

“How quality perceptions impact South Africa’s brand choices: A Case Study on
Maxed vs. Nike”

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DECLARATION

I Ntwenhle Khumalo hereby declare that the research report submitted for the BA Honours in Strategic Brand Communications to The Independent Institute of Education is my own work is my own work and has not previously been submitted to another University or Higher Education Institution for degree purposes.

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I would like to take this opportunity to extend a very special thank you to my family and friends who have beared with me throughout this very challenging and stressful year. Thank you so much for believing in me and reminding me what I was capable of and the end goal when I could not see past the herculean task that was placed in front of me.

I would also like to thank my supervisor Clive for understanding and providing me with guidance in terms of how I wanted to approach this particular research.

Signed N.S.K Khumalo

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ABSTRACT

This small-scale qualitative research was conducted with the aim to get a better understanding of how quality perceptions influence the brands that South Africans choose. Using theoretical lenses such as Xenocentrism (Kent and Burnbright, 1951), Aaker's Model of Brand Equity (1996) and Symbolic Interactionism (Mead, 1934), the Mr. Price Sport brand, Maxed and Nike were used to draw comparisons between the local and global branding practices respectively, and how these impacted consumer perceptions. The main focus of the research was on the Maxed branded running shoe as the brand has gained a reputation for being "cheap" and "bad quality".

The research explored consumer perceptions through the use of qualitative research tools such as interviews, questionnaire observations with a total sample of 35 South African consumers. The themes were extracted from the data and analysed using qualitative content analysis methods such as a conversational analysis, multimodal analysis and discourse analysis.

What was found was that even though product perceptions improved, South Africans did not resonate with the Maxed brand due to its association with affordability and sports. The brand also still needed to work on the quality and design of the shoes and associate itself with non-sportsmen.

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CHAPTER 1 - INTRODUCTION AND OVERVIEW

Research Title:

How quality perceptions impact South Africa's brand choices: A Case Study on Maxed vs. Nike

1.1. INTRODUCTION AND CONTEXTUALISATION

Previously, South Africa was a business point of interest for international brands (eNCA, 2014). Within the retail industry, this interest was indicated by the entry of companies such as Top Shop, H&M and Cotton On into the South African market. The saturation of the retail industry by local and international brands has given South Africans choice and local brand may fear losing their customers to international brands due to perceived "superiority" in quality and value.

For Mr. Price Sport, which is just over 10 years old, making their own brand, *Maxed* more relevant in a saturated market is a difficult feat (Mr. Price Group Limited, 2019). The glamourisation of international brands through capital-intensive marketing campaigns has led most South Africans to aspire towards obtaining brands such as Nike, often neglecting local brands in the process (Koigi, 2017). As a local brand, Maxed should be more successful amongst South Africans. The issue would be how to successfully position Maxed running shoes within the South African market as an affordable, quality and fashionable brand that South Africans would feel comfortable wearing out in public.

1.2. FIELD OF STUDY

This study focused on exploring relates to concepts which fell within the marketing and branding fields. The study aimed to determine the perceptions and associations the South African consumer has of the Maxed and Nike brands as a result of marketing and branding practices.

1.3. PROPOSED JOURNAL

The ideal and proposed journal for this particular study would be *The Journal of Marketing* as study focused on providing more information on how international branding practices impact how South African consumers choose brands, therefore it would suited for the Journal of Marketing.

1.4. PROBLEM STATEMENT

Mr. Price Sport, is at risk of losing sales as South Africans choose international brands such as Nike over Maxed for the purchase of athletic footwear. Maxed has won thirteen gold medals at the Comrades Marathon, which showcases the shoes ability to perform and shoes affordable (Parkrun, 2017). However, South Africans are still hesitant to consider the Maxed brand as an option for athletic footwear.

The Maxed brand has become aligned with Comrades' runners to improve the credibility of the brand and this should be resulting in a greater sales, improved "street credibility" and greater brand admiration. The challenge was identifying ways in which Mr. Price Sport could placate consumer concerns through practices that would convince South Africans that Maxed branded shoes are an equally "socially acceptable" alternative to global brands.

1.5. RESEARCH GOAL

The research goal was to discover what resources (new and pre-existing) and practices Mr. Price Sport can implement in order to successfully strengthen the brand image of the Maxed branded running shoes amongst South Africans.

1.6. OBJECTIVES

- Explore the perceptions and imagery South Africans associate with the Maxed brand and the Nike brand.
- Develop a behavioural profile of the type of person who purchases Maxed running shoes.
- Understand the consumer journey when South Africans are purchasing new athletic shoes.
- Determine what best practices and available resources Mr. Price can use to improve the Maxed brand.

1.6.1. HYPOTHESES

Hypothesis: South Africans perceive the Maxed branded running shoes to be of lower quality in comparison to Nike. The brand's association with descriptions such as "cheap" and "China" dissuades South Africans from purchasing and confidently wearing the brand.

1.7. RATIONALE

The Mr. Price Group has expressed interest in expanding into the international market, with Mr. Price apparel and home establishing stores outside Africa (Mr. Price Group Limited, 2019a). The success of the Mr. Price Sport division could be dependent on the success of the Maxed brand. Mr. Price Sport may be unable to expand into the international market if it has not established itself properly in South Africa first. Considering that Mr. Price apparel has been successful in South Africa, the Mr. Price Sport sub-brand needs to be grown in order to contribute significantly to the overall success of the Mr. Price Group.

This research was conducted in order to fully assess the potential growth areas for the Maxed brand and assist in making it a more pertinent brand amongst South Africans. The increased sales would allow Mr. Price Sport to expand their stores into more parts of South Africa and eventually, further outside of South Africa. The financial success of the entire Mr. Price Group outside of South Africa could help contribute to the growth of the South African economy.

This research was conducted to also explore Xenocentrism – a phenomenon that describes an extreme preference for international products over local products (Kent & Burnight, 1951). Should Xenocentrism exist amongst South Africans, marketers need to develop better communication strategies by using successful, international brands as inspiration whilst still remaining authentic to their South African heritage.

1.8. LIMITATIONS

The study was lacking in financial resources and could not be implemented on a large scale. The study had a limited time period which reduced the amount of data collected. The researcher experienced loss of a significant portion of the work which was in progress, which reduced the time spent collecting and compiling the data which was obtained.

The researcher was initially meant to additionally explore what the Marketing team at Mr. Price Sport believed about the Maxed brand. Due to legalities and the time constraints for approval, the researcher focused on analysing and interpreting public company information.

The availability and accessibility of participants. The researcher attempted to contact a number of South African individuals interested in sport-related matters online for interviews and some did not respond. Due to differing geographical locations, some interviews had to be conducted telephonically which reduced the researcher's ability to take note of body language and facial expressions.

1.9. DELIMITATIONS

The store visits were limited to Kwa-Zulu Natal, even though Mr. Price Sport has a presence in a number of locations across South Africa. The researcher chose not to explore a number of aspects relating to the researcher. For example, the researcher decided to focus purely on the Maxed brand and not the Mr. Price Sport brand as a whole. The researcher chose not to focus on the performance of other local brands or the owned brand of other retailer brands.

1.10. CHAPTER OUTLINE

Chapter 1: Introduction and overview

Chapter 1 provides the background and context of the research, field of study and proposed journal. The research questions, objectives and rationale are discussed in full detail.

Chapter 2: Literature overview

Chapter 2 explores the various secondary information that relate to the study and the theoretical frameworks that provide an explanation into why the research problem exists.

Chapter 3: Research methodology

Chapter 3 details the research approach, design and data collection methods used to obtain primary data.

Chapter 4: Results and findings

Chapter 4 presents the findings from the research from the research methods used. Also presents a detailed analysis on the significance of the findings.

Chapter 5: Conclusion and recommendations

Chapter 5 presents a summary of all the findings obtained from the literature overview and research methods. The findings are assessed against the researcher's objectives and potential solutions and recommendations are made for the Maxed brand.

1.11. SUMMARY

The study aimed to investigate how South Africans perceive quality affects the brands that they choose, with specific reference to Maxed-branded running shoes and Nike running shoes. The South African retail market is saturated with brands and South Africans would possibly forgo the purchase of local brands (despite the possibility of local brands being more superior in quality), due to their perceptions that international or global brands are superior in quality. The premise of this study was to explore why South Africans seemed not to resonate with the brand, despite its affordability.

Chapter 2 will encompass the review of literature and the various theoretical frameworks and models that support the research.

CHAPTER 2 - LITERATURE REVIEW

2.1. INTRODUCTION

This chapter focused on exploring the theoretical frameworks that were associated with why consumers choose certain brands. Xenocentrism, Symbolic Interactionism and Aaker's model of brand equity were used as a lens to explain why South Africans resonate more with international brands such as Nike. Literature on quality perceptions and possible cases of Xenocentrism were reviewed to determine how quality is defined and what draws South Africans to global brands.

2.2. THEORETICAL FOUNDATION

2.2.1. XENOCENTRISM

Xenocentrism describes how individuals view foreign products as more superior in comparison to local products, even though the opposite may be true (Balabanis and Diamantopoulos 2016). According to Kent and Burnbright (1951), feelings associated with Xenocentrism are subjective, which aligns with the interpretivist paradigm through which this research will be conducted. Xenocentrism would be used as a possible explanation for why South African's would prefer global brands such as Nike over Maxed.

Mr. Price is a local brand which provides value to consumers and therefore should be obtaining more local support (Mr. Price Group Limited, 2019b). However, the market is dominated by global brands such as Nike and Adidas (Euromonitor, 2019). The theory of Xenocentrism in mind and the Maxed brand identity was considered to identify whether the brand itself was lacking in certain aspects which prevented it from resonating with the South African consumer.

2.2.2. AAKER'S MODEL OF BRAND EQUITY

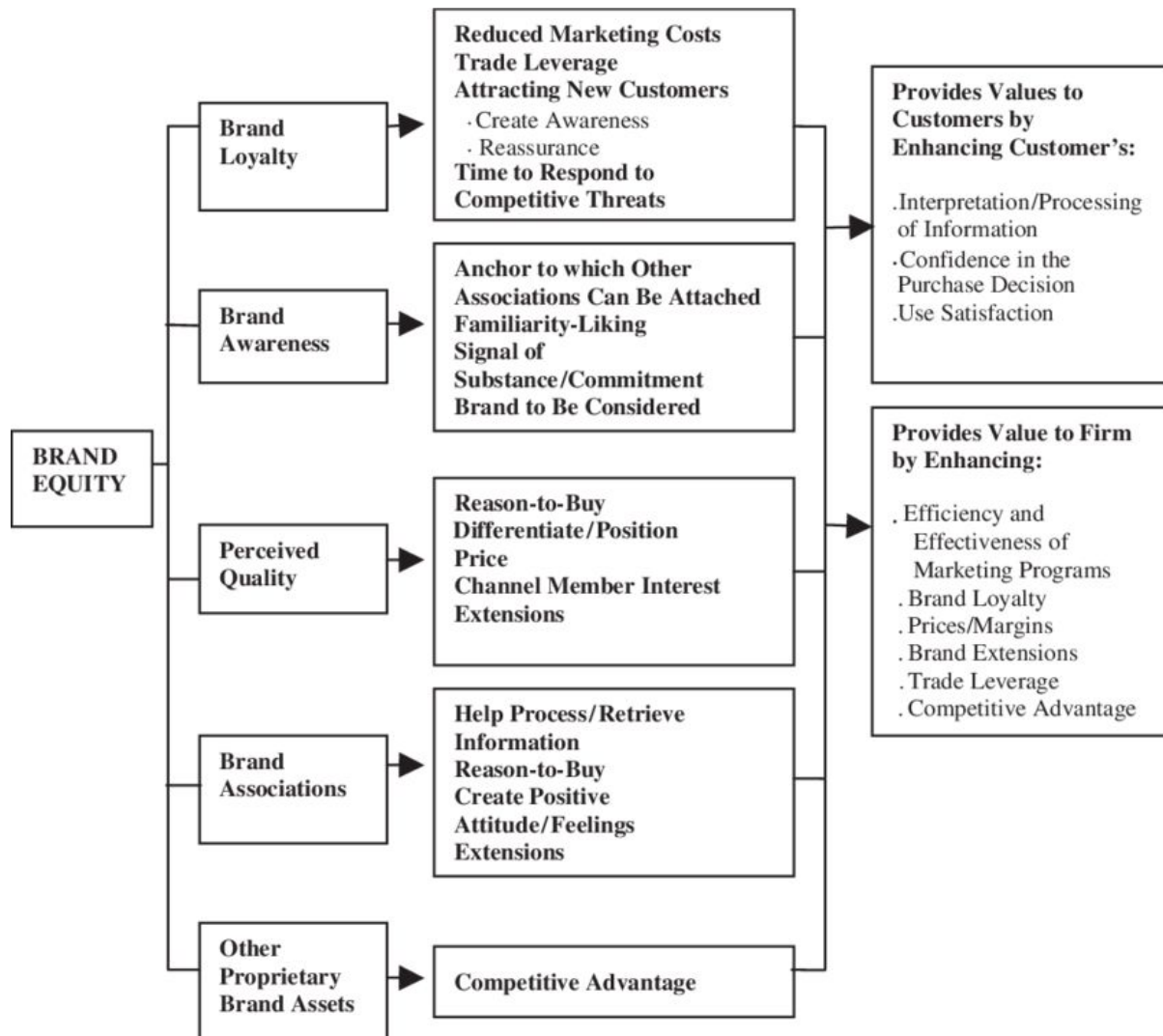


Figure 2.1. Consumer-based brand equity model (source Aaker 1996)

Aaker's model of brand equity (1996) is used to analyse the intangible and unique attributes of a brand which create its equity (Bick, 2011). These attributes encompass perceived quality, brand loyalty, consumer awareness and brand associations. Aaker's model of brand equity will be used to assess the aforementioned characteristics in relation to Maxed.

Aaker's model of brand equity (Aaker, 1996) would align with interpretivist paradigm used in this research, as attributes such as perceived quality and associations are subjective. Obtaining the views of Mr. Price Sport employees, customers and the general public revealed a number of insights which were used to identify an

advantage which is non price-related for Maxed. Despite Maxed's cost advantage, Nike and Adidas remain market leaders in the sportswear category (Euromonitor, 2019). The success of Nike and Adidas within the South African market could suggest that consumers develop emotional relationships with the brands they purchase. This could call into question whether any South Africans have developed a similar relationship with the Maxed brand.

2.2.3. THE APPLICATION OF AAKER'S BRAND EQUITY MODEL TO MAXED

In order to develop an emotional relationships with consumers, a brand first needs to establish brand recognition and subsequently, brand awareness (Harvey, 2017). The Maxed brand would possibly be relying on the success of its parent brand and possible loyalty of the regular Mr. Price shoppers to increase recognition.

Brand Awareness

Keller (2001, cited in Shahid, Hussain and aZafar, 2017), posits that brand awareness is about how much the consumer knows about the brand. Harvey (2017), suggests that brand recognition is the consumer's ability to recognize a brand from the logo and colours and brand awareness refers to the consumer knowing that the brand could be the solution to their problem. South Africans could be aware that Maxed could be the solution for if they need low cost sporting apparel and equipment.

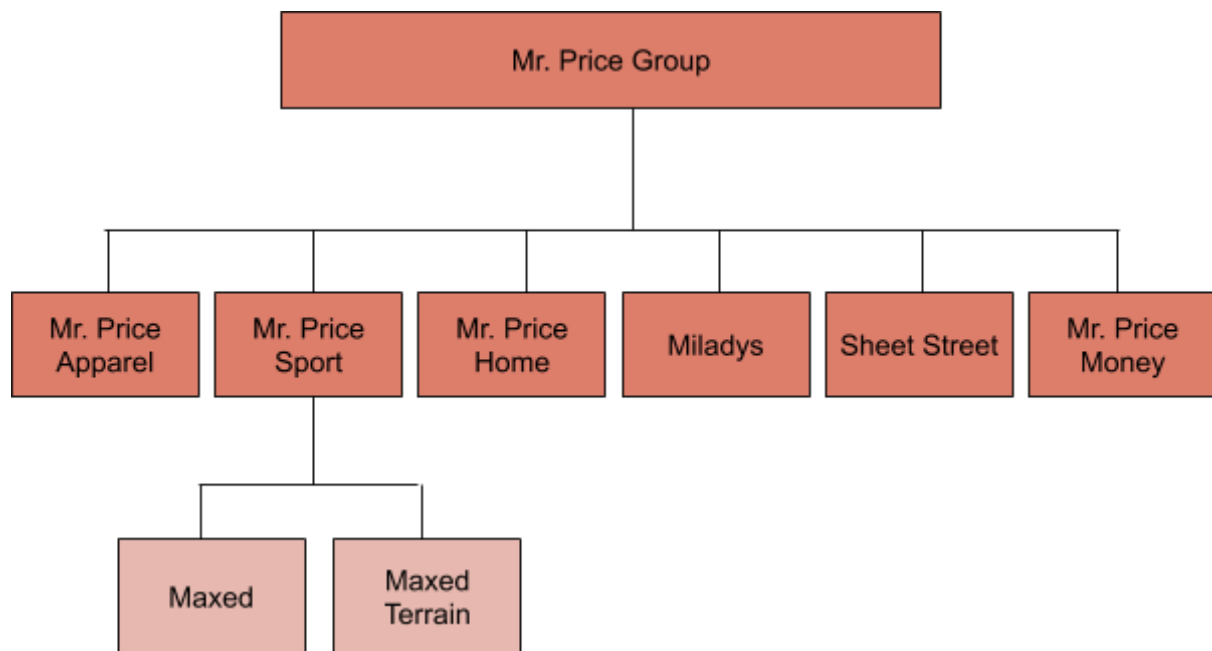


Figure 2.2. Mr. Price brand architecture

The Maxed brand's recognition could be considered high amongst individuals interested in sports due to the association with the Mr. Price Group. The Maxed brand is relying on the heritage, reputation and reach of Mr. Price Apparel in order to build awareness over their low cost equipment and apparel. Once consumers are aware of product benefits, brand loyalty can then be built.

Brand Loyalty

brand loyalty as when an individual displays a preference for a specific brand and will actively seek out that particular brand (Sheth & Park, 1974). The implementation of "everyday low prices" across all the brands could indicate that Mr. Price is trying to elicit loyalty from individuals that are looking to save money whilst remaining "fashionable" (Mr. Price Group Limited, 2019). The brand does distribute regular email communications, detailing new range launches or specials offers.

Perceived Quality

Mr. Price Group brands overall aim to provide a high volume of quality products at "everyday low prices" (Mr. Price Group Limited, 2019). Mr. Price has accumulated a

negative reputation for bad quality material (Mamabolo, 2017). This reputation has extended itself to the Maxed brand's running shoes and dissuaded serious South African runners and consumers from purchasing the brand (Mamabolo, 2017).

Brand Associations

The Maxed brand has begun building associations with athletes such as Dominique Mann Crouss, Brand Tandy, Prodigal Khumalo and Travis Gordon (Mr. Price Sport, 2019). Due to the sponsorship of Comrades runners and their successes at the event, Maxed is becoming more synonymous with the Comrades marathon, which could improve the perception of the performance and quality of the shoes. People may still associate Maxed with rugby because Mr. Price Sport sponsored the Sharks Rugby team (Sports Trader, 2006). The brand has attempted to associate itself with more community-based events by sponsoring the weekly Parkrun alongside Discovery (Parkrun, 2017).

Brand assets

According to Bailey (2019), brand assets include brand colours, symbols, logos, tagline, celebrities and the tone-of-voice.



Figure 2.3. Maxed logo. Source adopted from Logo-Vectors (2019).

The X in Maxed is possibly the most recognizable feature of the logo identified in figure 2.3. The brand colours used are slightly aligned with the overall corporate identity of Mr. Price. The use of the word “performance” under the brand's name suggests that the brand encourages and provides the user with a means to perform to the best of their ability. The brand utilizes the sporting influencers that have been identified above. The brand itself currently does not “speak for itself” as its parent brand, Mr. Price Sport communicates on its behalf and communications are usually centered around encouraging consumers to purchase the product.

2.3.3. SYMBOLIC INTERACTIONISM

Symbolic Interactionism is a theoretical framework developed by a number of philosophers within the branch of sociology (Carter and Fuller, 2015). The main contributor to the development of the theory is George Herbert Mead (1934). Leigh and Gabel (1992) state that Symbolic Interactionism is evident in consumer purchasing behaviour as consumers often purchase certain products or services based on the meaning society attaches to those brands.

Symbolic interactionists focus on how people interpret the world from their different perspectives which aligns with the of the interpretivist paradigm (Leigh and Gabel, 1992). Symbolic interactionism (Mead, 1934) was used as a lens to deconstruct the symbols South Africans attach to the Maxed brand and the Nike brand to draw comparisons.

2.3. LITERATURE REVIEW

Using the above-mentioned theories and models, the literature review delves into discussions that provide reasonings for why consumers choose certain brands over others. The sources chosen are largely driven by Xenocentrism, which underpins the research. The literature will also provide possible explanations about why consumers buy into certain brand cultures.

The consumption of global brands in Africa

There is evidence that suggests that certain consumers are attracted by the “foreignness” of a product, which is a display of Xenocentrism (Balabanis and Diamantopoulos, 2016). Low-status consumers and consumers living in developing countries display a significant preference for foreign products (Balabanis and Diamantopoulos, 2016). Balabanis and Diamantopoulos (2016) further state that foreign products are well regarded amongst developing countries and emergent markets, which South Africa to be.

Chenne (2018) supports the views of Balabanis and Diamantopoulos (2016), by stating that Africans actively consume global brands, which dominate the Brand Africa 100 list. The Brand Africa 100 list is based off a survey conducted in 23 African countries to identify the most admirable brands in Africa (Gitau, 2018).

The dominance of global brands on the list displays elements of Xenocentrism. The results of the survey suggest that Africans have a strong preference for global brands, which is a key issue for Maxed as a local brand (Kent and Burnbright, 1951). Chenne (2018) mentions that more African brands were featured on the Brand Africa

100 list. This indicates an opportunity for the Maxed brand to compete with global brands such as Nike for market share.

Martin-Leke (2013) argues the notion that Africans are more attracted to western brands, which disproves the premise of this research. However, Martin-Leke (2013), discusses African luxury brands and Mr. Price is not identified as such. Products presented as “high quality” which are targeted towards “status-conscious” consumers are referred to as luxury brands (Arora, McIntyre, Wu and Arora, 2015). Davvetas and Diamontopolous (2016) propose that there are certain product categories which prompt consumers to purchase global brands.

Product categories as an indicator of global or local brand purchase

Consumers place more importance in the global brand purchase of mobile phones, televisions, computers and less importance on food items (Balabanis and Diamantopoulos, 2016). The results of the Brand Africa 100 survey support this, as the most admired brands fell within the electronics, telecommunications and non-durable product categories (Chenne, 2018). This could be attributed to consumer perceptions of local products being inferior based on the shortcomings of the local industry (Balabanis & Diamantopoulos, 2016).

The impact of country of manufacture and country of origin on brand image

Product manufacture location can impact consumers perceptions of the product. Arora et. al (2015) posits that consumers will pay a premium for products that have a country of origin that has a favourable image. Consumers often make assumptions about a brand’s durability, value for money and reliability based on the country of origin or manufacture (Arora et. al, 2015). This reinforces the notion of Xenocentrism as people favour brands that come from developed, western countries (Kent and Burnbright, 1951).

The discussion Arora et. al (2015) presents on how consumers choose brands that will present a favourable image of them to society is tantamount to the thoughts

presented by Leigh and Gabel (1992). According to Reuters (2015), the Mr. Price Group imports their materials from Asia. Products from China are often seen as “cheap” and low quality, which can tarnish the brand image (Shepard, 2016). Whilst the Mr. Price Group does not explicitly state that they source their materials from China, local procurement accounts for only 34.5% of the group’s total input units (Mr. Price Group Limited, 2019a).

Leigh and Gabel (1992), stress that the symbolic meaning assigned to the product is an important aspect of product image. A product with a clear symbolic meaning will allow consumers to interpret that meaning to their advantage and allows others to make assumptions of the person based on the product (Leigh and Gabel, 1992). Despite the work of Leigh and Gabel (1992) being written years ago, the aforementioned points are still relevant in modern day society.

A product’s country of origin and manufacture can influence a consumer’s perception of the brand (Arora, et al., 2015). Consumers often prefer to purchase products with the same country of origin and manufacture when it comes to luxury products, as consumers can draw conclusions about the quality (Arora, et al., 2015). Arora et al. (2015), fail to mention whether these decisions are consciously made by consumers and whether consumers actively seek out that information.

Consumers are influenced by the information received regarding the product’s origin and manufacture and subconsciously make decisions based on their accumulated knowledge. When the country of origin and manufacture differ, consumers prefer to purchase utilitarian products, which do not attempt to offer consumers a “luxurious” experience (Arora, et al., 2015). Maxed could be considered a utilitarian product because it meets the basic need for sporting paraphernalia at a reasonable price. This could be an issue for Maxed as consumers could assume that they will not receive an additional experience with the purchase of the Maxed brand.

The current symbolism attached to the Mr. Price Sport Maxed brand could make others perceive an individual who uses the brand negatively, based on the fact that

Mr. Price is often criticised for bad quality clothing. As a result, the Maxed brand was assessed using Aaker's model of brand equity to identify what differentiates the brand (Aaker, 1996).

Consumers place more emphasis on quality, reliability and performance for functional products (Davvetas and Diamantopoulos, 2016). Consumers often conjure images and assumptions based on a product's country of origin and manufacture (Arora, et al., 2015). These associations are formulated through the consumer's personal experiences and knowledge relating to the country's political and economic conditions (Arora, et al., 2015). Global brands are perceived to be highly reliable and unlikely to fail due to having to uphold a standard (Davvetas and Diamantopoulos, 2016). Mr. Price Sport could be seen as unreliable by consumers, as there could be a perception that it lacks the resources and esteem that global brands carry.

How western influence impacts local brands

Van Zyl (2019) discusses how local brand Veldskoen is now receiving more international attention due to the investment from actor Ashton Kutcher and investor Mark Cuban. Veldskoens is a South African business which focuses on the sale of "quirky" shoes called "Veldskoens" predominantly through an ecommerce store (van Zyl, 2019). Due to the nature of the brand being online and being potentially exposed to business from different countries, it could be expected for the brand to generate awareness in other countries.

Consumers that resonate with Mark Cuban and Ashton Kutcher may begin associating the Veldskoen with success and exclusiveness and would purchase the brand based on this symbolism (Leigh and Gabel, 1992). This indicates that a brand could increase credibility by associating with well-known people from western countries. The Maxed brand could build credibility, by associating themselves with well-known individuals from other countries.

This is seemingly the strategy that brands such as Nike, Puma and Adidas have employed. Chenne (2018) mentions that the sports category has performed

consistently, as seen by Adidas and Puma re-positioning themselves to be seen as lifestyle brands. The aforementioned brands have associated themselves with non-sport celebrities, which could be done by Mr. Price Sport (Chenne, 2018). By potentially associating themselves with individuals from other countries, it could be said that Mr. Price could be further dissociating themselves from being perceived as an “African” brand.

Martin-Leke (2013), emphasizes the need for more African brands to own market share in other countries. Perhaps gaining relevance in countries outside Africa could help Maxed gain more credibility. Davvetas and Diamantopoulos (2016) mention that global brands are classified as “safer” to purchase in comparison to local brands amongst most consumers. This is important when consumers are purchasing products that are perceived as “high risk” (Davvetas and Diamantopoulos, 2016).

The appeal of global brands

Global brands should advertise themselves to product markets whereby consumers want functional products with high visibility and reduced purchase risk (Davvetas and Diamantopoulos, 2016). The purchase of Maxed athletic footwear could be considered as a high risk, as the quality of the shoe could impact that consumer’s athletic performance. Athletic footwear can be considered visible as other members of society can identify a certain brand based on the logo and design of the shoe. Maxed is competing with global brands in a category whereby global brands already have preference.

Davvetas and Diamantopoulos (2016), reason that local brands should be purchased for household categories, where these products can be privately consumed and purchase risk is low. Leigh and Gabel (1992) contribute by stating that although products can be purchased based on the symbols assigned by society, the symbolism could be consumed at a private level. This suggests that consumers are not always concerned about the visibility of the product when purchasing a brand but rather focus on the symbolism of the brand.

Regardless of nationality, Davvetas and Diamantopoulos (2016) posit that global brands embody qualities that better express the consumers' identity and perception of self. If South African consumers do not view Maxed as an accurate representation of their personality, they will be less likely to purchase the brand. Balabanis and Diamantopoulos (2016) supports this, by stating that low self-esteem and low-status often increases an individual's yearning for products that are perceived to be of a "higher status". Zhou and Belk (2004, cited in Balabanis and Diamantopoulos, 2016) suggest that products associated with western countries are synonymous with success and aspirations relating to success.

Local goods are often perceived as "sub-standard" due to an underrepresentation of local values and culture and prolonged exposure to exaggerated views of other cultures (Balabanis and Diamantopoulos, 2016). It could be presumed that people could have pre-existing views of products manufactured in China based on exposure to exaggerated beliefs on the processes employed within the country. Regardless, it is possible for a brand such as Mr. Price (which has products manufactured in China) to change the perceptions of South Africans. Martin-Leke (2013) mentions that Shang Xia (which forms part of the Hermes Group) and Shanghai Tang (Richemont Group), have successfully surmounted the stigma of being "made in China".

Mr. Price improves perceptions

Mr. Price seems to be making progress in surmounting the "made in China stigma" as Laing (2018) reported that Mr. Price's interim dividends increased by 11%. The increase in sales seems to be the result of improved customer perceptions of Mr. Price's quality and fashion in relation to their competitors (Laing, 2018). According to Mr. Price Group Limited (2019), Mr. Price Sport experienced a sales growth of 9.7%. Mchunu (2019), however states that the Mr. Price Sport online sales experienced a growth of 40.5%. Despite this sales growth, Mr. Price Sport still only accounts for 6.9% of Mr. Price Group's overall sales (Mr. Price Group Limited, 2019b).

The improved perceptions of Mr. Price is quite surprising as the brand has had a reputation for being low quality for a number of years. It was essential to ascertain what the “new” perceptions were and assess how they could be used to attract more people to the Maxed brand. By expanding the market of the Maxed brand, Mr. Price would allow consumers the opportunity to interact in global consumer culture, as local brands do not provide such an opportunity (Balabanis and Diamantopoulos, 2016).

It is evident that consumers choose brands based on their symbolism (Davvetas and Diamantopoulos, 2016). This links with Aaker’s Model of Brand Equity (Aaker, 1996), which assesses the different images and perceptions people associate with a specific brand. The different associations and perceptions gave insight into how the South African consumer see themselves and whether Maxed expresses their individuality. The primary research conducted attempted to discover the types of people Maxed appeals to and how to attract more of those individuals to increase sales.

2.4. CONCEPTUALISATION

Mr. Price Group:

Reference to the Mr. Price Group throughout this research is in relation to the all the brands that belong to Mr. Price, see figure 2.2 above. The Mr. Price Group has strategically planned for certain ideals to be filtered throughout its sub-brands. Those ideals (such as value and everyday low prices) justify some of the actions undertaken by Mr. Price Sport (Mr. Price Group Limited, 2019b).

Value:

The Mr. Price Group calculates consumer value on the basis of the following equation: Value = Price + Quality + Wanted Item (referred to as fashionability) (Mr. Price Group Limited, 2019a). Value can be considered quite subjective and it was important to uncover the different meanings South Africans associate with value through the primary research conducted.

Market share:

According to O'Regan (2002, as cited in Etale, Bingilar and Ifurueze, 2016) market share is an organisation's sales compared to the overall industry sales within a specific time frame. Etale, Bingilar and Ifurueze (2016) have posited that market share demarcates an organisation's position and performance within the market relative to its competitors. Analysing Mr. Price Sport's owned market share relative to Nike gave insight into the brand's performance within the market and signified potential growth areas.

Consumer perceptions:

According to Forgas and Melamed (1976), perception is an active process that allows people to carefully observe, organise and interpret their experiences. Perceptions are subjective and are dependent on an individual's previous history. How South African's perceive the Maxed brand was reliant on what they have heard about the brand, as well as personal experiences in terms of brand interactions.

The perceptions South Africans might have of the Maxed brand could have been largely influenced by the perceptions they have of Mr. Price apparel. It was important to note the different associations that South Africans think of when they saw the Maxed logo. This was compared with how Mr. Price Sport saw the Maxed brand (internal perceptions) and shortcomings in the brand communication were addressed.

Quality:

According to Fall (1984), quality is subjective and can be defined through using 5 approaches: Transcendent, product-based, user-based, manufacturing-based and value-based definitions. All five definitions were considered to assess the quality of Maxed from the perspective of South Africans and Mr. Price Sport. These five aspects were used as a point of parity when comparing the offering of Maxed and Nike.

2.5. SUMMARY

Xenocentrism refers to when individuals will display a preference for foreign products over local products (Kent & Burnbright, 1951). Davvetas and Diamantopoulos (2016) stipulated that consumers often feel as if global brands embody qualities that better help them express their individuality. This provided a reasoning for why South Africans displayed a preference for Nike over the Maxed brand. Mr. Price Sport experienced growth between 2018 and 2019 which indicated that the brand was in the process of making changes that have helped it grow and help change consumer perceptions of their quality.

Chapter 3 will detail the research methodology that was used in ascertaining which methods and research design would be best suited to reach the research objectives.

CHAPTER 3 - RESEARCH METHODOLOGY

3.1. INTRODUCTION

This chapter recognizes the various methods and approaches that were selected in order to collect the data that helped fulfill the research goal. To achieve this goal, the current perceptions of the South African consumer needed to be explored in relation to Maxed and Nike. The chapter begins by stipulating the research paradigm which provided the overarching guidance required for the research.

3.2. RESEARCH PARADIGM

The research was conducted through the Interpretivist paradigm in an attempt to understand the underlying principles that drove South Africans to choose certain brands. Obtaining insight into the perceptions of South Africans to the Maxed brand could help improve the Maxed brand. Understanding the journey and decisions undertaken by South African consumers when shopping for a new pair of athletic footwear was useful in helping Mr. Price Sport identify gaps which could be met by their brand, *Maxed*.

Consumers brand choice is driven by qualitative factors, as consumers consider how the brand could best address their needs (Di Somma, 2016). This further outlines that brand choice is subjective, consumers have different drivers that motivate them to purchase a brand, which the Interpretivist paradigm addresses (du Plooy-Cilliers, Davis and Bezuidenhout, 2014). The qualitative research methodologies associated with the Interpretivist paradigm, uncovered the perceptions, beliefs and associations people assigned to the Maxed brand.

Respondents were asked to describe the Maxed brand and Nike using certain words or the images that come to mind when the brand is mentioned. To understand consumer perceptions, in-depth interviews and observational research was conducted. The common themes and patterns that emerged from the primary data

was then extracted and observed to assess how Mr. Price could address them using available organisational resources.

By understanding what elements South Africans dislike the most about the Maxed brand, solutions were provided to help Mr. Price Sport resonate more with the target consumer. Mr. Price Sport's target customers were described as "value-minded sports and outdoor enthusiasts from age 6 upwards who are primarily in the 8 to 10 LSM range" (Mr. Price Group, 2018a: 14). Uncovering the views of the supporters of Mr. Price Sport assisted in magnifying the positive attributes of the Maxed brand.

3.2.1. Epistemology

Epistemology refers to the study of knowledge and each research study aims to contribute to a body of existing knowledge (du Plooy-Cilliers et. al, 2014). An interpretive stance was adopted in identifying what drives individual South Africans to choose certain brands, as well as explore their perceptions of value and quality.

3.2.2. Ontology

The ontological position refers to the study of existence and reality is largely determined by the meanings that individuals ascribe to their personal experiences and interactions (du Plooy-Cilliers et al., 2014). Obtaining the personal meanings South Africans associated with the Maxed brand and the Nike brand was important. This would assist in identifying the ways in which the Maxed brand could be utilized to create more value and meaning in the South African's consumers life.

3.3.3. Axiology

This research values different perceptions and thus realities. According to du Plooy-Cilliers et. al (2014), axiology is comprises the study of values as this will provide the researcher with what is valued within a specific paradigm. Therefore, the opinions of the researcher and the participants were integral to the study.

3.3. RESEARCH DESIGN

A mixed methodologies research approach was adopted throughout the research. This design method is referred to as the mixed methods case study design (Maree, 2016). The researcher collected, analysed and combined both qualitative and quantitative research within a qualitative case study framework (Maree, 2016).

The qualitative aspects aimed to investigate and understand the attitudes, behaviours and perceptions of South Africans with regards to Maxed and Nike. The research design included interactive studies that allowed for the research participants to be observed for authentic reactions (Maree, 2016). The quantitative aspects of the research offsetted the qualitative aspects by providing a general consensus of the number of respondents who held specific perceptions. The ages of the individuals sharing such views was considered important if Mr. Price Sport, especially if they fell within Mr. Price Sport's target audience.

Through in-depth interviews and observations, the research attempted to understand why South Africans tend to display an affinity towards global brands such as Nike (Chenne, 2018). The qualitative research results revealed ideas that could be used to create strategies that could improve the marketing of the Maxed brand. Contrastingly, the quantitative results would help justify and support the strategies that will be proposed.

3.3.1. PRIMARY RESEARCH

In order to collect both qualitative and quantitative data, the researcher used questionnaires, interviews and observational research methods to obtain the perceptions of South Africans on the Maxed and Nike brand and quantify them.

3.4. POPULATION

The general population consisted of male and female South Africans, between the ages of 18 to 40, who are interested in purchasing apparel, or running. These individuals were targeted to fully comprehend what factors they considered when purchasing running shoes. Whilst Mr. Price Sport considers anyone from 6 years old and upward as their target customers, the research aimed to be ethical by communicating specifically to individuals 18 and over.

Mr. Price Sport shoppers were part of the population as they revealed their experiences with Maxed which were considered in the provided solutions. The specified population sample for the research fell within the market that Mr. Price Sport aims to communicate with. The population included Mr. Price Sport employees because their opinions about the Maxed brand helped the researcher identify the assess the brand's performance. The perceptions on Nike were also important in identifying the lessons that could be learned from the brand.

3.5. SAMPLING

3.5.1. Purposive sampling

The researcher purposefully targeted South Africans consumers who purchase footwear to identify what factors would drive them to choose Nike or Maxed (Maree, 2016). The sample also included Mr. Price Sport employees and current customers, indicating purposive sampling (du Plooy-Cilliers, et al., 2014).

3.5.2. Non-probability Sampling

This was used because the researcher only had physical access to Durban residents (du Plooy-Cilliers, et al., 2014).

3.5.3. Accidental sampling

This was used when asking shoppers why they chose certain footwear brands and perhaps by asking employees at other retail stores why certain brands are chosen (du Plooy-Cilliers, et al., 2014).

3.5.4. Convenience sampling

This refers to when the respondents are familiar to the researcher (Maree, 2016). Although convenience sampling is often criticized for lacking sampling strategies, it was necessary when attempting to distribute the online questionnaire, which formed part of the data collection methods used (Maree, 2016).

3.5.5. Snowball sampling

Snowball sampling was used as participants were asked to recommend other individuals that could be spoken to (du Plooy-Cilliers, et al., 2014).

These methods outlined assisted the researcher in accessing a sample size of 35 respondents. The sample size can be attributed to the researcher acknowledging that conducting qualitative research is a time-consuming task.

3.6. DATA COLLECTION METHODS

3.6.1. Semi-unstructured interviews

Interviews are well-suited for obtaining qualitative information, which was necessary for the interpretivist paradigm (du Plooy-Cilliers, et al., 2014). This method was suitable for the research because having discussions about the Maxed brand with Mr. Price Sport employees, Maxed users and Maxed non-users alike assisted in revealing the perceptions people have of the Maxed brand. The researcher made use of questions to guide the conversation with respondents.

Semi-unstructured interviews helped the researcher engage in conversation about Maxed and Nike. The interviews were to be recorded (with participant consent) and notes were taken during the interviews to isolate the most important themes that arise from the conversation. A content analysis was used to analyse the interview notes to further identify the most common words that South Africans use to describe Maxed (du Plooy-Cilliers, et al., 2014). The ability to quantify the number of people who see Maxed in a particular way can support the qualitative data.

Table 3.1. Table of interviewees

Interviewees	What does the individual do
Respondent 1	Defines herself as an ultra-marathon runner and has been running since 2015. Part of the Total Sports Run Crew
Respondent 2	A Mr. Price Sport store manager with more than 10 years experience with the brand
Respondent 3	A Mr. Price Sport employee

3.6.2. Questionnaires

Questionnaires assisted in reaching a greater number of South Africans to explore differing views about the Maxed brand (du Plooy-Cilliers, et al., 2014). To distribute the questionnaire on a larger scale and support the research was to make use of an online survey. The researcher faced the potential for skewed results as the survey link was shared with individuals they are well-accustomed to. Purposive sampling was used when the questionnaire was distributed to individuals part of running communities across South Africa, and snowball sampling was evident as the researcher asked these individuals to share the questionnaire with other individuals.

The questionnaire used open-ended questions to cater for the qualitative aspects of the research. The rating scales, and category selection for age and gender in the questionnaire was used to capture quantitative data which will be used to support the qualitative data (du Plooy-Cilliers, et al., 2014). Questions pertaining to the participants' age and gender provided means to identify trends amongst certain population categories that could be capitalized upon.

3.6.3. Observations

An "observer-participant" perspective was adopted to allow the researcher to identify the types of people that visit Mr. Price Sport and their behaviours (Maree, 2016). The researcher observed how South Africans navigated through the store and how they interacted with the products. Contrastingly, the researcher acted as an "observer-participant" in other running specialty retailers to make the same observations. This method of data collection was beneficial as participants behaved naturally in this environment, and thus provided insights that would be used to inform the solutions for Mr. Price Sport.

3.7. DATA ANALYSIS METHODS

3.7.1. Qualitative content analysis

Qualitative content analysis will be used to identify the predominant symbols that emerge from the research collected (du Plooy-Cilliers, et al., 2014). These symbols were then analysed and used as insights to inform the solutions that were recommended to Mr. Price Sport. The inductive data-analysis method will be used to identify themes and patterns that emerge from the research collected (Maree, 2016).

3.7.1.1. Coding the data

The data collected was analysed and the most relevant sections from the data (du Plooy-Cilliers, et al., 2014). Thematic coding, which refers to identifying themes and concepts that are found in the data, was used to categorize the common answers that came from the responses (du Plooy-Cilliers, et al., 2014). The researcher then keep count of how many times a certain theme appeared in the responses that result from the questionnaires and interviews.

3.7.2. Conversational analysis

This was used to scrutinise the obtained notes from the in-depth interviews and uncover subtle nuances in the various conversations about Maxed and Nike (du Plooy-Cilliers, et al., 2014). Understanding the underlying social constructs in each conversation helped the researcher identify the general consensus on how South African consumers feel about Maxed. This helped the research focus on how the brand could make South Africans feel differently.

3.7.3. Multimodal conversational analysis

This was used to analyse the non-verbal cues that the researcher may identify whilst doing observational research and interviews (du Plooy-Cilliers, et al., 2014). Examples included facial expressions when looking at the Maxed shoes and even

their body language if they had to try on the shoes. During the interviews, this means of analysis to observe how respondents felt when talking about Nike and Maxed.

3.7.4. Discourse analysis

The discourse analysis was used to analyse and interpret the language South Africans use to describe both Maxed and Nike (du Plooy-Cilliers, et al., 2014). The words that people associate with Maxed could give the researcher insight into the possible improvement areas. The themes and patterns that emerged from the responses will be compared and meaning will be deduced from the data (du Plooy-Cilliers, et al., 2014). These themes proved the researcher's hypothesis, as part of the quantitative data analysis.

Characteristics such as age and gender helped the researcher deduce how certain groups of people think. This data was expressed in the form of graphs, word clouds, tables and quotations to highlight the most important findings which led to insights in chapter 4 (du Plooy-Cilliers, et al., 2014). The insights identified would be used to create a strategy that would possibly give Maxed a competitive advantage and hopefully increase sales and brand admiration.

3.8. VALIDITY AND RELIABILITY

According to Maree (2016), clearing researcher bias by clarifying the researcher's assumptions is one of the ways to ensure the validity of the findings. The researcher did stipulate in the hypothesis (chapter 1) that South Africans would perceive Maxed to be "lower quality" in comparison to global brand, Nike. To further avoid researcher bias, it was important for the researcher to structure the questions objectively, in order to avoid misleading the research participants.

3.9. TRUSTWORTHINESS AND CONFORMABILITY

The researcher made use of triangulation, as more than one research method was identified to collect data and provide credibility (du Plooy-Cilliers, et al., 2014). Immersion into Mr. Price Sport store gave the researcher more credibility and accurately depicting the brand's issues. This assisted the researcher in providing suggestions and clarifyifying or disproving some assumptions.

The researcher conducted an interview with employees from Mr. Price Sport to secure authenticity. To drive confirmability, the researcher ensured that information about the participants was not revealed. To further drive credibility, South African consumers must feel that their needs and motivations are depicted truthfully by the researcher. To ensure that the research is dependable, Maree (2016) suggests that the researcher should keep a journal to make detailed accounts of the research process, which was implemented by the researcher.

3.10. ANTICIPATED CONTRIBUTION

The researcher aimed to provide solution for Mr. Price Sport on how to improve the Maxed-branded running shoes. The researcher provided solutions to compel South Africans to consider Maxed as a serious contender in the sportswear market. The success of these solutions could result in greater sales for Mr. Price Sport and allow it to expand outside the South African borders.

The researcher believed that South Africa needs to produce more quality brands which can be showcased in the international market. This would allow the Mr. Price Group to contribute more significantly to the South African economy. The researcher believed that the study could be added to the pre-existing collection of knowledge relating to Xenocentrism within South Africa. Currently there are not enough case studies within the field available to actively explore the theory in working practice.

3.11. ETHICAL CONSIDERATIONS

A gatekeeper's letter signed by the appropriate individuals was obtained for observational research and interviews to be conducted at a Mr. Price Sport store (Maree, 2016). Individuals under the age of 18 were not considered for interviews for ethical reasons.

Participants were required to sign written permission forms that stipulate the terms of their involvement with the research to ensure that they were aware of their rights (Maree, 2016). Subsequently, the research questions were constructed objectively standpoint to avoid misleading the research participants (du Plooy-Cilliers, et al., 2014). The identity of the research participants remained anonymous at all costs (du Plooy-Cilliers, et al., 2014). This was particularly important when interviewing the Mr. Price Group employees. Participants were informed about how sensitive information will be kept safe (du Plooy-Cilliers, et al., 2014). The research participants were reassured of where their information was to be stored and who would have access to it.

3.12. LIMITATIONS

The researcher had a limited amount of time available to conduct the research, as indicated by the relatively small sample size number. Distributing online questionnaires made it difficult to discern respondent honesty. A number of respondents were contacted with the intention of conducting interviews but a number of them did not give consent. Audio recordings could not be obtained for the interviews and the researcher had to rely on the notes taken during the interview sessions. Ultimately, brand choice is reliant on personal preference and regardless of the initiatives that can be implemented to influence perceptions, South Africans cannot be forced to change their views.

3.13. SUMMARY

Due to the qualitative nature of the research, interviews, questionnaires and observations were identified as the most appropriate tools to be used to extract perceptions and feelings of South African consumers. To analyse the data obtained from the aforementioned data collection methods, a qualitative content analysis was used. The qualitative content analysis consisted of a conversational analysis, a multimodal conversational analysis and discourse analysis. To ensure research ethicality, the questions were not phrased misleadingly, a gatekeeper's letter was obtained and the identity of participants was kept anonymous.

Chapter 4 will provide detail on the findings that resulted from the execution of the aforementioned research methodology.

CHAPTER 4 - RESEARCH FINDINGS

4.1. INTRODUCTION

This chapter focused on detailing the data and findings from the research efforts that were conducted. The research methods used include a questionnaire, interviews and in-store observations. The results from these methods will be tabulated in order to clearly categorize and present the various themes that arose and how they relate to the researcher's initial objectives.

4.2. PRESENTATION AND DISCUSSION OF FINDINGS

4.2.1. Questionnaire Results

A questionnaire was created using the Google Forms tool, which received a total of 30 responses. The questionnaire was distributed using convenience sampling, purposive sampling (individuals on Instagram associated with specific running clubs/running events), and the individuals were encouraged to distribute the link to other people (snowball sampling).

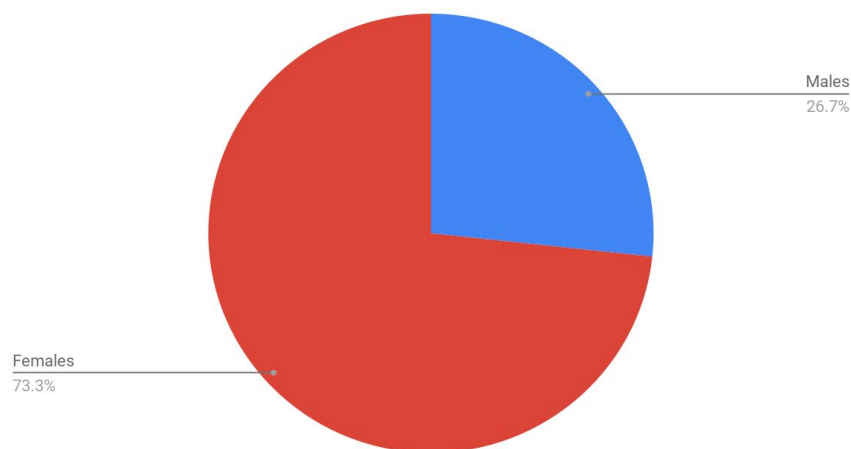


Figure 4.1. Gender profiles of respondents

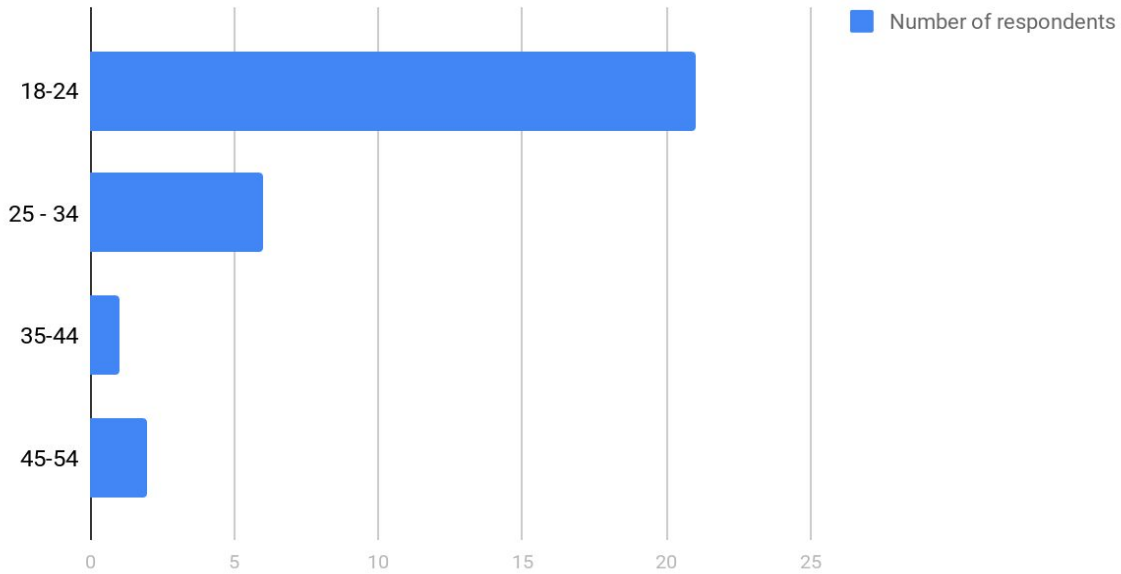


Figure 4.2. Age groups of respondents

Table 4.1: Summary of the Maxed-orientated questions (see Methodologies chapter)

Objective	Question	Themes
1. Explore the perceptions and imagery South Africans associate with the Maxed brand	List the first three words that come to mind when you see the Maxed logo	Sport & athletics (6) Mr. Price (7) Quality (4) Fitness & Health (5) Activewear (6) Affordability (4)
	If the Maxed brand was a person, how would you describe them?	Reliable & Trustworthy (4) Outgoing (6) Plain/Average (3) Humble (1) Sporty (4)
	Is there anything in particular that stands out to you about the brand?	No/not really (5) Other sports gear (3) Affordability (5) The 'X' (2) Variety (4) Quality (2)
2. Develop a behavioural profile of the type of person who purchases Maxed running shoes.	Describe the type of person that would wear the Maxed-branded running shoes?	Athletic or Sporty person (2) Amateurs/beginners (4) Fit/active (7) Functionality over

		appearance (5) Rugby players (2)
3. Understand the consumer journey when South Africans are purchasing new athletic shoes.	If you were given money to go shopping specifically for running shoes, where would you go and why?	Nike (8) Sportscene (2) Total Sports (9) Puma (2) Sportsmans Warehouse (3)
	Why?	Good customer services (2) Product knowledge (2) Variety (5) Familiarity (2) Brand love (2) Quality (4) Prices (2)
	Do you own a pair of Maxed running shoes?	30% said yes
	Would you purchase a pair of Maxed running shoes? Why?	56.7% said yes
	Yes	Comfort (6) Affordability (5) Long lasting/quality (4) Open to trying (3) Own/owned a pair (5)
	No	Sponsored by different athlete (1) Not fashionable (1) Loyal to Nike (3) Unfamiliarity (2) Bad design & quality (4) Loyal to Adidas (2)
4. Determine what best practices and available resources Mr. Price can use to improve the Maxed brand	Is there anything that you think the brand could improve on?	Appearance/design (10) No (8) Quality (5) Brand image (3)

Table 4.2: Summary of the Nike-orientated questions against objectives

Objective	Question	Themes
1. Explore the perceptions and imagery South Africans associate with the Nike brand	List the first three words that come to mind when you see the Nike logo	Just do it (8) Popular (5) Expensive (3) Apparel (3) Influencers/celebrities (5) Quality (4) Good performance (3) Sports (3)
	If the Nike brand was a person, how would you describe them?	Outgoing/popular (6) Image driven (4) Quality (2) Fashionable/Trendy/ Attractiveness (5) Confident (2)
	What type of person do you think would purchase the brand?	Can afford the brand (4) Runners (2) Appearance oriented & confidence seeker (4) Fashionable (7) Fitness oriented & sporty (11)
	Do you own a pair of Nike running shoes?	56.7% said yes
	Would you purchase a pair of Nike running shoes? Why?	93.3% said yes
	Yes	Comfort (6) Quality (7) Style (4) Long lasting (3) Reliability (4) Affordable (4)
	No	Do not last (1) Not interested (1)
	Is there anything in particular that stands out to you about the brand?	Quality (5) Style (3) Product (5) Versatility (3)

The researcher's initial assumptions of Maxed being associated with "being cheap" and "China" did not arise in the answers received from the question. A respondent did comment with the word "cheap", which was thereby followed with "good quality" which could mean the respondent was referring to affordability.

Q.2. If the Maxed brand was a person, how would you describe them?



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Q.3. Is there anything in particular that stands out about the brand?



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Figure 4.7. indicates that respondents noted that individuals that wore the Maxed-branded shoe were fitness or sports-orientated. Mr. Price Sport and Mr. Price in general aim to help people achieve fashionability at a lower price (Mr. Price Group Limited, 2019). Therefore, Maxed users essentially do care about their appearance, they just may not be interested in purchasing more expensive brands.

Q.2. Do you own a pair of Maxed running shoes?

30% of the respondents said yes. Below, the individuals who said “yes” will be identified in order to assess their demographics, interests, and feelings about the brand.

Table 4.3: Owners of Maxed running shoes

Gender	Age category	Interests	Rating of shoes	Comments on the brand
1. Male	25-34	“Footy, fashion, photography”	4/5	Super light, comfortable, affordable, long lasting
2. Female	18-24	Horse riding, beauty industry	5/5	Best suited for when I go for a jog/walk
3. Female	18-24	Shopping	4/5	Good quality
4. Female	45-54	Outdoor running	3/5	I’m not used to the brand
5. Female	35-44	Running, reading, swimming, charity	5/5	I have 3 pairs and love the comfort and flexibility
6. Female	18-24	Sleeping, netball, soccer, swimming, friends & family, beach...	5/5	Serve their purpose as being comfortable and durable running shoes
7. Female	18-24	Shopping	4/5	They are comfortable

8. Female	25-34	Photography, thrifting, reading, african hair, hiking	4/5	Comfort and affordability
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Q.3. Which brand would you choose, Maxed or Nike?

Nike was mostly chosen is because the respondents found Nike credible and trustworthy as they knew more about the brand's story and influencers. Credibility, trustworthiness and knowledge of the brand seem to be the symbolic meanings that comprise Nike's brand image (Leigh & Gabel, 1992). This is supported by Balanabis and Diamantopolous (2016), who stipulate that consumers in developing countries (such as South Africa) usually have a preference towards foreign products.

Table 4.4: Respondents who chose Maxed over Nike

Gender	Maxed owner Y/N	Age Category	Justification
Female	Yes	25-34	Hard decision - but I'm going with affordability
Female	Yes	18-24	I'm more concerned about durability, not the brand
Female	Yes	18-24	They focus on the people, not on aesthetics

Objective 3 - Understand the consumer journey for the purchase of running shoes.

Q1: If you were given money to go shopping for running shoes, where would you go and why?



Figure 4.8: Places to purchase running shoes

Total Sports, Nike and Sportsman's Warehouse were the three main retailers mentioned. Justifications for these choices included familiarity, good customer service and value for money. It can be assumed that these factors contribute to what South Africans perceive as "value". The mention of Nike and Puma reinforces what Chenne (2018), stated about how the two brands are currently very successful within the African landscape.

One individual mentioned Mr. Price Sport, which suggests that respondents did not consider Mr. Price Sport as a promising starting point for their search for running shoes. It can be assumed that in-store visitations remain an important part of the consumer journey when purchasing running shoes.

Objective 4 - Determine what best practices and available resources Mr. Price can use to improve the Maxed brand.

Q.1: Is there anything that you think the brand (Maxed and Nike) could improve on?

This question was treated as an opportunity for the researcher to potentially identify the shortcomings of the Nike and thus propose where the Maxed brand could take advantage. There were not many reasons provided for why individuals would not purchase Nike shoes, which supports Davvetas and Diamantopoulous (2016), who stipulate that global brands are perceived to be highly unlikely to fail.

Table 4.6: Reasons not to purchase and suggested areas of improvement

Brand	Why would you not purchase the brand shoe?	Suggested areas of improvement
Maxed	- Sponsored by a different brand - Not fashionable - Other brands - Unfamiliarity - Bad design	- Appearance/design - None - Quality - Brand image - Options - Sponsorship - Familiarity
Nike	- Don't last - Not interested	- Price - None - Design - Durability - Unethical practices - Focus on regular people

4.2.2. Email questionnaires

Table 4.3: Maxed and Nike questions and answers from email distributed questionnaire

Question	Maxed	Nike
What 3 words come to mind you see the logo?	Maxed Low budget apparel	An incredible market
	Cheap quality, entry level, last option	Powerful, impactful, leader
If the brand had to walk into the room as a person, how would you describe them?	Into fitness/sports, very active, strict budget	Active individual, impeccable taste in active wear and foot gear
	Shy, Non competitive, Unconvincing	Charismatic, confident, fearless, daring
What are some of the things that you think the brand does really well?	Costings for apparel, stores are always well stocked	Marketing and advertising. Well-established and speaks for itself. Great quality
	Nothing to be quite honest	Endorsing and aligning with great athletes, very involved in showing concern towards social problems that affect the world
What do you think the brand could improve on?	Quality of apparel	Expand running ambassadors (running) in South Africa. Create a line of activewear or foot gear for lower budget individuals.
	"Lots!"	They're perfect. Apart from their lifestyle apparel, something is lacking. Maybe it's variety,

Describe the type of person that you think would wear the brand	An active person on a budget	An active individual with great taste as is able to afford the brand.
	Can't afford or doesn't care for the top sports brand. Not bothered by quality and comfort. Uneducated on competing products	All about status, streetwise, they want their gear to be seen, arrogant, loud, proud, bold, fearless, they Just do it!
Could you see Maxed being successful overseas?	Yes, there is always a market for activewear worldwide	Maybe in the distant future. If they follow trends that the top 3 sports brands are doing.

It is evident that the Nike brand was preferred over the Maxed brand. The respondents used emotive words to describe the brand such as incredible, powerful, impactful. This reinforces Leigh and Gabel (1992), who stipulated that the symbolic meaning ascribed to the product is important to the product's image. Some of the shortcomings identified included the lack of variety in Nike's activewear and the brands inability to cater for individuals with less disposable income.

4.2.3. Interviews

Three interviews were conducted with a regular runner, and two Mr. Price Sport employees.

Q.1. If you were given money to go shopping to buy running shoes, where would you go and why?

Interviewee 1:

Total Sports, Sportsman's Warehouse (because of the Discovery points) and Athlete's Foot because of the deals for athletes.

Interviewee 2:

Nike because the performance of the shoes, the brand name and the style.

Interviewee 3:

Mr. Price Sport because the shoes were lasting, comfortable, cheap (in terms of affordability) and good for the gym. Interviewee 3 could have felt obligated to say Mr. Price Sport as she is an employee. However, she did mention that she would choose Nike for running and going out.

Q3. If someone mentions the brand “Maxed” what comes to mind?

Interviewee 1:

The top runners that run in Maxed shoes and win races.

Interviewee 2:

Maxed has grown a lot in as before, the products were not lasting and were “cheap” in quality. The quality improvements could be attributed to how the buyers have conducted more research on suppliers whilst paying attention to consumer needs.

Q4. If the Maxed/ Nike brand had to walk into the room as a person, how would you describe them

Q.4.1. Maxed

Interviewee 1 could not articulate what the Maxed brand could be as a person and displayed mixed emotions about the brand. Interviewee 1 noted that she did not know “normal people that wear Maxed” which suggests that there is a perception that the Maxed branded shoes are not for “the everyday” person. Interviewee 2 took a while to respond, eventually stating “funky, cool dude, down to earth”. Interviewee 3 stated that Maxed would be a very stylish person who is cheap.

Q.4.2. Nike

INike would be the type of person two of interviewees would hang out with in the short term, but not on a long-term basis - just for the “bragging rights”. Interviewee 2 thought Nike would be “a physically attractive man” who would immediately attract the attention of the people in the room. Interviewee 3 mentioned that the Nike brand would be someone who has money.

Q.6. Describe the type of person that you think would wear the Maxed/ Nike brand

Table 4.5: Type of person who would wear the Maxed or the Nike brand

Respondent	Maxed	Nike
Respondent 1	• Associated with the comrades marathon • Elite black runners	• Appeals to people starting out - running and gym • For longer distances it is not the best shoe
Respondent 2	• Everyone (marathon runners, gym enthusiasts, fashion-conscious, mothers purchasing for their children) • Leaders (wearing a brand that is not necessarily popular)	2 types of people: • Serious sportsman • Arrogant people (want Nike for the fashion and trendiness. They are followers)
Respondent 3	• People who love sports • Everyone • People who like cheap things	• People who have money • Want it for the “swag”

Q.7. What do you think the brand (Maxed and Nike) does really well?

Maxed selects the right athletes, it is affordable and accessible. From the perspective of the Mr. Price employees, the brand is good at providing value for money, which is all the consumer needs. In terms of Nike, the performance of the shoes is good, especially for road running. Nike’s marketing and branding is strong because the interviewees felt as if they knew the brand quite well.

Q.8. What do you think the brand (Maxed and Nike) could improve on?

The Maxed branding itself needs to be improved and more needs to be done in proving that the shoes are good. This suggests that there could be very little product knowledge and thus trust amongst the general public. Interviewee 1 stated that she would rather purchase a Nike shoe because she could use it in her everyday life, instead of for a singular purpose.

Interviewee 2 states Mr. Price Sport has become more of a fashion store because of the decreased sales in gym equipment (which customers used to be able to interact with) and the increased popularity in fashion. Whilst Mr. Price Sport has been attempting to draw in a younger market with the introduction of the “New Active” gym wear, the same older customers are purchasing it.

Interviewee 2 stated that the expense of Nike activewear was not reasonable for the quality which is provided. Interviewee 2 acknowledged that consumers are “brainwashed” by the idea of Nike. She felt Nike’s success was attributed to the brand’s endorsement of culturally relevant individuals (such as rappers) which impact what consumers perceive as trendy. She thereby suggested that Maxed utilise a South African celebrity (such as Nasty C) or influencer to try and make the brand appear trendier in the eyes of the South African youth.

Q.9. Could you see the brand being successful outside of South Africa

All interviewees felt that the Maxed brand could be successful outside South Africa, indicating its potential.

4.2.4. Observational Research

The researcher visited the Gateway, La Lucia, Argyle and Pavilion Mr. Price Sport stores.

Objective 2: Develop a behavioural profile of the type of person who purchases Maxed running shoes.

Finding 1:

Mr. Price Sport was combined with Mr. Price Home at the Pavillion mall. Mr. Price Home is aimed at the fashion conscious women, 25+ years of age in LSM 8-10 (Mr. Price Group Limited, 2019). This was possibly a strategy to leverage the foot traffic from Mr. Price Home into Mr. Price Sport and vice versa. The researcher found that women mostly visited the stores during the day. Women would likely purchase activewear sections or children's items. The new range of Maxed activewear is crossing into fashion territory indicates that the brand wants to target a younger female audience.

Finding 2:

Mr. Price Sport place images of their Maxed sponsored athletes in high visibility areas where store visitors were likely to see them. Information is also provided on the athletes as well as the Maxed shoes. This may have been an attempt at improving the Maxed brand credibility in-store and showcases the individuals that are sponsored by the brand. The posters used attempt to educate the consumer on their sponsored athletes and what they have accomplished. Additionally, to build familiarity. See figures 4.9, 4.10, 4.11.



Figure 4.9. Source: Khumalo (2019)



Figure 4.10. Source: Khumalo (2019)



Figure 4.11. Source Khumalo (2019)

4.3. Conclusion

The literature review and research finding indicates that Mr. Price Sport invests into athlete and event sponsorships, existing communication networks, the reputation of Mr. Price and recently, the quality of products to earn awareness and thus new customers. From the respondents answers, it is apparent that consumers are still not sold on the quality of the Maxed and would rather opt for Nike. South Africans still do not know enough about Maxed. Currently, it seems that brand symbolises the inability to afford and according to Zhou and Belk (2004, cited in Balabanis and Diamantopoulos, 2016), people want to be associated with brands like Nike because they signify success and confidence and Maxed currently does not do that.

Chapter 5 will provide detail on the proposed recommendations for the Maxed brand.

CHAPTER 5 - CONCLUSIONS AND RECOMMENDATIONS

5.1. INTRODUCTION

Within this chapter, the literature and primary research findings have been identified against the four research objectives which were outlined in chapter 1. Conclusions were made about the data presented and recommendations were suggested for the Maxed brand in relation to each objective. The chapter ends with suggestions for the future research opportunities that can stem from this small scale study.

5.2. FINDINGS AND RECOMMENDATIONS

Objective One

Explore the perceptions and imagery South Africans associate with the Maxed brand and the Nike brand.

Literature findings

Mr. Price has improved consumer perceptions on the quality of their products as seen by the growth in sales (Laing, 2018). However, Chenne (2018) states that global brands such as Nike, Adidas and Puma are highly admired in Africa. Local goods are considered substandard consumers because of prolonged exposure to exaggerated views of other cultures (Balabanis and Diamantopoulos, 2016). Global brands are perceived to be better and people choose these brands to portray a specific image of themselves to the public (Davvetas and Diamantopolous, 2016). Lastly,

Research Findings

Maxed is seen as a brand for people that value functionality over appearance and individuals who cannot afford more luxury brands. Despite this, the respondents wanted affordability with some suggesting for Nike to lower prices or start a range for people with less disposable income. This indicates that people just want the brand to show off to others. Owners of the Maxed brand running shoes associated the shoes with quality, comfort and affordability. Maxed was not perceived as a brand that was versatile and some suggestions included increased focus on quality, design, variety and improving the brand awareness and brand image. Nike is largely associated with greatness, confidence and being aspirational - which are qualities that the respondents wanted to portray to the public by purchasing the brand.

Conclusion

Despite improvement, consumers have mixed views on the Maxed brand. Nike's commitment to being an aspirational, culturally relevant brand makes consumers tend to overlook the actual products themselves and this contributes to the brand's success. The Maxed brand on its own has not implemented the measures to build a sizeable brand equity, which may take time and investment into brand building.

Recommendations

Develop a tagline and key message that would resonate with the Maxed consumer - and thus start building a community for the individuals that support it. Communicate the story of the brand more consumers are not clear on the purpose of the Maxed brand. Nike communicates its message constantly across its touchpoints, therefore, the Maxed brand needs its story own and voice which resonates with the people who are willing to purchase it. Maxed should also be aligned with individuals who are not sportsmen to promote the image of Maxed being associated with a certain lifestyle.

Objective Two

Develop a behavioural profile of the type of person who purchases Maxed running shoes.

Literature findings

According to Mr. Price Group Limited (2019), Mr. Price Sport aims to attract “value-minded” individuals from the ages of 6 upwards that fall within LSM 8 to 10. According to Davvetas and Diamantopoulos (2016), consumers place more emphasis on quality, reliability and performance when it comes to the purchase of functional products.

Research findings

Females were identified as the individuals who shopped that shopped at Mr. Price Sport the most. Some of females that shop at Mr. Price Sport are mothers. The questionnaire respondents were under the impression that people who purchased the Maxed brand were unable to afford other brands and prioritised functionality. However, Mr. Price Sports employees stipulate that the brand is for everyone. Additionally, the apparel is responsible for the store’s revenue. Through the launch of the “New Active” range, Mr. Price Sport has been attempting to appeal to younger audiences but is struggling to do so.

Conclusion

Mr. Price Sport has a very broad target audience and is currently drawing in older individuals, who perhaps are interested in purchasing functional, low price brands. Mr. Price Sport is aiming to target younger audiences by providing more fashionable items that can be used on a regular basis. Mr. Price Sport could be finding difficulty reaching younger audiences because of their reliance on current customers.

Recommendations

It is acknowledged that Mr. Price Sport may not have the budget necessary to use high reach mediums such as television to reach and inform younger audiences on their products. However, the brand’s current efforts have not reached enough young people. Therefore, it is suggested that the brand should aim to do an experiential

campaign that would aim to showcase and educate young consumers on the brand. Even if the experiential campaign is done on a small scale amongst young consumers, if it is impactful enough, it will generate enough earned media to increase the brand's awareness amongst consumers.

Objective Three

Understand the consumer journey when South Africans are purchasing new athletic shoes.

Literature findings

Consumers choose global brands because of their established reputation (Davvetas and Diamantopoulos, 2016). Davvetas and Diamantopoulos (2016), mention that global brands such as Nike should advertise themselves in markets that want high visibility and low risk. Balabanis and Diamantopoulos (2016) stipulate that low-self esteem and low-status increases an individual's desire for products that are of a "higher" status.

Research findings

Total Sports, Nike, Sportscene and Sportsman's Warehouse are popular amongst shoppers because of the familiarity and variety of the brands within the stores. Nike is often chosen due to the perception of it being good quality. It is also apparent that young consumers tend to purchase brands that are trendy and endorsed by people they admire. Customers usually go into store for the purchase of running shoes because an element of tangibility is still required. From the interviews, it was found that Mr. Price Sport used to be an interactive space where consumers could interact with the machinery but focus is now on the activewear. Comfort, attractive design and versatility is part of what South African consumers want for when looking for a running shoe.

Conclusion

South African consumers place trust in the brands that they have knowledge on. Despite Nike being a global brand, it seems South Africans feel more familiar with it than with the Maxed brand which is local. Therefore, Mr. Price Sport should seek to

educate the South African more on the Maxed brand in order for the brand to resonate with consumers.

Recommendations

It would be interesting if Mr. Price Sport had like an in-store virtual reality (VR) simulation or public activation that allowed South Africans to test out the durability or performance of their running shoes. However due to the logistics and possible expense to the brand it could be considered undoable.

Objective Four

Determine what best practices and available resources Mr. Price can use to improve the Maxed brand.

Literature findings

According to Chenne (2018) and Leigh and Gabel (1992), associations with well-known individuals can assist in creating brand resonance. Choosing countries with a favourable reputation to manufacture a brand's products could influence how customers perceive a particular brand (Arora et. al, 2015). Consumers also do not seek information about the brand and therefore brands have to proactive in providing the information (Arora et. al, 2015). Of the group's total input units, 34.5% is from local procurement, indicating that the brand has been implementing certain measures to improve quality perception (Mr. Price Group Limited, 2019a).

Research findings

Currently, Maxed is seen as a functional brand and the perceptions about quality are improving. The respondents wanted the brand to improve the quality and design of the shoes. Whilst the respondents were able to recognise the Maxed logo and associate it with Mr. Price and sport etc., consumers do not really know what it stands for aside from affordability. Mr. Price Sport focuses a lot on communicating their affordability which is something that people know already. South Africans are willing to purchase brands such as Nike because of what these brands represent.

Conclusion

The Maxed brand is not going to purchase the brand because of personal preferences, but even the individuals who purchase the brand for functionality require something to believe in. Developing a strong brand message which is well communicated could make it less “taboo” to wear Maxed branded shoes. Mr. Price Sport could make leverage existing customers to create community around Maxed in a similar way that Nike has their community.

Recommendations

Involve the Maxed consumer in the design and creation of a new shoe and create a competition that involves the general public. This could generate brand love and increase awareness of the improved quality of the Maxed-branded shoes. Maxed should find brand ambassadors that are not athletes that people can actually relate to. These individuals could also help in making the brand appear more “cool”.

5.3. SUGGESTIONS FOR FURTHER RESEARCH

The next stage of the research could involve actually testing the quality of Maxed shoes and Nike shoes. Perhaps finding a way to remove or hide the logo of the shoes and get respondents to try them on and test them to reveal whether they can tell whether there is a significant difference between the two. For future research it would be interesting to observe the performance of new local brands. It would be important to consider sponsorship and influencers affect correlate with increased brand sales.

5.4. CONCLUDING REMARKS

Although the researcher’s initial assumptions that respondents would perceive Maxed as “cheap” or “from China” were slightly incorrect, the Maxed brand has improved. However, the researcher’s hypothesis that the respondents would see Nike as more superior to Maxed was proven correct. Maxed branded running shoes still face issues around quality, appearance and brand awareness amongst young people that need to be improved in order for the brand to be successful in South

Africa and subsequently overseas. Though improving brand image may take time, the suggested recommendations could help Maxed become more culturally relevant in the South African landscape.

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ANNEXURE A

Title: “How quality perceptions impact South Africa’s brand choices: A Case Study on Maxed vs. Nike”

17; 18; 19

2019

Annexure A: Final Research Report Summary Document Template

TITLE: *What is my study about?*

Research Purpose/Objective	Primary Research Question	Research Rationale	Seminal Authors/Sources	Literature Review – Conceptual Framework	Paradigm	Approach	Data Collection Method(s)	Ethics	Key Findings	Recommendations
Explore the perceptions and imagery South Africans associate with the Maxed brand and the Nike brand. Determine what best practices and available resources for Maxed	What are the current perceptions that South Africans have of the Maxed and Nike brand?	If South Africans are displaying a preference for international brands in certain categories then marketers need to know in order to adjust branding practices. Additionally, the more Mr. Price Sport gains success, the bigger the contribution to the South African economy	Leigh and Gabel, 1992 George Herbert Mead (1934) (Kent and Burnbright, 1951) David Aaker (1996)	Theme 1: The consumption of global brands in Africa Theme 2: Product categories as an indicator of global or local brand purchase Theme 3: The impact of country of manufacture and country of origin on the brand image Theme 4: How western influence impacts local brands Theme 5: The appeal of global brands Theme 6: Mr. Price improves perceptions	Paradigm <i>Interpretivism</i> Epistemology <i>The researcher would like to add the research to an existing body of knowledge</i> Ontology The ontological position refers to the study of existence and reality is largely determined by the meanings that individuals ascribe to their personal experiences and interactions (du Plooy-Cilliers et al., 2014) Axiology The values of the participants and the researcher were valued for the purpose of this study	Qualitative Approach to obtain the perceptions, feelings of South Africans Population Population Parameters South Africans between the ages of 18 to 40 (male or female), interested in purchasing footwear and or sportswear Sampling Non-probability sampling Sampling method purposive, convenience, accidental, snowball. Size 35 individuals	In order to collect qualitative data, Interviews, Questionnaires, observations were conducted in order to collect the data. Unit of Analysis Number of people Data Analysis Method(s) conversational analysis, multi-modal analysis and discourse analysis.	The researcher had to obtain ethical clearance from Mr. Price Sport in order to take the photos and observe consumers. The researcher had to obtain consent from the respondents to interview them. The researcher had to ensure that the respondents were granted anonymity Limitations Lacking in financial resources, therefore it could only be done in a small scale, there was a limited period of time for data collection, respondents did not want to give consent for the interviews, the researcher could not obtain permission to discover the inner workings of Mr. Price Sport because of time constraints	The Maxed brand is not widely known by South Africans. Its association with just sport and affordability is off-putting to the every day South African. Consumers still rely on an in-store experience when shopping for running shoes. Women mostly shop at Mr. Price Sport. Mr. Price Sport was not the first retailer in mind when consumers want to go purchase running shoes. And the perceptions of the Maxed brand have improved The researcher aimed to provide solution for Mr. Price Sport on how to improve the Maxed-branded running shoes and help the brand to expand outside of the African market. Additionally, the researcher wanted to give South Africa better brands	Mr. Price sport need to spend some more time crafting a message that will be communicated to the individuals that actually purchase the brand to give them something to believe in. Mr. Price Sport should consider creating an experiential event that showcases the quality and performance of the shoes either in-store or in a public setting in order to draw more consumer awareness which is lacking amongst younger consumers

ANNEXURE B

Interview/ email questionnaires

SECTION A

1. Please provide a bit of background information about who you are and what you do
2. If someone had to give you money to go shopping specifically for running shoes, where would you go and why?

SECTION B

1. What 3 words come to mind when you see this logo:



2. If the Maxed brand had to walk into the room as a person, how would you describe them?
3. What are some of the things that you think the brand does really well?
4. What do you think the brand could improve on?
5. Describe the type of person that you think would wear the Maxed brand
6. Could you see Maxed being successful overseas?

SECTION C

1. What 3 words come to mind when you see this logo:



2. If the Nike brand had to walk into the room as a person, how would you describe them?

3. What are some of the things that you think the brand does really well?
4. Describe the type of person that you think would wear the Maxed brand
5. What do you think the brand could improve on?

ANNEXURE C

Online Questions - Consumer quality perceptions and brand choice

1. Gender

- Male
- Female
- Prefer not to say

2. Age

- 18 -24
- 25-34
- 35-44
- 45-54
- 55-64
- 65+

3. What are some of your interests?

4. If you were given money to go shopping specifically for running shoes, where would you go and why?

Maxed



1. Please list the first three words that come to mind when you see the above logo?
2. If the Maxed brand was a person, how would you describe them?
3. Describe the type of person that would wear the Maxed-branded running shoes?
4. Rate the brand's running shoes from a scale of 1 to 5
5. Do you own a pair of Maxed running shoes?

- Yes
 - No
6. Would you purchase a pair of Maxed running shoes?
- Yes
 - No
7. Please give a reason for your answer
8. Is there anything in particular that stands out to you about the brand?
9. Is there anything that you think the brand could improve on?

Nike



1. Please list the first three words that come to mind when you see the above logo?
2. If the Nike brand was a person, how would you describe them?
3. Describe the type of person that would wear the Nike-branded running shoes?
4. Rate the brand's running shoes from a scale of 1 to 5
5. Do you own a pair of Nike running shoes?
 - Yes
 - No
6. Would you purchase a pair of Nike running shoes?
 - Yes
 - No
7. Please give a reason for your answer
8. Is there anything in particular that stands out to you about the brand?

9. Is there anything that you think the brand could improve on?

10. Which one would you choose?

- Maxed
- Nike

11. In relation to your answer above, why?

ANNEXURE D

Consent forms

EXPLANATORY INFORMATION SHEET AND CONSENT FORM FOR RESEARCH PARTICIPANTS

To whom it may concern,

My name is Ntwenhle Khumalo and I am a student at Vega School of Brand Leadership, Durban. I am currently conducting research under the supervision of Clive Greenstone about how the perceptions of quality influence the choices that the South African consumer make. I explore what motivates consumers to purchase global and or local brand and subsequently look at how the quality perceptions of the Nike and the Mr. Price Sport brand, Maxed, differ. As a subset of this goal, I wanted to look at quality perceptions specifically related to the running shoes of both brands. I hope that this research will help provide an understanding of what drives South Africans to purchase certain brands and what best practices can be implemented in order to enhance the Maxed brand and improve the consumer experience with the brand.

Once you have read and understood all the information contained in this sheet and are willing to participate, please complete and sign the consent form below.

What will I be doing if I participate in your study?

I would like to invite you to participate in this research because it is important for me to gain your opinions, insights and expectations for both the Nike and Maxed branded running shoes in order to identify the areas where your experience as a consumer can be improved. Additionally, you are a South African consumer and therefore you can offer your opinion on the subject. If you decide to participate in this research, I would like to interview you either telephonically or face-to-face for no more than 30 minutes.

You can decide whether or not to participate in this research. If you decide to participate, you can choose to withdraw at any time or to decide not to answer particular interview questions.

Will my identity be protected?

I promise to protect your identity. I will not use your name in any research summaries to come out of this research and I will also make sure that any other details are disguised so that nobody will be able to identify you. I would like to ask your permission to record the interviews, but only my supervisor, will have access to these recordings. Nobody else, including anyone at Vega and Mr. Price, will have access to your interview information. I would like to use quotes when I discuss the findings of the research but I will not use any recognisable information in these quotes that can be linked to you.

You should not agree to participate unless you are completely comfortable with the procedures followed.

Please feel free to contact me or my supervisor should you have any questions or concerns about this research, or if there is anything you need to know before you decide whether or not to participate.

Ntwenhle Khumalo
078 3356 244 or ntwenhlekhumalo@gmail.com) or my supervisor
Clive Greenstone
083 398 6902 or cgreenstone@mweb.co.za)



Consent form for participants

I, _____, agree to participate in the research conducted by Ntwenhle Khumalo about quality perceptions and the brand choices of South Africans.

This research has been explained to me and I understand what participation in this research will involve. I understand that:

1. I agree to be interviewed for this research.
2. My confidentiality will be ensured. My name and personal details will be kept private.
3. My participation in this research is voluntary and I have the right to withdraw from the research at any time. There will be no repercussions should I choose to withdraw from the research.
4. I may choose not to answer any of the questions that are asked during the research interview.
5. I may be quoted directly when the research is published, but my identity will be protected.

Signature

Date

ANNEXURE E

Gatekeeper's letter



A Division of Mr Price Group Limited

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F: +27 31 308 9347 P: Private Bag X04, Snell Parade, 4074, South Africa W: mrpsport.com
Registration Number 1933/004418/06 • Incorporated in the Republic of South Africa

Ntwenhle Khumalo
12 Pelham Road
Montclair
Durban
4004

Dear Ntwenhle,

Authorization Letter

We refer to our discussions regarding your dissertation which aims to explore how South African's perceptions on quality affect how they choose brands and whether those perceptions are driven by a brand's local or global status ("Dissertation").

We confirm that we are aware that you are conducting research on our MAXED brand for purposes of your Dissertation. We grant you permission to take photographs of a view through the mrpSport stores and consent to your use of the images for purposes of the Dissertation.

The consent granted is subject to the following terms:

- i. You undertake to keep strictly confidential and not to use for any purpose any confidential, technical, economical or financial information of the Mr Price Group Limited;
- ii. It is your responsibility to make the mrpSport customers aware of the nature of the research and their involvement in it. It is also your responsibility to obtain the necessary consent from the customers;
- iii. This letter does not create a partnership, joint venture or agency between you and Mr Price Group Limited; and
- iv. You indemnify, defend and hold harmless Mr Price Group Limited and its directors, officers, managers, employees and agents against any claim for loss or damage made by any third party against Mr Price Group Limited arising directly or indirectly as a result of your Dissertation.

Kindly confirm receipt and acceptance of the above by affixing your signature in the space provided below and returning a scanned copy to Nadine Watson on NWatson@mrpsport.com.

Sincerely,

Dylan Cherry
Head of Marketing
mrpSport, a division of Mr Price Group Limited

Signature: _____

Name: _____

Date: _____

Divisional Directors: R L Maingard (Managing)

Honorary Chairman: S B Cohen Independent Non-Executive Chairman: N G Payne

Executive Directors: M M Blair (Chief Executive Officer), M J Stilton (Chief Financial Officer)

Non-Executive Directors: M Bowman, M Chauke, K Getz, M R Johnston, R M Motanyane-Welch, D Naidoo, B J Niehaus

Alternate Directors: N Abrams, S A Ellis Company Secretary: J P Cheadle

Mr Price Group Limited is an authorised Financial services and Credit provider: FSP31450 and NCRCP46

ANNEXURE 5

Ethical Clearance