THE EFFECT OF CONSUMER CHARACTERISTICS, PRODUCT CHARACTERISTICS, PRICE-POSITIONING AND PRIOR KNOWLEDGE ON SALES (MARKET SHARE) OF STORE BRANDS (SB) AND NATIONAL BRANDS (NB)

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ABSTRACT

There has been a tremendous shift in market share from national brands to private and store brands (Nielsen/PLMA, 2012; Sethuraman and Gielens, 2014). In comparison to national brands (NBs), market shares of store brands (SBs) have been increasing in a number of product categories in a number of countries. This phenomenon is most prevalent all over the world. In UK, SBs have the highest market penetration at 41% in comparison to 25% in some other European countries like Belgium, France, Germany, and Switzerland (Jin and Suh, 2005), while it is 20% in the US (Sethuraman and Gielens, 2014). SBs are also growing in countries like China and South Africa (Nenycz-Thiel and Romaniuk, 2014). Almost all of the large retailers carry SBs alongside NBs and the growth in market share of SBs is expected to grow at a faster rate than NBs (Geyskens, Gielens and Gijsbrechts, 2010; Palmer 2009; Sethuraman and Gielens, 2014).

Keywords: National Brands, Store Brands, Consumer Characteristics, Price-positioning, Product Characteristics, Prior Knowledge