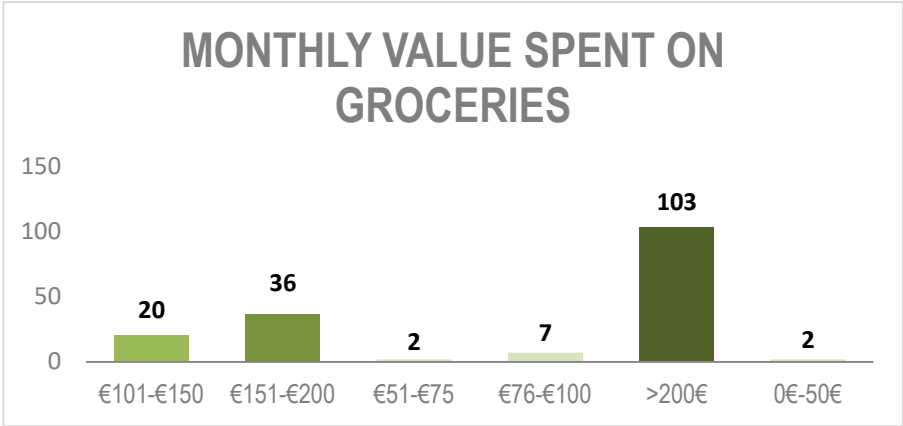
Regarding the main supermarkets chosen when shopping, since the majority of the consumers do not choose just one supermarket to purchase their goods and groceries, respondents were asked to rank their preference from 1 – first choice – to 6 – last choice. Thus, Continente achieved the first place more often, following Pingo Doce and Lidl. The first and the last three places are both very close to each other and, in the last three places there are, in order, Aldi, Minipreço and Intermarché at last (**Graph 7**).



Graph 8. Reasons for supermarket preference

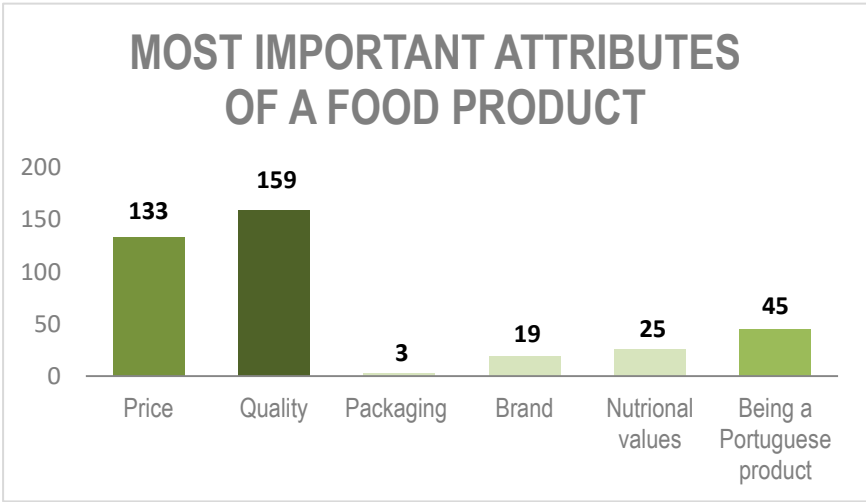
The main reasons to select these supermarkets are mainly the distance of the supermarket to the respondent's house, since, from 170 respondents, 112 chose this option as one of the reasons to choose the supermarket. The quality of the products, with 103 and the accessible

prices, with 80 are also important factors when choosing the place to shop. It can be seen that discounts and promotions are also an important factor when choosing where to shop, with 16.3% and the loyalty card with 9.5%. Finally, 6 respondents also chose online shopping and specific products as reasons for grocery shopping (**Graph 8**)



Graph 9. Monthly value spent on groceries

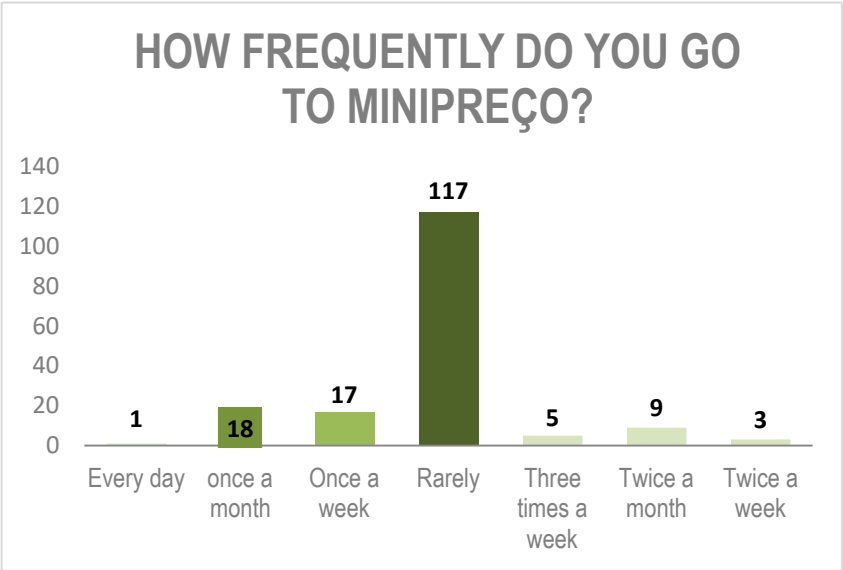
Regarding the monthly value spent in groceries, 103 of the respondents spend more than 200€, 36 spend between 151€-200€, 20 spend between 101€-150€, 7 spend between 76€-100€, 2 spent between 51-75€ and also 2 spend less than 50€ monthly (**Graph 9**).



Graph 10. Most important attributes of a food product

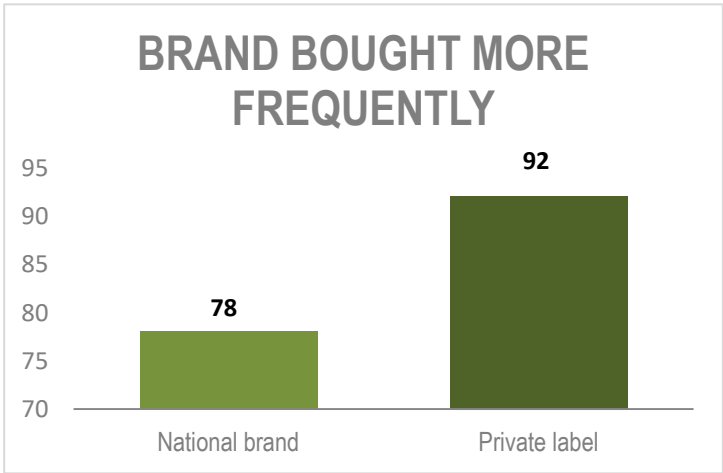
Finally, concerning the most important attributes when buying a food product, the most important ones are the quality and the price, with 159 and 133 respectively, in a total of 292 responses. Being a Portuguese product represents a great factor as well, with 45

responses. The other attributes, such as the nutritional values of the product, the packaging and the brand are not as important, with less than 25 responses each one (**Graph 10**).



Graph 11. *How frequently do you go to Minipreço*

Later, in the second part of the questionnaire, some questions about Minipreço and the loyalty to a brand were made. Firstly, it was asked how often the respondents visit Minipreço, and the majority – 117 out of 170 – rarely goes to the store. Only 18 claim they go there every month and 17 say they go once a week. 9 respondents answered that go to Minipreço 2 times a month, 5 go 3 times a week and claim they go at least 2 times a week. Only 1 respondent go there every day (**Graph 11**).

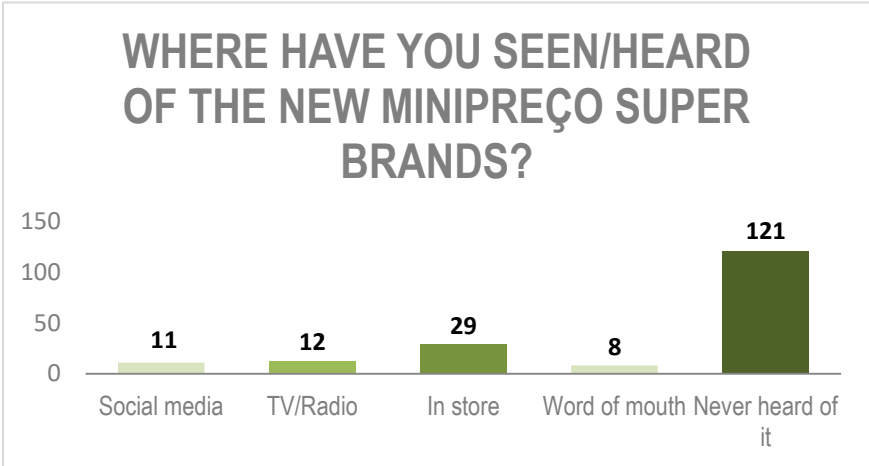


Graph 12. *Brand bought more frequently*

When asked about which type of brand the respondents buy more frequently, the majority – 92 - say they buy private label products and 78 say they buy national brand products, which makes sense since one of the most valued attributes is the price range of a product, and the private labels practice lower prices than the national ones (**Graph 12**).

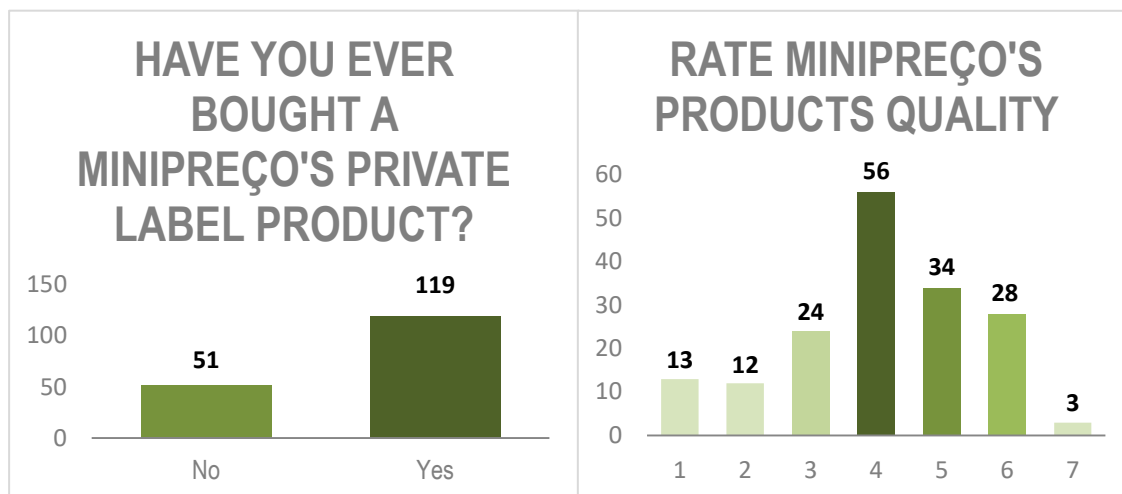
**6.4 MINIPREÇO’S PRIVATE LABEL AND ITS REBRANDING**

As stated before, the last part of the questionnaire where the focus is mainly on Minipreço’s private label and on its rebranding, the respondents were asked about the familiarity with the private label of the brand.



Graph 13. *Familiarization with new Minipreço Super Brands*

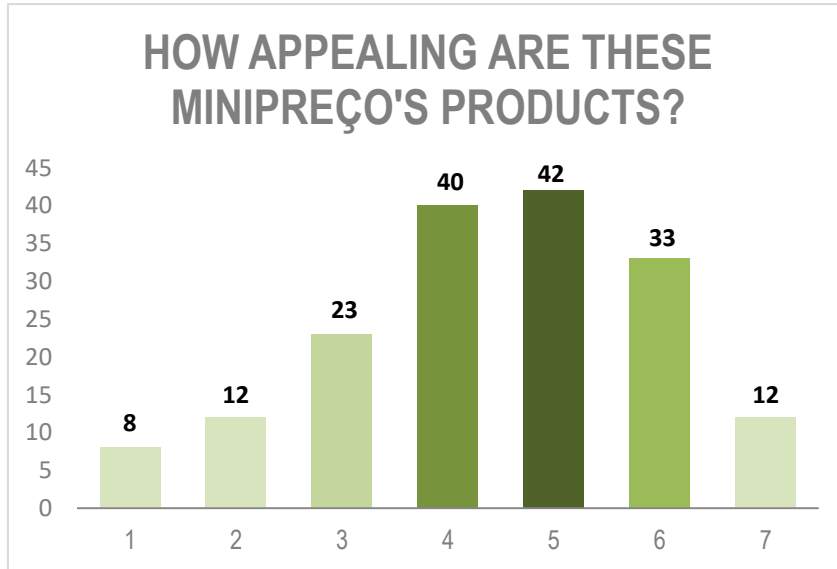
The vast majority never heard of them – 121 out of 170 – and the ones who know the Super Brands claim that knowledge comes mainly from Minipreço stores, TV/Radio (12), social media (11) and word of mouth (8) (**Graph 13**). This outcome proves that there is a lack of familiarization with the private label brand of Minipreço.



Graph 14. *Have you ever bought a Minipreço's private label product?*

Graph 15. *Rate, in a scale from 1 to 7, Minipreço's products quality*

Besides that lack of familiarity with the new Super Brands of Minipreço, when asked if they ever bought a Minipreço's private label product, most of respondents – 119 out of 170 - answered positively (**Graph 14**). Regarding the quality of those same products, in a scale from 1 to 7, where 1 means without quality and 7 means extreme quality, most of respondents – 56 out of 170 – chose number 4, which means they don't compromise in a definitive opinion over Minipreço's products. 13 respondents state that the products have no quality, following 12 and 24 respondents that also don't have a great opinion about it – choosing number 2 and 3, correspondingly. 34 respondents chose number 5, 28 number 6 and, finally, 3 respondents answered number 7 (**Graph 15**). Although the answers are very distinct and distributed, the mean responded is 4,13 which shows that respondents rate the quality of the products positively.



Graph 16. *Rating from 1 – Not appealing – to 7 – Very appealing – Minipreço's products packaging*

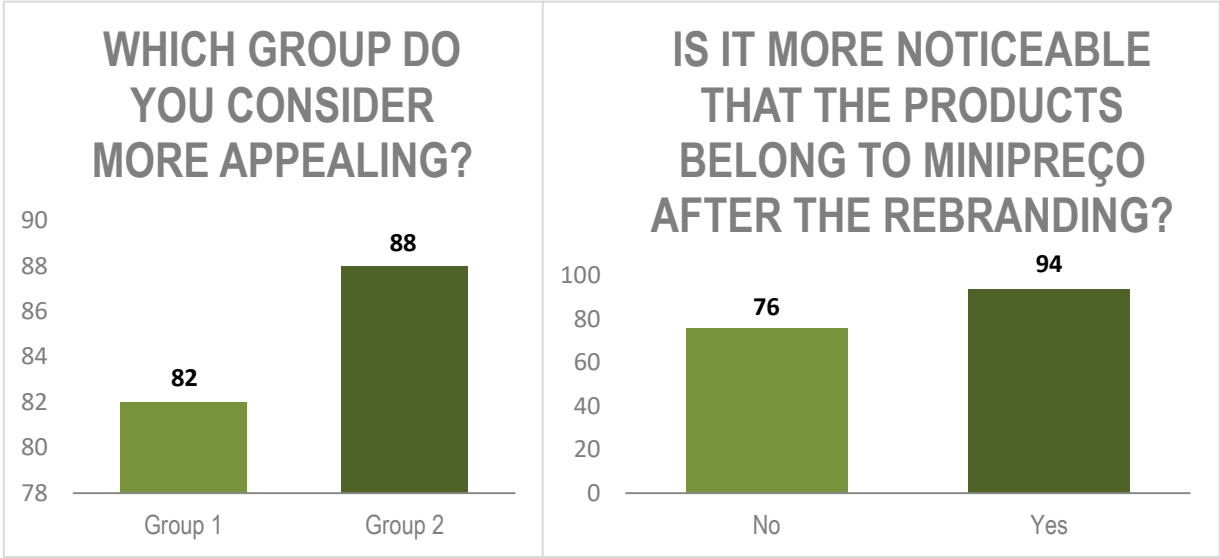
In the next part of the questionnaire, some questions regarding the packaging of the products were made. Firstly, 4 new product's images were presented and it was asked to the participants, in a scale from 1 "Not appealing at all" to 7 "Very appealing", to rate the images. The results presented a 4,43 mean of answers, being that, out of 170, 127 respondents answered from number 4 forward (**Graph 16**). Although the results are not determinative, it can be stated that the packaging of the Minipreço's products shown are considered appealing.

Mean	N
1,57	170

Graph 17. *Mean of prices customers are willing to pay for a Private Label's Yogurt*

After, two images of the same product, a yogurt, were presented, with one of them being from Minipreço's Super Brands and the other one being from Danone. Then it was asked what price the customers would be willing to pay, knowing that Danone's yogurt costs 2,14€. By analyzing the mean of 1.57€ displayed in **Graph 17**, it is possible to conclude that consumers perceive private label products as cheaper products, since their image and

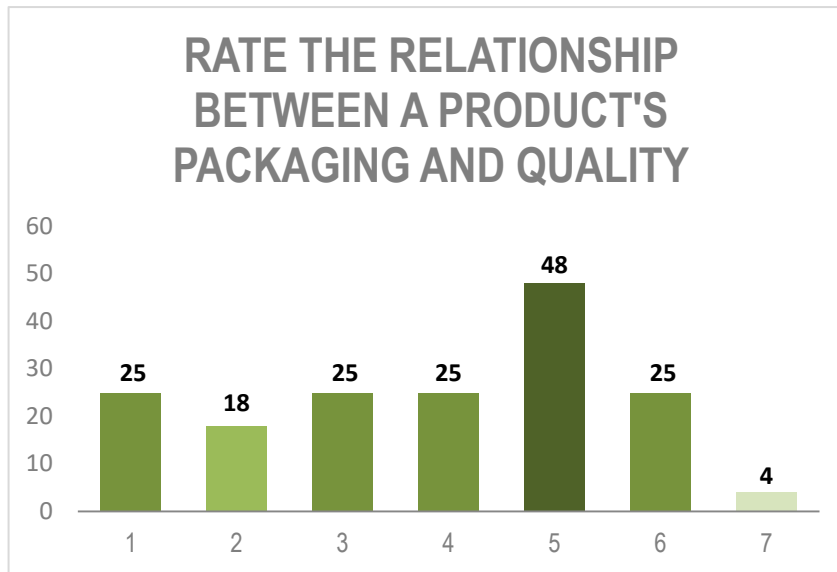
quality are perceived as weaker than national brand products and are not willing to pay more for them.



Graph 18. Which group do you consider more appealing?

Graph 19. Is it more noticeable that the products belong to Minipreço after the rebranding?

Then, it was presented a question with 2 groups of images. Each group had three pictures of the same Minipreço’s private label product, with one of them having the packaging before the rebranding and the other having the new packaging, being that none of them are identified as such. It was asked to the respondents which packaging they liked the most of each group and group 1 – the old packaging – had the preference of 82 inquiries. However, group 2- the new packaging – pleased 88 respondents, which shows a preference regarding the new packaging when compared with the old one, although the difference is not weighty (**Graph 18**). Subsequently, it was asked if the new packaging of the super brands created a greater connection with the brand Minipreço. Most of the respondents – 94 out of 170 - answered yes and the rest – 76 – answered no (**Graph 19**).



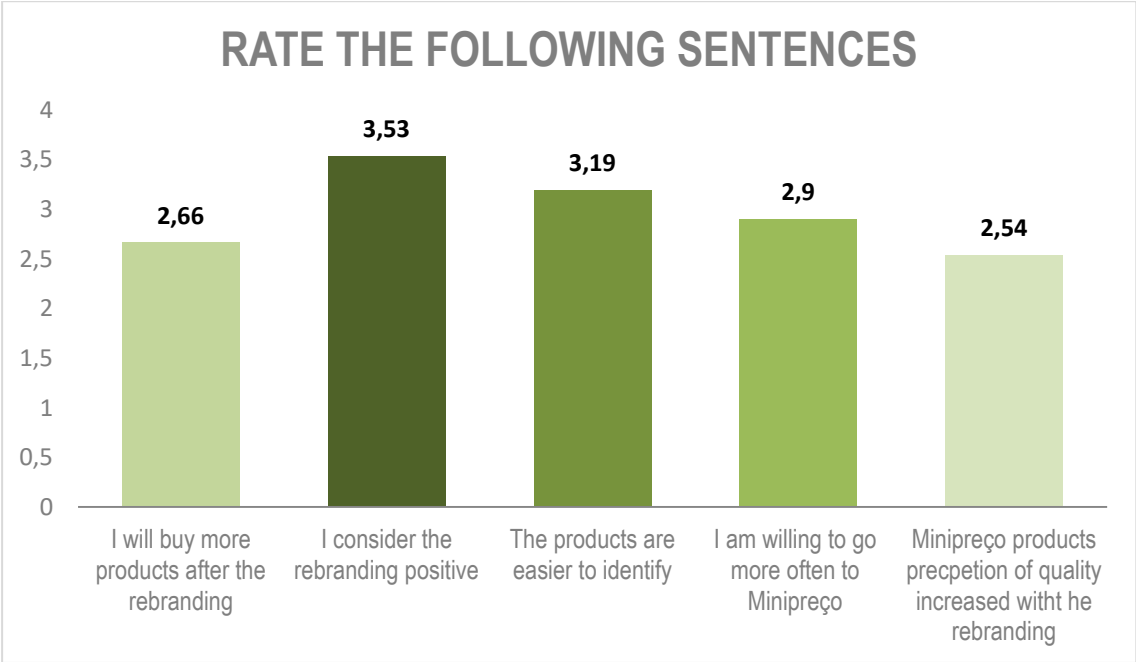
Graph 20. *Rating from 1 – Not related – to 7 – Very related – the relationship between a product's packaging and quality*

Regarding the association between the perception of quality and the image of a product, it was asked, in a scale from 1 to 7 – where 1 means “Not related” and 7 means “Very related” - how related are the image and packaging of a product with the perception of its quality and a mean of 3,85 was obtained, showing that, although the majority of respondents – 48 out of 170 – responded number 5, there is not a positive correlation between both parameters (**Graph 20**).



Graph 21. *Relationship between the rebranding and the perceived quality of the products*

When asked if Minipreço’s products have greater quality after the rebranding and the addition of the new Super Brands, 151 respondents answered negatively and 19 positively. These responses show that the image does not matter, as the only matter is the product itself that must have quality (Graph 21).



Graph 22. Rate the following sentences from where 1 means “Not at all” and 5 means “Totally”

Lastly, five statements regarding the changes were asked, where in a scale of 1 to 5, where 1 means “Not at all” and 5 means “Totally”. About the willing to buy more Minipreço products after the rebranding, it can be seen that it will not be significantly affected, since this value was evaluated with a mean of 2,66. Also, the willingness of the consumers to go more to the store won’t be affected, as the mean is 3,90. Regarding the changes being considered positive, the mean was 3,53 and regarding the easier identification of the products, the mean was 3,19 – a positive outcome as it was previously seen on the questionnaire. Answering if the products were now giving the perception of an increase in the quality, respondents were doubtful, being the mean 2,54. All these results show that, since all means are higher than the average mean of 2.5, the changes regarding the rebranding affect significantly positively the way the consumers perceive Minipreço’s Private Label’s products and that now are more willing to buy these products (Graph 21).

## 7. DISCUSSION OF THE RESULTS

After the detailed analysis of all the questions present in the questionnaire survey, it is time to discuss the results and, for that, we will develop and justify the objectives previously defined:

1. Analyze the effect of the rebranding on the credibility and familiarity of the Minipreço brand.
2. Understand the effect of the rebranding on the perceived quality of the products.
3. Analyze whether the rebranding has preponderance or changes the consumer's purchase decision.
4. Understand the general effects of the rebranding on the opinion of the consumer.

### 7.1. OBJECTIVE 1

- **Analyze the effect of the rebranding on the credibility and familiarity of the Minipreço brand.**

Firstly, we can retrace the main objectives of this rebranding settled by the company<sup>11</sup> that aims to gather new consumers and refresh the brand's image. These objectives undergo through achieving higher credibility and familiarity.

About the first objective, credibility, it can be measured through how frequently consumer's shop at Minipreço since that choice means they believe in what the company communicates – great quality with low prices. Thus, it was asked on the questionnaire how often the respondents visit Minipreço, and the majority – 117 out of 170 – rarely goes to the store (**Graph 11**). Thus, we can state that the credibility of the company might be compromised.

Regarding the second objective, familiarity, 119 out of 170 respondents of the questionnaire - answered positively when asked if they ever bought a Minipreço's private

---

<sup>11</sup> .“We understand that our consumer is demanding a larger offer with extreme quality at the best prices, our goal is to achieve all of this among with an attractive packaging that reflects our brand identity. (...)We aim to make our brand even more known and reinforce the proximity in which we are leaders.” Sofia Teixeira, private label director of Minipreço

label product (**Graph 14**), which reveals that the majority of consumer's do know the brand Minipreço, meaning a high familiarity with it. Despite this fact, a very small part of the respondents - 121 out of 170 – never heard or seen the new products of the brand, launched within the process of the rebranding, which means they lack of familiarity with the new Super Brands of Minipreço (**Graph 13**). These results explain that the consumers are familiar with the brand and with the products before the rebranding. The same cannot be stated about the new products launched – the Super Brands. A reason for the lack of familiarity of the new products might be that the process is still ongoing and unfinished and the consumer's might not be yet aware of the new products despite the wage in communication that has been activated by the company<sup>12</sup> in order to achieve their objectives, since, as we previously learnt: “in addition to ensuring that the consumer is affected by the product, the aim of the advertisement is also to undertake to persuade the consumer to buy the product” (Odunsi, 2020).

## 7.2. OBJECTIVE 2

- **Understand the effect of the rebranding on the perceived quality of the products.**

According to Underwood, R., (2015), the packaging plays an important role in the perception of the quality of a product, since is the first contact that the consumer has with it. Also, it is important to point out that, as previously state, “Consumers believe private brands have the same or better quality for less money” (Matos-Pardal, 2012), which implies that the credibility of private label product's in general is already high. Still, with the rebranding, the company aims to achieve a refreshing look and offer the same high quality until now<sup>13</sup>.

---

<sup>12</sup> “From in-store communication to communication in more traditional media, such as radio or television. With regard to the latter, it was the first time that the company bet on a widely recognized public figure, such as Sara Prata, to materialize this entire process.” Sofia Teixeira, private label director of Minipreço.

<sup>13</sup> We understand that our consumer is demanding a larger offer with extreme quality at the best prices, our goal is to achieve all of this among with an attractive packaging that reflects our brand identity”, states Sofia Teixeira, private label director of Minipreço.

However, according to the participants of the questionnaire, the relation between the image of the products and the perception of quality is not relevant, which means that a different packaging does not imply a better quality product on the consumer (**Graph 18**). When asked if Minipreço's products have greater quality after the rebranding, 151 respondents answered negatively and 19 positively. Some even stated that the product inside is still the same, being that the image of it does not influence the final outcome and experience. Although we learnt before that "product packaging can impact and influence the opinions of consumers, draw in consumer's attention and stimulate consumer's perceptions into forming their purchase intention about a particular product" (Rundh, 2005), these responses show otherwise, thus that the image does not matter, as the only matter is the product itself that must have quality (**Graph 21**) and it is not possible to conclude that the brand image that is conceived about a determined product will be relatable with their perception of quality and then affect the decision-making process. Although these results, Minipreço won, as stated by Sofia Teixeira, the "Sabor do Ano " award on 14 new products which is a "certification that recognizes flavor and quality, being a symbol of trust that allows consumers to identify these products at the time of purchase". This might seem contradictory but, as previously explained by Kotler et. al. (2009), the decision-making process "is essentially influenced by four important psychological and individual factors", which shows that there is some subconscious factors that matter in the process.

### 7.3. OBJECTIVE 3

- **Analyze whether the rebranding has preponderance or changes the consumer's purchase decision.**

First, it is important to state that most of consumer's buy private label more frequently compared to supplier brands (**Graph 12**): When asked about which type of brand the respondents buy more frequently, the majority – 92 - say they buy private label products and 78 say they buy national brand products. Private label director of Minipreço corroborates this trend: "In a context of economic crisis in which we live, private labels, by nature, grow more than manufacturer brands and it will be a given that this trend will

increase”. Thus, regarding the changes we are analyzing, the main ones to consider are the increase of loyalty to the brand and willingness do shop more frequently at Minipreço.

Regarding the willingness to shop more often at Minipreço (**Graph 22**), the mean is not significantly high - 2.9 out of 5 -, leading to the conclusion that the changes had a positive impact in the consumers perceptions but will not have a significant impact in sales. Taking in consideration the fact that these changes will not have a significant impact in sales, by contemplating the answers of the participants to the statement related with the willingness to frequent more often Minipreço stores (**Graph 22**), it can be settled that there is no significant increase in the desire of the customers to buy more and to increase their loyalty to the brand, despite all the changes. Although Sofia Teixeira states that the private label of the company is one of the main factors to attract more loyalty – “The private label is a fundamental pillar of customer loyalty and we will continue to work to ensure that it continues to be one of our greatest points of attraction” -, the rebranding will not create more loyalty through the consumers nor increase the frequency of shopping at Minipreço, meaning that consumer’s purchase decision will have no changes. In spite of this conclusion, it is important to reinforce that, at this point, the rebranding is not finished, so, as it will be developed later, a constant review of these factors should be made over time, not only because new products will be created and consumer’s will have more opportunities to see them in store, but also they will have more chances to know those same products through the brand’s communication also on the main media channels.

#### **7.4. OBJECTIVE 4**

- **Understand the general effects of the rebranding on the opinion of the consumer.**

Firstly, it is important to recall the main objectives of the company when conducting this rebranding process which are connected with the familiarity with the brand, potential increase of loyalty and willingness to shop more often at Minipreço<sup>14</sup>.

---

<sup>14</sup> “We intend to transmit energy and positivity, in a vivid color palette and to bet on a more attractive, young, cheerful and dynamic packaging that communicates with the consumer. Basically, to attract new consumers and refresh the image that the customer has of Minipreço” Sofia Texeira, private label director of Minipreço.

Regarding the loyalty and the willingness to shop more often at Minipreço, it was already stated on the previous objective that the rebranding won't change consumer's purchase decision. To measure the appeal of the new packaging, consumers were given two groups of products, one with the old packaging and the other with the new one (**Graph 21**). When inquired about which group was more appealing, most respondents chose the new packaging group as the one with the more appealing packaging. One of the reasons for this result is the fact that the choice of a packaging depends on the product itself, and in this case, customers believed the new packaging was more accurate for the product than the old one since it has a better image and a better communication/design.

Afterwards, it was asked if the new packaging created a greater connection with the brand Minipreço. Most of the respondents – 94 out of 170 - answered yes (**Graph 19**), which implies that it is now more perceptible that the products belong to the brand than before. Regarding the changes being considered positive and regarding the easier identification of the products there was a positive outcome as it was previously seen on the questionnaire (**Graph 21**). The changes regarding the rebranding affect significantly and positively the way the consumers perceive not only the private label's products but the brand, since as previously stated, although the rebranding did not change the quality perception of the products, consumers do consider that the packaging change was positive and benefits the brand. Hence, it is now possible to conclude that the rebranding created a positive impact in the perceptions about the brand itself.

## CONCLUSION

Since the inauguration of the first store in 1979, Minipreço has been growing and it became the number one in proximity in the retailing sector in Portugal. In order to fulfill the needs of the consumer, the company was the first to create a private label in Portugal that firstly had the main objective to give a competitive offer, with a better price than a national brand. Nevertheless, the sector has evolved through the years, the market share of private labels has been growing faster than expected and the consumers' needs and concerns have become more specific, forcing the main retailers to change their objectives and adapt their brands to the market. Consequently, Minipreço changed their main focus to a more innovation-driven approach through the quality of their products, diversity, image and communication. Hence, and since Minipreço's Private Label represents more than 50% of their profits, in 2020 the company started a process to reorganize the brand, by developing a new image and a new plan of communication. Thus, the main purpose of this research was to understand what the main effects in the brand were and, after a market research and the analysis of all the information collected, some conclusions were made. Recollecting the main question of the study, it is now necessary to gather all the information to better answer to it:

- **Can Minipreço's private label rebranding change the consumer's perception about the brand?**

Decisively, the rebranding of Minipreço's private label had a very positive impact in the perception of the consumers about the brand, as the products express more innovation and diversity – one of the main objectives of the company when beginning this process -and, compared with the old packaging, the new products gain the preference of the consumers. Also, it was found on the questionnaire that the new products are more easily identified with the brand than before which is also a positive outcome. Nevertheless, and in spite having a better perception about the brand, consumers didn't consider the improvement of quality of the products, stating that the only change was on the packaging and not on the product itself. Also, it is very important to indicate that most of the respondents were not familiar with the new products, not only because most of them stated that rarely frequent

Minipreço but also because – this will be further explained – the rebranding process is still ongoing.

About the willingness to buy more Minipreço products after the rebranding, it was found that it won't be significantly affected. This can be linked with the findings of the questionnaire concerning the most important attributes when buying a food product and where the respondent's stated that the most important ones are the quality and the price, whereas the packaging and the brand are not as important.

After the results discussion for each objective firstly settled, it is then possible to conclude that, with the rebranding, the consumers perceive the brand as more innovative developed, leading to the conclusion that the changes had a positive impact on the brand until now, and, since the process is still unfinished, it is expected that these perception improves even more and that the consumers increase their familiarity with the new products.

During the execution of this dissertation, several limitations were found, mainly related with the lack of information need and the quality of information acquired. Regarding the primary data necessary to write the case study, it was difficult to get all the information from the company, as most of the valuable data was considered confidential and it could not be shared. Also, the fact that the research took place while the rebranding was still happening, getting more accurate information was harder as the process was not finished yet. Concerning secondary data, there is still a lack of information regarding the brand image of private labels since, in Portugal since they've only been evolving regarding their packaging in the past few years. About the market research, as the survey was also prepared during the process of rebranding, a good amount of the new super brands products were not still in store, creating some difficulties for participants to notice those changes. Also, a sampling of 170 responses is not well representative of the all Portuguese population and, since it was made through social media and word of mouth, the majority of respondents had the same demographic characteristics. However, those characteristics were beneficial to the study, since more than 48% of the participants were aged between 46-65 years, the age gap that shops groceries more frequently. Still, it was aimed that this percentage was higher in order to achieve a greater perception of the questions asked and their context.

For further research, it would be relevant to do a monitoring of the sales and loyalty cards after the rebranding and compare it with the ones before, in order to understand if there was an increase related with it or not. It would also be important to study the perceptions of the consumers one year after the end of the process, to better understand if their opinion is complying or not with the conclusions made at this point of the process. The consumer's perception can change within the process not only because new products will be released but also because the company is actively investing in communicating the new Super Brands which will, most likely, create more brand awareness and, consequently, the consumer's will gradually recognize the products over time.

## IV. BIBLIOGRAPHY

Aaker, David A. (1991). *Managing brand equity: capitalizing on the value of a brand name*. New York: Free Press.

Aaker, A. (1996). *“Building strong brands, (First edition)”*. New York: The Free Press.

Aaker, J. (1997). *“Dimensions of Brand Personality”*. *Journal of Marketing Research*, Vol. 34, 347-356.

Agariya, A., Johari, A., Sharma, H., Chandraul, U. & Singh, D. (2012) *“The Role of Packaging in Brand Communication”*, *International Journal of Scientific & Engineering Research*, vol. 3.

Alves, P. & Cardoso, A. (2008). *“Atitude dos Consumidores relativamente à Marca dos Distribuidores”*. *Revista da Faculdade de Ciências Humanas e Sociais*. Porto. ISSN 1646-0502. 5 (2008) 38-55.

AMA (2007). *Definition of Brand (AMA Dictionary)*.

Amron, A. (2018). *“The Influence of Brand Image, Brand Trust, Product Quality, and Price on the Consumer’s Buying Decision of MPV Cars”*. *European Scientific Journal*, ESJ, 14(13), 228.

Amrouche, N., Rhouma, T. & Zaccour, G. (2014) *“Branding Decisions for Retailer’s Private Labels”*. *Journal of Marketing Channels* 21(2):100-115.

Andrade, F. & Domingues, D. (2016) *“Comportamento do Consumidor”*. Centro Universitário de Maringá.

Argenti, P. & Druckemiller, B. (2004). *“Reputation and the Corporate Brand.”*, Tuck School of Business at Dartmouth: Working Paper No. 03-13.

Bairrada, C., Coelho, A. & Lizanets, V. (2018). “*The impact of brand personality on consumer behavior: the role of brand love*”. *Journal of Fashion Marketing and Management*, vol. 23.

Baker, M. & Balmer, J. (2007). “*Visual identity: trappings or substance?*”. *European Journal of Marketing*, Vol. 31.

Balmer, J (1998). “*Managing Corporate Image and Corporate Reputation*”, *Long Range Planning* 31(5).

Bao, S., Sheng, Y., Bao, D. & Stewart, D. (2011). “*Assessing quality perception of private labels: intransient cues and consumer characteristics*”. *Journal of Consumer Marketing* 28/6, 448–45.

Barnett, M., Jermier, J. & Lafferty, B (2006), “*Corporate Reputation: The Definitional Landscape*”, *Corporate Reputation Review*, Vol. 9, No. 1, pp. 26–38.

Batra, R. & Sinha, I. (2000). “*The effect of consumer price consciousness on private label purchase*”. *International Journal of Research in Marketing*. 16(3):237-251.

Begley, S. & McOuat, A. (2021). “*The potential for powerhouse private brands: An updated view*”. McKinsey & Company.

Bellman, G. & Johnson, E. (1999) “*Predictors of Online Buying Behavior*”. *Communications of the ACM* 42(12):32-38.

Belmonte, A. (2009), “*Relationship marketing: como uma estratégia de co-branding pode ser relevante numa abordagem relacional ao mercado — o caso Nike*”, *Comunicação Pública*, Vol.4 nº8 / nº7.

Bergès, F. & Hassan, D. (2013) “*Are Consumers More Loyal do National Brands than to Private Labels?*”. *Bulletin of Economic Research*, vol. 65.

Besharat, A. (2010). *“How co-branding versus brand extensions drive consumers evaluations of new products: A brand equity approach”*. Industrial Marketing Management, 39, 1240-1249.

Blackwell, D., Miniard, W. & Engel, F. (2006). *“Consumer behavior”* (10th edition). Thomson South-Western.

Bladow, Laura E. (2018). *“Worth the click: Why greater FTC enforcement is needed to curtail deceptive practices in influencer marketing”*. William & Mary Law Review, 59(3): 1123-1164.

Borg, E. & Gratzer, K. (2013). *“Theories of Brands and Entrepreneurship: Conceptualising Brand Strategies”*. Annual International Conference on Business Strategy and Organizational Behaviour.

Borg, E. & Gratzer, K. (2013). *“Theories of Brands and Entrepreneurship: Conceptualising Brand Strategies”*. Annual International Conference on Business Strategy and Organizational Behaviour.

Borghi, A. (2010) *“A Embalagem como Vantagem Competitiva de Produtos Marca Própria”*.

Botti, s. & McGill, A. (2011). *“The Locus of Choice: Personal Causality and Satisfaction with Hedonic and Utilitarian Decisions”*. Journal of consumer research, vol 3.

Briefing (2022). *“O WhatsApp tem Minipreço”*.

Chailan, C. (2009). *“Brand architecture and brands portfolio: A clarification”*. EuroMed Journal of Business 4(2).

Chang, S. & Nguyen, S. (2018). *“Peer pressure and its influence on consumers in Taiwan. Academic Journals, Vol. 12(8), pp. 221-230.*

Chernatony, L. & McDonald, M. (2003). *“Creating Powerful Brands in Consumer, Service and Industrial Markets”*.

Chernatony, L. & Riley, F. (2000). *“The Service Brand as Relationships Builder.”* British Journal of Management.

Chernatony, L. (2006). *“From Brand Vision to Brand Evaluation”*.

Chierici, R., Del Bosco, B., Mazzucchelli, A. & Chiacchierini, C. (2018). *“Enhancing Brand Awareness, Reputation and Loyalty: The Role of Social Media”*. International Journal of Business and Management, Vol. 14.

Clark, H. & Montgomery, B. (1998). *“Competitive reputations, multimarket competition and entry deterrence”*. Journal of Strategic Marketing.

Collins-Dodd, C. & Lindley, T. (2003). *“Store brands and retail differentiation: the influence of store image and store brand attitude on store own brand perceptions”*. Journal of Retailing and Consumer Services 10 (2003) 345–352.

Comegys, C., Hannula, M. & Vaisanen, J. (2006). *“Longitudinal comparison of Finnish and US online shopping behavior among university students: The five-stage buying decision process”*. Journal of Targeting, Measurement and Analysis for Marketing, Vol 14.

Conick, H. (2018). *“How to win friends and influence millions: the rules of influencer marketing”*. Marketing News, 52(7): 36-45.

Consuegra, I. & Kitchen, K. (2006). *“Own labels in the United Kingdom: A source of competitive advantage in retail business”* Pensamiento & Gestión, núm. 21, pp. 114-161 Universidad del Norte.

Corstjens & Lal (2000) *“Building Store Loyalty Through Store Brands.”* Journal of Marketing Research, vol. 37.

Cuneo, A., Lopez, P. & Yague, M. (2012). “*Private label brands: Measuring equity across consumer segments*”. *Journal of Product & Brand Management* 21(6).

Demoulin, N. & Zidda, P. (2008). “*On the impact of loyalty cards on store loyalty: Does the customers' satisfaction with the reward scheme matter?*”. *Journal of Retailing and Consumer Services* 15(5).

Dhar & Hoch (1997). “*Why Store Brand Penetration Varies by Retailer*”. *Marketing Science*, vol. 16.

Dive, S., & Ambade, D. (2016). “*Increasing influence of Private Label Brands in organized retail*”. *International Journal of Research in Commerce & Management*, 7(12), 14-19.

Do It (2022). “*Minipreço lança ativação que visa alertar para a disparidade salarial*”.

Donthu, N. & Gustafsson, A. (2020). “*Effects of COVID-19 on business and research*”. *Journal of Business Research*, Vol. 117.

Eagly, H., & Chaiken, S. (1993). “*The psychology of attitudes*”. Harcourt Brace Jovanovich College Publishers.

Eccles, R., Newquist, S. & Schatz, R. (2007). “*Reputation and Its Risks*”. *Harvard Business Review*.

Engel, F., Blackwell, D. & Miniard, W. (2002) “*Comportamento do Consumidor.*”. Rio de Janeiro: Editora LT.

Essamri, A., McKechnie, S. & Winklhofer, H. (2018). “*Co-creating corporate brand identity with online brand communities: A managerial perspective*”. *Journal of Business Research* 96 (2019) 366–375.

Evanschitzky, H., Eisend, M., Roger J. & Yuanyuan J. (2012). “*Success Factors of Product Innovation: An Updated Meta-Analysis*”. *Journal of Product Innovation Management*.

Felizardo, F. (2017). *“Faróis de Portugal -Turismo e Alojamento: a Criação de uma Marca e Conceito de Turismo e Alojamento”*. Instituto Politecnico de Leiria (Portugal) ProQuest Dissertations Publishing.

Fishbein, M., & Ajzen, I. (1975). *“Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research.”* Reading, MA: Addison-Wesley.

Fombrun, C. & Riel, C. (1997). *“The Reputational Landscape”*. *Corporate Reputation Review* 1(1):1-16.

Fombrun, J. & Shanley, M. (1990). *“What’s in a name? Reputation building and corporate strategy”*. *The Academy of Management Journal*, 33 (2).

Fontenelle & Pereira (1996), *“Private labels and consumer benefits: the Brazilian experience”*, *Advances in Consumer Research*, Vol. 23.

Fournier, S. (1998). *“Consumers and Their Brands: Developing Relationship Theory in Consumer Research”*. *Journal of Consumer Research* 24(4):343-73.

Freeman, E. (1984). *“Strategic management: A stakeholder approach”*. Cambridge University Press.

Freeman, R. & Mcvea, J. (2001). *“A Stakeholder Approach to Strategic Management”*. SSRN Electronic Journal.

Gandomi, A. & Zolfaghari, S. (2013). *“Profitability of loyalty reward programs: An analytical investigation”*. *Omega*, Volume 41, Issue 4.

Gary, E. & Balmer, J. (2003) *“Corporate Brands: What are They? What of Them?”*. *European Journal of Marketing* 37(7/8).

Ghani, U. & Khamal, Y. (2010). *“The Impact of In-Store Stimuli on the Impulse Purchase Behaviour of Consumers in Pakistan”*.

Gielens K., Ma, Y., Namin, A., Sethuraman, R., Smith, R., Bachtel, R. & Jervis, S. (2021). *“The Future of Private Labels: Towards a Smart Private Label Strategy”*. Journal of Retailing, Vol. 97, 99-115.

Gilbert, D. (2003) *“Retail Marketing Management”*. Financial Times Prentice Hall.

Girard, T., Trapp, P., Pinar, M. & Gulsoy, T (2017). *“Consumer-Based Brand Equity of a Private-Label Brand: Measuring and Examining Determinants”*. The Journal of Marketing Theory and Practice 25(1).

Girard, T., Trapp, P., Pinar, M., Gulsoy, T., & Boyt, T. (2017). *“Consumer-Based Brand Equity of a Private-Label Brand: Measuring and Examining Determinants.”* Journal of Marketing Theory and Practice.

Grande Consumo (2022). *“De norte a sul de Portugal, com o Minipreço e o Domingo”*.  
Grande Consumo, (2021). *“Marca própria é um dos vencedores do contexto de pandemia”*.

Guthrie, M. & Kim, H. (2008). *“The effects of facial image and cosmetic usage on perceptions of brand personality”*. Journal of Fashion Marketing and Management Vol. 12.

Guthrie, M., Kim, H. & Jung, J. (2008). *“The Effects of Facial Image and Cosmetic Usage on Perceptions of Brand Personality”*. Journal of Fashion Marketing & Management, 12.

Hanaysha, J. (2017). *“An examination of the factors affecting consumer’s purchase decision in the Malaysian retail market”*. Faculty of Business and Management.

Hatch, M. J. & Schultz, M. (2002). *“The Dynamics of Organizational Identity”*. Human Relations, 55(8).

Hellström, D. & Nilsson, F. (2011). *“Logistics-driven packaging innovation: a case study at IKEA”*. International Journal of Retail & Distribution Management. 9(39): 638-657.

Hipersuper (2011). *“Marcas próprias estimulam a compra, repetição e lealdade”*.

Holt, D. (2002). *“Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding”*. Journal of Consumer Research Vol. 29.

Hopper, D. (2020). *“Consumer Behavior: Understanding the Psychology Behind Consumption”*. Business to Community – Consumer Marketing.

Hoyer, J., & Pieters, R. (2016). *“Consumer behavior”*. Cengage learning.

Hurley, R., Ouzts, A., Fischer, J. & Gomes, T. (2013). *“Effects of Private and Public Label Packaging on Consumer Purchase Patterns”*. Packaging Technology and Science, 26.

Johnson, B. & Reingen H, (1987) *“Social ties and word-of-mouth referral behavior”*, Journal of Consumer Research.

Kapferer, J. (2004). *“The New Strategic Brand Management”*. Journal of Brand Management: Advanced Collections.

Kardes, F., Cronley, M. & Cline, T. (2015). *“Consumer behavior”*. Cengage Learning.

Kaufmann, H. & Loureiro, S. (2016). *“Exploring behavioural branding, brand love and brand co-creation”*. Journal of Product & Brand Management 25(6).

Keller, K. (1998). *“Strategic Brand Management – building, measuring, and managing brand equity”*. New Jersey, USA. Prentice Hall.

Keller, K. (2001). *“Building customer-based brand equity: Building customer-based brand equity”*. Marketing Science Institute.

Keller, K. (2003). *“Strategic brand management: Building, measuring, and managing brand equity”*. Indiana, Prentice Hall.

Keller, P. & Kotler, K. (2005). *“Marketing Management”*.

Kotler, P. (2000). *“Administração de Marketing”*.

Kotler, P. (2003). *“Marketing Management”*. 11th Edition, Prentice-Hall, Upper Saddle River.

Kotler, P., Keller, K., Brady, M. & Hansen, T. (2009) *“Marketing Management”*. Pearson Education Limited.

Kotler, P., Wong, V., Saunders, J. & Armstrong, G. (1996). *“Principles of Marketing”*. Pearson Education Limited.

Kumar & Steenkamp (2011). *“Private Label Strategy: How to Meet the Store Brand Challenge”*.

Laaksonen, H. & Reynolds, J. (1994). *“Own brands in food retailing across Europe”*. Journal of Brand Management 2(1):37.

Lamey, L., Dekimpe, M., Deleersnyder, B. & Steenkamp, J. (2007). *“How Business Cycles Contribute to Private-Label Success: Evidence from the United States and Europe”*. Journal of Marketing 71(1).

Lepsch, Souza & Goldstein (2005). *“Estratégias das marcas próprias no relacionamento entre indústria e comércio e a percepção do consumidor”*. XII SIMPEP.

Li, M. & Green, R. (2011). *“A Mediating influence on customer loyalty: The role of perceived value”*.

Lieven, T.; Grohmann, B.; Herrmann, A.; Landwehr, J. R. & Tilburg, M. (2014). *“The Effect of Brand Gender on Brand Equity”*. Psychology and Marketing, V.31(5).

Loureiro, S. Sarmiento, E. & Le Bellego, G. (2017). *“The effect of corporate brand reputation on brand attachment and brand loyalty: Automobile sector”*, Cogent Business & Management.

M’zungu, S., Merrilees, B. & Miller, D. (2010). *“Brand management to protect brand”*. Journal of Brand Management (2010) 17, 605 – 617.

Madahi, A. & Sukati, I. (2012). *“The Effect of External Factors on Purchase Intention amongst Young Generation in Malaysia”*. International Business Research 5(15).

Maharani, N., Helmi, A., Mulyana, A. & Hasan, M. (2020). *“Factors Influencing Purchase Intention on Private Label Products”*. Journal of Asian Finance, Economics and Business Vol 7 No 11 (2020) 939–945.

Marquesa, C., Silva, R., Davcikb, N. & Fariac, R. (2020). *“The role of brand equity in a new rebranding strategy of a private label brand”*. Journal of Business Research 117 497–507.

McDonald, W. (1994). *“Developing international direct marketing strategies with a consumer decision-making content analysis”*. Journal of Direct Marketing, Volume 8, Issue 4.

McEwen, W. (2005). *“Married to the Brand: Why Consumers Bond with Some Brands for Life”*. Gallup Press.

McGoldrick. P. (2002). *“Retail Marketing”*.

McMullan, R. & Gilmore, A. (2008). *“Customer Loyalty: An empirical study”*. European Journal of Marketing 42.

Melewar, T. & Wooldridge, A. (2001). "*The dynamics of corporate identity: A review of a process model*". Journal of Communication Management, Vol. 5.

Melewar, T. (2008). "*Facets of Corporate Identity, Communication, and Reputation*" Taylor & Francis e-Library.

Mendonça, S. (2008), "*Economia de Babel: Competição econômica simbólica*", Janus-Anuário de relações exteriores.

Mimouni-Chaabane, A. & Volle, P. (2010) "*Perceived benefits of loyalty programs: Scale development and implications for relational strategies*" Journal of Business Research, 63.

Money, K., Saraeva, A., Garnelo-Gomez, I., Pain, S. & Hillenbrand, C. (2017). "*Corporate reputation past and future: a review and integration of existing literature and a framework for future research*". Corporate Reputation Review, 20 (3-4).

Mooji, M. (2010). "*Global Marketing and Advertising – Understanding Cultural Paradoxes*". Sage Publications, 3<sup>rd</sup> Edition.

Moreira, M. & Carvalho, A. (2013). "*Reputação corporativa: O desafio da análise*". Gestão e Desenvolvimento, 21, 37-55.

Morrisson, O. & Huppertz, J. (2010). "*External equity, loyalty program membership, and service recovery*". Journal of Services Marketing.

Moss, P (2008). "*What Future for the Relationship between Early Childhood Education and Care and Compulsory Schooling?*". Research in Comparative and International Education, Volume 3.

Mowen, C. & Minor, S. (2006) "*Comportamento do consumidor*". São Paulo: Prentice Hall.

Muhammad, M., Muhammad, G., Iqbal, H., Ali, Q., Hunbal, h., Muhammad, N. & Ahmad, B. (2013) "*Impact of Brand Image and Advertisement on Consumer Buying Behavior*". World Applied Sciences Journal, 23.

Mustafa, G., Sukran, K. & Olgun, K. (2010). "*The effects of outdoor advertisements on consumers: A case study*". Studies in Business and Economics.

*New Form of Brand Crises*". Journal of Marketing Theory and Practice, 24(4).

Nielsen (2010), "*Global Private Label Report*".

Nielsen (2011), "*Global Private Label Report - The Rise of the Value-Conscious Shopper*".

Nielsen (2019), *Future opportunities in FMCG e-commerce: market drivers and five-year forecast*".

Nofal, R., Caliciouglu, C. & Aljuhmani, H. (2020). "*The impact of social networking sites advertisement on consumer purchasing decision: The Mediating role of brand awareness*". International Journal of Data and Network Science, 4.

Obonyo, S. (2019). "*The influence of out of home advertising on consumer attitude in fast moving consumer goods in westlands division, Nairobi county*".

Odunsi, R. (2020). "The effect of advertising on consumer behavior in Finland".

Ogilvy, D. (1964), "*Confessions of an Advertising Man*", New York, Atheneum.

Ondra, M., Škaroupka, D. & Rajlich, J. (2017). "*Innovating product appearance within brand identity*". Institute of Machine and Industrial Design, Faculty of Mechanical Engineering, Brno University of Technology.

Oliveira, C. (2019). "*Brand Management na era digital e humana*". Grupo Almedina.

Park, H. & Lee, J. (2008) “*eWOM overload and its effect on consumer behavioral intention depending on consumer involvement*”. *Electronic Commerce Research and Applications* 7(4).

Park, M. & Jeong, H. (2004) “*The Effects of Customer Satisfaction and Switching Barrier on Customer Loyalty in Korean Mobile Telecommunication Service.*” *Telecommunication Policy*, 28.

Parsons, B. (2008). “*The state of methods and tools for social systems change*”. Volume 39, Issue 3-4.

Peeters, Bisarro & Amaral (2006). “*Estratégia de Marca Própria Refletida na Imagem Percebida pelos Compradores de Super/Hipermercados*”. *Jovens Pesquisadores*, vol. 3, pp. 1-15.

Pinto, A. (2010). “*Estudo sobre marcas brandas e marcas do distribuidor. Comparação entre Pingo Doce e Minipreço em Lisboa e São Brás de Alportel.*” Instituto Superior de Ciências Sociais e Políticas.

Post, E. & Griffin, J. (1997). “*Part VII: Managing reputation: Pursuing everyday excellence*”. *Corporate Reputation Review*, 1 (1/2).

Razak, A. & Kamaruddin, K. (2009). “*Malay culture and consumer decision-making styles: an investigation on religious and ethnic dimensions*”. *Jurnal Kemanusiaan*, Vol.14.

Rekom. J. (2007). “*Deriving an operational measure of corporate identity*”. *European Journal of Marketing*, Vol. 31.

Richardson, Jain & Dick (1996). “*The influence of store aesthetics on evaluation of private label brands*”. *Journal of Product & Brand Management*.

Riley, C. (2000). “*The Service Brand as Relationships Build*”. *British Journal of Management*.

Rimas e Batidas (2020). “*De som de fundo a palcos digitais: artistas portuguesas dão mini-concertos online no Minipreço*”.

Rocha, L. (2004) “*Orientação para clientes*”. Rio de Janeiro: Senac.

Rosenberg, J. & Hovland, I. (1960). “*Cognitive, Affective and Behavioral Components of Attitudes.*” In: Rosenberg, M.J. and Hovland, C.I., Eds., *Attitude Organization and Change: An Analysis of Consistency among Attitude Components*, Yale University Press, New Haven.

Round, G. & Roper, S. (2017). “*When and why does the name of the brand still matter? Developing the temporal dimension of brand name equity theory*”. *European Journal of Marketing* 51.

Rundh, B (2005). “*The multi-faceted dimension of packaging: Marketing logistic or marketing tool?*”. *British Food Journal* 107(9):670-684.

Samara, B. & Morsch, A. (2005) “*Comportamento do consumidor: conceitos e casos*”. São Paulo: Pearson Prentice Hall.

Sameti, A. & Khalili. H. (2017). “*Influence of in-store and out-of-store creative advertising strategies on consumer attitude and purchase intention*”. *Intangible Capital* 13(3):523-547.

Schiffman, L., & Kanuk, L. (2010). “*Consumer Behavior*”. Global Tenth Edition. Pearson Education.

Shareef, M., Mukerjib, B., Dwivedic, Y. & Ranac, N. (2019) “*Social media marketing: Comparative effect of advertisement sources*”. *Rubina Islam Journal of Retailing and Consumer Services* 46: 58–69.

Sheth, N., Mittal, B. & Newman, I. (2001). “*Comportamento do cliente: indo além do comportamento de do consumidor*”. São Paulo: Atlas.

Silva (2011). *“Determinantes da confusão entre Marca Própria e Marca de Fabricante”*. FEUP.

Silva, M. (2016). *“A Marca nas Instituições de Ensino Superior: o Impacto da Marca P.porto Junto dos Estudantes do 1º Ano do ISCAP em 2016/2017”*. Instituto Politecnico do Porto (Portugal) ProQuest Dissertations Publishing.

Simões, C., Dibb, S. & Fisk, R. (2005). *“Managing Corporate Identity: An Internal Perspective”*. Journal of the Academy of Marketing Science. Volume 33, No. 2.

Solomon, M. (2015). *“Consumer Behavior: Buying, Having, and Being - Global Edition”*. Pearson Education Limited.

Solomon, M., Bamossy, G., Askegaard, S., & Hogg, M. K. (2006). *“Consumer behaviour – A european perspective”*. New Jersey: Prentice Hal.

Steinhoff, L. & Palmatier, R. (2013). *“Understanding loyalty program effectiveness: managing target and bystander effects”*. Journal of the Academic Marketing Science.

Sung, Y. & Kim, J. (2010). *“Effects of brand personality on brand trust and brand affect”*. Psychology & Marketing, Vol. 27, Issue 7.

Sutton-Brady C., Taylor T., & Kamvounias P. (2017). *“Private label brands: a relationship perspective”*. Journal of Business & Industrial Marketing, 32 (8).

Teimourpour, B. & Hanzae, K. (2011). *“The impact of culture on luxury consumption behaviour among Iranian consumers”*. Journal of Islamic Marketing.

Tybout, A. & Carpenter C. (2010). *“Creating and Managing Brands”*. Kellogg on Marketing.

Underwood, L. & Klein, M. (2002). *“Packaging as Brand Communication: Effects of Product Pictures on Consumer Responses to the Package and Brand”*. Journal of Marketing Theory and Practice, 58-68.

Upendra, M. & Mishra, P. (2012). *“What is a brand? A Perspective on Brand Meaning”*. European Journal of Business and Management, Vol. 4.

Vahie & Paswan (2006). *“Private label brand image: Its relationship with store image and national brand”*. International Journal of Retail & Distribution Management 34(1):67-84.

Vance, P. & Ângelo, C. (2007). *“Reputação Corporativa: Uma revisão teórica”*. Revista de Gestão USP, V. 14.

Veloutsou & Moutinho, (2009). *“Brand relationships through brand reputation and brand tribalism”*. Journal of Business Research 62.

Vercic, T. & Vercic, D. (2007). *“A use of second-order co-orientation model in international public relations”*. Public Relations Review 33(4).

Vrontis, D., Vignali, C. & Thrassou, A. (2006). *“The Country-Of-Origin Effect on the Purchase Intention of Apparel – Opportunities & Threats for Small Firms”*. International Journal of Entrepreneurship and small Business, 3.

Whetten, D. (2006). *“Strengthening the Concept of Organizational Identity”*. Journal of Management Inquiry, Vol. 15 No. 3.

Williams, R., Lingelbach D. & Omar, M. (2009). *“Global brand market-entry strategy to manage corporate reputation”*. Journal of Product & Brand Management.

Yang, X. & Smith, R. (2009). *“Beyond Attention Effects: Modeling the Persuasive and Emotional Effects of Advertising Creativity”*. Marketing Science Vol. 28, No. 5.

Yi-Ru, R. (2017). *“Perceived values of branded mobile media, consumer engagement, business-consumer relationship quality and purchase intention: A study of WeChat in China”*. Public Relations Review, Vol. 43, Issue 5.

Yokoyama, H., Silva, A. & Piato, E. (2012). *“O Desenvolvimento de marcas próprias: estudo comparativo entre o varejo e fornecedores da indústria alimentícia”*. Gest. Prod., São Carlos, v. 19, n. 3.

Yoo, B.; Donthu, N. & Lee, S. (2000). *“An Examination of selected Marketing Mix Elements and Brand Equity”*. Journal of the Academy of Marketing Science, 28(2), 195-211.

Younus, S., Rasheed, F. & Zia, A. (2015) *“Identifying the Factors Affecting Customer Purchase Intention”*. Global Journal of Management and Business Research: Administration and Management, Vol. 15.

Zenetti, G. & Klapper, D. (2016). *“Advertising Effects Under Consumer Heterogeneity – The Moderating Role of Brand Experience, Advertising Recall and Attitude”*. Journal of Retailing, Elsevier, vol. 92(3).

Zhao J., Butt S., Murad M., Mirza F. & Saleh A. (2022). *“Untying the Influence of Advertisements on Consumers Buying Behavior and Brand Loyalty Through Brand Awareness: The Moderating Role of Perceived Quality”*. Frontiers in Psychology.

Zia, N. (2016). *“The role of advertising on consumer buying decision in Pakistan”*. Singaporean Journal of Business economics and management Studies, Vol.5.

## V. APPENDICES

### APPENDIX A. INTERVIEW GUIDE

At the beginning:

- Describe the purpose of the study and interview
- Ask permission to record

Questions:

1. When and how did the idea of reformulating the Minipreço private label start?
2. What are the main reasons behind rebranding?
3. Is the bet only on reformulating existing products or also on adding new products?
4. What are the expectations and main objectives?
5. Have these expectations and objectives been met?
6. Is the change in customers' perception of the brand one of the objectives?
7. Is this objective being achieved? What feedback have you received?
8. How is communication about this rebranding been meeting your goals?

## **APPENDIX B. ONLINE QUESTIONNAIRE CONDUCTED IN PORTUGUESE**

### **Impact of Minipreço private label's rebranding**

Welcome! This questionnaire is part of an investigation within the scope of a Master's thesis in Communication Sciences at the Faculty of Human Sciences of the Catholic University of Portugal. The questionnaire is anonymous and the results obtained will only be used for academic purposes.

Feel free to contact me if you need any further information (joanamadeira@campus.ul.pt) and thank you so much for your time!

### **1<sup>st</sup> Part**

#### **Q1. How frequently do you buy groceries?**

- Every day
- Three times a week
- Two times a week
- Once a week
- Twice a month
- Once a month
- Other

#### **Q2. Please order from 1 – first choice – to 6 – last choice – your preference regarding supermarkets:**

- Minipreço
- Continente/Modelo
- Pingo Doce
- Lidl
- Aldi
- Intermarché

#### **Q3. What are the main reasons for you to shop in a supermarket?**

- Quality of the products
- Accessible price
- Location
- Discounts and promotions
- Loyalty program

- Other

**Q4. In average, how much do you/family spend monthly in groceries?**

- 0€-50€
- 50€-75€
- 75€-100€
- 100€-150€
- 150€-200€
- >201€

**Q5. What attributes do you value the most when buying a product?**

- Price
- Quality
- Packaging
- Brand
- Nutritional values
- Being a Portuguese product
- Other

**2nd part – Minipreço**

**Q6. How frequently do you go to Minipreço?**

- Every day
- Three times a week
- Two times a week
- Once a week
- Twice a month
- Once a month
- Other

**Q7. Which type of brand do you buy the most?**

- Private Label
- National Brand

**3<sup>rd</sup> Part – Minipreço's Private Label – Super Brands**

**Q9. In a scale from 1 to 5, where 1 means “Strongly disagree” and 5 means “Strongly agree”, rate the following sentence: "I am familiar with Minipreço's new private label Super Brands."**

**Q10. Where have you seen/heard of the new Minipreço Super Brands?**

- Social Media
- TV/Radio
- In store
- Word of mouth

**Q11. Have you ever bought any products of Minipreço’s Super Brands?**

- Yes
- No

**Q13. In a scale of 1 to 7, where 1 means “Without quality” and 7 means “A lot of quality”, what do you think about Minipreço’s products quality?**

**Q14. In a scale of 1 to 7, where 1 means “Not appealing at all” and 7 means “Totally appealing”, what do you think about the packaging of these products?**



**Q15. In general, in a scale of 1 to 7, where 1 means “Not satisfied at all” and means “Totally satisfied”, how satisfied are you with Minipreço products?**

**Q16. How much would you be willing to pay for a package of 4 Greek yogurts of Minipreço’s brand, knowing that the same product from Danone costs 2,14€?**



**Q17. Considering the appearance of the packaging, which of the products in each pair do you consider more appealing?**



**Group 1**

**Group 2**

**Q18. Do you consider that, with the new packaging, it is more perceptible they belong to Minipreço than before?**

- Yes
- No

**Q19. In a scale of 1 to 7, where 1 means “I don’t think that it is related” and 7 means “It is totally related”, what relationship do you believe the packaging and the perception of quality has?**

**Q20. Do you consider that this new packaging changes your perception of Minipreço’s products quality? Why?**

**Q21. In a scale of 1 to 7, where 1 means “Not at all” and 7 means “Totally”, rate the following statements, taking in consideration the rebranding of the brand.**

- I will buy more products after the rebranding
- I considered the rebranding positive
- The products are easier to identify
- I am willing to go more often to a Minipreço Store
- Minipreço products perception of quality increased with the rebranding

**Q22. Gender**

- Male
- Female
- Other

**Q23. Age**

- < 18
- 18-25
- 26-35
- 36-45
- 46-60
- > 61

**Q24. Occupation**

- Student
- Employed
- Student/employed
- Unemployed
- Retired

**Q25. Residence city****Q26. Monthly Income of the household**

- < 500€
- 500€-1000€
- 1000€-1500€
- 1500€-2000€
- 2000€-2500€
- > 2500€

## **APPENDIX C. TRANSCRIPTION AND TRANSLATION OF THE INTERVIEW CONDUCTED IN PORTUGUESE TO MINIPREÇO'S PRIVATE LABEL DIRECTOR**

### **Interview – Sofia Teixeira (Private Label Director, Minipreço)**

#### **1. When and how did the idea of reformulating the Minipreço private label start?**

ST (Sofia Teixeira) - DIA pioneered the launch of a wide range of private label solutions in various categories and we have a long history in this area. Since 2020, we have been in a phase of transforming our entire offer in this field, ensuring the highest possible quality, in a highly attractive value proposition for the consumer. This transformation happens in a context of a natural evolution of the private label in the company: We understand that our consumer is demanding a larger offer with extreme quality at the best prices, our goal is to achieve all of this among with an attractive packaging that reflects our brand identity.

#### **2. What are the main reasons behind rebranding?**

ST - Private labels have always been associated with low prices with a predominance far superior to quality or added value. In a context of economic crisis in which we live, private labels, by nature, grow more than manufacturer brands and it will be a given that this trend will increase. If we add to this data a reinforcement of the quality and added value of own brands, we combine the three factors for this scenario to materialize: more competitive prices, with superior quality and for the benefit of the consumer. The private label is essential for sales growth, especially in the food and home cleaning categories.

It is a transversal project that includes a whole new approach in terms of design, packaging and positioning that we believe will contribute to a new commercial dynamics for our own brands.

#### **3. Is the bet only on reformulating existing products or also on adding new products?**

ST - The focus is not only on reformulating existing products, but also on creating more than 70 national brands with growth potential for other territories where Grupo Dia also operates.

#### **4. What are the expectations and main objectives?**

ST – Above all, we intend to transmit energy and positivity, in a vivid color palette and to bet on a more attractive, young, cheerful and dynamic packaging that communicates with

the consumer. Basically, to attract new consumers and refresh the image that the customer has of Minipreço.

**5. Have these expectations and objectives been met?**

ST – The private label is a fundamental pillar of customer loyalty and we will continue to work to ensure that it continues to be one of our greatest points of attraction. In addition to the packaging and a new approach to communication with lots of color, dynamism and joy, we have never neglected the quality guarantee that is always present in a Dia brand product.

**6. Is the change in customers' perception of the brand one of the objectives?**

ST – Basically, we intend to reinforce our proximity to our customers, make our new brands known and show that Minipreço is innovative and a brand to always trust.

**7. Is this objective being achieved? What feedback have you received?**

ST - Undoubtedly. 14 of Minipreço's own brand products received the "Sabor do ano 2022" distinction, the only quality certification that recognizes flavor and quality, being a symbol of trust that allows consumers to identify these products at the time of purchase.

The development of our exclusive brands has been one of the strategic pillars of DIA Portugal and we will continue to work, every day, to have an even stronger own brand and nothing is more gratifying than knowing that we were considered by consumers, the decisive flavor. Winning this award is a clear recognition of the quality of our brands.

**8. How has communication about this rebranding been meeting your goals?**

ST - Since we started this transformation, we have always accompanied it with effective communication. From in-store communication to communication in more traditional media, such as radio or television. With regard to the latter, it was the first time that the company bet on a widely recognized public figure, such as Sara Prata, to materialize this entire process. The idea with this choice was to associate our brand with a personality known to the public, with great energy, fun and joy who, in addition to this, is still a family mother concerned with food and the quality of the products she consumes at home. . At the same time, we launched a very ambitious campaign during the summer of 2022, in which a shop on wheels crossed the whole country, together with the SIC television channel. These

dynamics and others always arise with the aim of promoting Minipreço as close as possible to our customers, making this perfect sense as we are leaders in proximity.