

# **THE BRAND EXTENSION OF THE PICK N PAY SUPERMARKET INTO PICK N PAY CLOTHING**

by

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## CONTENTS PAGE

CHAPTER ONE .....	8
1. INTRODUCTION .....	8
1.1. Orientation .....	8
1.2. Background information .....	9
1.3. Research problem.....	10
1.3.1. Research questions.....	10
1.4. Objectives of the study.....	11
1.5. Assumptions of the study .....	11
1.6. Significant of the study.....	11
1.7. Delimitation .....	12
1.8 Methodology.....	12
1.9. Ethical issues .....	13
1.10. Organisation of the study .....	13
1.10.1. Introduction .....	13
1.10.2. The focus and architecture of the study.....	13
2. CHAPTER SUMMARY .....	14
CHAPTER TWO .....	15
2. LITERATURE REVIEW .....	15
2.1. Introduction .....	15
2.2. Definitions .....	15
2.3. Brand extension .....	16
2.4. Brand equity .....	19
2.5. Brand loyalty .....	21
2.6. Brand identity .....	23
2.7. Alternative Brand Contact Planning .....	24
2.8. CHAPTER SUMMARY .....	25
CHAPTER THREE .....	26
3. METHODOLOGY.....	26
3.1. Introduction .....	26
3.2. Research design .....	27
3.3. Data collection methods .....	27
3.3.1. Quantitative data collection methods .....	27
3.3.1.1. Population .....	28
3.3.1.2. Sample .....	29
3.3.1.3. Research instruments.....	30

3.3.2. Qualitative data collection methods.....	31
3.3.2.1. Population .....	31
3.3.2.2. Research instruments.....	32
3.4. Data analysis methods .....	33
3.4.1. Quantitative data analysis methods .....	33
3.4.1.1. Quantitative descriptive analysis.....	33
3.4.2. Qualitative data analysis methods .....	35
3.4.2.1. Qualitative descriptive analysis .....	35
3.5. Pilot test.....	35
3.6. Validity and Reliability .....	36
3.7. Ethics .....	37
3.8. CHAPTER SUMMARY .....	38
CHAPTER 4 .....	39
4. DATA ANALYSIS AND FINDINGS .....	39
4.1. Introduction .....	39
4.2. Quantitative data analysis and findings .....	40
4.2.1. Section 1: The image of the Pick n Pay brand.....	40
4.2.2. Section 2: The value of the brand extension of the mother brand .....	45
4.2.3. Section 3: Influence of a mother brand on an extended brand .....	47
4.2.4. Section 4: How successful is the brand extension .....	53
4.3. Qualitative data analysis .....	55
CHAPTER 5 .....	58
5. CONCLUSION AND RECOMMENDATION.....	58
5.1. Introduction .....	58
5.2. Conclusion .....	58
5.3. Recommendations .....	60
5.4. Limitations of the study.....	61
5.5. Directions for further studies .....	61
SOURCES CONSULTED .....	62
APPENDIX ONE.....	
APPENDIX TWO .....	

## **TABLES AND FIGURES**

Table 1 & Figure 1: The image of the Pick n Pay brand .....	40
Table 2 & Figure 2: Reason for shopping at Pick n Pay Clothing .....	42
Table 3 & Figure 3: Description of Pick n Pay .....	43
Table 4 & Figure 4: How often people buy at Pick n Pay Clothing .....	45
Table 5 & Figure 5: Type of clothing.....	47
Table 6 & Figure 6: Brands .....	48
Table 7 & Figure 7: Trusted brand .....	49
Table 8 & Figure 8: Reason for trusted brand .....	50
Table 9 & Figure 9: Other extended brand.....	51
Table 10 & Figure 10: Shopping at Pick n Pay Clothing.....	52
Table 11 & Figure 11: Pick n Pay Clothing and Mr Price.....	53
Table 12 & Figure 12: Recommendation.....	54

## **CHAPTERS AND APPENDICES**

### **CHAPTERS**

Chapter One: Introduction .....	8
Chapter Two: Literature Review .....	15
Chapter Three: Methodology .....	26
Chapter four: Data analysis and Findings .....	39
Chapter Five: Conclusion and Recommendation .....	58

### **APPENDICES**

Appendix One: Survey questions .....	
Appendix Two: Survey data .....	

## **ABSTRACT**

### **THE BRAND EXTENSION OF THE PICK N PAY SUPERMARKET INTO PCIK N PAY CLOTHING**

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The main purpose of this article presents a research study of brand extension by exploring the nature of a mother brand extending into a new product category. A case study is presented on the Pick n Pay Supermarket brand, dealing with its extension into Pick n Pay Clothing.

The study of literature explores the concepts on brand extension, brand loyalty, brand identity and brand equity. The literature study furthermore identifies a theory on Alternative Brand Contact Planning by Dr Carla Enslin. The theory is related in supporting of the research findings and conclusion.

A quantitative and qualitative exploratory research, referred to as a mixed method is conducted to engage in the opinions of the Pick n Pay Supermarket branching (extending) into Pick n Pay Clothing brand. The results indicates a positive influence from the mother brand on the extended brand.

## **CHAPTER ONE**

### **1. INTRODUCTION**

#### **1.1. Orientation**

The main purpose of this research study was to establish the influence of a mother brand on an extended brand, in relation to the brand extension of the Pick n Pay Supermarket brand into Pick n Pay clothing. The research explored if loyalty to the mother brand influences consumer's decision to support the extended brand and to discover if there are other factors influencing consumer's decision to support the extended brand. Furthermore, the research also tried to discover if Pick n Pay's brand extension to Pick n Pay Clothing is successful due to loyalty to the mother brand, Pick n Pay Supermarket.

According to Chris Anzalone (2015), a brand "refers to its recognised product or company name. The way in which a company expands its products segment is through line extension or brand extension, which addresses the marketing of commercial goods". Anzalone (2015) explains line extensions as the expansion of an existing product line. However, the proposed research study seeks to investigate brand extension which is a concept used to create value for a company (Jean-Noél Kapferer, 2005). The American Marketing Associations (2014) defines brand extensions as "a product line extension marketed under the same general brand as a previous item or items, usually aimed at another segment of the general market for the overall brand". In other words, it refers to the process of how a brand capitalises on the value of its name due to its strong identity in the market to launch a new product different to its current offerings (Edward M. Tauber, 2012).

Many businesses have tapped into this concept as a growth strategy due to its beneficial offerings such as reducing the risk of failure given the already established awareness of the mother brand and it reduces marketing cost of having to launch a new product not known to the public (Tauber, 2012). Tauber argues that there are two characteristics of brand extensions namely fit – categories consumers will accept of a brand (how far the brand offerings stretches) and leverage – how a brand differentiates its products and/or services to its competitors. These two characteristics determine the success of a brand extension.

## **1.2. Background information**

The concept of the Pick n Pay brand commenced as a family supermarket some of which operate as franchise stores (Pick n Pay, 2015). However, considering how a business objective is to drive sales (Serge Bashala, 2015) there will always be an influence to increase brand presence in the market. In recent years, the Pick n Pay Supermarket has shown to move away from its supermarket model and has extend its brand to various segments such as Pick n Pay Liquor, Pharmacy, Cafe and Clothing (Pick n Pay, 2015).

Through its brand extension of Pick n Pay Clothing, its offerings can be found inside the supermarket stores and as standalone stores, location dependent (MarketLine, 2014). The Pick n Pay Clothing items includes items for women, men, babies, kids, girls and boys under its own brand name Real and Cherokee (Pick n Pay. 2015). With a total of 88 stores as of the 2<sup>nd</sup> March 2014 from 76 stores on 4<sup>th</sup> March 2013 (A growth of 14 stores), of which 14 are franchised in South Africa where the clothing brands can be found, the Pick n Pay owned stores as of 2 March 2014 sits at 1076 to 996 in 2013. This indicates that the Pick n Pay Clothing stores have grown in the market (Pick n Pay Integrated Annual Report, 2015). This information will be used to explore the reason behind the brand extension. Pick n Pay has built itself to be a successful and reputable brand and one of the biggest supermarkets in South Africa. However, in respect to some of the stores being franchised (Pick n Pay, 2015) there could be a difference in quality and product removed compared to the mother brand and this difference could influence a consumers' attraction and loyalty to a particular store or the brand.

As established, a business capitalises on their value position in the market through the process of brand extensions as one of many growth strategies, for the reason that in theory brand extension can financially redefine a new direction for the business such as reducing financial risks of having to produce and/or introduce a new brand in the market not known to the public (Tauber, 2012). Using David Aaker and Erich Joachimsthaler's (2000) brand equity model as a theoretical framework for the study, the researcher embarked on a case study by investigating Pick n Pay Clothing as a brand extension of the Pick n Pay Supermarket brand and explore if loyalty to the mother brand influences consumer's decision to support the extended brand.

### **1.3. Research problem**

When consumers buy into a brand, they often look for familiarity as it enhances their perception of the perceived quality of what they are buying from a brand. This perception is influenced by how a brand positions itself in the mind of the consumer (Anli Grobler, 2015). Pick n Pay has positioned itself in the market as a supermarket/retailer offering consumer goods such as household products and food and has now extended into Pick n Pay clothing. As established, the extension of the Pick n Pay clothing can be found inside the supermarket stores and as standalone stores, location dependent (MarketLine, 2014). In essence, this means that consumers have an option of where to purchase the Pick n Pay clothing. However, considering Pick n Pay's position in the market, would a consumer decide to go shop and spend money for clothes only at Pick n Pay clothing? This leads to the research question as follows.

#### **1.3.1. Research questions**

##### **Main Research Question**

What is the influence of a mother brand on an extended brand?

*“What is the influence of Pick n Pay supermarket brand on Pick n Pay clothing brand?”*

##### **Sub-questions**

1. What is the image (awareness) of Pick n Pay supermarket brand?
2. What is the value of the brand extension of Pick n Pay supermarket brand?
3. How successful is the brand extension?

### **1.5. Objectives of the study**

The main objective of this research study was to establish the influence of the Pick n Pay brand on Pick n Pay Clothing brand. The research study sought to fulfil the following sub-objectives;

1. To determine the image of the Pick n Pay brand.
2. To assess the value of the brand extension of the Pick n Pay supermarket brand.
3. To determine if brand loyalty to the Pick n Pay brand has an influence on Pick n Pay clothing brand

### **1.5. Assumptions of the study**

1. Pick n Pay consumers are predominately from living standard measurement (LSM) 5-8
2. Pick n Pay does not pitch the extension line to the designer end of the market or the high end of the market
3. Respondents understood what branding is all about, they did not lie will completing the surveys and gave their true perceptions about the issues being investigated.

### **1.6. Significance of the study**

The objective of a research rationale is to highlight why the research being investigated is significant. In other words, a justification that details why it is worth conducting the specific research. (Franzél du Plooy-Ciller, 2014).

It is not a novel that the concept of brand extension has been discussed by many academic professionals. However, what is interesting about this study is the exploration into Pick n Pay clothing, specifically looking at how their Marketing Department have handled the clothing brand and marketing strategies differently to other outlets. In the sense that they have not turned it into an advertising logo and part of the “fashion industry” which makes it of significance. It seems as if their clothing brand has been taken out of the fashion trend and has been converted into a grocery concept, in other words Fast Moving Consumer Goods (FMCG). It is as if they have changed the way consumers perceive clothing from a fashion brand into an item which should be included on the grocery list or perhaps another.

This research can be of significance to other retailers or businesses by providing insights into the concept of brand extension. Furthermore, having read articles on brand extension there seems to be a limited amount of current academic research produced from South Africa. Thus the research study could contribute to the number of research produced around the concept of branding from South Africa.

Additionally, the research conducted has boosted the researcher's profile and knowledge as a researcher. With this profile, the researcher could possibly be picked for employment opportunities. Lastly, the research can also be beneficial to students, academicians and researchers in the field of consumer science and branding.

### **1.7. Delimitations**

According to Dr Carla Enslin (2015) the purpose of including a delimitation in a research is important because it defines the boundaries of the research in order to narrow down the scope of the study being investigated. As brand extension is a broad concept, the paper will exclude certain variables related to brand extensions due to the research time frame provided, such as the investigation of the other Pick n Pay extensions including Pick n Pay Café, Pharmacy and Liquor. Furthermore, a comparison of Pick n Pay major competitors in the supermarket and/or retail industry will not be analysed in order to keep the research focused.

Another delimitation included the geographical location of the study. The researcher did not have the financial support, resources and backing to conduct the research nationally.

### **1.8. Methodology**

The purpose of a research methodology is to define the kind of research design that will be implemented (Helena van Wyk, 2015) in order to collect data for the research analysis and findings. The mixed methodology, involving both quantitative and qualitative methodologies of doing research was applied. The reason for this was to triangulate the study in order to address the issues of validity and reliability. Research methodology provides a means to obtain research results, conclusions and recommendation.

## **1.9. Ethical issues**

It was imperative for the researcher to consider ethical issues around the research topic such as fabricating the information and/or data for a desired goal. To retain a reputation, misrepresenting the research results by emphasising and/or distorting the information, allowing bias to influence interpretations in order to achieve a particular result, misusing information for personal use either than for academic purposes and using inappropriate research methods (Marianne Louw, 2014). The researcher ensured confidentiality – not to sell and/or reproduce the information to any external body besides the academic institution to which the research has to be presented to. Furthermore, the researcher ensured to avoid plagiarism by giving credit to all sources directly quoted and/or referenced to. In addition, anonymity and informed consent from the respondents and all bodies involve including Brightwater commons shopping centre management.

## **1.10. Organisation of the study**

### **1.10.1. Introduction**

The objective of the introductory chapter outlines the focus and architecture of the study.

### **1.10.2. The focus and architecture of the study**

The **focal point** of the study addresses the concept of brand extension. The concept of brand extension is introduced as a business and growth opportunity, which business tend to tap into as an extension of their current product offerings. Brand extension is positioned in context of the Pick n Pay Supermarket brand extending into Pick n Pay Clothing.

The **architecture** of the study is presented in five chapters:

Chapter One: Introduction which provides the orientation of the research

Chapter Two: Implementation of secondary literature research

Chapter Three: Research methodology

Chapter Four: Data analysis and findings, which denotes the interpretation of the results as

Chapter Five: Conclusion and recommendation, developing closure to the research study

### **1.11. SUMMARY**

In summary, an explanation to brand extension was discussed, followed by the research problem, rationale, objectives, delimitation/demarcation of the study, methodology, as well as ethical issues pertaining the research. In the next section, the relevant literature review is presented followed by the research methodology.

## **CHAPTER TWO**

### **2. LITERATURE REVIEW**

#### **2.1. Introduction**

The previous chapter looked at Pick n Pay's brand extension into Pick n Pay Clothing and provided an overview of the research topic – if the influence of mother brand feeds through to the brand extension. This chapter will look at the literature review which according to Ghita-Mitchelli Howard (2014), the purpose is to discover what research has already been done in order to gain information that could enhance the research study and to possibly avoid duplication of the same research.

#### **2.2. Definitions**

In order to lead to the literature reviewed, a definition of the terms brand and branding is explained below as an overview of the research concept.

According to Jerry McLaughlin (2011), a brand refers to the name given to a product or service from a specific source, in other words its trademark which consumers associate and recognise the brand with. Branding according to Business Dictionary (2015) refers to the process involved in establishing a significant and differentiated presence in the market that attracts and retains loyal customers.

Having established the meaning of brand and branding, we will now explore the themes related to the research study as well as a theoretical model on Alternative Brand Contact Planning by Dr Carla Enslin (2003).

### **2.3. Brand extension**

Management Study Guide (2013) defines brand extension as “the use of an established brand name in new product categories’. Literatures on brand extension reviewed are discussed below.

According to Jean-Noel Kapferer’s (2004) book, brand extension is about business and growth opportunities and the act of using the mother brand’s name to launch a new product in the market.

What is relevant about this article is that it indicates to what many businesses consider when planning to extend the mother brand, which is the feasibility rather than creating a new product launch in the market not known to the public as consumers find it easy to associate and buy into familiarity therefore. One of the major result of brand extensions is its benefit in cutting down on marketing and communication budgets as well as the potential damage to the mother brand should an unknown product be launched in the market. It provides an opportunity to build strong competition, to capitalise on the value proposition of the mother brand and it increases the credibility of the mother brands’ identity, in other words its value proposition in the market.

The chapter is interesting for the application of this study because it is relates to the research topic in the following way; it delivers information on brand extension, particularly its economics which will provide the researcher with guidance when analysing the concept of brand extension in relation to Pick n Pay clothing as a brand extension of the Pick n Pay supermarket brand (Kapferer, 2004).

Aligned with the research topic, an article by Nahed Mohamed Matarid, Mohamed Abdel Moez Youssef and Ghassan Fateen Abu Alsoud (2014) discusses the impact of brand extensions as a result of brand equity on Fast Moving Consumer Goods (FMCG) in Egypt, specifically focusing on food and beverages. The article highlights that brand extensions have become a standard method for businesses to extend into different markets by exploiting the mother brand’s name and equity which consumers are already familiar with. This article is significant as it directly connects with the research topic in the sense that, it reflects the study being investigated. Matarid et al (2014) further discusses in the literature review, a brand equity model by David Aaker

which the investigated research will be based on. According to Matarid et al, David Aaker defines brand equity as a set of assets and liabilities, and these assets can be grouped into four categories; brand loyalty, brand awareness, perceived quality, and brand associations. This article is relevant as it will enhance the research paper in the sense that, it confirms that the model has been used academically and explored around the concept of brand extensions as well as given strength to one of the literature review previously discussed on David Aaker brand equity model, Matarid et al (2014). Furthermore, the Matarid et al (2014) article argues that although brand extensions although have become the popular method of extending into new markets, there is an 84% expected failure rate among brand extension in some categories. This abstract is interesting as it might lead the researcher into a different direction to the research.

An article on brand extension compiled by Shehzada Muhammad Saleem, Muhammad Rashid and Raheel Aslam (2014) explores the impact of brand extension on the mother brand. It highlights how the image of the brand extension contributes to the image of the mother brand, in other words the brand extension can also strengthen the mother brand by increasing its credibility in the market and that it is not just about the mother brand capitalising on its value proposition in the market.

It also analyses the concept of brand extension from the extended brand perspective in the sense that, the brand extension can “dilute” (Rashid & Aslam, 2014) the image of the mother brand if it is not implemented and executed successfully. It is relevant as it might lead the researcher to understanding the notion of the Pick n Pay clothing marketing strategy, meaning how the Pick n Pick brand has positioned Pick n Pay clothing in the market. In the literature review, Saleem et al (2014) explores three themes; consumer attitudes, brand awareness and brand familiarity which will also be explored in the research within David Aaker and Kevin Keller brand equity models.

Therefore this further enhances the value of using the models in this research. It appears that there's a gap or might be a gap in the academic field specifically around the concept of brand equity as many of the literatures reviewed seem to profoundly give credit to David Aaker and Kevin Keller brand equity models in their research, around brand extension. This gives the research an impression that there are not sufficient models around brand equity

## **2.4. Brand equity**

Brand equity refers to “a brand’s power derived from the goodwill and name recognition that it has earned over time which translates into higher sales volume and higher profit margins against competing brands” (Business Dictionary, ND). Aaker and Joachimsthaler (2000) and Phillip Kotler and Kevin Keller (2009) models on brand equity is discussed below.

Aaker and Joachimsthaler (2000) provide an interesting model on brand equity in their Brand leadership book. According to Aaker and Joachimsthaler (2000:17), brand equity “refers to a set of assets and liabilities linked to a brand, its name and symbol that adds to or subtracts from the value provided by a product or service to a firm and/or to that firm’s customers”. Thus, brand equity model is about understanding how a brand’s value (equity) is created and sustained in the mind of consumers (Aaker & Joachimsthaler, 2000). What is relevant about the model is that, it provides four dimensions that guide brand development, management and measurement in order to build a strong brand (Aaker & Joachimsthaler, 2000). The four dimensions namely; “brand awareness – the presence of the brand in the mind of the consumer, perceived quality – the essence of what the consumer is buying, brand associations – how the organisation wants to be perceived in the mind of the consumer and lastly brand loyalty – consumers’ commitment to repurchase or continue to using the brand (Aaker & Joachimsthaler, 2000).

The manuscript is relevant to the application of the research topic because it highlights the importance of building and having a strong brand in a competitive market and because of the strength of a brand it is easier for a brand to extend its product/s thus “providing value to the consumer – enhancing consumers’ confidence in the purchase decision and providing value to the firm – capitalising on the value of a brand’s name and attracting customers or recapturing old consumers”. The model is applicable as it will be used as the foundation to answer the research problem, because it provides a strategy which established brands’ use to enter into another product market such as brand extension (Aaker & Joachimsthaler, 2000). It will allow the researcher to evaluate how the Pick n Pay brand has capitalised their brand name to extend to Pick n Pay clothing.

Another model on brand equity is the Kevin Keller's customer-based brand equity model, (Phillip Kotler & Kevin Keller 2009:274-305). The model, views brand equity from the consumer's perspective. It emphasizes that in order to build a strong brand, an organisation must shape how consumers think, feel and believe about their products and/or services and build the "right" of experience around their brand in order for consumers to develop positive thoughts and feelings about their brand. As a result, consumers will buy more into their brand, recommend the brand, and the brand will less likely lose consumers to their competitors (Kotler & Keller, 2009). Keller defines brand equity as "the added value endowed on products or service" (Kotler & Keller, 2009:279) and provides the perspective of his model through two questions; what makes a brand strong and building a strong brand. The model provides a pyramid built around six brand building blocks; salience, performance, imagery, judgement, feelings and resonance which a brand needs to achieve in order to develop a relationship with consumers.

The abstract of this model is interesting because it features aspects of brand equity from a consumer's perspective, in the sense that it capitulates the emotions consumers develop before building a relationship with a brand. This is interesting because consumer's emotions ultimately lead to their behaviour and decision in purchasing a brand. In essence, consumer's emotions and behaviour is the core of whether or not they develop brand loyalty. The model links to the investigation as it delivers a different perspective from David Aaker's brand equity model which will be used as the basis of the research, allowing the researcher to gain insights from the two different models of the same theme.

## **2.5. Brand loyalty**

The American Marketing Association (2014) define brand loyalty as “the degree to which a consumer consistently purchases the same brand within a product class”. Building on to the list of readings, an article submitted on behavioural loyalty by and Yuping Liu-Thompkins Leona Tam (2013) discusses behavioural loyalty of consumers. The article points out that there are two types of behavioural loyalty; attitudinal loyalty and habit loyalty. Liu-Thompkins and Tam (2013) explains attitudinal loyalty as the process of repurchasing or re-patronising a brand’s product and/or service regardless of influences and marketing efforts and habit loyalty as triggered responses directly influenced by contextual cues. These cues are; time (Time of the day) location, whom one is with and lastly preceding or ensuing events. Liu-Thompkins and Tam (2013) argue that, should one of these cues be present, the habit is triggered and behaviour is performed automatically.

This summary is informative as it is one of the themes that will be explored in the research in the sense that the researcher will explore if consumers are supporting Pick n Pay clothing out of brand loyalty to the mother brand or is it because of attitudinal or habit loyalty. The researcher will use this article as the foundation to enhance the research paper by investigating the type of loyalty consumers have with the Pick n Pay brand and if this loyalty feeds through to the brand extension Pick n Pay clothing. In addition, the journal exemplifies effective cross-selling promotion which brands engage with as a strategy to ensure consumer loyalty because the “goodwill and trust from loyal consumers can transfer to other business areas” (Liu-Thompkins and Tam, 2013:27). From insight gathered, these other “business areas” can be referred to as brand extension or any other market segment such as line extension and acquisitions.

The article examines brand loyalty in the context of store acquisitions (Arjen Van Lin & Els Gijbrecchts, 2014). The article explains that consumers exhibit two types of loyalty chain and outlet loyalty in the face of a supermarket changing owners (acquisition) and this can in turn influence a store’s performance through; consumer’s lack of support thereafter, new consumer base and marketing initiatives performed by the store as a couple of many actors (Van Lin & Gijbrecchts, 2014). The research proves to be ambiguous to an extent, in the sense that it does not translate the effort of the investigation and does not explore if the acquired brand’s product quality and/or

perceived quality could and/or is a motivating factor for the type of loyalty consumer choose to exhibit. However, as the Pick n Pay brand operates as owned and franchise stores, it was a motivating factor to read through the journal as the researcher discovered the type of loyalty consumer's exhibit when store acquisitions take place, which is chain and/or outlet loyalty.

## **2.6. Brand identity**

Gordon Cook (2015), defines brand identity as “a construct that establishes and communicates a brand unique and particular meaning to add value to the lives of people”. In line with the above definition of brand identity David Aaker and Erich Joachimsthaler (2000) brand identity model is discussed below.

Aaker and Joachimsthaler’s (2000) brand identity theory provides a model that explores strategies a brand should consider when communicating on its identity and purpose. According to Aaker and Joachimsthaler (2000) a brand identity represents how an organisation wants to be perceived and how it wants to identity itself in the market. The brand identity model consist of two main phases, the strategic brand analysis, which explains that a brand needs to consider its customer, consumer and the organisation in the creation of its identity and the strategic identity system analyses a brand’s essence, core identity and extended identity which are influenced by four factors namely; a brand’s product offerings, the organisation, the brand’s relationship with its stakeholders and lastly the symbols that represents a brand.

Aaker and Joachimsthaler (2000) further argue that, a brand needs to achieve all the factors mentioned above which results in having a value position – influences a customer’s decision to buy into a brand and through this value position, a brand builds credibility and ultimately develops a relationship construct with its consumers where the consumer develops a deep psychological bond with the brand (Aaker and Joachimsthaler, 2000). This theory is insightful as in recent years, Pick n Pay rebranded its identity “to refresh the customer experience” (Pick n Pay, 2015). The researcher will evaluate to what extent the Pick n Pay’s brand identity mission, value, and promise of quality, price and service (Pick n Pay, 2015) feeds through to Pick n Pay clothing and this this influences consumer’s decision to support their brand extension to Pick n Pay clothing

## **2.7. Alternative Brand Contact Planning**

Dr Enslin theory of Alternative Brand Contact Planning explores the nature, role and planning of an alternative brand contact. The concept of alternative brand contact is embedded in integrated brand contact management. In other words, it is based on the outside-in, inside-out and zero-based planning philosophy of integrated brand contact management, the alternative brand contact is defined as a planned point of contact with the brand that is experienced by consumers as unexpected and unconventional.

The alternative brand contact is thus media neutral. It is the unexpected and unconventional appeal of the alternative brand contact that defines its status and not the use of one medium as opposed to another. The objective is to ultimately achieve branded impact to that of the norm – brand communication messages consumers are used to.

Dr Enslin argues that to present an objective assessment of the planning of alternative points of brand contact, the following approaches, below, can be applied.

Outside –in approach: Branded communication messages should be explored from a consumer's perspective. As a result, it will highlight the importance of developing unexpected contact approaches within the cluttered and conventional world of brand comm.

Media-neutral approach: It is the nature of the contact with the consumer that establishes the alternative brand contact appeal. Not the media that determines the alternative but the communication spaces.

Inside-out approach: Alternative brand contact planning demands that the planners of brand contact communications break and/or avoid conventional, inside-out thinking at the strategic level. The focus here is from a brand's perspective and not the consumer.

In summary, the unexpected and unconventional point of brand contact is irrespective of its context, whether in the form of traditional or non-traditional media. The result will be that of an outside-in, zero-based, inside-out media neutral approach.

## **2.8. CHAPTER SUMMARY**

The aim of the literature review was to uncover what research has already been done. The researcher found that there is a lack of current research conducted on brand extensions from South Africa and therefore, the sources are mainly international articles. After the literature review, the next step is to define the research methodology which explains the data collection methods for the data analysis.

## **CHAPTER THREE**

### **3. METHODOLOGY**

#### **3.1. Introduction**

The previous chapters introduced the research study and the literature review. This chapter will look at the research methodology which according to Business Dictionary (ND), research involves collecting data in order to generate knowledge about the phenomenon being studied. Therefore the process includes investigating, examining and assessment that which is being studied.

In line with the above mentioned, the objective of this chapter deals with the research design, data collection methods, sampling, population, research instrument and data-analysis methods. The research methodology is important as it serves to deliver valuable conclusions and recommendations. This is done to confirm and establish the research study, the influence of a mother brand on an extended brand. This chapter will commence with a presentation of the research process and the working methods applied.

### **3.2. Research design**

The research design refers to the action plan used for the data collection in order to answer to the research question and objectives (Business Dictionary, ND). The following research is an inductive and deductive case study research, “the process of building of an existing or new theory, from specific to general” (Rose-Marié Bezuidenhout, 2014:37) as the researcher is tested a theory on brand extension, specifically on one event, in relation to the Pick n Pay brand. Furthermore, the research consists of both a qualitative analysis and quantitative analysis. In the field of research, this research method is referred to as a mixed method design as it combines both a qualitative and quantitative research analysis (du Plooy-Cillers, 2014). A triangulation approach - the use of different type of sources involves quantitative research to collaborate with qualitative research to the mixed method design (Write, 2015). The research involved a qualitative analysis as it is exploratory in nature as the researcher aim was to determine the influence of a mother brand on an extended brand (“why”) and contain aspects of quantitative analysis.

### **3.3. Data collection methods**

Data collection method involves the process of collecting data and describing how the data will be collected for the research data analysis. (Bezuidenhout, 2014).

#### **3.3.1. Quantitative data collection methods**

For quantitative data collection method, the researcher used a survey “which consists of a series of questions designed to gather information about a relatively large group of people” (Franzél du Plooy-Cilliers & Johannes Cronje, 2014). The benefits of using a survey offered the advantage of respondents being exposed to the same questions and immediately recording the answers to the questions. However, the pitfall to this method includes the unwillingness of the respondents completing the questions.

The data collection process involved the assistance of promotion workers to distribute the surveys to the respondents who were selected based on their proficiencies and knowledge about the study. In addition, the promotion workers were also knowledgeable about the skills required to engage with respondents thus encouraging their participation and motivating them to complete the full survey. The researcher and the promotion workers in hand a clip-board containing twelve closed-ended questions. Furthermore, the promotion workers were placed in a high traffic mall where Pick n Pay Supermarket and Clothing could be accessed in order to target the desired sample, consisting specifically of Pick n Pay shoppers.

Self-administered questionnaires were used. This is a survey process where respondents administer the survey on their own, by reading the questions and answering without assistance from the researcher. Another advantage of using a survey is that it allowed the respondents to complete the survey on their own pace thus allowing them to feel comfortable and in control of the situation.

A cross-sectional research design was used as the researcher collecting information in the form of interviews and questionnaires once from participants (du Plooy-Cillier & Cronje, 2014). This represented an overview of the current situation of the Pick n Pay brand extension.

#### **3.3.1.1. Population**

A population refers to “the total group of people or entities from whom information is required and/or will be gathered from” (Gerald Pascoe, 2014:132). The researcher acknowledged that there is a target population but does not have access to all of them due to feasibility and time and therefore can only target a sample of the population.

The target population for the study consisted of individuals of all races in South Africa, specifically in the Johannesburg region, based in Ferndale Randburg who shop at Pick n Pay Supermarket and Pick n Pay Clothing stores.

### **3.3.1.2. Sample**

Sample refers to “a subset of a population that is considered to be representative of the population” (Pascoe, 2014:135). From the accessible population group, a non-probability sampling method, which is “used when it is difficult to gain access to the entire population” (Pascoe, 2014:137) involving an accidental sampling, “elements that happened to be at the right place at the right time by stopping people at the shopping mall” (Pascoe, 2014:142) was used. The researcher acknowledged that accidental sampling would not give everyone an equal chance to be sampled however, the accessible sample population represented the majority of the target population for the sampling method.

It was imperative to target this specific category of the market because the potential respondents highly experience the Pick n Pay brands and are therefore more knowledgeable. This means that their response were objective and based on their experience of the brand.

The researcher anticipated to engage face-to-face with a population size of 100 potential participants in order to get 50 useful results from the accessed population group. The survey took place at the end of the month, during the first weekend following pay day as this is a motivating factor for consumers to shop. In Johannesburg being the biggest region in South Africa, it can be argued that it represents the wider demographics of South Africans. Therefore the researcher only visited the Brightwater Commons mall as it pulls in a wide demographics of South Africans in comparison to your Campus Square, Rosebank and Sandton malls.

### **3.3.1.3. Research instruments**

The research instrument refers to the way or rather devices used to collect data (Nicole Mason, 2015). The following were used by the researcher for the quantitative data collection:

- Checklist of all the instruments
- The survey with paper and questionnaires: Research questions were based in relation to the research topic and literature reviews
- Cover letter communicating the research study, academic institution and research purpose
- Closed-ended questions, to limit respondents answers to specific questions in order for them to easily be able to interpret the questions
- The closed-ended questions consisted of options, for example; a Yes or No option or characteristic description options, for example; Quality, Price, Service, Convenient. The purpose here was to gain evaluation of the questions
- Pen to answer the questions
- Consent form

The structure of the questionnaires were divided into four sections as follows:

1. Focused on the image (awareness) of the mother brand
2. The value of the brand extension of the mother brand
3. Influence of a mother brand on its extended brand
4. The success of the brand extension.

In addition, each section consisted of sub-questions with options that allowed the respondents to choose from, for example, options of yes or no answer or different selection of options such as, I agree, disagree or partially agree. A full description of the questions and the options are attached as Appendix One.

### **3.3.2. Qualitative data collection methods**

The researcher conducted an in-depth interview, with open-ended questions by speaking to an official from Pick n Pay Clothing Marketing Department, in order to gain insightful information as to why they have extended to Pick n Pay Clothing. The interview was conducted telephonically as the researcher is not based in the same location as the interviewee.

#### **3.3.2.1. Population and Sample**

Like for a quantitative research, a population refers to “the total group of people or entities from whom information is required and/or will be gathered from” (Gerald Pascoe, 2014:132). The researcher acknowledged that there is a target population but does not have access to all of them due to time and availability of Pick n Pay’s Marketing Department and therefore can only target a sample of the population.

Sampling refers to “a subset of a population that is considered to be representative of the population” (Pascoe, 2014:135). From the accessible population group, a purposive non-probability sampling research was used as the researcher specifically and/or purposively selected the interviewee. The researcher chose to engage with the Pick n Pay Marketing Department (population), specifically with the Marketing and/or the Brand Manager (sample) because they work in the Pick n Pay Clothing brand division and therefore would have the necessary information/answers to the interview questions.

### 3.3.2.2. Research instruments

The following instruments were used by the researcher for the qualitative data collection:

- The researcher emailed the Marketing Manager the questions before the interview for preparation purposes or as an option to answer the questions on email
- Open-ended questions
- The interview took place telephonically, with the speaker phone one as to allow the researcher to capture the conversation
- Laptop (to capture the conversation) and internet for Skype (as a secondary option)
- Recording device to record the conversation
- Note pad (in case the recording device and/or laptop malfunctioned)
- The researcher avoided asking questions that are to personal or offensive of any nature
- 

According to Serumaga-Zake (2013), in qualitative research, data collection methods such as focus groups, individual in-depth interviews, ethnography, grounded theory, action research, case study and observation for qualitative data and face-to-face (or personal), postal (or mail) and telephonic interviews with an interview guide or schedule are used. In this study, a telephonic in-depth interviewing was used. An interview schedule consists of open-ended questions, and this can be referred to as a semi-structured measurement instrument. For qualitative research, the researcher was also a data collection tool. As an interviewer, the researcher must be a good listener because the respondent does much of the talking.

In qualitative studies, the emphasis is on an individual basis because the purpose of the study is normally to explain individual behaviour rather than to generalise the results to a population, and comparability is not important. Informal discussions or in-depth interviews (i.e. free interviews) around the topic or research problem with a key informant, ad hoc in nature, are used (Serumaga-zake, 2013).

### **3.4. Data analysis methods**

#### **3.4.1. Quantitative data analysis methods**

According to Mason (2015), quantitative research methods seeks to make use of numerical data analysis. Meaning, the collected data is represented in numbers. The objective is therefore to be able to calculate the numerical into percentages in order to obtain the result findings. The researcher used Microsoft Excel Programme to capture and quantify the results of the respondents. The figures captured on excel were calculated on the formulas and calculation functions on the excel programme. Frequency tables, graphs and pie graphs were used to visually produce the figures.

Furthermore, in order to obtain the quantitative data, the researcher looked out for the following proposed themes in line with the research topic and literature review; brand identity, brand equity, brand loyalty, mother brand and brand extension. The information for the research study was obtained between July and September 2015, as it is a cross-sectional research design.

##### **3.4.1.1. Quantitative descriptive analysis**

The data was organised into summary statistics using frequency tables, diagrams, curves and measures of central tendency and variation. These were used to describe the main features of the data and the population. There are some situations in which the mean is not the "best" measure of central tendency, for example, when you know or believe that a distribution is skewed and when you have a small number of observations. Also, not all measures of central tendency are appropriate for all kinds of variables. In this study, the mean, median and mode were used to measure measures of central tendency.

The standard deviation provided some idea about how the scores were scattered around the mean, a measure of central tendency. The smaller the standard deviation, the more narrow the range between the lowest and highest scores or the smaller the standard deviation the more closely the scores cluster around the mean score. For example, a standard deviation close to 0 indicates that the data points tend to be very close to the mean of the distribution, while a high standard deviation indicates that the data points are spread out over a wider range of values.

Frequencies and percentages were calculated and the results were in some cases represented by frequency tables, histograms and charts/ bar charts. A frequency table or frequency distribution is an arrangement of data by classes together with the corresponding class frequencies. Diagrammatic representation of data was also applied. This involved histograms, bar diagrams and pie charts.

### **3.4.2. Qualitative data analysis methods**

According to Rose-Marié Bezuidenhout and Franci Cronje (2014:237), “coding is a way of organising data into a manageable chunks”. For the qualitative analysis, the researcher analysed texts, rather than numbers. When analysing qualitative data, the focus on text is therefore an important feature.

#### **3.4.2.1. Qualitative descriptive analysis**

According to van Wyk (2015), the focus on text is usually represented in the form of recordings, interview notes, manuscripts or any other text formula that which is investigated. Having established this, the objective of a qualitative data analysis is therefore to gain raw information in order to be able to understand the data beyond numerical statistics as presented in a qualitative data analysis.

Text, led by the research question was marked in different colours in order to identify common characteristics and/or themes which may have emerged from the information obtained. This was evaluated against the research question for the conclusion

### **3.5. Pilot test**

The purpose of a pilot test is to pre-test the research questions in order to eliminate any problem which may have been unforeseen by the researcher when designing the research instruments, before a data collection process begins (Corné Davis, 2014). In other words, it represents the trail of the complete study. Pre testing or piloting of the data collection instruments increased the study validity. The researcher therefore did not touch base on this as it was already conducted prior to the final document.

### **3.6. Validity and Reliability**

The researcher complied with well-established criteria and logical assessment during the research process to ensure the quality of research and credibility for the study. Due care to both validity and reliability issues of the data, the research process in general as well as the research output. Multiple sources of data helped to triangulate the research; this also increased the reliability of the data. According to (Serumaga, 2015), validity is the ability of an instrument to measure what it was designed to measure or the degree to which the researcher measured was set out to be measured. It also refers to the accuracy, credibility and trustworthiness of data collection instruments, data and findings in the research (Serumaga, 2015).

Validity was achieved by the use of literature and experts in the field, the use of multiple sources of evidence during data collection. To ensure that the research was trustworthy, credible and dependable for quantitative analysis, the researcher controlled the survey to ensure that the information captured was correct and therefore had control over the kind of information which would be obtained. The researcher also explained and ensured that the participants understood the questions being asked before providing the researcher with an answer.

The qualitative data was validated also by following the logic in which the questions are checked and rechecked against the objectives of the study or for their relevance to the study overall objective. For qualitative analysis, the researcher has selected to engage specifically with Pick n Pay Head Office Marketing Department and not just any department and a general store in order to ensure the credibility of the study being investigated as they are directly involved with the brand.

### 3.7. Ethics

A major concern of the researcher was to consider the ethical issues pertaining to the study being investigated. It was therefore the researcher's responsibility to ensure that participants understood what was required of them before conducting the research, obtaining consent from the participants and remain confidential. In addition, the researcher did not deliberately plagiarise nor deliberately offended anyone during the process of this study (Van Wyk, 2015).

Most importantly issues of informed consent, anonymity, confidentiality, no harm, and privacy of the respondent were addressed as follows according to (Wyk, 2015).

**Informed Consent** - the respondents were asked for their consent to participate in the study after the researcher had explained to them what the study was all about including its purpose. In other words, no one was pressurised to participate. This was done verbally. **Anonymity** - the anonymity of the respondent was ensured. This made sure that the researcher took steps to ensure that what participants had said will not be traced back to them when the final report is produced.

**Confidentiality**, Confidentiality of the respondent was ensured. The researcher confirmed that the information supplied during the research process (in confidence) will not be disclosed directly to third parties or for any marketing purposes. **No harm** - the researcher made sure that no harm, whether physically or emotionally, happened to the respondents during the research process at any stage, under the conditions which the researcher had control of.

**Privacy:** The privacy of respondents was respected. In keeping with this, permission was obtained from the respondents prior to conducting the interview(s). A respondent was informed that he or she could withdraw from the research at any time without any negative consequence. In addition, the researcher made sure that no fabrication of data was done and was honest to the best of the researcher's ability when reporting on the findings of the study.

### **3.8. CHAPTER SUMMARY**

In summary, the data collection methods were discussed in order to get to the data analysis findings. After the research methodology, the research findings and interpretation of the results will follow in order to conclude the research and provide recommendations for the research findings.

## **CHAPTER FOUR**

### **4. DATA ANALYSIS AND FINDINGS**

#### **4.1 Introduction**

The purpose of this study was to establish the influence of a mother brand on an extended brand, in relation to the brand extension of the Pick n Pay brand into Pick n Pay clothing. The aim was to investigate insights to what consumers think about the Pick n Pay clothing brand in terms of its credibility and position in the market as well as to discover whether the Pick n Pay's brand identity impacts and continues through to Pick n Pay clothing as its extended brand. This was an exploratory study which sought to gather data on the phenomenon, analyse it and answer the research questions formulated in chapter 1. The objectives were:

1. To determine the image of the Pick n Pay brand.
2. To assess the value of the brand extension of the Pick n Pay supermarket brand.
3. To determine if brand loyalty to the Pick n Pay brand has an influence on Pick n Pay clothing brand

## 4.2. Quantitative data analysis

### 4.2.1. Section 1: The image of Pick n Pay brand

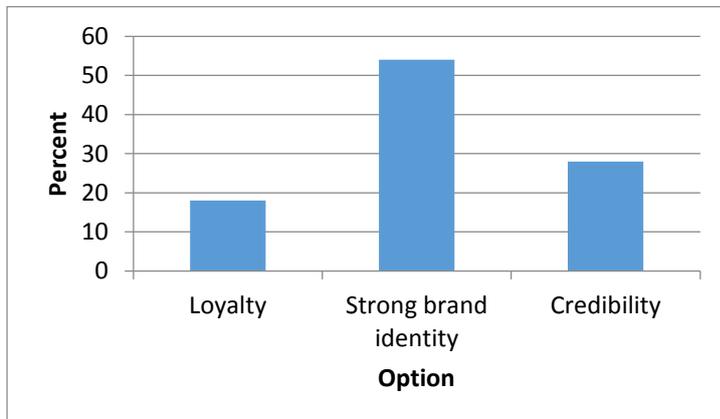
**Question 1: With which image would you associate the Pick n Pay brand with?**

**Please select an option.**

Table 1 and Figure 1 show the results.

Option	Frequency	Percent
Loyalty	9	18
Strong brand identity	27	54
Credibility	14	28
Total	50	100

**Table 1: Image of the Pick n Pay brand**



**Figure 1: Image of the Pick n Pay Brand**

Of the 50 respondents, the majority 27 (54%) indicated that a strong brand identity is the image they associate the Pick n Pay brand with. This implies that brand identity is one of the factors that influence consumers' decisions to support a brand, followed by a 28% on credibility.

The strong brand identity image association in Table 1 and figure 1 possibly indicate that Pick n Pay Clothing has been positioned as a walk pass store, which goes back to the management answer in question 7, where it was mentioned that the marketing strategy which the Pick n Pay Supermarket brand rely on to feed through to their clothing brand is predominately foot traffic.

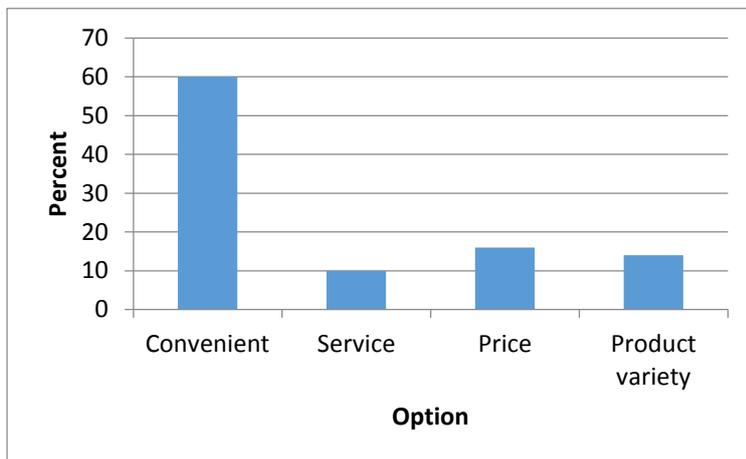
However, findings show that loyalty to the mother brand does not necessary extend to the clothing brand. The findings here demonstrations that one cannot only exploit its mother brand name for the success of its brand extension.

**Question 2: Why do you shop at Pick n Pay Clothing? Please select an option.**

Table 2 and figure 2 show the results.

Option	Frequency	Percent
Convenient	30	60
Service	5	10
Price	8	16
Product variety	7	14
Total	50	100

**Table 2: Reason for shopping at Pick n Pay Clothing**



**Figure 2: Reason for shopping at Pick n Pay Clothing**

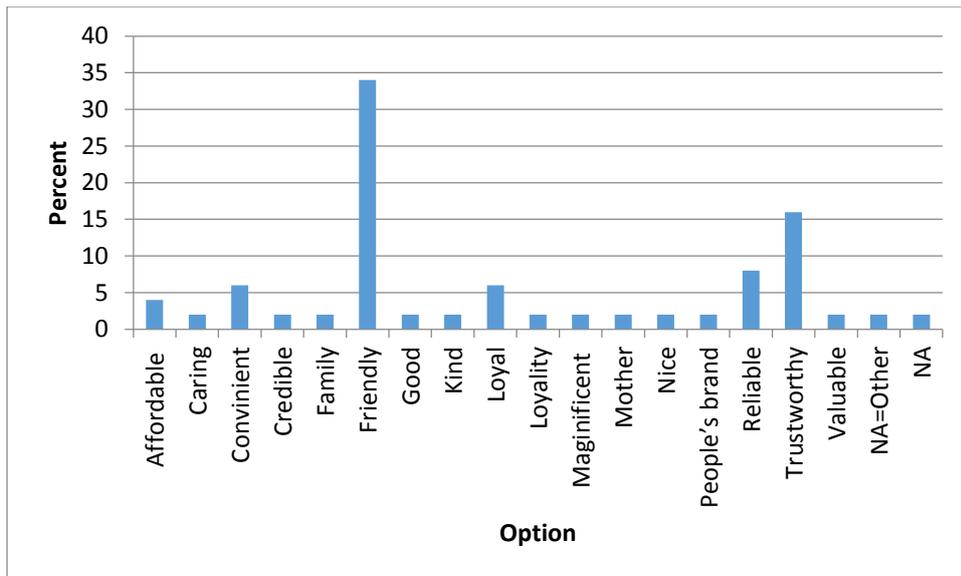
Table 1 and Figure one indicate that convenience (60%) is the main reason why people shop at Pick n Pay Clothing according to the results for question 2. In the interview with Pick n Pay's Marketing Department (question 2), it was mentioned that the clothing offerings are determined by consumer's demand, which their internal buyers and designers ensure that the demand is met. However, the finding here indicates that convenience has exceeded their product variety offerings. This means that Pick n Pay Clothing have on work on the offering of their product varieties.

**Question 3: If you have to describe the Pick n Pay brand as a person, what would you describe it as? Please state.**

**Table 3 and Figure 3 show the results**

<b>Option</b>	<b>Frequency</b>	<b>Percent</b>
Affordable	2	4
Caring	1	2
Convinient	3	6
Credible	1	2
Family	1	2
Friendly	17	34
Good	1	2
Kind	1	2
Loyal	3	6
Loyalty	1	2
Maginificent	1	2
Mother	1	2
Nice	1	2
People's brand	1	2
Reliable	4	8
Trustworthy	8	16
Valuable	1	2
NA=Other	1	2
NA	1	2
Total	50	100

**Table 3: Description of Pick n Pay**



**Figure 3: Description of Pick n Pay**

In general, consumers largely describe Pick n Pay as friendly (34%) and trustworthy (16%), and on a very small scale as reliable (8%). This is an overwhelming positive response. The finding indicates that people have a good image of the Pick n Pay brand therefore causing customers to be loyal to the supermarket. It is likely that customers extend this brand image to Pick n Pay Clothing line. In general, it indicates that people have a friendly, warm feeling about the Pick n Pay brand. The findings further indicates that their branding has been successful because of the positive response. This possibly links back to the family branding Pick n Pay conveys around their brand promise, which leaves no reason not to feel loyal to the brand. As a result, people might be extending this to the clothing line.

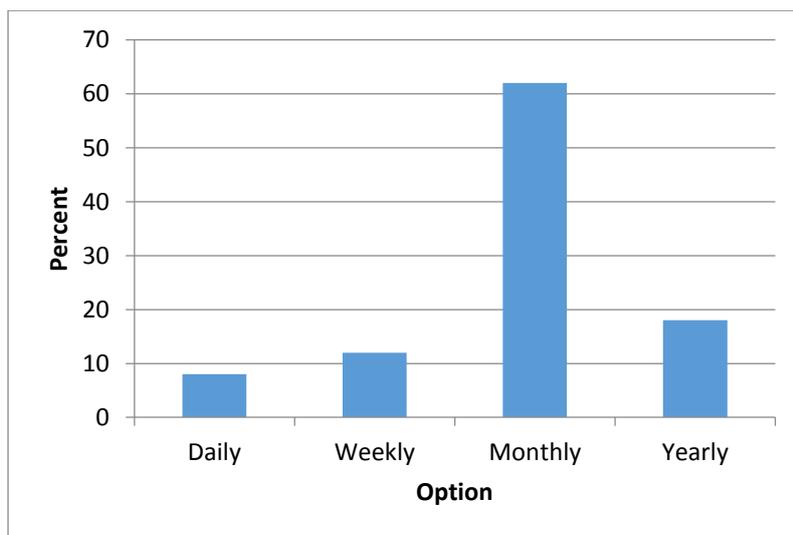
#### 4.2.2. Section 2: The value of the brand extension of the mother brand

**Question 4: How often do you buy an item at Pick n Pay clothing? Please select an option.**

Table 4 and Figure 4 shows results

Option	Frequency	Percent
Daily	4	8
Weekly	6	12
Monthly	31	62
Yearly	9	18
Total	50	100

**Table 4: How often people buy at Pick n Pay Clothing**



**Figure 4: How often people buy at Pick n Pay Clothing**

According to table 4 and figure 4, 62% of respondents indicated that they pick up an item of clothing when they do their monthly shopping.

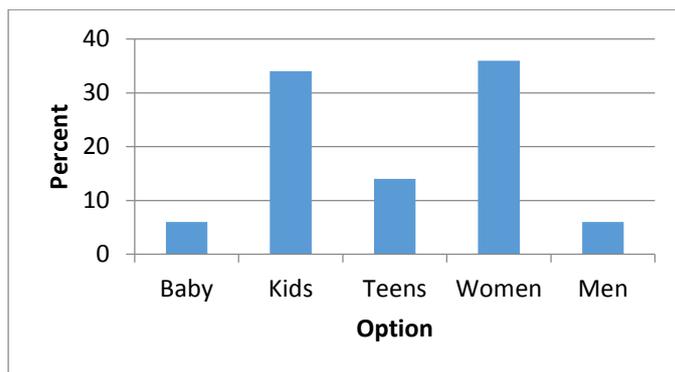
The finding here is that women do most of the shopping month end. Mr Price and Woolworths were identified as competitors in this survey as well as in the interview with Pick n Pay's Marketing Department, according to question 10 in the qualitative analysis. This implies that the expectation of quality in the mother brand is being met in the extended brand to an extent.

**Question 5: What type of clothing do you often buy at Pick n Pay Clothing?  
Please select an option.**

Table 5 and Figure 5 show results

Option	Frequency	Percent
Baby	3	6
Kids	17	34
Teens	7	14
Women	18	36
Men	5	6
Total	50	100

**Table 5: Type of clothing**



**Figure 5: Type of clothing**

According to table 5 and figure 5, mostly women’s clothing (36%) and kids’ clothing (34%) are being bought. Teens’ clothing comes number 3 (14%). This implies that, at Pick n Pay Clothing, it is mostly women’s clothing, kids and teens’ clothing that are brought. The findings also indicate that because women do the shopping, it is only a natural fit that they shop for their kids as well. The insight here implies that the clothing items are branded as “I have to buy something when I do my grocery shopping” and not necessary as need or a want. In other words, it’s part of the consumer tick list and not a desired item.

#### 4.2.3. Section 3: influence of a mother brand on an extended brand

**Question 6: Which of the following brands do you regard as an influential brand?**

**Please select an option.**

**Table 6 and Figure 6 show the results**

Option	Frequency	Percent
Woolworths	18	36
Pick n pay	29	58
Checkers	3	6
Total	50	100

**Table 6: Influential brands**



**Figure 6: Influential brands**

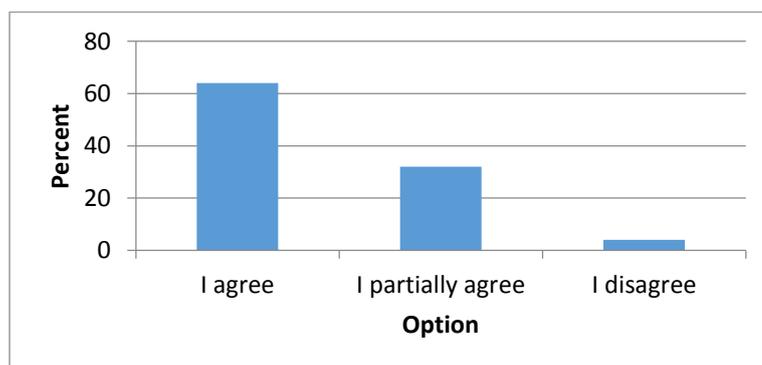
Table 6 and figure 6 clearly shows the results. The percentage of 58% for Pick n Pay indicates a strong brand identity – a sustainable brand. It is significantly higher than those of Woolworths (36%) and Checkers (6%) therefore Pick n Pay is seen as an influential brand in the market therefore as top a top of mind brand. This implies that the perception of the mother brand is strong. The finding here is supported by the statement in question 7, where respondents agreed according to the information provided in the Mail & Guardian (2014), Top Companies Reputation Index Survey, which saw Pick n Pay as the most trusted brand in South Africa.

**Question 7: In the Mail & Guardian (2014), Top Companies Reputation Index Survey, the Pick n Pay brand came up as South Africa’s most trusted brand. Do you agree with this statement? Please select an option.**

Table 7 and figure 7 show the answers.

Option	Frequency	Percent
I agree	32	64
I partially agree	16	32
I disagree	2	4
Total	50	100

**Table 7: Trusted brand**



**Figure 7: Trusted brand**

Sixty-four percent (64%) of the respondents agreed with the statement that in the Top Companies Reputation Index Survey, the Pick n Pay brand came up as South Africa’s most trusted brand. This is in support and correlation of the findings in question 6, where 58% agreed that Pick n Pay is an influential brand. Therefore indicating a strong brand identity.

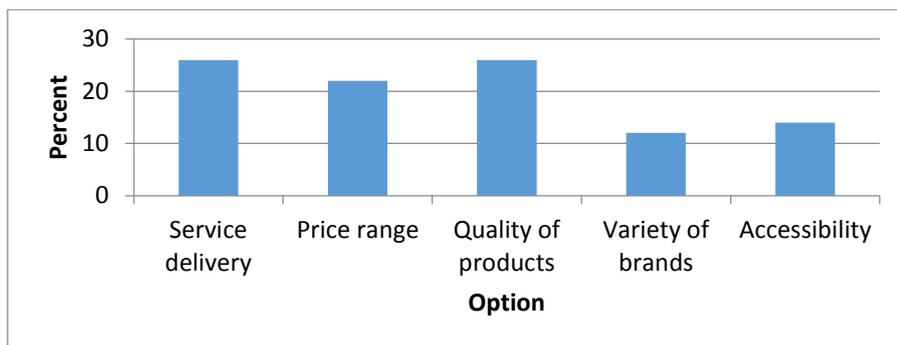
According to Aaker (2000) as discussed in the literature review, a brand identity communicates brand’s unique and particular meaning in order to add value to the lives of people. Aligned with this definition, the finding suggests that Pick n Pay’s brand identity in the market is being lived by its consumers.

**Question 8: Why do you think it was voted as South Africa most trusted brand?  
Please select an option.**

**Table 8 and Figure 8 shows the results.**

Option	Frequency	Percent
Service delivery	13	26
Price range	11	22
Quality of products	13	26
Variety of brands	6	12
Accessibility	7	14
Total	50	100

**Table 8: Reason for trusted brand**



**Figure 8: Reason for trusted brand**

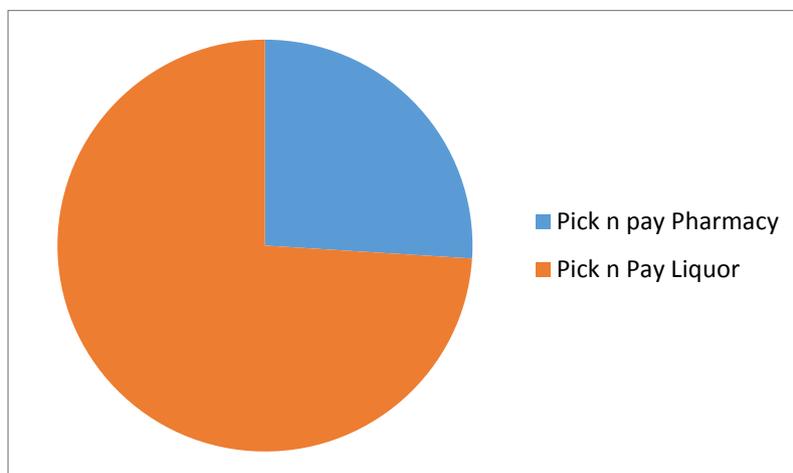
In a way, this question helped to find out why people are loyal to Pick n Pay. The reasons people gave were mostly: service delivery (26%), quality of products (26%) and price range (22%). This means that good service delivery, quality of products and the price range help to build strong emotional relationships between Pick n Pay and its customers – resulting in better selling results and in outcompeting its competitors such as Woolworths and Checkers. See table 8 and figure 8.

**Question 9: Which other of the following extended brand of the Pick n Pay Supermarket are you aware of? Please select an option.**

**Table 9 and Figure 9 show the results.**

<b>Option</b>	<b>Frequency</b>	<b>Percent</b>
Pick n pay Pharmacy	13	26
Pick n Pay Liquor	37	74
Total	50	100

**Table 9: Other extended brand**



**Figure 9: Other extended brand**

According to table 9 and figure 9, the majority of respondents (74%) were aware of Pick n Pay liquor. It proves that Pick n Pay Liquor is handled differently to the pharmacy, which is integrated into the store.

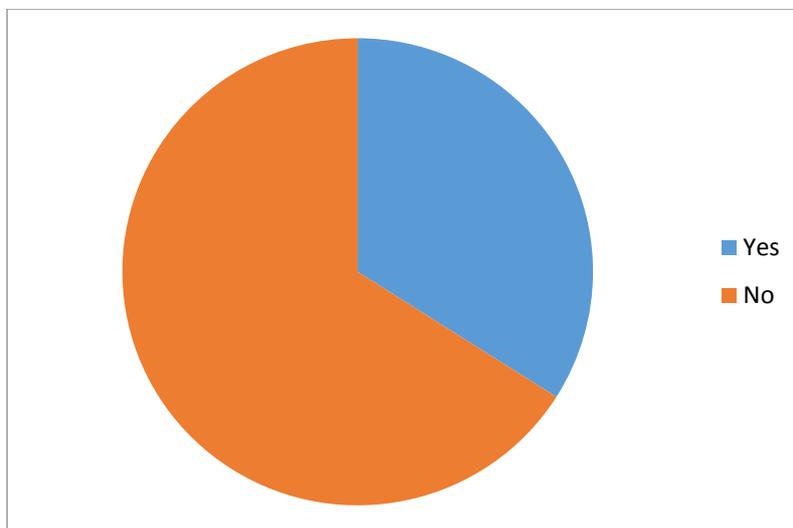
Table 9 and figure 9 possibly indicates that the in-store awareness is low and outside store awareness is high. Outside store awareness possibly has its own identity. In general, the finding indicates that people go to the store to buy food and don't have the Pharmacy or Liquor store as a sub thought.

**Question 10: Do you shop at Pick n Pay Clothing because of the Pick n Pay brand name?**

Table 10 and figure 10 show the results.

Option	Frequency	Percent
Yes	17	34
No	33	66
Total	50	100

**Table 10: Shopping at Pick n Pay Clothing**



**Figure 10: Shopping at Pick n Pay Clothing**

In as much as Pick n Pay has a strong brand identity the result that 66% percent of the respondents said “No” to shopping at Pick n Pay Clothing because of the Pick n Pay brand names indicates that people are possibly loyal to the brands stocked and not necessary to the mother brand, that is, the Pick n Pay Supermarket brand name. This implies that loyalty to the mother brand possibly comes from the product stocked in the stores and therefore the mother brand is a sub-thought when it comes to influence consumer’s decision to support the extended brand.

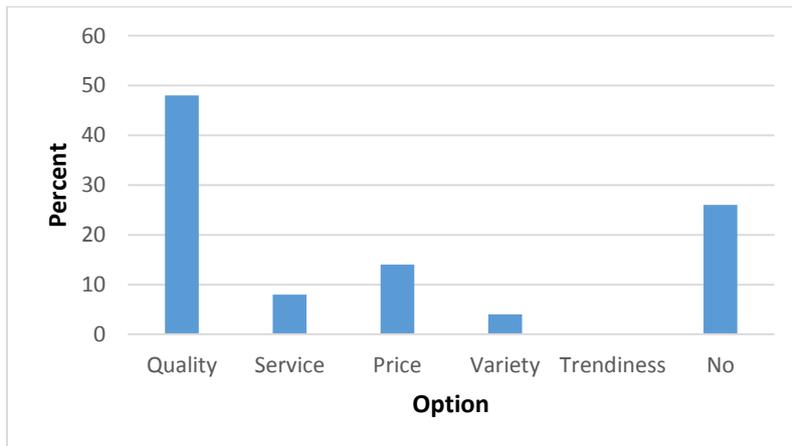
#### 4.2.4. Section 4: How successful is the brand extension (competitive edge)

**Question 11: Would you choose shopping at Pick n Pay Clothing over Mr Price?**

*Please select an option.*

Option	Frequency	Percent
Quality	24	48
Service	4	8
Price	7	14
Variety	2	4
Trendiness	0	0
No	13	26
Total	50	100

**Table 11: Pick n Pay Clothing vs Mr Price**



**Figure 11: Pick n Pay Clothing vs Mr Price**

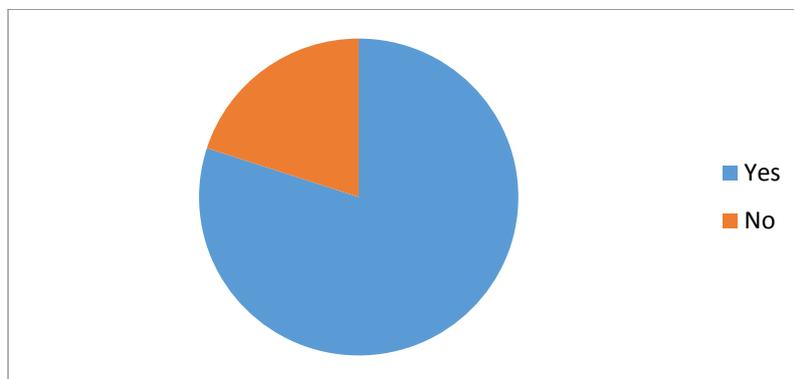
An indication of 62% results for quality exceeds that of price (18%), service (10%) and variety (10%). The finding here is that the expectation of quality products in the mother brand is being met in the extended brand. This indicates that Pick n Pay's brand promise of quality possibly comes across throughout all its extended brand offerings but most importantly it is not just a promise said but a promise kept.

**Question 12: Would you recommend Pick n Pay Clothing to friends, family and colleagues? Please provide a reason.**

Table 12 and Figure 12 show the results.

Option	Frequency	Percent
Yes	40	80
No	10	20
Total	50	100

**Table 12: Recommendation**



**Table 12: Recommendation**

Table 12 indicates that overwhelmingly, 80% of the respondents said that they would recommend Pick n Pay clothing to friends, family and colleagues. This result links back to the findings in questions 1 to 11, with an emphasis on question 1 which saw Pick n Pay as the most influential brand in comparison to one of its competitors Woolworths and Checkers. Another interesting finding links to questions 3, 7 and 11, where price was mentioned as an option. The outcome here is that, “price” is not necessary always top of mind in consumer purchasing decision but rather quality and service, as indicated in question 3, 7 and 11. Additionally, there is to an extent an assumption to question 4 of the qualitative data analysis where both the clothing brands Real and Cherokee caters to individual LSMs. The assumption made here relates to the Pick n Pay’s company as a family brand as well as positions it as an affordable brand, if pricing is not top of mind.

### **4.3. Qualitative data analysis and findings**

#### **Interview questions and answers with Pick n Pay Clothing Marketing Department**

##### **1. Do you market the Pick n Pay Clothing brand as part of the mother brand or as a brand on its own?**

It was revealed that Pick n Pay clothing is marketed as part of the mother brand.

##### **2. Has the Pick n Pay Supermarket determined in anyway, the type of clothing Pick n Pay Clothing offers its customers?**

To this question, the respondent (Pick n Pay Clothing Marketing Department Manager) said “No”, and said that the clothing offering is determined by customers’ demand which internal buyers and designers are in charge of making sure that the demand is met.

##### **3. Why have you decided to create your own brands; Real and Cherokee rather than to stock and/or offer existing brands with the current brands?**

In general, the respondent replied that by having their own in house brand it is better to control product development.

##### **4. Is your target market the same for both Real and Cherokee brands?**

It was revealed that the target market for Pick n Pay clothing is Real – entry level customer, lower LSM (Living Standard Measurement), Cherokee – mid to high pricing, and for middle to high LSM.

## **5. What is the intended brand image of the clothing line?**

The intended brand image portrayed is; family, fun, colour, weekend wear to offer a family shopping experience, and about impulse – as the driving force for the clothing offered inside the store and about choice for the clothing offered as part of the standalone stores.

## **6. Do you think that the Pick n Pay brand has influenced the success of the clothing brand and to what extent?**

The answer was “Yes”, due to the high brand equity and trusted brand. Initially, Pick n Pay wanted to name the store “Real” but Management/owner realised that their brand identity is strong to move away from it.

## **7. What influential factors or value do you rely on from the Pick n Pay brand name to feed through to the clothing brand?**

The fact that the mother company is a socially aware and conscience company, it sources products locally for the clothing brand, the value of the organisation structure of the supermarket has influenced – they value being a socially conscience company, source products locally, contribute to the local economy, provide job and security to communities.

Pick n Pay was hoping that this would come up as a big factor

## **9. What marketing platforms do you use to market the clothing brand and supermarket?**

Pick n Pay Supermarket store traffic.

## **10. Who are your direct competitors?**

Mr Price and Woolworths – this is where most of the Pick n Pay Clothing target market also shop at.

#### **4.4. Summary of key Findings**

People associate the Pick n Pay Supermarket with a strong brand identity. In general, consumers largely describe Pick n Pay as friendly, trustworthy and on a very small scale as reliable. People have a good image of Pick n Pay brand therefore causing customers to be loyal to the supermarket. Therefore In general, people have a friendly, warm feeling about the Pick n Pay brand.

The factors that seemingly influence consumers to be loyal to Pick n Pay include service delivery, quality of products and price range. These factors help to build strong emotional relationships between Pick n Pay and its customers – resulting in better selling results and in outcompeting its competitors such as Woolworths and Checkers as per the findings in question six of the quantitative data analysis. Other factors according to the manager, who was interviewed are: the mother company being socially aware and conscience company by sourcing products locally, contributing to the local economy, and providing job and security to communities.

Centrally to the manager's view that the Pick n Pay brand has influenced the success of the clothing brand due to the high brand equity and trusted brand the majority of respondents said they do not shop at Pick n Pay Clothing because of the Pick n Pay brand name. This would imply that loyalty to the mother brand does not necessary extend to the clothing brand.

To conclude, though consumers are loyal to Pick n Pay Supermarket, they do not necessarily extend the brand to Pick n Pay Clothing; they buy from Pick n Pay Clothing just for convenience 's sake when they go to the mother Pick n Pay to buy glossaries.

#### **4.5. CHAPTER SUMMARY**

In summary, the study presented a theoretical analysis and motivation of the research methods applied, including the research implementation, results, interpretation and a summary of the key findings.

## **CHAPTER FIVE**

### **5. CONCLUSION AND RECOMMENDATION**

#### **5.1 Introduction**

This study investigated insights to what consumers think about the Pick n Pay Clothing brand in terms of its credibility and position in the market as well as to discover whether the Pick n Pay's brand identity impacts and continues through to Pick n Pay clothing as its extended brand. This chapter gives the study conclusions in section 5.2 and recommendations in section 5.3.

#### **5.2. Conclusion**

As mentioned above, this study was intended to answer the research question – what is the influence of Pick n Pay Supermarket brand on the Pick n Pay Clothing brand?

It has been found that the mother brand (that is, of Pick n Pay Supermarket) is very strong and therefore there is a high possibility of it being an influential factor in the success of the extended brand. This success however has been to be attributed to price and convenience of their product offerings.

The study further suggests that there are other influential factors which have contributed to the success of the extended brand. These include service and quality.

Given all of this, the insight drawn from the study is that Pick n Pay Clothing Management should market the clothing line as a brand and not necessary rely on foot traffic and customer loyalty from the Pick n Pay Supermarket to feed through for its success, as mentioned in the interview with David (Pick n Pay Clothing Marketing Manager, 2015). This suggests that Pick n Pay Clothing has built their success on an inside-out and not an outside-in approach – as defined in the literature review, according to Dr Enslin Alternative Brand Contact Planning theory.

Evidence from literature also suggests that quality and service are more important than price and convenient. Therefore, the focus should be on quality and service in order to further strengthen the Pick n Pay Clothing brand. Currently, the brand is strong on price and convenient. This indicates that an outside-in approach should be applied in order to better understand the psychographic and behavioural variables of consumers shopping habits.

In conclusion, this study answers the research question – what is the influence of a mother brand (Pick n Pay Supermarket) on an extended brand (Pick n Pay Clothing)? It suggests that the mother brand is very strong and therefore there is a high possibility of it being an influential factor in the success of the extended brand. This success can be contributed to price and convenient of the product offerings.

### **5.3. Recommendations**

As a result of the research findings, the researcher recommends that the best way for Pick n Pay Clothing Management to proceed is to apply Dr Enslin's Alternative Brand Contact Planning theory to the brand. Evidence for this recommendation is linked to the finding which indicates that respondents do not shop at Pick n Pay Clothing because of Pick n Pay Supermarket.

In addition to this, it is recommended that Pick n Pay Clothing Management should concentrate on quality and service in their product offerings as per the research finding indicating that price and convenience are not enough for the success of a brand in relation to the brand extension of the Pick n Pay Supermarket into Pick n Pay Clothing.

Another recommendation would be for Pick n Pay Clothing Management to focus on the variety and trendiness of the clothing items. Although in the interview it was mentioned that the offerings focus is on weekend wear, this aspect does not necessary resonate with consumers. The finding provided indicates that consumers want to be and feel comfortable on weekends but still look on fashion. This finding is supported by what was also discussed in question 2 of the qualitative analysis where it was mentioned that, the clothing offering is determined by consumers' demand.

In the quantitative data analysis, the result showed that the type of clothing brought at the store is predominately women wear, as women do most of the shopping month end. It is therefore recommended that management should introduce shopping at Pick n Pay Clothing as a want and top of mind weekend fashionable or on trend wear as appose to an item on the monthly "grocery" list. From the researcher's perspective, the implication of a "grocery" item portrays the sense that a grocery item expires after a few days. Hence, the clothing item is on a shopping list and not necessary top of mind.

#### **5.4. Limitations of the Study**

The research could not be conducted nationwide due to limited resources such as financial support. The researcher managed to mitigate this by focusing on centre with access to Pick n Pay Supermarket and Clothing that generate high foot traffic.

#### **5.5. Directions for further studies**

In the interview with an official from Pick n Pay Clothing Marketing Department, the social aspect of the Pick n Pay brand was discussed. This aspect of the findings was not explored in detail but is recommended for future research.

The study did not produce insightful findings with regards to the awareness of the other Pick n Pay brand extension (question 9), namely Pick n Pay Pharmacy and Liquor. However, further studies into how they are positioned in the market in comparison to the clothing brand is recommended.

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