

Consumer perceptions of beer products at the point of purchase

Stian Veldman

21424667

Mini-dissertation submitted in partial fulfilment of the requirements for
the degree

Master in Business Administration

at the North-West University, Potchefstroom Campus

Study leader: Prof R.A. Lotriet

November 2011

ABSTRACT

Customer perception and the way this phenomenon impacts customers' choices when purchasing products is an extremely significant marketing aspect in any industry. In a competitive market and economy, understanding and being able to predict consumer perceptions and responses is a crucial competitive factor that all suppliers should have an in-depth knowledge and understanding of. This applies especially to the South African beer market with more than forty competing beer brands.

This study examines the aspect of customer perception in terms of the three central variable perceptions of price, taste and brand image. Furthermore, the study takes into account the interaction between these variables and attempts to ascertain whether one is more significant than the other. To this end an empirical research study was undertaken by means of a questionnaire that examined the responses from 225 participants. These responses were analysed in terms of a number of significant variables in relation to perceptions of price, taste and brand image. The results were also compared to the literature and theory on the subject.

Among the findings from this research was that while all variables were important, price was considered by the participants to be a constant factor in the decision-making process. However, it was also found that price as a perception could not be viewed in isolation as a separate and autonomous variable. It was found that aspects such as brand image could have a significant impact on other perceptual factors such as taste.

The study concludes with the recommendation that the perceptions of price, taste and brand image should be considered in terms of their affect on each other and should be further researched in terms of a more holistic understanding of their interconnections.

Key words: Consumer perceptions; price perceptions; taste perceptions; brand image perceptions; point of purchase; consumer behaviour.

ACKNOWLEDGEMENTS

All the glory to God who has given me strength and knowledge to take this opportunity to complete this study.

I would like to thank the following people who contributed to this study:

- Prof Ronnie Lotriet for his patients and guidance during the course of this study and always understanding my situation and sympathising with me during a very difficult time.
- Gary Smith for doing the language editing of this study and assisting with the direction of the outcome. Without your guidance and support, this would not have been possible.
- Sibusiso Ndzukuma from North West University Statistical Services Centre for assisting with capturing the data of questionnaires and analysing the outcomes on very short notice. Your assistance is greatly appreciated.
- Wilma Pretorius for always being available and more than willing to help with any kind of question or request.
- Christine Bronkhorst from North West University library for assistance with literature research - you are an extremely valuable asset.
- South African Breweries Limited for giving me the opportunity to further my studies and take time off from work to do so and in particular the Consumer Insights and Marketing Department for their assistance and insight with compiling the questionnaire.
- Respondents and participants for taking part in the questionnaire or taste test and responding so quickly.
- To my loving and supportive wife, your continuous support and understanding helped me to stay focused and gave me the strength to complete this study.
- To my loving family, your support and encouragement has always driven me to strive for higher goals. Thank you for understanding my time constraints and for always believing in me. To my sister and mother-in-law, a special thank you for your input and guidance throughout this process.

TABLE OF CONTENTS

	Page Number
ABSTRACT	i
ACKNOWLEDGEMENTS	ii
LIST OF FIGURES	iii
LIST OF TABLES	iv
CHAPTER ONE: NATURE AND SCOPE OF STUDY	1
1.1 BACKGROUND AND INTRODUCTION	1
1.2 PROBLEM STATEMENT	3
1.3 OBJECTIVES OF THE STUDY	4
1.3.1 Primary objectives	4
1.3.2 Secondary objectives	5
1.4 SCOPE OF THE STUDY	5
1.5 RESEARCH METHODOLOGY	5
1.5.1 Literature study	6
1.5.2 Empirical study	7
1.5.3 Data collection and outcomes	8
1.6 LIMITATIONS OF THE STUDY	9
1.7 LAYOUT OF THE STUDY	10
1.8 SUMMARY	11
CHAPTER TWO: CONSUMER PERCEPTION IN RELATION TO BUYING BEHAVIOUR	12
2.1 INTRODUCTION	12
2.2 THE CONCEPT OF CONSUMER PERCEPTIONS	14
2.3 SOME CONSUMER DECISION MAKING MODELS	17
2.3.1 The Engel-Blackwell-Miniard (EBM) Model	20
2.3.2 Consumer Decision Process (CDP) Model	22
2.4 THE ROLE OF CONSUMER INFORMATION PROCESSING IN THE FORMING OF PERCEPTIONS	24
2.5 SUMMARY	36
CHAPTER THREE: THE INFLUENCE OF PRICE, TASTE AND BRAND IMAGE	39
3.1 INTRODUCTION	39
3.2 PERCEPTIONS ABOUT PRICE	40
3.3 PERCEPTIONS ABOUT TASTE	43
3.4 PERCEPTION OF BRAND IMAGE	49
3.5 SUMMARY	56

TABLE OF CONTENTS (CONTINUED)

	Page Number
CHAPTER FOUR: EMPIRICAL RESEARCH	58
4.1 INTRODUCTION	58
4.2 RESEARCH PURPOSE	59
4.3 BIOGRAPHICAL DATA OF THE PARTICIPANTS	60
4.4 CONSUMER BUYING BEHAVIOUR	64
4.5 BRAND IDENTIFICATION AND DESCRIPTIONS	72
4.6 IMAGERY STATEMENTS DESCRIBING A CONSUMER'S IDENTIFICATION WITH A PARTICULAR PRODUCT	78
4.7 BLIND TASTE TESTING	81
4.8 SUMMARY	85
CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS	88
5.1 INTRODUCTION	88
5.2 MAIN FINDINGS OF THE STUDY	88
5.2.1 Findings in terms of the perception of price	89
5.2.2 Findings in terms of the perception of taste	93
5.2.3 Findings in terms of the perception of brand image	95
5.3 DISCUSSION OF FINDINGS AND SYNTHESIS	100
5.4 EVALUATION OF THE STUDY	101
5.5 RECOMMENDATIONS	102
5.6 CONCLUSION	103
LIST OF REFERENCES	104
APPENDIX A: QUESTIONNAIRE	114
APPENDIX B: BEER TASTING TEST	118
APPENDIX C: ALL ANOVA RESULTS	119
APPENDIX D: PRICE LIST	123
APPENDIX E: EDITOR'S DECLARATION	124

LIST OF FIGURES

		Page Number
Figure 2.1	The EBM Model	21
Figure 2.2	The CDP Model	23
Figure 2.3	Consumer Information Processing	25
Figure 4.1	Percentage of age distribution of respondents	61
Figure 4.2	Respondents salary per month before TAX	63
Figure 4.3	Percentage contribution of respondents to education levels	64
Figure 4.4	Percentage contribution of respondents to packaging sizes	66
Figure 4.5	Amount of consumption in units per week by respondent	69
Figure 4.6	Type of retail outlets for purchasing beer products from	70
Figure 4.7	Events or circumstances at which beer is most often consumed	71
Figure 4.8	Percentage awareness of beer brands by respondents	72
Figure 4.9	Rating of beer brands according to the categories of most favourite, second favourite and least favourite	73
Figure 4.10	Descriptive words relating to consumption of most favourite and least favourite beer brands	75
Figure 4.11	Average number of responses for importance of each perception compared	80
Figure 4.12	Perceptions on a rating scale	81
Figure 4.13	Number of correct answers by participant	83
Figure 4.14	Best tasting beer ratings out of a possible 10	84
Figure 4.15	Guess the taste vs. Rate the taste	85
Figure 5.1	The importance of price rated by beer drinking participants	90
Figure 5.2	ANOVA Figure – Salary compared to price, taste and brand image	91
Figure 5.3	The importance of taste rated by beer drinking participants	94
Figure 5.4	The importance of brand image rated by beer drinking participants	96
Figure 5.5	Castle Lite brand strategy identification card – “what it is”	97
Figure 5.6	Castle Lite brand strategy identification card – “what it is not”	98
Figure 5.7	Brand identification and descriptions compared and aligned with imagery statements for Castle Lite	99

LIST OF TABLES

	Page Number	
Table 4.1	Race representation per age group as a ratio percentage by category	62
Table 4.2	General reasons from respondents for choosing a specific packaging size	67
Table 4.3	Retail selling price of Castle Lager	68
Table 4.4	Reasons for drinking beer by use of descriptive words	74
Table 4.5	Top five descriptions for most favourite beer brands	76
Table 4.6	Top five descriptions for least favourite beer brands	77
Table 4.7	Imagery statements in respect of brands	78
Table 4.8	Perceptions compared to imagery statement by Respondents	79
Table 5.1:	ANOVA Table – Salary compared to price, taste and brand image	91

CHAPTER ONE

NATURE AND SCOPE OF STUDY

“After a lifetime of world travel I've been fascinated that those in the third world don't have the same perception of reality that we do.”

- Jim Harrison -

1.1 BACKGROUND AND INTRODUCTION

The beer industry is continuously challenged with the phenomenon of consumer perceptions of beer consumers from different backgrounds, religions, genders and ages, each with their own perceptions about beer brands and how such perceptions influence such consumers' buying behaviours.

Millions of rand are spent annually by companies such as the South African Breweries Limited to create brand loyalty amongst its consumers, however, one cannot help but ask whether it is money well spent if one delves into the concept of ever-evolving consumer perceptions. It is evident from the above quote from Jim Harrison that perceptions depend on who you ask in certain circumstances and what you are asking about.

Perception refers to a person's views and opinions, which in turn motivates that person to act in a certain way. It has been said that perceptions are a person's reality or allows a person to construct his own personal theory of reality through selecting, organising and interpreting information to form a meaningful picture of a product based on a person's race, age, background, and personal experiences.

The beer industry is supported by a variety of different consumers with different backgrounds who purchase the product on a regular basis. This includes consumers from different religious backgrounds, as well as different views and perceptions in terms of gender, age and status, among many other variables. In order to compete in this dynamic market, companies such as South African Breweries Limited require a thorough understanding of consumers' perceptions and buying behaviours, as this is crucial to the ultimate success of the company.

Millions of rand are spent annually on marketing and sales strategies to ensure volume growth and an increasing market share in the liquor industry and the South African Breweries Limited is continually trying to predict the direction of consumer perceptions, while taking into account aspects such as the prevailing economic climate. Therefore, in this highly competitive industry understanding and correctly identifying consumer perceptions is of paramount importance to ensure that the manufacturer and supplier is always one step ahead of their consumers. Simplistically put, if one understands how a consumer's perception influences his buying behaviour it is possible to utilise this knowledge to influence future consumer buying patterns, thereby gaining market share.

The first question for this study is accordingly to define consumer perceptions and to address those factors which influence a consumer's perception of a particular beer product.

In the current South African beer market, there are over forty different beer brands, with fifteen brands dominating the market (Naumann, 2005). South Africans are enthusiastic beer drinkers, with per capita consumption expected to reach 60 litres this year compared to a mere 14 litres in 1970. Traditionally, South African brewers have favoured sorghum-based beer. However, in common with much of the rest of the world, consumers have begun enjoying other varieties, and consumption there has shifted from sorghum-based beer toward Western-style beers, also known as 'clear beer'. Analyzing the Beer Industry in South Africa (Aruvian, 2011)

Consumers are confronted with this large selection of beer products at the point of purchase and it is at this stage that consumer perceptions play a vital role. It is also at this point that suppliers wish to influence perceptions through intelligent marketing

strategies. This leads to the subsequent questions that are central to the present study; namely, to what extent can the supplier or the marketer successfully establish consumer perceptions by identifying or determining the factors or variables which affect or that influence consumers' perceptions and whether these perceptions can be influenced and changed.

Understanding perceptions is a complex issue due to the various changing factors which influences these perceptions. The same consumer's perception today may differ from his or her perceptions in a month, a week or even a day's time. Therefore, in order to correctly utilise time, money, research and resources to gain a better understanding of the perceptions central to a particular industry, core perceptions inherent to the product should be identified, as well as the key variables influencing these core perceptions in order to ensure that buying behaviours are influenced optimally.

1.2 PROBLEM STATEMENT

This study is will address the question of what consumer perceptions are, what drives these perceptions and how these perceptions influence consumers in their decision-making process at the point of purchase. Central to this enquiry is the problematic question of determining which variables significantly impact consumer perceptions and to what extent these variables can be managed and changed.

To this end the researcher has compiled a detailed study of consumer perceptions in the liquor industry in relation to three core perceptions indentified by the researcher; namely price, taste and brand image. The intention is to ascertain whether consumers truly prefer some beers to others for a particular reason, or whether a beer is merely just another beer distinguished by a consumer's own perceptions of various distinguishing factors.

This study will provide companies such as the South African Breweries Limited with valuable information which can be used to ascertain the allocation of time and

money to be spent in future on marketing and advertising to ensure a better return.

The central research question that flows from the problem statement is accordingly; what are consumer perceptions, what role does the perceptions of price, taste and brand image play in the beer industry and whether suppliers can effectively influence and change existing perceptions. This central question will be expanded on in the following section.

1.3 OBJECTIVES OF THE STUDY

1.3.1 Primary objectives

The primary objective of this study is to determine what role consumers' perceptions play in guiding consumers in the decisions making process at the point of purchase. Central to this objective is to identify the factors which influence consumers' perceptions which will ultimately affect consumers' buying behaviour.

More specifically, three core perceptions were identified, namely price, taste and brand image and the objective is to determine which of these perceptions, if any, carries the most weight in guiding consumers' decisions when purchasing beer products.

In more general terms, the practical aims and intentions of the study are to contribute to the body of knowledge on this important subject of customer perceptions in the beer industry and to provide information which can be used to ascertain the allocation of time and money to be spent in future on marketing and advertising to ensure a better return.

1.3.2 Secondary objectives

The secondary objective of this study is to establish whether suppliers can utilise their knowledge of consumers' perceptions to change and influence such perceptions in their favour.

1.4 SCOPE OF THE STUDY

This study is focused on consumer perceptions and the impact of such perceptions in relation to the purchase of beer products.

Due to the vast number of perceptions that can influence consumers, only three core perceptions were identified by the researcher, namely taste, price and brand image. Each of these perceptions was researched independently, as well as determining the weight that each perception carries compared to the other. The study focuses on only South African beer products.

In terms of geographical boundaries, the study is concerned with a limited consumer segment of consumers situated in Gauteng, Mpumalanga and the Western Cape provinces. These provinces were selected as they represent an acceptable demographic spread of South African beer drinkers across all races, employment and financial levels.

1.5 RESEARCH METHODOLOGY

Research is not just a process of gathering information, but is concerned with answering unanswered questions by employing a systematic process of discovering

new facts. In many ways, research can be seen as a process of expanding the boundaries of our ignorance (Goddard & Melville, 2004:1).

This study is intended to establish what effect consumer perceptions in general have on a consumer's choice when purchasing beer products, more specifically the influence of perceptions of price, taste and brand image. As such, a broad literature overview and empirical research were employed in this study to reach the identified objectives.

1.5.1 Literature study

A comprehensive literature review was conducted to provide the researcher with a broad overview of established principles on the aspect of consumer perceptions, as well as to identify appropriate models to be used to analyse and test consumer perceptions. The literature study includes an overview of the factors which influence consumer perceptions.

As part of the literature study, in-depth research was conducted on the three core perceptions identified by the researcher, namely price, taste and brand image. Interesting case studies were utilised to indicate how these three perceptions can be influenced to the benefit of suppliers.

The literature review was conducted by making use of textbooks, journals, articles, the internet and practical business case studies.

1.5.2 Empirical study

Due to the nature of this study, a quantitative research approach was used. A questionnaire was used to collate information from various respondents, thereby measuring multiple variables against the same set of questions.

The questionnaire was compiled by the researcher and aligned with the research objectives. The researcher also sought advice from the South African Breweries Limited on the type of questions to be asked, the number of questions and the complexity of the questions with reference to the target market. The Marketing and Insight Consumer Department of South African Breweries Limited provided their input on the final questionnaire in light of their experience with similar surveys.

Intense consideration was given to the content of the questionnaire, the relevance and importance of the questions in relation to each perception tested by the researcher in this study, as well as the difficulty of the questions. The questionnaire was drafted in plain and simple language in line with South African consumer guidelines. This was necessary as people from various backgrounds, races, upbringing and educational levels would be asked to complete the questionnaire in order to ensure that the researcher obtained information from an acceptable geographical, educational and racial spread.

Prior to distributing the questionnaire to participants in Gauteng, Mpumalanga and Western Cape, the researcher implemented a sample test of the questionnaire with six employees of different ranks employed by South African Breweries Limited and six persons not employed by the South African Breweries Limited. This was undertaken in order to test the results and ensure that the correct information was obtained by means of the questions asked. The results and the questionnaire was also tested and amended by Statistical Consultation Services of the North-West University to ensure that the responses were statistically measurable.

The questionnaire consisted of the following sections (see Appendix A):

- Section A: Biographical data of the participants
- Section B: Consumer buying behaviour
- Section C: Brand identification and descriptions
- Section D: Imagery statements describing a consumer's identification with a particular product

The following matters informed the empirical study:

- The target was one hundred participants domiciled in Gauteng, Mpumalanga or Western Cape.
- In the end, two hundred twenty five participants took part in the survey. These participants are domiciled in Gauteng, Mpumalanga and Western Cape, which adequately represents a variety of consumers from different age and racial groups and educational levels.
- The questionnaires were either completed electronically by participants who had access to electronic communication or personally with the assistance of the researcher for those consumers who had limited writing skills or limited access to electronic communication.
- A blind taste test was also conducted by the researcher with forty participants, whereby the participants were requested to identify five different beer brands without any indication of the brand of the beers tested.

1.5.3 Data collection and outcomes

The data collection process was conducted by the researcher and was analysed by Statistical Consultation Services of the North-West University in order to provide the researcher with the conclusions and outcomes of the present study. Figures and tables were compiled by the researcher as a visual depiction of the outcomes received. The results and conclusions of this study are based on the information received and data collected, as well as on the comprehensive literature study.

1.6 LIMITATIONS OF THE STUDY

The following limitations were encountered by the researcher and should be noted when reviewing the results and conclusions reached in this study. These limitations are as follows:

- South Africa is a diverse country with regards to racial, ethical and cultural groups as well as with regard to financial means and resources. To formulate answers and conclusions that would apply equally to all groups and categories of South African nationals are not possible within the ambit of a single study. As such, the researcher identified three provinces which in the opinion of the researcher constitute a good geographical spread of these various racial, ethnical and cultural groups. The researcher also ensured that responses were received from people representing various races and cultural groups.
- A further limitation is the lack of education and literacy skills of many South Africans whose input was required for this study. In some cases this necessitated the personal involvement of the researcher, which meant that the researcher had to help participants in certain instances. This was only possible with regard to those participants in Mpumalanga and Gauteng province.
- Inherent in a study of consumer perceptions is the fact that these perceptions are ever-changing and the same consumer can have a different opinion in a month, a day or even an hour depending on the various factors which

influence perceptions. This study is therefore based on the information provided by the participants to the study, whose opinions may change in time. This view is supported by the Coca Cola study discussed in chapter three, where millions of dollars were spent to establish consumers' perceptions about a new type of Coca Cola product, all of whom at first supported the new taste. However, sales decreased drastically and dramatically when the new Coca Cola was finally launched, indicating how quickly a consumer can change perceptions.

- A further limitation and frustration was the inability to obtain or use data from the beer suppliers in view of the confidential nature of such studies and marketing strategies.

1.7 LAYOUT OF THE STUDY

The study consists of five chapters.

Chapter One – The background and introduction to the study will be given, providing a problem statement and primary objectives of the study. The research methodology is also discussed in terms of the literature and empirical study and concludes with the limitations of the study.

Chapter Two – An in-depth literature study is conducted in this chapter that consists of theoretical approaches which will focus on the problems as identified in chapter one. In this chapter concepts of consumer perceptions and consumer decision-making models will be discussed. Lastly the role of consumer information processing in the forming of perceptions will be discussed.

Chapter Three – Three perceptions identified by the researcher which may influence consumers' perceptions at the point of purchase will be discussed in detail. These perceptions are price, taste and brand image. The value of these perceptions is discussed and whether such perceptions are measurable compared to one another based on the perceived importance by consumers of such perceptions.

Chapter Four – This chapter is comprised of a quantitative study, facilitated by means of a questionnaire to measure what drives consumers to buy their favourite beer brand and how the perceptions of price, taste and brand image influences them. Furthermore, a blind taste test was conducted to strengthen some of the outcomes of the questionnaire.

Chapter Five – In this chapter the findings of each perception identified by the researcher are discussed and conclude with the main finding. The study closes with recommendations for further research.

1.8 SUMMARY

The ultimate objective of this study is to uncover some truths or fallacies in the beer industry with regards to the perceptions of price, taste, and brand image and to ascertain what factors actually carries more weight with consumers when deciding on and supporting a particular beer brand. This will enable liquor companies to correctly allocate the correct amount of time and money to above-the-line and below-the-line advertising, promotions, free-gifts, and competitions.

The following chapters will therefore explore the nature of consumer perceptions in general, but also specifically address the perceptions of price, taste and brand image. The theoretical discussion will be followed by an empirical study that will serve to test the various perceptions relating to taste, price and brand image and how these variables influence consumer decision-making.

In the words of Jim Harrison, the researcher will endeavour to explore the insight that no one consumer's perception about a beer brand is the reality of another.

CHAPTER TWO

CONSUMER PERCEPTION IN RELATION TO BUYING BEHAVIOUR

"There is no truth. There is only perception"

- Gustave Flaubert -

2.1 INTRODUCTION

In a highly competitive market such as the beer industry, it is important to determine which perceptions drive consumer behaviour in order to ensure priority to such key perceptions, thereby ensuring success in the marketplace. By studying consumer behaviour in relation to perceptual variables such as price, taste and brand image, suppliers develop an awareness of what factors are dominant in product development and marketing strategies. Simply stated, an in-depth understanding of consumer perceptions is essential to ensure that the right product is marketed to the right consumer in the right way.

The idea of 'consumer value' or the value attached to certain products by the consumer is an intrinsic part of the complex structure of what constitutes consumer perceptions which in turn leads to consumer behaviour patterns. If one takes into account the psychological, social and economic factors which can be linked to the overarching concept of consumer values and behaviour patterns, then one encounters a wide array of perceptual aspects that can be incorporated into the concept of consumer perception. The relationship between price and consumer value perceptions has been debated by a number of pundits and theorists in the

field. For example, Sánchez-Fernández & Iniesta-Bonillo (2006:42) state that, "Value and price are elusive constructs that are frequently confused... the concept of price has also been defined to include other aspects such as time, effort, and search that define the cost or sacrifice in the consumption experience" (Sánchez-Fernández & Iniesta-Bonillo, 2006:42).

The following discussion explores these various theoretical trajectories with regard to consumer perceptions. In the first instance, the concept of consumer perception is defined in terms of how these perceptions are influenced and measured based on various relevant perception models. Furthermore, consumer behaviour will in turn be analysed and measured in terms of consumer decision making models.

The structure of this chapter, as well as subsequent chapters, is based on the following understanding of consumer perceptions within the context of the present product study. In the first instance, the question of what perceptions are will be addressed. Secondly, this leads to the issue of why it is important for suppliers and marketers to be able to measure and understand consumer perceptions. This discussion will also take into account the various factors which influence perceptions, which in turn have an effect at the point of purchase. In this regard the question of the most appropriate models that can be used to test consumer perceptions in the liquor industry is addressed. Finally, the issue of the weight and significance of an understanding of consumer perceptions in changing the consumer's choices at the point of purchase will be discussed.

Within this broad framework, three central variables have been isolated that will form the focus of the present study. These are taste, price and brand image and the way that these variables interact in terms of their foundations in the concept of perception and how they are likely to influence consumers' perceptions at the point of purchase of a beer product. This leads to the analysis of how these three elements can be utilised to effectively influence and change consumer perceptions and ultimately, buying behaviour.

In essence, the central premise that informs this study is that it is necessary to have an in-depth understanding of how the minds of consumers react to variations and changes in taste, price and branding. Consequently, a discussion of consumer

behaviour is deemed to be necessary for the comprehensive understanding of the effects and links between the three central variables under discussion.

It is also important to note at the outset that most of the studies and research on consumer behaviour in relation to price sensitivity, taste and branding of beer products, do not take into account the South African consumers' viewpoints. This paucity in research leads to the view that through qualitative research the perceptions of South African consumers can be ascertained, understood and met. This is a point of view that the present study intends to address and contribute towards.

2.2 THE CONCEPT OF CONSUMER PERCEPTIONS

Consumer behaviour has been defined as the "...study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society" (Perner, 2010). More specifically, consumer behaviour is defined as "the study of the way in which people consume products as well as services" (Chaudhuri, 2006:1). This behaviour is related in the literature to three classic influences; namely, the particular characteristics of the individual, and the environment which affects the individual as well as the inherited genetics of the individual (Chaudhuri, 2006:1). In terms of these definitions, the concept of consumer value as an indicator of consumer reaction and behaviour patterns emerged in the 1990s (Sánchez-Fernández & Iniesta-Bonillo, 2007:40), especially with regard to the increasing focus on marketing. This concept is viewed as an extremely significant factor in the success of any business or product. The knowledge of what constitutes consumer value is considered to be extremely significant in terms of competitive advantage (Sánchez-Fernández & Iniesta-Bonillo, 2007:40).

Furthermore, "Consumer value has been recognized as the fundamental basis in every marketing activity and it has been envisioned as a critical strategic weapon in attracting and retaining customers" (Sánchez-Fernández & Iniesta-Bonillo, 2007:40). Consumer value is based on marketing concepts such as satisfaction, trust, and loyalty.

The study of consumer behaviour and consumer value is premised by the importance of perception and the way that the customer perceives the product or service; and how this perception can be altered or enhanced to the advantage of the supplier, seller or practitioner. In other words, an understanding of consumer behaviour patterns and predilections depends in the first instance on a full comprehension of the phenomenon of consumer perception.

Among the many definitions of perception that have been suggested, Solomon *et al.* (2004:49) defines perception as the process by which the stimuli (light, colour, sound, odour and texture) are selected, organized and interpreted, so that meaning could be added to these raw sensations. Another view put forward by Bloom (2006:185) explains perception as the process by which an individual selects, organises and interprets information input to create a meaningful picture of the world.

Lamb *et al.* (2000:93) provide a very transparent view of the role of perception in terms of consumer behaviour. "A stimulus is any of input affecting the five senses: sight, smell, taste, touch and hearing. The process by which we select, organize and interpret these stimuli into a meaningful and coherent picture is called perception" (Lamb *et al.*, 2000:93). This is an insightful summation of the basic concept of perception and provides a good basis for understanding this concept in terms of consumer behaviour patterns.

At this level, perception depends not only on the physical stimuli but also the stimuli relating to the surrounding field and conditions which affect and influence the individual. Therefore, this leads to the basic but important understanding of the relativity of perceptions; i.e. perception can vary between individuals exposed to the same stimuli or reality structure. This is also confirmed by Sijtsema *et al.* (2002:568) who point out that aspects such as experience, atmosphere, product methods and environment also influence perception. Thus, the study of perception depends

largely on an unconscious process through which information in the external environment is attended to, transformed into beliefs, stored in memory and acted upon by consumers (Foxall *et al.*, 2002:51). Some of the most recent research in this area emphasizes that perception is a complex process and that the brain is influenced by many variables that are hard to disentangle, which in turn indicates that perceptions are based on how consumers interpret reality (Antonides & Van Raaij, 1998:235).

The view of perceptual relativity discussed above and the idea of the concomitant complexity of the perceptual process is extended further by Copley (2004:54), who emphasizes perception as an individual process. In this light perception is determined by many multivalent variables and the individual's perception depends on internal factors such as personal beliefs, experiences, needs, moods and expectations. The perceptual process is also influenced by the characteristics of the stimuli, depending on how the stimuli is received, selected and organised. Taking the concept of the uniqueness of individual perception further, Foxall *et al.* (2002:51) are of the opinion that the basic principles of perception are that consumers pay attention to stimuli relevant to their existing needs, wants, beliefs and attitudes. This results in, for example, consumers purchasing food products based on how the product looks, smells, feels and tastes.

The above views therefore tend to suggest that perceptions in the fast moving consumable goods industry such as the beer industry, is not only complex but also highly variable. In other words, if the relative and highly individual nature of perception is taken into account, then it can be argued that there is no specific marketing plan that works for all personalities. For instance, while for some consumers it will be more important to buy something that is affordable, other consumers focus more on what image the brand means in terms of their self-image and personality. Coupled with this is the issue of the appeal to the senses and the focus on taste, flavour and aroma for the beer connoisseur.

Taking the extensive variability of perception and the individual's tastes and preferences into account, studies suggest that a successful brand strategy is one that is most capable of making a connection with the consumer and which takes

cognisance of the most important and appropriate variables and factors which have been shown to affect the positive perception matrix from the customer and positive reception of the product. In this regard Bloom *et al.* (2006:174), refer to the adoption of a holistic marketing orientation; which means understanding consumer perceptions from a comprehensive and inclusive angle and gaining an extensive insight into the daily lives of the individuals, as well as an overarching understanding of the changes that occur during their lifetimes.

Furthermore, Belch and Belch (2004:113) point out that knowledge of how consumers acquire and use information from external sources is important in formulating brand identity strategies. Brand managers should therefore be cognisant of how consumers consult external information, how they attend to various sources of information and how this information is interpreted and given relevant meaning in terms of expectations and desires.

Foxall *et al.* (2002:51) emphasize an important aspect of perception once consumers have become aware of brands. This refers to the finding that their buying decisions are guided by their perceptions or impressions of brands formed from the information they gather about brand characteristics. Therefore, consumer behaviour, as influenced by perceptions to a greater or lesser extent, leads to proposed actions which are integrated in various consumer decision-making models. In the following section, two well-known consumer decision making models relevant to the present study will be discussed.

2.3 SOME CONSUMER DECISION MAKING MODELS

The above section relates to the first objectives of the present study; namely the understanding of the concept of perception and the importance of perception in understanding customer choices and behaviour patterns. What is clear from the literature is that consumer perception is a highly relative process that is subject to a vast array of variables and influencing factors. It was also suggested above that a

more inclusive and holistic approach be implemented in order to understand and improve knowledge of customer perceptions. It is therefore clear that consumer decision-making models have to take these aspects into account. In this regard, Erasmus *et al.* (2002:1) state that consumer decision-making models are widely used in consumer behaviour research in order to provide a structure for theory and research.

While some studies state that consumer decision-making models are used to represent all or a part of the variables of consumer behaviour, Erasmus *et al.* (2001:82), point out that it is difficult to understand the buying and decision-making process because various external influences such as social and personal factors exist. These must be accommodated within an internal frame of reference in the model, while being formed through the complex process of consumer socialization. This is an essentially problematic in the construction of models and one of the aspects that make for a feasible and coherent model is the simplification of these different variables and parameters in order to provide an inclusive but selective structure. Erasmus *et al.* (2001:82) refer to the simplification of actions in consumer decision-making models.

Furthermore, the various models have been devised in order to provide a theoretical structure to organise and analyse consumer decision-making from different perspectives and in different contexts (Erasmus *et al.*, 2002:2). However, in general there have been a number of critiques of these models which have a bearing on the present research and on the choice of a particular model or models that are most appropriate for understanding the focus area of this study.

One critique (Erasmus *et al.*, 2002:2) is that using a particular model can mean that the research follows the views and assumptions of the author of that model. This implies the possibility of bias or certain prejudices towards consumer decision-making, which may be included in the design of the model.

In other words, each model is limited to a certain extent and slavish adherence to the concepts and parameters of a particular model can be problematic in terms of inherent bias towards certain values and perspectives that are deemed to be

important for that model. This is a factor that was borne in mind when assessing the available models and which was a central determining factor in the choice of models.

Another related critique is that consumer decision-making models can be idealised. This is as view put forward in the most recent study on this aspect by Cox *et al.* (1983:394). In essence this means that the actual reality and practical aspects of the process of consumer decision-making are sometimes obscured by ideal values and patterns that are projected by the models. This is another factor that was considered in the choice of models and care was taken to use those models that showed the best fit between theory and practice.

On the other hand there are certain advantages that should be noted in the use of the most appropriate model or models. This includes the ability to grasp complex situations visually, as well as the ability to determine what takes place when certain variables and circumstances change. In essence the models provide an immediate conceptual frame of reference which shows the logical interrelationship of variables and factors and which aids research into a particular area. As Erasmus, Boshoff and Rousseau (2001:82) state, "Consumer decision-making models provide broad, organized structures that reflect the basic process of consumer decision-making from certain viewpoints" (Erasmus, *et al.*, 2001:82).

The above factors were all taken into consideration in an assessment of the various models and the question of which models were appropriate to the subject matter and issues under discussion in this research. One also has to take into account that there are different kinds of consumer models that focus on different aspects of consumer behaviour (Erasmus *et al.*, 2001:82). For the purpose of this study, taking the above into consideration, the Engel-Blackwell-Miniard (EBM) model and Consumer Decision Process (CDP) model were considered applicable and will now be discussed in the next section.

2.3.1 The Engel-Blackwell-Miniard (EBM) Model

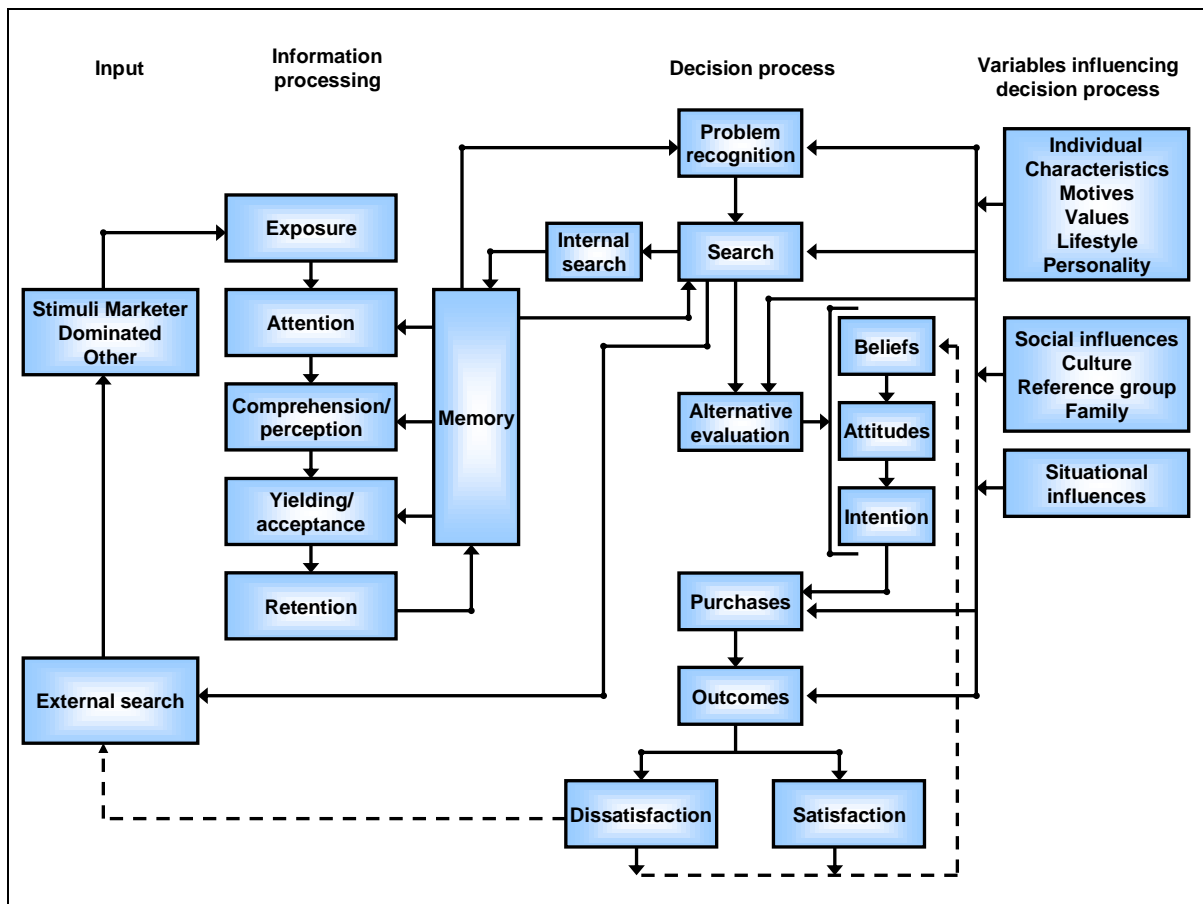
Two models were chosen as the most appropriate for the exploration of consumer perceptions and decision making. The Engel-Blackwell-Miniard (EBM) model was chosen largely because of its emphasis on the decision-making process, which is relevant to the subject and the chosen variables of the present study.

The EBM model became the organising framework for the majority of studies on consumer behaviour and for marketing programs in many organizations (Marreiros & Ness, 2009). Its general applicability to the beer industry is evidenced by its broad and inclusive framework.

According to a number of studies this model is the best known of all experimental approaches to consumer behaviour and it emphasizes decision-making more than other theoretical models. This model clearly illustrates the four different phases of consumer behaviour; namely, input, information processing, the decision process and variables influencing decision process, and how these phases rely on each other. Furthermore, this model indicates that there are three variables which influence the decision making process; namely, individual characteristic, social influences and situational influences. These refer not only to the social influences and individual characteristics influencing the decision-making process but also to situational influences.

Figure 2.1 follows on the next page

Figure 2.1: The EBM Model



(Source: Blackwell et al. 2001:33)

In terms of the present study this model has a number of advantages. In the first instance it is not idealised but allows for the reality of different variables in the decision-making process. In terms of the three criteria that have been decided upon in the present study, namely price, taste and brand image, the above model provides a useful conceptual framework.

This is evident in the information processing stages, where the concepts of exposure, understanding, comprehension and perception are indicated as formative elements in the process of consumer decision-making. Taste, for example, is a variable that can be understood and analysed in terms of these concepts. This also applies to the decision process section of the model, where, for example, the

concepts of belief, attitudes and intention provide a useful framework for the analysis of the three main variables in the present study.

Importantly, this model also accommodates the influence of external variables which may or may not influence the decision-making process. This includes individual characteristics as well as social influences and situational references. Therefore, the EBM model provides a useful and adequate framework for the understanding of how initial perceptions translate and evolves into decision-making; while also taking into account the different factors and variables that can affect this process.

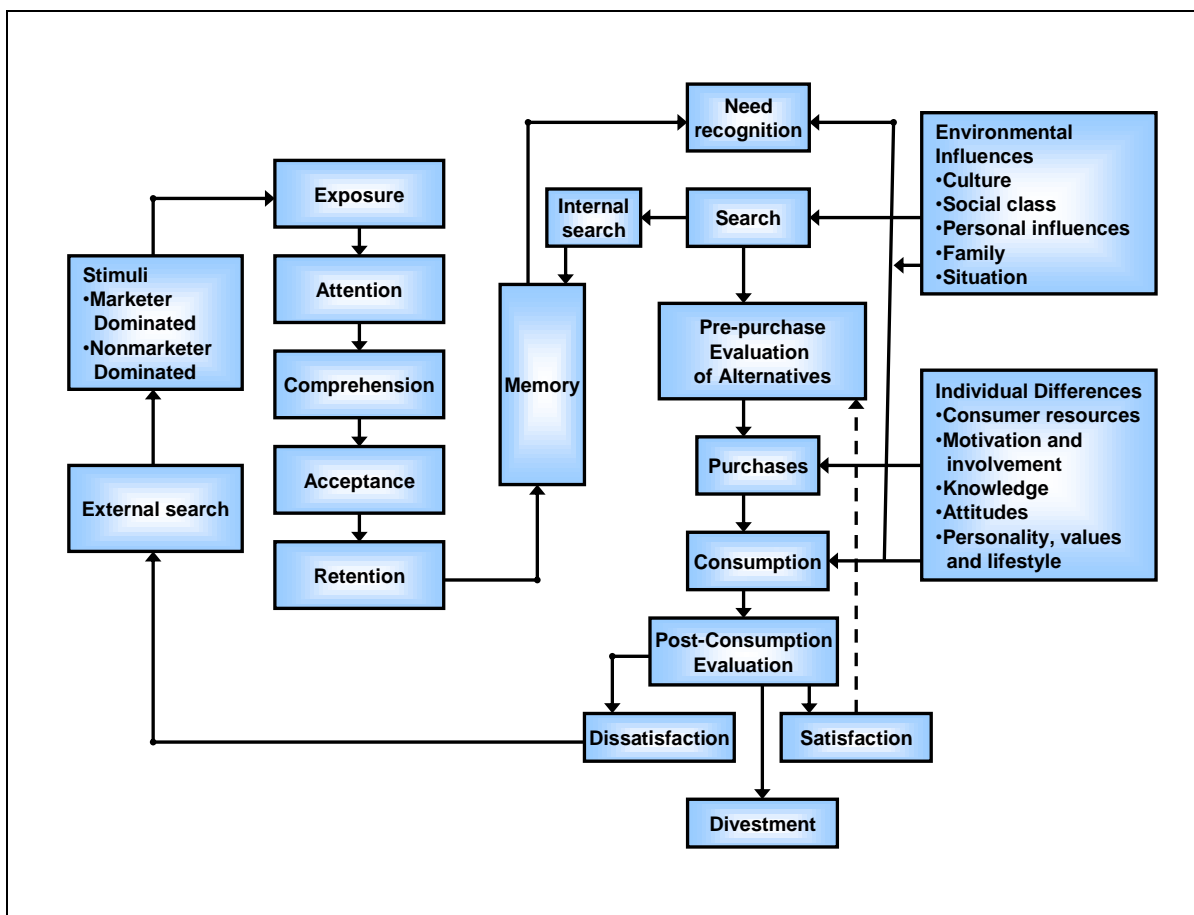
2.3.2 Consumer Decision Process (CDP) Model

The Consumer Decision Process (CDP) model is in a useful extension or addition to the EBM Model. It was felt that the EBM model was entrenched in a more conventional theoretical foundation and that a more contemporary model was needed to represent modern consumer decision-making. This model therefore anticipates consumer thinking and provides a structure that is more in line with a closer analysis of the decision-making process. It was therefore chosen because of its extension of aspects of the EBM model. This model was developed in 2001 by the authors of the EBM model.

It is generally acknowledged that there are six basic stages to consumer decision-making models. These can be summarized as follows. Firstly, there is the problem recognition phase or the awareness of need. This is described as the difference between the desired state and the actual condition. This stage is followed by the information search; which includes an internal search in terms of memory, as well as an external search for further information via society, friends and family. This leads to the evaluation of alternatives and refers to features of the product that the buyer may or may not desire. This in turn leads to the purchase decision, the actual purchase and the post-purchase evaluation (Anon., 2010). All of these stages are incorporated in the CDP model.

According to Erasmus *et al.* (2001:85), the models (EBM and CDP) differ because the consumers' behaviour changed over the years and this affected the way they consumed products. The authors also adapted their view from how consumers buy products to analyze how they use products (compare Figure 2.1 with Figure 2.2). Therefore, the CDP model indicates that consumer behaviour is a process of actions ending in divestment when the consumer is satisfied with a purchasing decision.

Figure 2.2: The CDP Model



(Source: Blackwell *et al.* 2001:33)

The above outline of this model is described as a "...roadmap of consumers' minds that marketers can use to help guide product mix, communication, and sales strategies" (Sulisto, 2011). These include the important stages of need, recognition,

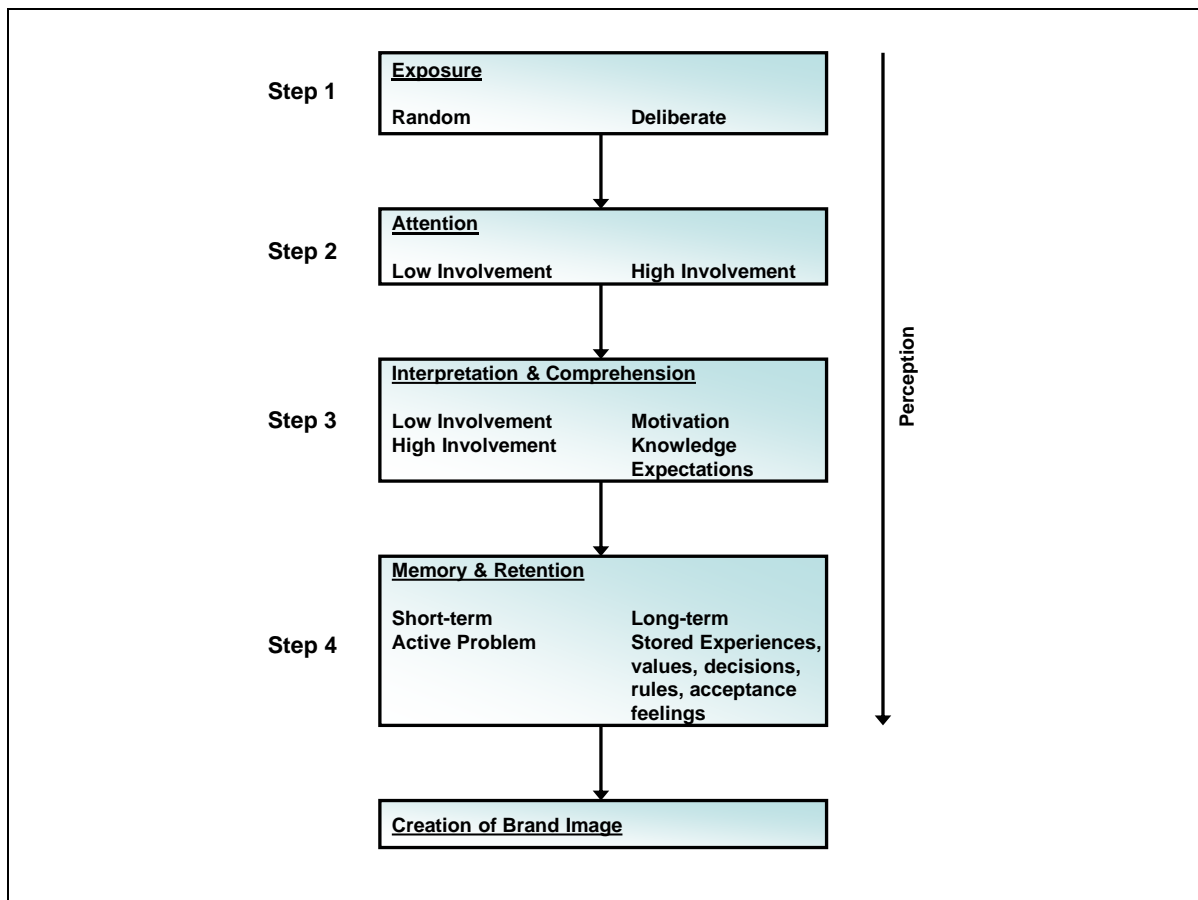
the search for information, pre-purchase evaluation of alternatives, purchase, consumption, post-consumption evaluation, and divestment. In essence, the CDP model places a great deal of emphasis on consumer cognition and this role of cognition in the decision-making process and in buying behaviour. The CDP model therefore provides a useful representation for analysing the way in which individuals solve the various problems that determine their purchasing behaviour.

2.4 THE ROLE OF CONSUMER INFORMATION PROCESSING IN THE FORMING OF PERCEPTIONS

This section explores consumer behaviour, focusing on understanding how consumers process information and how decisions about a brand are made. The different stages of information processing are discussed to form an understanding of the process and how it enables the consumer to create perceptions of a brand by retaining the message in his or her memory as a brand image. Information processing is therefore an important aspect of the understanding of how perceptions evolve into decisions for the consumer at the point of purchase.

Even a brief analysis of the above two models indicates that an important part in the decision-making process is the way that sensory perceptual data is processed. In the light of the initial definition of perception, the role of consumer information processing becomes evident. This refers to the initial stimuli and sensory data. In this regard Hawkins *et al.* (2001:284) define information processing as a series of activities by which stimuli are perceived and transformed into information and stored. From this perspective information processing commences when the consumer is exposed to an external search. Figure 2.3 illustrates an information processing model showing four major steps.

Figure 2.3: Consumer Information Processing



(Source: Hawkins *et al.* 2001:238)

The above model by Hawkins *et al.* (2001:238) provides a useful representation of the way in which information is processed towards the creation of a brand image. These aspects will be explored in the following four major steps in an information processing model.

Step 1: Exposure to information processing

Exposure is the first step in information processing. This refers to communication input that needs to reach consumers first, resulting in activating one or more senses. From this perspective the concept of exposure is the beginning of the preliminary processing of information, which will lead to the other levels of cognition and to the

creation of brand image. In terms of this model of sense perception, aspects such as taste form part of the initial processing activity.

More specifically, Hawkins *et al* (2001:285) state that exposure occurs when a stimulus comes within range of one's sensory receptor nerves. In order for an individual to be exposed to a stimulus one has to be placed within the person's relevant environment. Once exposed to information, consumers need to allocate information processing capacity to the incoming information, or alternatively decide not to allocate processing capacity.

Ries and Ries (2000:26) explain that consumers live in an over-communicated brand society. This means that the consumer is often over-exposed to a continuous barrage of information and media brands and images. As a response to this overexposure, consumers increasingly make use of selective awareness and attention measures. Enslin (2003:11) goes on to argue that marketers are challenged to break through the expected commercial clutter barriers to ensure that their identity strategy reaches and impacts the consumer. In this regard it is also noteworthy that Kron *et al.* (2000) state that in today's over-communicated society it is extremely important to stand out and that in order to achieve this prominence there is a need for publicity. Enslin (2003:49) is of opinion that the brand is a focal point for all the impressions created by the consumers over time. These impressions result from a myriad of consumer contacts with the brand. It is vital that all the points of contact consistently communicate the brand identity strategy. Nevertheless, from another perspective, it is suggested that in today's over-communicated world, "...simplicity seems to be a key word when developing positioning statements as well as communication strategies, in order to best be able to get through to the consumers" (Kron *et al.*, 2000).

There are numerous views, perceptions and suggestions from a variety of sources that address the way in which the concept of exposure leads to consumer attention and to the process of brand image creation. This refers to an over-communicated market environment, which is much more competitive. Duncan (2005:117) argues that any situation in which a customer comes into contact with a brand or company is a brand contact. Points of exposure primarily stem from four major sources of brand

contact. These are planned brand contact, product-related brand contact, service brand contact and unplanned brand contact. All of these theoretical perspectives stress the importance of exposure in understanding information processing by the consumer.

The next step in the discussion of an information processing model is the aspect of attention.

Step 2: Attention in information processing

Essentially, the importance of attention can be understood as the consumer's allocation of processing capacity to a stimulus. Kotler and Keller (2006:186) state that the average consumer screens over 1500 advertisements of brands per day. The process of information choice or selection is referred to as selective attention. This suggests that the consumer is influenced by certain variables and that knowledge of these variables is an essential aspect of determining consumer preferences and behaviour at the point of purchase.

Kotler and Keller (2006:186) provide some enlightening information on the issue of attention.

- People are more likely to notice stimuli that relate to a current need, for example, a pregnant woman noticing baby adverts and specials.
- People are more likely to notice stimuli that they anticipate, for example, a person attending a rock concert will most likely notice an announcement of the next performer through the noise.
- People are more likely to notice a stimulus whose deviations are large in relation to the normal size of the stimulus. For example “buy one get one free promotions” capture the attention of potential buyer.

All of these aspects relate to the way in which people process information and make choices that are valuable in determining the rationale for the purchase of certain types of products. The issue of attention and an understanding of this complex

phenomenon are therefore essential for an analysis of how perception works and functions in the marketplace.

There are a number of central findings in the literature that should be noted. According to Mostert (2002:89), attention will most likely occur if the incoming message and the contents thereof are considered relevant. Attention occurs when the stimulus activates one or more sensory receptor nerves, and the resulting sensations are directed to the brain for processing. At this stage of the process, consumers may ignore some messages, thereby exercising selective attention.

There are different levels of variability to consider which affect attention. For example, as a result of the consumers processing limitations, not all the stimuli that activate the consumer's sensory receptors will receive additional processing. Therefore, the individual may allocate different levels of attention to the same stimulus in different situations. Consequently, it can be concluded that due to limitations of the processing capacity, consumers selectively pay attention to messages.

Hawkins (2001:242) is of the opinion that attention is determined by three factors, namely the stimulus, the individual and the situation. This study refers to the stimulus factor as being concomitant with the physical characteristics of the stimulus itself. Furthermore, there are a number of stimulus characteristics that tend to attract the attention of the consumer independently of one's individual characteristics. In other words, there are some factors which tend to hold the attention of the consumer and which are not specifically linked to the person's predilections and variable personality characteristics of the individual. This is an important point in terms of the present study and the chosen factors in consumer perception. This aspect will be referred to in more depth in the following sections on price, taste and brand image.

The personal determinants of perception are of course central to an understanding of the consumer's choice process. These are also referred to as the individual factors or variables. Mostert (2002:188) refers to a number of cardinal aspects that are linked to personal determinants. These include needs or motivations as well as attitudes, adaption level and attention span. These factors all play a role in the directing and maintaining of attention and, subsequently, of customer decision-

making. In essence, these needs have a strong influence on stimuli that will lead to information reception and the possibility of information reception. From this perspective the consumer is therefore more motivated to attend to messages that meet needs that already exist.

According to Lee (2003:82), individuals pay more attention to information that is compatible with their own goals. Kotler and Keller (2006:180) maintain that personal characteristics also influence the consumer's decisions. These include the consumer's age and stage in the life cycle, occupation, economic circumstances, lifestyle and values. In other words, simply stated, individuals seek exposure and examine information relevant to their current needs.

As has been briefly referred to, a number of studies emphasize the importance of selective attention in what is termed an overly-communicated environment. This refers to the concept of information overload and the excessive exposure to media messages and brand images that often occur in contemporary society. This is an important aspect in terms of understanding the link between perception and the three central aspects under discussion in the present study.

In the literature on the subject, the concept of 'information overload' is controversial. Ratneshwar *et al.* (1990:547) refer to this controversy in a rather dated study, which is still relevant today. However, there is a general consensus that this phenomenon does commonly occur. In essence, information overload can be said to take place "...when processing capacity is sufficiently strained such that cognitive processes like attention are disrupted or forced to become increasingly selective" (Ratneshwar *et al.*, 1990:547). This has led to operational assessments such as the calculation of presentation rates and providing subjects with concurrent tasks.

Information overload leads to the understanding of selective attention. As noted above, selective attention has a direct bearing on the way that the customer chooses to perceive and retain attention about certain products. This process will become more evident in the practical section of this dissertation. Suffice to say at this juncture that understanding the factors that influence and determine selective attention in terms of consumer information processing is an essential component of understanding consumer choice at the point of purchase, as well as product

evaluation. This also leads to the issues of interpretation, comprehension and memory, which influence brand preferences.

The importance of information in information processing leads to the following step, which is the interpretation and comprehension of information processing.

Step 3: Interpretation and comprehension in information processing

Kotler and Keller (2006:200) define consumer involvement and interpretation in terms of the level of engagement and active processing undertaken by the consumer. This takes into account the fact that in responding to a market stimulus, the consumer may or may not comprehend the message. This may be that the consumer is influenced by personal factors such as motivation, knowledge and expectations.

Interpretation and comprehension by the customer in the process of information processing and in the forming of perceptions depends to a great degree on the concept of meaning. This aspect is discussed by Homer (2004:318) who states that a brand or product can acquire meaning for the consumer in a number of different ways. This includes the link between the consumer and the product, as well as its product related attributes. Importantly, meaning in this context is also associated with variables such as price and brand name, as well as distribution channel. It is important to note that in this regard studies that emphasize that it is the individual interpretation, not the objective reality that influences behaviour. (Hawkins, 2001:250). For example a company may introduce a high quality brand at lower prices than competing brands, but consumers might interpret the lower price as lower quality.

Interpretation is also linked to the simplicity or the accessibility of the message or the promotion of the product. According to Homer (2004:318), brands with high market standing have high consumer loyalty, brand awareness and perceived quality. The key reason for their strength is the existence of favourable, strong and unique associations in the consumers' minds, which do not require a great deal of

interpretation. In other words, the more direct the associations and the more obvious the connotations, the more likely the product will be accepted by the consumer. Interpretation has also been linked to further analysis in the mind of the consumer after its initial perception (Mostert, 2002:89). This refers to the finding that in the activity of information processing, after the initial attraction and attention phase, the message is then analysed further by the customer. This further analysis is linked to various categories of meaning within the context of the individual's perceptions and world, and this meaning is then stored in memory (Mostert, 2002:89). This in turn suggests that the intended or desired outcome that is connected to the product is dependent on how a consumer categorises a stimulus through the use of existing knowledge and beliefs (Copley, 2004:56).

According to Mostert (2002:190) the process of classifying a stimulus by using concepts stored in memory is called stimulus categorisation. This categorisation will therefore involve the consumer associating this new information with something already existing (Copley, 2004: 56). All the information and experiences individuals encounter as they go through life can be retained in his or her long term memory. The consumer, therefore, integrates new information and existing knowledge in this process.

In addition to the above, consumers tend to organise stimulus into a meaningful way. Copley (2004:56) explains that as with attention, comprehension is influenced by personal and stimulus factors. With regard Shiv (1999:236) in a dated but still relevant study is of the opinion that much research on consumer information processing and decision making has regarded consumers as dispassionate, logical thinkers, adopting a rational orientation to the various tasks they engage in. In other words, too much attention has been focused on logical and rational aspects. This is clear from an examination of most models on consumer decision-making. There is the opposing view which is pertinent to the present study that more attention should be given to the role of feelings and emotions in information processing and decision-making. Therefore, the personal factors influencing comprehension as illustrated in Figure 2.3 include motivation, knowledge and expectations, which are briefly discussed below in the following sections.

Motivation

A general definition of motivation is a certain activated state within a person that leads to goal-directed behaviour. Kotler and Keller (2006:184) define motivation as a need that is sufficiently pressing to drive the person to act. When motivated in the process of perceiving an image or advertisement, the consumer is more likely to become involved with and purchase that particular product. Therefore motivation is an intrinsic link between perception and consumer decision-making and buying behaviour. This point is made clear in a study by Wright (1974:194) who states that involvement in actively processing information is largely a function of a person's recognition that the information has goal-satisfaction value for himself. Involvement is thus grounded in the perceived meaning of the specific content. An advertisement that is highly arousing to a receiver by virtue of its content may be transmitted in a form that restricts his opportunity for response, or *vice-versa* (Wright 1974:194).

The above discussion is enlightening and pertinent to the present topic for a number of reasons. The first is the clear connection made between involvement and motivation and goals or value systems relevant to the customer. In other words, motivation is linked to perceived values and goals that are seen by the customer to be desirable. The second aspect refers to responses and the way that the customer is encouraged to respond.

Studies also refer to the important issue of multiple motives that is pertinent to the present study. This refers to manifest and latent motives within the perception complex of the consumer. Manifest motivational factors are those that are known by the consumer, while latent motives are those which are unknown to unconscious (Ducatte, 2009).

This is an important dimension in the perceptual process and attention should be given to the less obvious and latent motivational factors that may or may not influence the consumer buying beer at the point of purchase.

Larsen and Buss (2009) refers to needs as the 'First Primary Premise' in motivation and information processing by the consumer. They state that while individual needs vary according to different requirements and situations, our needs resemble one

another's needs enough that various theories of motivation can identify those that typify audiences.

Shell (2003:112) states effective persuaders must successfully determine their audience's needs. In this regard one could also refer to Maslow's Hierarchy of needs. These include the following needs;

- Physiological
- Safety
- Love and Belonging
- Esteem
- Self Actualisation

(Shell, 2003:112).

Abraham Maslow's hierarchy of needs theory suggests individuals aim to meet basic psychological needs such as hunger and thirst and then progress to more abstract needs. For example, after basic needs have been satisfied, social needs are the next level of the hierarchy. This in turn leads to needs for self-esteem and self-actualisation. This theory has been employed successfully by many marketing organizations. It has been shown to be useful for the marketer who wished to understand the development of consumer needs and the concept of meaning in decision-making and can also be usefully be used in an analysis of consumer choice in the beer industry.

Knowledge

Knowledge is an important component in information processing and comprehension in that it increases the likelihood of correct interpretations and conversely reduces the likelihood that the consumer could make an incorrect interpretation or assessment of a product. For example, many people believe that Castle Lite is low

in alcohol, whereas in actual fact the "Lite" component relates to it being low in kilojoules. A successful brand image would therefore provide access to sufficient knowledge about the product in order to create a positive response from the customer. Therefore, the concept of knowledge is not only significant at the input phase of the decision-making model but it is also subject to perceptual variations, as well as augmentation and distortion in the information processing phase of the model.

A simple example of the importance of knowledge in consumer perception can be gleaned from studies in the food industry. In one study it was found that knowledge and perception of health and safety factors is a vital component in the perception and reception of these products. When asked about desirable packaging attributes, participant responses were mostly concerned with purchasing food in a container that would be leak-proof, and that would keep the food at the appropriate temperature" (Binkely *et al.*) It was also found in another study in the same industry that "...knowledge and awareness would influence their actual purchase intention towards organic food" (Ahmad and Juhdi).

The same criteria with regard to knowledge can be applied to the beer industry, where knowledge of the product is also an integral facet in the decision making process in this industry. This can be seen, for example, in the study of perceptions of health aspects in the beer industry, such as the response to warning labels about the dangers of alcohol, consumption. It has been found that increased information and knowledge can assist in the positive perceptions of beer and other alcoholic drinks. As a study Wright *et al.*, note; "The findings indicate that a great opportunity exists to inform consumers about the health benefits derived from the moderate consumption of all alcoholic beverages" (Wright *et al.*, 2008:12).

Expectations

Expectations, according to Kotler and Keller (2006:144) are largely formed as a result of past buying experience. Expectations are also formed by input and views that are the result of socialisation and from friends and family, as well as by available

brand information. For example, two identical drinks can be placed next to each other and a consumer asked to rate these drinks. If the one has a label on it the chances are very good that the two identical drinks would be rated differently. This refers to the different expectations that are associated with the different brands. This also refers to the importance of prior expectations of the product. These prior expectations have been shown to have a significant effect on the individual at the point of purchase (Kamaladevi, 2010:346). This reminds us once again, in the light of the last step, of the significance of information processing in customer purchasing behaviour; which in turn leads to the importance of memory and retention that will be discussed in the following section.

Step 4: Memory and retention

In Figure 2.3 the graphic representation of consumer information processing, retention is depicted as the final stage of the consumer information processing model. Hawkins *et al.* (2001:341) define memory as the total accumulation of prior learning experiences. It consists of two interrelated components, short term and long term memory. In another study Copley (2004:56) explains that retention is the stage where the stimulus is finally transferred into the memory and the message is noted and stored for use on a future occasion. In more specific terms, the short term memory component is accessed when a stimulus is passed through sensory processing. It has a limited capacity to store information and sensation. Thus, short term memory is closely analogous to what we normally call thinking. It is an active, dynamic process as opposed to a static structure (Hawkins *et al.*, 2001:341).

Long term memory, on the other hand, is viewed as unlimited permanent storage. The creation of a brand image should therefore focus on the creation of messages that are stored in long-term memory for the most effective outcomes in terms of consumer choice.

Linked to the issue of memory and retention in terms of the models of perception and decision-making is the issue of consumer acceptance. In essence, consumer acceptance of a product focuses on the persuasive affect of a stimulus. According to

Copley (2004:56), the consumer's comprehension of a message does not automatically lead to acceptance. The consumer may understand the message but not alter their buying intentions and behaviours.

2.6 SUMMARY

In this chapter perception has been defined as the process by which an individual selects, organises and interprets stimuli and thus obtains a clear and significant picture (Schiffman & Kanuk, 2000:122). It is the cognitive process accompanying the stimulation of one or more of the bodily senses and enables the individual to receive and process information from his or her external or internal surroundings. The perceptions of consumers are primarily the result of the information (stimuli) that they receive and how they interpret it.

As has been discussed, perception can be seen as one of the internal or individual influencing variables that control internal thought processes in the consumer's decision-making process. Through perception, consumers translate their external, physical world to their internal, mental world. All the marketing stimuli exist in the consumer's external world and consumers have to perceive the stimuli for those stimuli to have an impact at all on their decision-making processes (Jacobs & de Klerk, 2007:47). This study also emphasizes that after consumers become aware of products, their perceptions or impressions of the products are formed from the information obtained and this will guide their buying behaviour and decisions.

The role of perception in the consumer decision-making process has been emphasised. The importance of an understanding of the various facets of perception in the marketing process is stressed in a number of studies (Aaker *et al.*, 2002) it is argued that not only do consumers act on their perceptions, which stem primarily from the information they received, but that marketers also need to understand the nature of the perceptions their customers and potential customers have of the commercial world and the products available. Understanding how consumers obtain

and use information and how their perceptions are formed to ultimately reach their goals, is thus essential for gaining insight into consumer behaviour.

The perceptions of beer consumers about the purchasing and evaluating processes at the point of purchase may give rise to specific behaviour, namely acceptance or rejection. In this regard it is important to note that consumers are already able beforehand to form conclusions about perceived risks, relative advantages and compatibility with their current purchasing practices (Foxall & Goldsmith, 1994:56-57).

Another important facet of perception is perceptual restructuring. This refers to the process through which observation is changed in terms of new information (Gouws *et al.*, 1984:228). In this way a consumer's observation and interpretation at the point of purchase may change as the consumer learns more about the brand.

The above discussion on consumer perception and its role in decision-making as it pertains to the beer industry falls within the ambit of the theoretical trajectory of consumer behaviour. In essence consumer behaviour is a wide and extensive field of theoretical as well as practical inquiry. This discussion has focussed on aspects of consumer behaviour from a perceptual and information processing perspective. However, as has been suggested with reference to the statement by Shiv (1999:236), consumer behaviour should also be understood from a more holistic and comprehensive point of view. As will be discussed in the following chapters, consumer behaviour and patterns of choice and purchasing involve an understanding of interlinking aspects and variables. In other words, the issue of perception cannot be isolated in practice from other external factors, such as economics and socialization. All of these factors impact and influence one another to various extents, which suggest an appreciation of the field of consumer behaviour as an overarching concept that should be taken into account in this study.

In this light, Schmidt and Ludlow (2002:46) refer to the holistic approach to successful brand growth and development. This approach stresses the holistic view that the consumer's perception of the brand should also be connected with other aspects, such as service in order to provide insight and understanding of the

purchasing decision as being situated within the broad and inclusive experience for the consumer.

CHAPTER THREE

THE INFLUENCE OF THE PERCEPTIONS OF PRICE, TASTE AND BRAND IMAGE

3.1 INTRODUCTION

The discussion that was initiated in the previous chapter leads to a more focussed inquiry into the three main variables identified by the researcher related to the understanding of consumer decision making processes in the beer industry. One of the focal points that will inform the discussion in this chapter is how perceptions influence consumer buying behaviour based on the price, taste and branding of a product.

An important point that was made in the review of the literature in chapter two is that the variables in perception and consumer decision-making are not mutually exclusive of one another. The different factors and variables are inclined to affect each other. This refers to views expressed in many empirical studies that consumer decision-making models should be as holistic and comprehensive as possible. With this in mind it should be emphasized that while this chapter will deal with the variables of price, taste and brand image as separate concepts, the reality is that these three cardinal factors affect and impact each another.

3.2 PERCEPTIONS ABOUT PRICE

It is seemingly obvious to state that price perceptions play a large part in consumer purchasing decisions. Price is always a factor, especially in an economy suffering from recession. A report on the furniture industry states that; "Consumers adopted many behaviours as a result of the recession....More importantly though, consumers are now more value conscious. While receiving the best price it is still important, more and more consumers want to buy durable and quality products" (Price key, but quality also drives buying decisions, 2010).

The above view can be applied to almost any industry or product in the present economic climate. Price therefore becomes an issue that is best understood in relation to the effects of the economy on consumer behaviour. Price strategies have also been adapted in the beer, wine and spirits industry to meet new perceptions and demands. As one pundit in this field notes: "...consumers are changing their rituals, with 60% cooking more at home, and 34% going out with friends less often. People are watching more TV, renting more movies, and doing more home-based activities..." (Anon., 2009). This has led to caution among buyers of alcoholic beverages in terms of purchasing trends. As an article in *Modern Brewery Age* (2009) states, consumers have become increasingly price conscious and they are adopting various strategies to reduce the cost of going out and purchasing alcoholic beverages. There is a tendency that has been noted of consumers drinking less when they go out (Anon., 2009).

In terms of the consumer decision-making models discussed in the previous chapter, perceptions of price are interconnected with other perceptions and can be related to external social factors such as the state of the economy. This has also led to another observation in terms of purchasing behaviour, namely that, "For beer, wine and spirits consumers, 80 percent of buying decisions are made before getting to the store..." (Anon., 2009).

In terms of the above view there has been a shift from price as a central feature or independent factor in perception and decision-making, to related aspects such as value and quality. This is indicative of a shift in emphasis towards value that can also be applied to the beverage and liquor industry (Oppong, 2009:3). This can also be seen in the South African beverage industry during the past decade. The point being made is that price is linked to other perceptions such as value and that the consumer's decision to purchase a particular product is often a composite of different perceptions about the product, which can include both price, value, quality in taste or brand image.

As noted above, there are some factors which tend to hold the attention of the consumer and which are not specifically linked to the predilections and variable personality characteristics of the individual. One could argue that price is such a factor. Price is a factor that seems to be independent of personal feelings or perceptual biases. However, one could also argue that price is closely linked to personal consumer views, circumstances and values.

Price is therefore often seen as being connected to quality as well as market demands and brand loyalty. An individual may feel more inclined to purchase a beer that is more expensive by perceiving it to be of a better quality. There are a number of contemporary studies which assert that consumers have become more value oriented in their buying behaviour (Barnes, 2010:38). Barnes (2010: 38) summarizes this trend in purchasing behaviour by stating that the contemporary consumer is more value conscious. This study also emphasizes the point that dropping prices in itself is not seen to be good marketing practise and that price is linked to value and quality, which in turn can be linked to brand image. In this light it is also asserted that price cutting can in fact damage brand image. "Cutting prices is and has always been seen as a short-term solution that devalues an established brand and is detrimental to its long-term image and profitability" (Brinklow, 2009).

In terms of the models discussed in chapter two, especially in relation to consumer information processing, Homer (2004:318) states that a brand or product can acquire cognisance or comprehension for the consumer in a number of different ways. This includes, amongst others, the link or connotation established between the consumer

and the product and the product related attributes. In this context comprehension is also associated with variables such as price, brand name and distribution channel.

There are a number of ways in which price can influence consumer perceptions which in turn affects the decisions made at the point of purchase. A manufacturer can for instance influence the price by selecting the product line to which a potential customer is exposed and by arranging the order in which the customer sees the prices. Adding higher priced products to the top of a line increases the buyer's reference price, making the remaining products in the line appear somewhat less expensive. Brands such as Peroni and Castle Lite are both perceived and marketed as premium products, but Peroni is sold at a much higher price compared to Castle Lite or even standard lagers such as Castle Lager and Carling Black Label. Adding premium products to the product line may not necessarily result in overwhelming sales of the premium product itself.

On the other hand, adding a lower priced brand to a line can cause customers to slide sales in the other direction in the direction of cheaper prices. For this reason, suppliers often require that premium beer brands be displayed only beside equally premium competitors. A typical example of this can be seen in bottle stores where specific brands of whiskey are displayed in a glass cabinet, giving the consumer the feeling of differentiation of value in comparison to cheaper product lines on the shelves. In the beer industry the same result is achieved by arranging the beer in a fridge in such a way that the consumer is confronted with the cheaper products at the first point of impact and the most expensive products at the end of the fridge.

The above is also related to research on reference points in the perception and evaluation of the product. In essence, a reference point is a theoretical aspect that determines the position of choice outcomes on a value function, thereby determining their desirability (Thomas & Menon, 2007). This also refers to the reference point as a stimulus to which other stimuli relate to. This definition includes a wide range of reference points which may differ in their point of derivation and the quality or attribute that they represent to the perception of the consumer. One such reference may be the expected fair price of the product which plays a role in the purchasing

decision. This may be combined with alternative reference points such as perceived quality and evaluations of brand image.

What is clear from the above discussion is that price perceptions can be seen as an important factor in consumer decision-making at the point of purchase. However, what is equally clear is that price perceptions should not be understood in a simplistic and isolated sense. They are closely linked to other reference points and variables, such as taste and brand image. The following section will deal with the perception of taste.

3.3 PERCEPTIONS ABOUT TASTE

Taste can be described as an input from the senses which influence choices made by consumers in respect of consumable products. Taste as a perception plays a pivotal role in consumer decision processes, and this section investigates the complexities relating to taste.

Gitlan (2007) investigated the way in which taste influences consumers' perceptions about a particular product. In this study the author emphasises the subjective nature of a sensory perception and taste. Children were offered hamburgers, some of which were presented with brand wrappers and others that were not. This is comparable to the labelled and unlabelled beer test. The results showed that the children preferred the taste of the hamburgers that were branded, despite the fact that the exact same hamburger was offered to them.

Bell (2008) in turn refers to a study in the *Journal of Consumer Research* which demonstrates how taste perceptions and product preferences are influenced by personal values and brand loyalties. In this study it was found, among others, that different brands of cola were chosen not on taste alone but also in relation to their brand associations and connotations. Individuals in the study preferred the taste of Pepsi Cola because of its association with values such as excitement, enjoyment, social power and recognition. This was despite the fact that that in many instances

what they were drinking was not in actual fact the genuine article. What was particularly interesting about this study was the finding that consumers tended to think that they selected products primarily on the basis of physical properties, whereas they are in reality selected according to other perceived attributes such as brand image.

These and other studies suggest that social references, brand images and other factors often determine the choice of product, even when the consumer thinks that the choice is based on taste alone. This leads to the view that, "... a significant slice of our perception is actually driven by what we want to be the case because of the values we already hold" (Bell, 2008).

In referring to the consumer decision-making models discussed in the previous chapter, some of the issues surrounding taste as perceptual element become clear. The CDP model shows how taste as a basic perceptual stimulus enters into the dynamic process of consumer decision-making. This variable is affected by exposure as well as other factors entering from the opposite end of the diagram, such as individual differences. These perceptions in turn interface with factors related to the product such as knowledge and comprehension, which also leads to the overall influence of the brand image. This in turn results in the purchase and to the post-consumption evaluation.

From the point of view of perceptual analysis one should also reprise Larsen and Buss (2009), cited in the previous chapter, who refers to needs as the first primary premise in motivation and information processing by the consumer. They state that while individual needs vary in accordance with differing requirements and situations, human needs show similar patterns to the extent that various theories of motivation can identify those aspects and categories that tend to typify audiences. This suggests that there are certain patterns of motivation that can be seen to be cohesive and independent and which can be applied to groups of individuals and that the identification of these needs is valuable in understanding consumer perceptions and motivations. On a simpler level, one could view taste as one of these cohesive indicators of motivation and a prime variable in understanding choices made by the consumer in the beverage and food industry.

In relation to the above, cognisance should be taken of the studies on multiple motives in perception that were referred to in the previous chapter. This refers to both manifest and latent motives within the perception of the customer. An analysis of the various studies on this issue indicates the importance of the intersection between taste and other factors and influences. This leads to a more comprehensive understanding of knowledge and choice in the decision-making process.

The above begs the question of what is meant by taste within the context of consumer perception. In the first instance, taste as perception can be understood as a form of discrimination or choice between different products based on the sense of taste. Hoegg and Alba (2006:491) assert that perceptual discrimination is central to the process of rational choice in the purchase of many products. In this regard they found that certain evaluative and non-evaluative cues were at play during sensory discrimination, which had an impact on customer choice. Hoegg and Alba (2006: 491) refer to the finding that the bias which results from subtle, non-evaluative cues can in fact exceed the bias which may be caused by other well-established and more obvious cues.

There is also a noted difference in the effect that these cues have in terms of perceptual discrimination, as opposed to their effect on actual customer preference. This refers to the issue of competing cues and to the finding that there are many other cues or factors that interface with taste and which affect perception. This study therefore suggests that taste as a perceptual factor in the choice of beer is a more complex process than simple or direct sensual experience. Hoegg and Alba also note that, "It appears that consumers are neither adept at taste discrimination nor cognisant of the extent of their ineptitude.... experts can fail to discriminate between red and white wine... " (Hoegg & Alba, 2006:491). This is ascribed to the presence of competing visual and verbal cues which may hinder or prevent discrimination.

The cues that Hoegg and Alba refer to include verbal cues, such as brand labels, as well visual cues. Visual cues in particular are seen as providing an important dimension to the overall perceptual process. This can be seen in the way that cues such as colour intersect with and affect taste perception and choice. As Hoegg and Alba (2006) state in this pertinent quotation: "Colour is manipulated by firms to signal

freshness and taste and has been shown empirically to be effective at influencing perceptions of flavour intensity..." (Hoegg & Alba, 2006:491).

This is an important finding in terms of the overall thesis that is being explored; namely, that price, taste and brand image are related from an analytical perspective and influence one another in the process of perception, leading to consumer choice at the point of purchase. This is referred to as the process of cue diagnosticity (Hoegg & Alba, 2006:497). These cues are identified by the customer in terms of various criteria; such as those which provide the best and most reliable indicators of quality or utility. In this model of perception, discriminatory taste is one of indicators of quality and preference but this factor is influenced by other cues such as price and brand image. As Hoegg and Alba (2006:497) state, in terms of context of discrimination, it seems evident that taste would provide the most important diagnostic cue. However, preference research also suggests that brand and price information would also be heavily weighted in terms of preference and discrimination. However, this study also notes that the determinants of diagnosticity are not well developed (Hoegg & Alba, 2006:497), which in turn suggests that there is a need for further research in this regard.

There is however an intense debate about taste as a standalone variable as opposed to a variable that is best understood in conjunction with other factors in the decision-making process. This is further evidenced by studies that have examined taste as central variables and which have produced ambiguous results. Mauser (1979:161) states that the assertion is made that often beer drinkers are unable to differentiate brands based on taste and aroma cues. This therefore implies that there are other cues, such as price and brand image which affect the decision to purchase a certain brand of beer. However, it should also be noted that there is ambiguous empirical support for these assertions.

While there are many research studies that view taste as only one factor in the perception process and, as discussed above, best understood in relation to other cues like brand image, there are also studies that assert the primacy of taste as a central and independent factor in the choice of beer. Mauser (1979:161), in contrast to studies of taste by Allison and Uhl (1994), among others, strongly suggests the

beer drinkers can distinguish and choose between different brands of beer based on taste and aroma alone. Among the findings from the study by Mauser is the following: "Beer drinkers were able to use four of the eight taste characteristics in the unlabeled condition to discriminate among beer samples nearly as well as they could in the labelled condition. Moreover, consumers' preferences did not significantly change from the unlabeled to labelled conditions" (Mauser, 1979:161).

This is a very different view of the role of taste in perception and customer decision making put forward by Allison and Uhl (1994:39). Although this study is rather old, it still has relevance in particular to this study. Allison and Uhl undertook a study for the Carling Brewing Company, which involved a taste test involving groups of beer drinkers that tasted and rated beer from labelled and unlabeled bottles. The principle hypothesis that was explored in this study was that beer drinkers cannot distinguish among major brands of unlabeled beer either on an overall basis or on selected characteristics. The findings of the study were instructive in terms not only of taste perception but also in terms of the way that perception is linked to brand image. In this study the authors found that brand image and identification also had a marked influence on the results. As will be discussed in relation to the empirical data in this study, these findings are largely supported, as will be explicated on in chapter five.

The above study found that there was a complex and dynamic interlinking between taste and aspects such as brand image. The authors make the following insightful comments in their study on taste as a factor in perception in the beer industry. "As a company tries to find the factors accounting for strong and weak markets, typical consumer explanations for both tend to be about the physical attributes of the product" (Allison & Uhl, 1994:39). Furthermore, Allison and Uhl (1994:39) also found that in the blind test with no labels or brand indicators, not one of the five brands received overall ratings that were greatly different from all of the others to be considered statistically significant. However, in the test conducted with labelled products there were significant differences in the ratings from customers. This suggests that taste as a factor was influenced by brand image.

The conclusion of this study of Allison and Uhl (1994:39) is extremely important. In essence, the study found that the participants in the study were not in general able to

distinguish between the different brands in terms of taste alone. This led to the conclusion that the distinction between the different products in the consumer's mind arose from the marketing and brand images of these products and not from the perceived physical differences between the products.

A finding of this nature tends to suggest that physical attributes of the product such as taste have relatively little impact on its success in the marketplace and that brand image is central to its positive perception and reception by the public. As referred to above, this finding is countered by other studies which assert the primacy of physical characteristics such as taste in customer perception.

However, what is important to note is the impact that a study of this nature has on the marketing perceptions of a beverage company. In the study on taste referred to by Allison and Uhl (1994:39), the experiment which indicated that brand image was more influential in terms of customer perceptions of the product than taste had important implications for the company. This test motivated the company that commissioned the analysis to measure and compare its brand to those of its competitors. This led to an intense examination and upgrading of the company's brand image which has "...helped in Company evaluation and competitive marketing efforts" (Allison & Uhl, 1994:39). For example, after an intense assessment of its brand image the company discovered that its advertising campaign was not optimal in terms of brand identification and that the brand relationship between the company and the customer was not effective. This led to an overhaul of its advertising campaign. In other words, the point that is important to note in this regard is that an analysis of perceptual factors such as taste and the understanding and insight that is possible to achieve through the use various models, provides an important source of information for the evaluation of company practice and the identification of areas of concern that could be improved.

This view also refers back to the discussion in chapter one and with reference to the Alderian view that perception and motivation should be seen holistically and that individual perceptions are often a composite of input from a number of sources which are organized by the individual into a meaningful context. In this regard one could refer to the model on consumer information processing by Hawkins *et al.* (2001:284).

This explains the process of exposure and attention, which can be linked to taste, which in turn leads to the stages of interpretation and comprehension, memory retention and finally brand creation. Taste can therefore be seen not just as an initial stimulus but rather as an integral part of a process that interacts dynamically with other perceptual and decision-making elements. Furthermore, taste as a variable in customer choice and decision-making should be seen in conjunction with other elements such as brand image and brand association, which can affect the way that taste is perceived.

In the following section, the important perceptual factor of brand image is discussed.

3.4 PERCEPTION OF BRAND IMAGE

As consumers entered the new millennium with its accentuation on technology, fitness and health, the use of the label emerged. Not only did labelling regulation change in 1994 in the United States of America, but so did the consumers' perception, viewing, knowledge and choice concerning products. This can be linked to the fact that the consumer in the new millennium is characterized by their increased need for information (Badham, 2003:25).

Labelling as a process of identification was to lead to the emphasis on branding and brand image. In this regard the emergences of information and consumer technologies serve to promote brand images globally – which in turn has had a profound effect on consumer perceptions and purchasing choices.

This also refers to the global consumer culture (GCC) and global brand positioning that has emerged as a central marketing reality in the last two decades. In this regard one can speak of a global consumer culture, which is defined as the recognition of common signs and symbols, such as brands and which are understood by a significant number of consumers around the world. (Akaka & Alden, 2010:37) This is a dynamic process that involves the transfer of cultural and social meanings and symbols. Akaka and Alden (2010:37) however also note that

identification of the global brands and their associations are dependent on consumer perceptions, and this raises issues in terms of variations in culture and social norms and values. While the difficult surrounding GCC is strictly outside the ambit of this dissertation, the point being made is that branding has acquired a global importance and it is closely linked to cultural and social perceptions in an increasingly globalised world.

The era of globalisation has also meant a change in consumer perceptions in ways that the marketer and company should be aware of. The development of branding can be seen in the emergence of different business practices as a result of the evolution of the commodity market and increased competition. In the past, competition in business was essentially based on the production of goods and services in the commodity market. However, as business owners began to produce the same commodities, competition increased. This led to the need to differentiate their products in the perception of the consumers, which in turn gave rise to the eras of branding and creating a brand image that was positively received by the public (Burnett, 2008).

In the discussion on perception in chapter two, reference was made to the process of memory and retention as important elements in the decision-making and purchasing process. While short-term memory is achieved via a stimuli or input, it is long-term memory that is the aspect that is important in terms of the retention of brand image (Hawkins *et al.*, 2001:341). Therefore, in terms of the model of consumer information processing discussed in chapter one, the issue of brand image is especially significant in terms of long-term memory. However, as has already been referred to, other aspects of this model are also important for an understanding of the role that brand image plays in perception and how this aspect changes according to different perceptions. The category of knowledge in the consumer information processing model by Hawkins *et al.* (2001), for example, is also intimately linked to the understanding of the dynamics of brand image creation and retention.

As many pundits in the advertising industry point out, branding is much more than merely the name of the product or company or logo intended to identify and differentiate the product of one seller or a group of sellers. Experts in this area

further state that brand equity goes beyond the mere application of the brand name and refers to the value a brand adds to a product or service. LePla and Lynn Parker (1999:1) state that in reality a strong brand has to do with every aspect of a company's relationship with its customers. This means that the development of an effective brand must harness the full creative abilities of the company.

In this regard, it is important to understand the concepts of 'branding' and 'brand image'. The American Marketing Association defines a brand as a name, term, design, symbol, or any other feature that identifies one seller's goods or services as distinct from those of other sellers. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is "trade name" (American Marketing Association Dictionary: Brand). In this regard, Interbrand (in Duncan, 2005:6) defines a brand as a mixture of tangible and intangible attributes, symbolised in a trademark, which if properly managed, creates influence and generate value. Copley (2004:109) states that brands are basic products but with tangible and intangible attributes.

Duncan (2005:6) defines a brand from a marketing communications perspective as a perception resulting from experiences with the brand. More specifically, this study explains what distinguishes a brand from its unbranded commodity counterparts and what gives it equity. The important point is made that a brand is the sum total of consumer perceptions and experiences with the brand, the brand name and what it stands for and the company associated with the brand.

Brand image in turn can be defined as the image, personality and associations that firstly identify a certain product. The concept of brand and brand image also includes the relationship that has been created between the product and the customer.

According to Ketler (2003:3) the key to creating a brand is to be able to choose the name, logo, symbol, package design or other attributes that identify a product and distinguish it from others. The different elements of a brand that identify and differentiate it are referred to as the brand elements. However, there are many variations on the theme of what constitutes a brand. Van den Heever (2000:11) is of the opinion that the understanding of a brand cannot be limited to name, logo, sign, symbol, advertisement or spokesperson. A brand is everything that an organisation

wants people, especially its target markets, to feel and believe about its product and services. This is a more extensive or inclusive view of brand image and is more in line with the holistic view of product perception discussed elsewhere in this study.

Brand image therefore has many congruent dimensions, which include psychological aspects such as feelings, emotions and thoughts as well as social aspects such as culture, social experiences and attitudes. All of these aspects become linked to or associated with the brand image. Supporting this view of a brand's link to various tangible aspects for the customer, Rosetti (2005) suggests in a presentation that the brand is a name, terms, sign, symbol, design or combination of these factors. Another way of stating this is to state that the brand image is understood as a "... symbolic construct created within the minds of people, consisting of all the information and expectations associated with a product, service or the company(ies) providing them" (American Marketing Association Dictionary: Brand).

One could therefore argue that there is a consensus that emerges in the literature (Kotler & Keller, 2006:274; Keller; 2003:4 Nandan, 2004:1; Duncan 2005:6), which is that a brand can be defined as a product or service differentiated by its positioning relative to the competition. Primarily, a brand acts as a means of identification and it is a way for the consumer to identify one product from another similar product. Consumers can base their buying decisions on their relationships with the brand and taking past experiences with the brand into consideration. It also ensures that a consumer buys a product of consistent quality. A brand then acts as a message which encompasses everything the manufacturer has promised about the brand attributes, including knowledge about its production and what needs may be satisfied by the product.

Furthermore, a brand can also serve as a means of self-expression by the consumer. Since no brand is neutral, its purchase says something about the purchaser's vision of himself or herself. An example of this is students who are perceived as being confident and stylish when drinking beer such as Peroni which are associated with fashion and style.

There are many views and definitions that attempt to encapsulate the significance and importance of a brand. The following are a few of these views that indicate the main criteria of a product brand.

A brand is seen as valuable symbol and even as an essential marketable asset to differentiate commodities and to influence consumer loyalty. "...they are valuable assets that need to be managed and cared for. Even though brands are classified as intangible assets, strong brands have real and lasting effects on company performance" (Hupp, *et al.*, 2006:225). In other words a brand is in effect the tangible image that the product or service projects and a strong brand represents an "...unmistakable mental image of a product or service that is solidly anchored in the consumer psyche" (Hupp, *et al.*, 2006:225).

Another definition of branding which focuses on the purpose of a brand name or presence is to "...create high brand familiarity and positive brand image, which contribute to the building of brand equity. Marketing researchers have long advocated that managers need to start managing their brands more like assets-increasing their value over time" (Chan-Olmsted, *et al.*, 2001:45).

The purpose of a brand image in terms of influencing consumer perceptions is therefore that, at least in theory, it should lead to positive attitudes and feelings as well as judgements and decisions about the product, which will lead to purchases by the customer. This is very evident when considering the relationship between brand image and social factors, such as support for local and national sport's team. Loyalty becomes a value or a factor that is integrated with the brand image in order to enhance the perception of the product. This includes a number of studies that explore promotional initiatives which emphasize a brand's affiliation with a recognized sport's team or a popular sport. Bloom *et al.* (2006:49) state that, "...a brand's affiliation with a team, event or social cause for which a consumer has a high degree of affinity is likely to have a more positive effect on that consumer's judgments and feelings about the brand than similar initiatives that either emphasize no such affiliations or emphasize affiliations for which that consumer has little affinity".

In other words, studies have found that a brand of beer that is closely linked or associated in the perception of the consumer with a popular sport or team is more likely to elicit a positive response to the product. In terms of the above model of consumer information processing by Hawkins *et al.* (2001) the steps of exposure, attention, interpretation and comprehension, memory and retention lead to the creation of brand image. This means that brand image includes aspects of these processes. The creation of a brand image therefore includes perceptions relating to price and taste that is encapsulated in the totality of the brand image. As noted in the section on taste, the perception of taste is often influenced by the brand image.

Much has been written about the concept of brand loyalty. This refers to the perception of the brand and the way that this perception evokes feelings of loyalty in the consumer, which in turn results in purchases of the product. A study by Liao *et al.* succinctly summarizes this point as follows: "The loyalty of the participants toward "their" brands increased when positive brand identification was possible...", and it was found that "...brand association is a very important variable which mediate the relationship between brand awareness toward brand loyalty" (Liao *et al.*)

Consequently, this study found that brand awareness as well as brand association has a significant and positive effect on brand equity. This finding, translated in terms of the various models of consumer decision-making, therefore leads to the conclusion that the awareness and perception of the brand image is a strong factor in the promotion and success of that brand at the point of purchase. The concept of brand loyalty therefore becomes more transparent in terms of consumer perceptions of brand image. As Liao *et al.* state, brand loyalty can be understood as a combination of variables, which can include levels of customer satisfaction and positive brand associations. An increase in positive customer brand associations and awareness consequently leads to an increase in brand loyalty.

Furthermore, this leads to the assumption that the consumer perception of quality will be linked to brand loyalty: quality and perceptions such as taste become associated with the brand image, which in turn leads to the brand loyalty in long-term memory. This in turn translates into positive responses to the product and a decision

to buy the product. There is therefore a correlation between brand loyalty, brand awareness, and perceived quality.

Brand awareness as an outcome of product perception is viewed as the consumer's ability to recall that a brand is a member of product category (Liao *et al.*). From this perspective, the brand awareness is most likely to be optimal if the awareness has strong associations with the brand; and where the brand image is perceived to be associated with positive quality or qualities. In a similar sense, the consumers' perception of quality of a brand is likely to be high when they have strong association with the brand.

Brand awareness therefore has a strong influence on the consumer decision-making process. This is achieved by the strengthening of positive brand associations in the mind of the consumer. Of course, the opposite process is also possible as the models discussed illustrate, with poor brand image or inadequate associations leading to loss of brand equity.

The competition for brand image in the beer and liquor industry is intense. This is evident from the recent assertion and legal action taken by SAB that Windhoek Lager contravenes the ASA code. SAB, the complainant, argued that Windhoek Lager was making assertions as well casting aspersions in their advertising which damaged the brand images of other beers. In one particular advertisement Windhoek Lager suggested that their beer did not have any "other stuff" besides recognised and pure ingredients. This was seen by SAB to also disparage its brand, with the implied assumption that all brands of beer other than Windhoek Lager had "other stuff" or other elements in their beer. SAB therefore objected to the TV commercial on the grounds that it contravened various clauses of the advertising standards code relating to honesty, substantiation and misleading claims.

SAB did not win its case against Windhoek lager (Windhoek Lager / SAB / 14214, 2009). However, this complaint indicates the extent of the competition for brand recognition and brand awareness in the industry. Some critics have also condemned SAB for what they see as essentially a jealous response to the success of the Windhoek Lager advertisement.

The importance and role that brand and brand image plays in consumer perceptions are therefore clear and it is furthermore clear that the correct brand image will lead to loyalty and ultimately success in a marketing strategy.

3.5 SUMMARY

In the discussion in chapter one, the concept of perception was defined as the process by which an individual selects, organises and interprets stimuli and thus obtains a clear and significant picture of the product. However in the analysis of the three cardinal variables in this study – price, taste and brand image – an attempt has been made to show the complexity and intricacy of the process of perception, as it affects consumer decisions.

While it is valid to view perception as a cognitive process which can be linked to the dimension of body senses and to resultant individual views and predilections, this view in reality is essentially limited. Perception in the marketplace is a process that is influenced by as myriad of different variables and factors. This is clear from the assessment of the perception of taste in the customer's decision-making process. Taste can be seen both as an independent variable affecting product perception and as part of a more holistic and extensive experiential perceptual processes which can include other elements and variables such as colour and brand image.

The analysis of the information gleaned from studies on taste, price and brand image are extremely important for the marketer and beverage company. Understanding the symbiotic and dynamic interaction between these three main variables provides useful insights for marketing and sales strategies. This is especially evident in the case of brand image, where factors such as taste and price contribute towards the overall perceptual complex is encapsulated in the brand image.

In the final analysis, cognisance must also be taken of the ways in which consumerism has changed in recent years. Consumers have become more knowledgeable, discerning and more critical than in the past. This has meant that the

marketer has to be alert to these changes in the development of perceptions about products and of the importance of brand image. There is therefore a focus in marketing on catering for the individual needs of the customer in order to remain competitive.

The marketer of a product is in essence concerned with restructuring the cognitive habits of the consumer in order to make the product more appealing and attractive. In this light, taste and price are factors that can no longer be seen in isolation but should be understood in relation to other factors such as brand image.

One also has to take into account the implications of a global economy and global branding. As Weston (2011) notes consumers are extremely price-conscious in recessionary times and that this is in addition to the demand for value for money. This can for example be seen in the market for private label brands. Value and quality have therefore assumed a significant place in the consumer consciousness and in the structure of their perceptual bias.

Taking the above discussion into account, the following chapter will focus on an empirical investigation of these factors in relation to a selective market survey.

CHAPTER FOUR

EMPIRICAL RESEARCH

“Enough research will tend to support your conclusions.”

- Arthur Bloch -

4.1 INTRODUCTION

In the previous two chapters, a literature study was undertaken on defining consumer perception and more specifically the perceptions of price, taste and brand image in relation to buying behaviour of beer products. This chapter covers the empirical investigation of the study in order to determine the importance of the three identified consumer perceptions, namely price, taste and brand image in relation to beer products, and the effect thereof on consumers' buying behaviour. Furthermore, this empirical investigation will indicate whether a consumer's perception of a specific brand correlates to the consumers' experience about a brand in reality.

The empirical study is based on aspects identified in the literature study as well as all information gathered and data captured by virtue of the questionnaires and blind taste tests. This enabled the researcher to statistically analyse the outcomes and present the results graphically.

4.2 RESEARCH PURPOSE

As discussed in chapter one, the primary objective of this study is to determine what role consumers' perceptions play in guiding consumers in the decision making process at the point of purchase and to identify factors which may influence a consumer's perception. Three core perceptions were identified, namely price, taste and brand image and the objective is to determine which of these perceptions, if any, carries the most weight in guiding consumers' decisions when purchasing beer products.

The objectives of this study were empirically researched by making use of a quantitative approach, which included collecting data from beer consumers by means of a questionnaire (see Appendix A) and a blind taste test.

The questionnaire consisted of the following sections (see Appendix A):

- Section A: Biographical data of the participants
- Section B: Consumer buying behaviour
- Section C: Brand identification and descriptions
- Section D: Imagery statements describing a consumer's identification with a particular product

The research study was compiled by analysing the four sections using two different approaches. Firstly, a frequency analysis was employed with the aim of obtaining an overall response rate for the entire sample. Secondly, cross analysis of the different sections was undertaken to identify any trends and any correlation between the questions asked relevant to the objectives of the study and the different backgrounds and buying behaviours of consumers.

Each of the four sections will be analysed below.

4.3 BIOGRAPHICAL DATA OF THE PARTICIPANTS

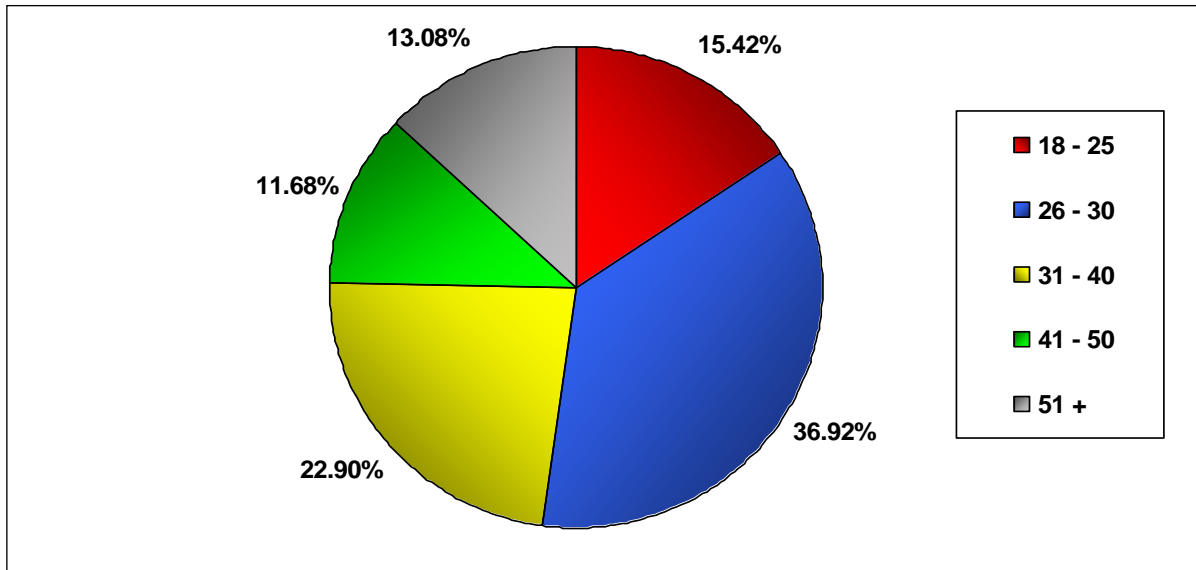
In Section A, the biographical data of the beer consumer was researched and the following aspects were covered in this section, namely; gender; age; ethnic group; marital status; salary; education levels and employment experience. An important aspect of the study was to determine whether the participant is a beer consumer. From the 225 questionnaires collated, only 11 participants indicated that they were non beer-drinking consumers. The 214 completed questionnaires indicate a 95 percent strike ratio with regards to the number of respondents. From the 11 non beer-drinking respondents, 9 were females and 2 males. When asked why they did not consume beer the most common response was that this was due to personal preference and that they rather preferred wine or ciders as a first choice of alcoholic beverage.

It was important to interview both male and female consumers as the current ratio of beer consumers in South Africa is 80:20 in favour of males. Females contribute only 16 percent of beer volume produced in South Africa (Mid-year population estimates, 2011).

From the 214 beer-drinking respondents, hundred and eighty one were male and thirty three female. This indicates a ratio of 85:15 which is sufficient in comparison with the national male - female beer drinking ratio mentioned above.

The ages of participants were also tested in Section A. Figure 4.1 indicates the age distribution of the participants.

Figure 4.1: Percentage of age distribution of respondents



(Source: Own compilation)

From all the responses the highest category was received from respondents in the age 26–30 year group of at 36.92 percent and the category with the second most responses was from respondents in the 31–40 year age group at 22.90 percent. The category with the least responses was received from respondents in the 41–50 year age group at 11.68 percent. The researcher is of the opinion that the age distribution of the participants is a suitable representative sample for the present study as brand loyalty and volume growth can be more easily achieved in younger age groups.

Statistic South Africa (Census 2001 at a glance) indicates that, of 45 million South Africans, nearly 31 million are Black, 5 million are White, 3 million are Coloured and 1 million are Indian. In Table 4.1 the race representation of the participants to the study is indicated per age group.

Table 4.1: Race representation per age group as a ratio percentage by category

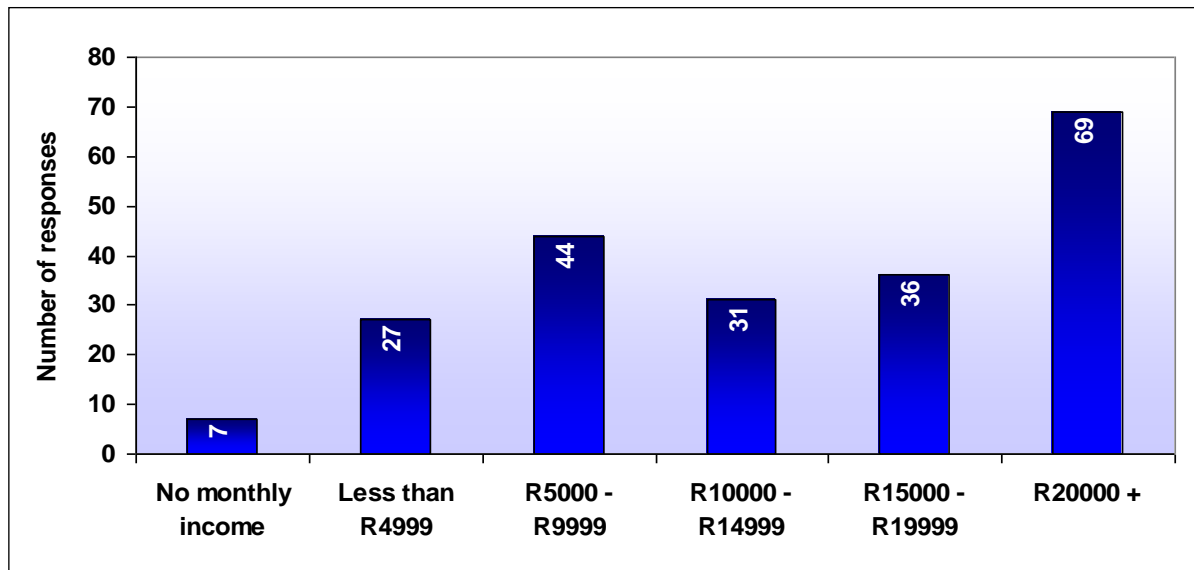
		Race						
		Black	Coloured	White	Asian	Other	Total	Ratio %
Age	18 - 25	22	1	10	0	0	33	15.42%
	26 - 30	46	5	24	4	0	79	36.92%
	31 - 40	26	4	13	3	3	49	22.90%
	41 - 50	14	3	8	0	0	25	11.68%
	51 +	18	0	10	0	0	28	13.08%
	Total	126	13	65	7	3	214	100.00%
	Ratio %	58.88%	6.07%	30.37%	3.27%	1.40%	100.00%	

(Source: Own compilation)

From Table 4.1 above, it is evident that black participants to the study contributed 58.88 percent to the study. It was important to have a sufficient number of black participants for the study, as the largest beer consumption volume in the country can be ascribed to this group.

One of the perceptions tested in this study is the perception of price, compared to taste and brand image. It was therefore important to obtain a clear understanding of the earning capacities of the participants. Since beer brands have various price categories and being one of the cheaper liquors in the industry, it is important to have participants over diverse monetary groupings to adequately indicate the effect of price perception on these individuals in the different earning categories. Figure 4.2 illustrates the different salary earnings from the participants in six over-arching categories.

Figure 4.2: Respondents salary per month before TAX



(Source: Own compilation)

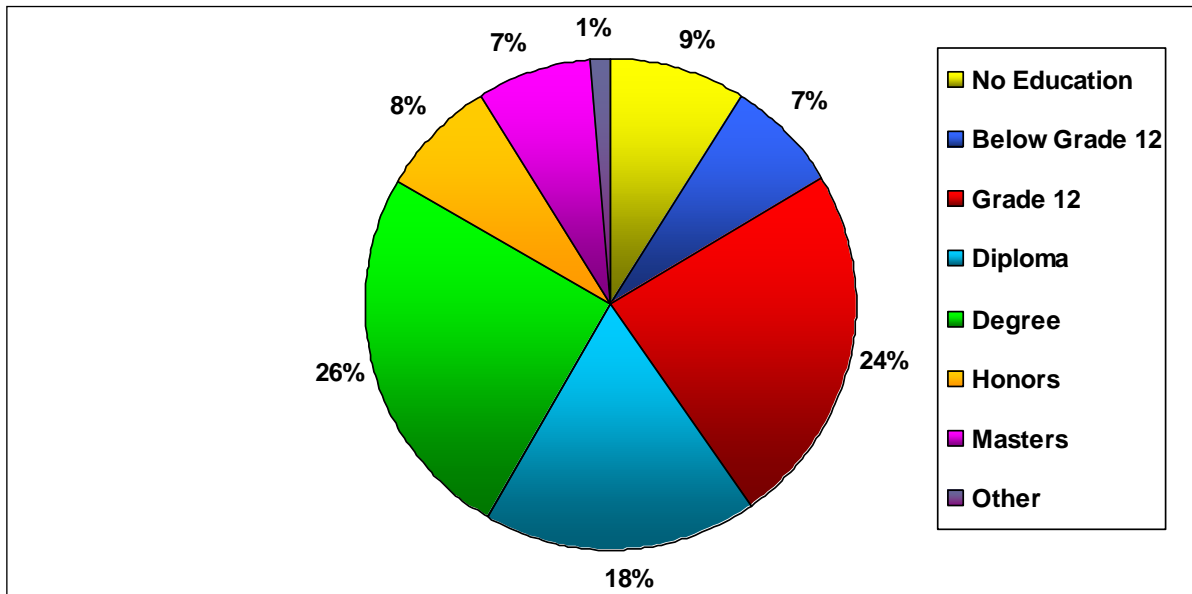
Figure 4.2 indicates the highest number of participants (69) in the category of monthly salary before TAX exceeding R20 000 per month. The other salary before TAX categories indicated an even distribution of participants, save for respondents earning no monthly income, which indicated a sufficient sample across different employee levels and earning capacities. This is of particular importance with regards to the perception of price, but also in those instances where price plays a smaller role in order to establish which other perception or perceptions carry the most weight in respect of this study.

Of the total sample of participants the following results were found: 4.7 percent were unemployed; 19.6 percent were employed for a period less than two years; 31.3 percent were employed for a period of between two to five years; 17.8 percent had been working for between five to ten years and 22 percent had been working for more than ten years.

Finally, to ensure that all biographical aspects relevant to the present study were covered, highest education levels were compared amongst the participants. This was not necessarily a clear indication of an individual's current earnings but rather an

indication of earning potential and the level of education for purposes of market strategies. Figure 4.3 indicates the distribution of education levels amongst the participants.

Figure 4.3: Percentage contribution of respondents to education levels



(Source: Own compilation)

On average, 24 percent of the participants completed grade twelve and 26 percent completed a degree. 16 percent of the participants had either no education or below grade twelve qualifications. Again, this can be considered to be a good representation of the South African population, more specifically of beer consumers in South Africa.

4.4 CONSUMER BUYING BEHAVIOUR

In Section B of the questionnaire the goal was to identify consumer buying behaviour relating to preferences of packaging size, frequency of beer consumption in specific circumstances and surroundings, such as sporting events and primary location of

purchases. These variables directly impact on the purchase price of the products, as well as the brand image at the point of purchase. Respondents also indicated that the packaging affects the taste of the product. Knowledge of points of purchase are often utilised by suppliers to increase sales through marketing and promotional strategies, which are targeted to manipulate consumers' perception of certain brands and to influence the consumer's preference for a particular beer.

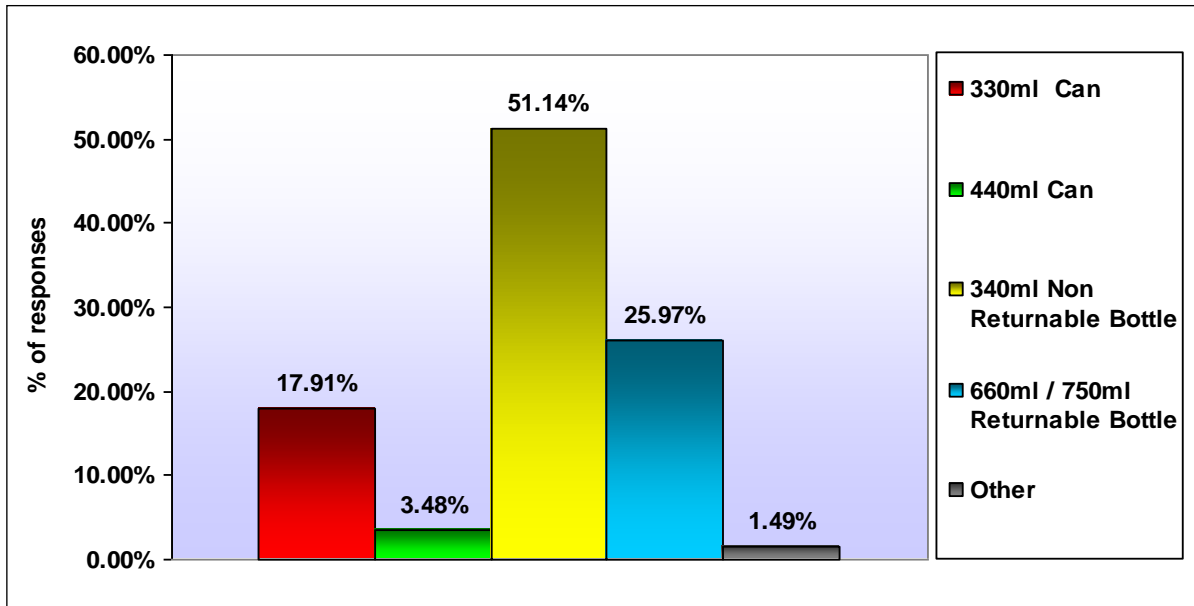
Beer is packaged by means of different packing methods, which relate solely to the size and the option between a glass bottle and a can. While beer producers each have their own unique reason for a specific packaging of a brand, as a result of extensive research on the various methods and consumers' likes and dislikes, beer has for a very long time been associated with the traditional glass bottle and this association has proven to be very difficult to change, This aspect is also evident from the responses from the participants in this study.

Each type or form of packaging contributes to both the perceptions of price and brand image by means of a different look and feel. These variances in packing options provides the consumer not only with the option of a brand but also with a choice in relation to the price of the same product in a different packaging form, as well as the manner in which the brand is presented.

Participants were asked to choose their favourite packaging size and Figure 4.4 indicates the results.

Figure 4.4 follows on the next page

Figure 4.4: Percentage contribution of respondents to packaging sizes



(Source: Own compilation)

The 340ml non returnable bottle was by far the most preferred packaging size at 51.14 percent compared to the other packaging options. This does not necessarily mean that this is the most purchased packaging size, but rather the first option of choice. Consumers were also asked to give the main reason for choosing their option and the following were the most frequent reasons stated for the choice of each packaging size.

Table 4.2 follows on the next page

Table 4.2: General reasons from respondents for choosing a specific packaging size

330ml Can	• More convenient size and can store more cans in a cooler box
	• Cools down quicker and stays colder for longer
	• Cheaper than the bottle
440ml Can	• Good value for money compared to a 330ml can
	• Takes the same space as a 340ml bottle for more beer
	• Stays colder for longer
340ml Non Returnable Bottle	• Don't enjoy the taste of a tin can
	• Bottle packaging looks better
	• No need to pour in a glass
	• Tastes better from glass bottle
	• Looks more classier
	• More convenient
660ml / 750ml Returnable Bottle	• Great value for money
	• There are always special and promotions on them to buy for cheaper
	• You can return the returnable bottle for a deposit value
	• Can share it with friends
	• Enjoy the fact that there is more beer to drink from one unit

What stood out from the responses was that many of the participants were concerned about the taste of beer being affected by cans, hence a large percentage did not choose cans. In the soft drink market the majority of brands are sold in the can packaging.

Another interesting point that was mentioned by the participants was that they chose the 330ml can instead of the 340ml non returnable bottle, due to it being cheaper. A selling price list from South African Breweries for 2011 was obtained, see Appendix D and the price of Castle Lager is indicated in Table 4.3.

Table 4.3: Retail selling price of Castle Lager

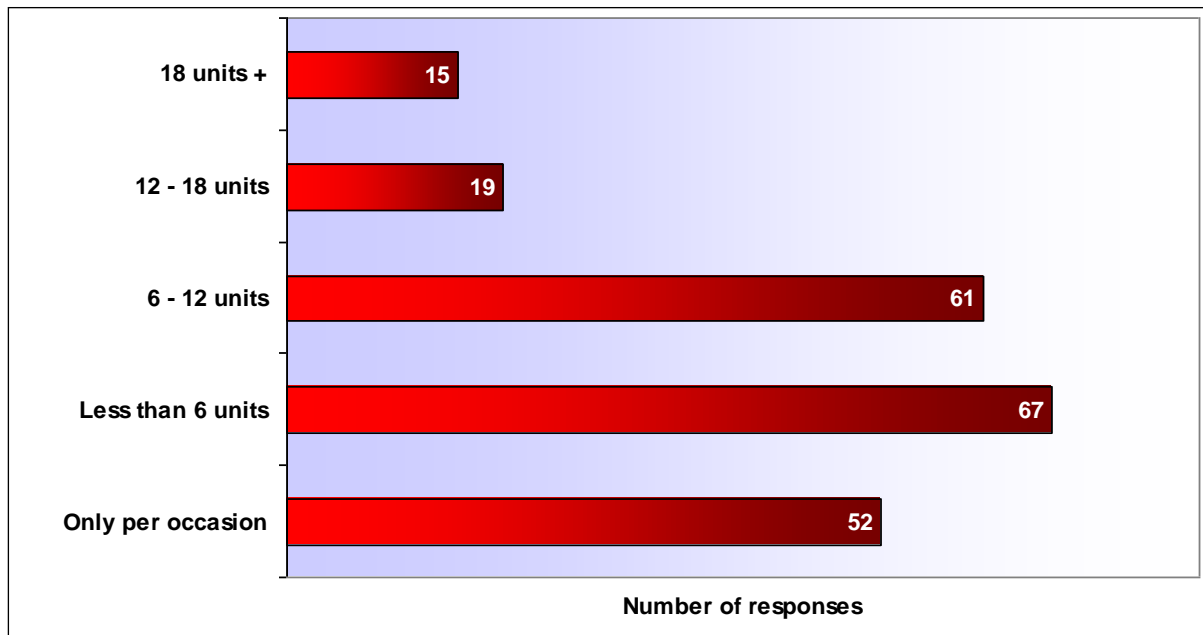
Brand	Pack		Excl. VAT	Incl. VAT
Castle Lager	Returnable Bottles	750 Returnable Bottle	R 84.30	R 96.10
	Bottles	340 Non Returnable Bottle	R 103.31	R 117.77
	Non Returnable Cans	330 Can	R 103.31	R 117.77
		440 Can	R 131.85	R 150.31

(Source: South African Breweries 2011 retail price list)

By viewing Appendix B one can compare that brands such as Castle Lager, Hansa Pilsner and Carling Black Label are the same prices. Also the 330ml cans and 340ml non returnable bottles are the same price, this is also indicated on Table 4.3 and shows that participants perceive the 330ml can to be cheaper but in actual fact it is the same price. Another interesting observation is that fact that the majority of 340ml non-returnable bottle consumers indicated the reason for their choice in packaging was due to convenience and that the brand is presented more favourably in a bottle as opposed to a can. Subsequently, in later sections of the questionnaire participants were requested to indicate whether they preferred drinking the beverage from the original bottle, the can or rather from a glass after purchasing the beer. Of the total participants 60 percent indicated that they prefer to drink from the bottle, 11 percent indicated that they drink beer from the can and 29 percent preferred to pour the beer into a glass, irrespective of the packaging size of the product purchased. Therefore it is clear that for the 60 percent of participants who chose the bottle packaging the convenience and/or brand image of the bottle has a very strong significance attached to it.

It is also important for the study to emphasize that the sample of respondents are frequent consumers of beer. Figure 4.5 illustrates the amount of consumption of units of beer on a weekly basis.

Figure 4.5: Amount of consumption in units per week by respondent



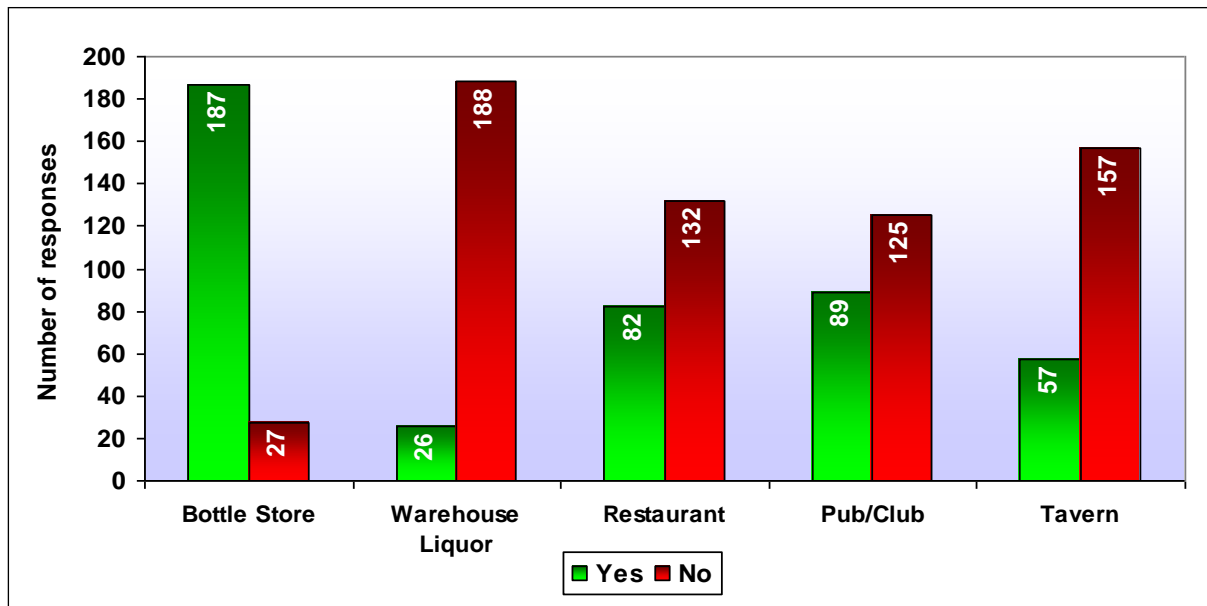
(Source: Own compilation)

From the entire sample group of 214 participants, more than 75 percent consume beer on a weekly basis; the other 25 percent only consume beer on occasion.

Due to this high level of consumption the questionnaire led to an investigation of the outlets where the beer is either consumed or purchased and also the frequency of such purchase. There are various types of retail outlets where beer can be purchased but the study only took into account the more common retail outlets indicated in Figure 4.6.

Figure 4.6 follows on the next page

Figure 4.6: Type of retail outlets for purchasing beer products from



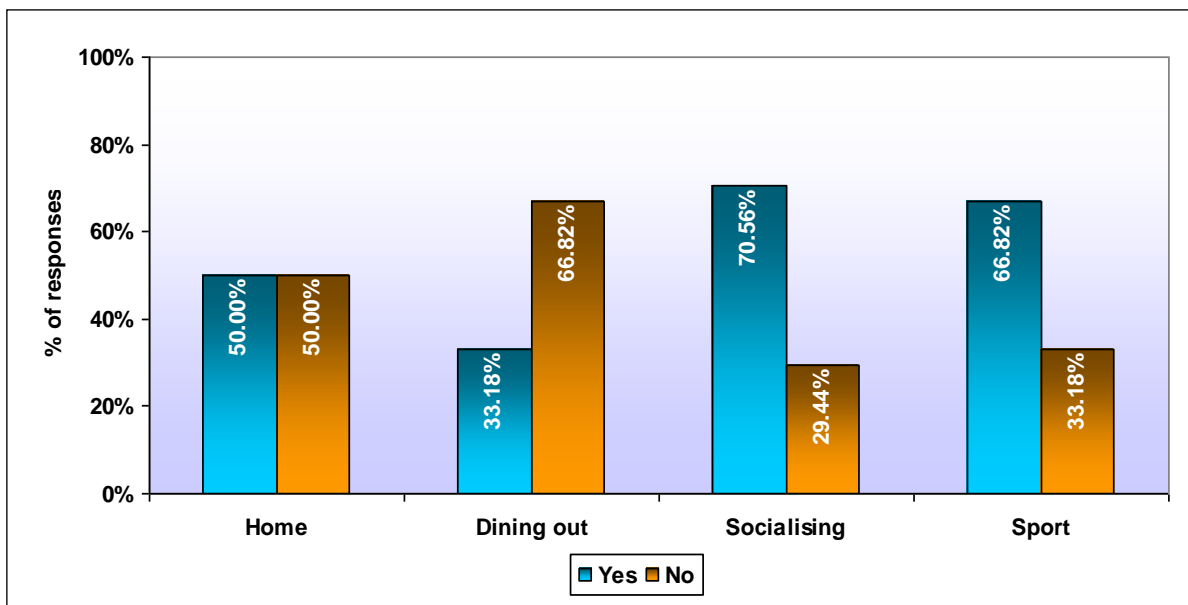
(Source: Own compilation)

The above indicates that consumers do not necessarily purchase beer from one type of outlet only and that multiple areas of purchase have been identified by participants to this study. It is evident from Figure 4.6 that the majority of the participants purchased beer from a bottle store and consumed it elsewhere. Of the 629 responses indicating where they do not purchase beer from, 414 responses indicated that they did not purchase beer at a restaurant, club, pub or tavern; indicating either that beer is not their first choice of alcoholic beverage at these outlets or that they consume beer more frequently in a home environment.

Forty-two percent of participants indicated that they purchase beer from one of the above outlets on a weekly basis and 32 percent of participants indicated that they purchase beer on a monthly basis. Twenty-one percent purchased beer bi-weekly, while only one percent indicated that they purchase beer on a daily basis. As illustrated in Figure 4.6 bottle stores receive more visits from consumers than restaurants, a fact that is supported by the percentile of monthly purchases. This suggests that the consumer purchases according to his or her monthly budget.

Figure 4.7 illustrates the events or circumstances where beer is mostly consumed. As indicated in Figure 4.6, with more consumers buying beer from bottle stores and less from restaurants, clubs, pubs and taverns it is clear in Figure 4.7 that the location of most consumption is more related to socialising and sports events, rather than dining out. This finding has some important possible implications for this study. One could deduce from these facts that perceptions of the product may be more positively influenced by developing brand image in relation to the location or the particular environment where beer is more often consumed. This is relevant to the present study for a number of reasons. The first is that it tends to emphasize that environment, surroundings and locale are factors that play a role in the perception of the product. Secondly, as will be further discussed in the following chapter, this also suggests that the three variables of price, taste and brand image are interconnected and that these interconnections are influenced by a variety of social as well as psychological factors and influences.

Figure 4.7: Events or circumstances at which beer is most often consumed

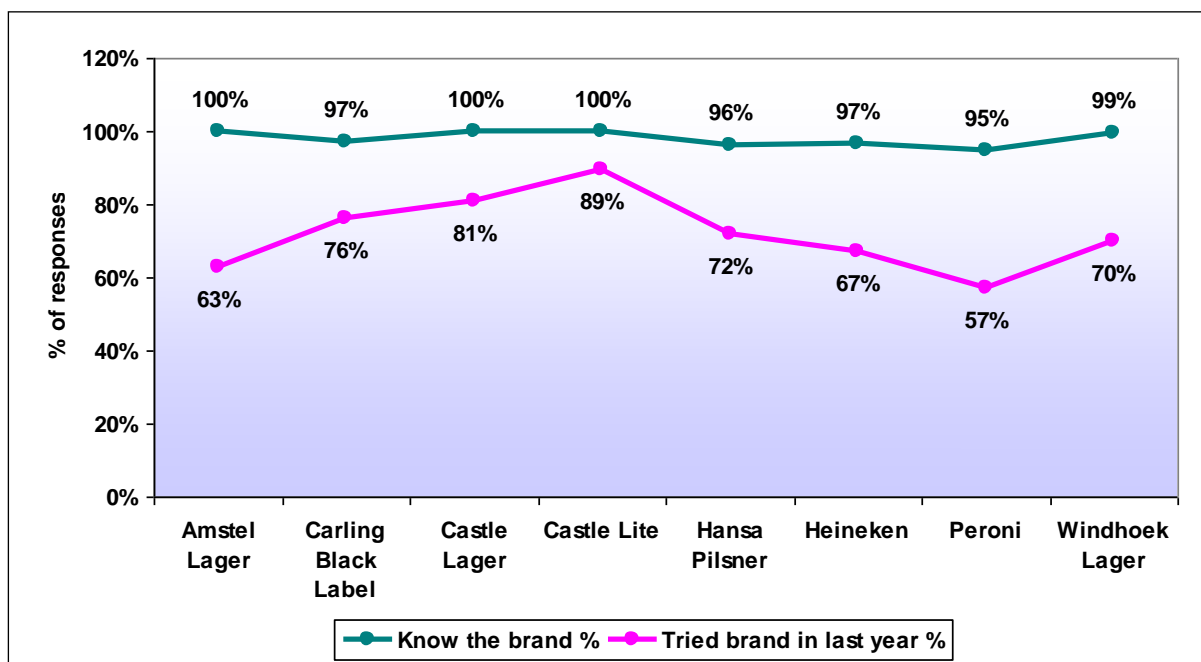


(Source: Own compilation)

4.5 BRAND IDENTIFICATION AND DESCRIPTIONS

For purposes of the study, eight of South Africa's best known beer brands were selected and participants were required to answer questions regarding the price, taste and brand image of these brands. It is important for purposes of the study to choose brands that participants know about and can associate with in order to ensure that participants give concise, clear and honest answers about each brand. Figure 4.8 indicates the participants awareness of the eight brands selected and how many participants have tried the various brands over the last year.

Figure 4.8: Percentage awareness of beer brands by respondents



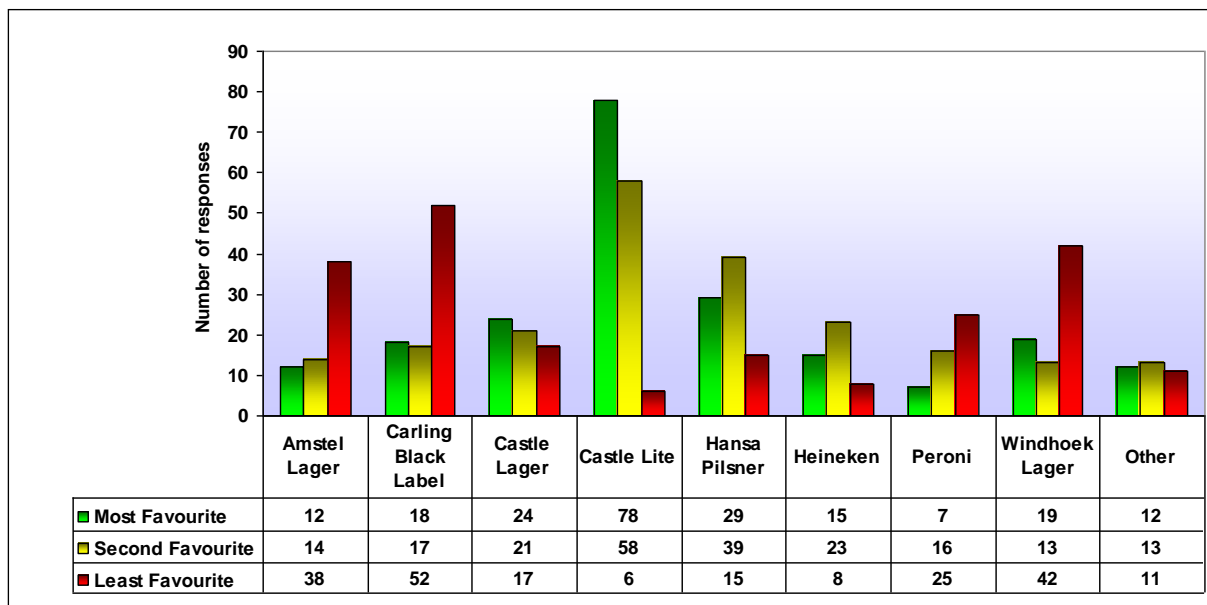
(Source: Own compilation)

An average of 98 percent of the participants recognize the eight brands selected for the study and an average of 74 percent of the eight brands have been consumed by the participants during the last year. Very strong brand awareness can thus be

concluded from the above results, supporting the strong marketing strategies implemented by the various brands.

Respondents had to identify their most favourite and least favourite beer brand and had to choose a description that best describes the participant when consuming their most and least favourite beer products. Figure 4.9 indicates the responses to the participants' most favourite, second favourite and least favourite beer brand from the eight identified brands.

Figure 4.9: Rating of beer brands according to the categories of most favourite, second favourite and least favourite



(Source: Own compilation)

From a possible score of 214 it is clear from Figure 4.9 that Castle Lite was ranked the most favourite beer brand with a score of 78. The second favourite was Hansa Pilsner with a score of 29 and the least favourite beer brand was Carling Black Label with a score of 52. It is interesting to note how closely the most favourite and second favourite brands ranked in relation to one another, compared to the least favourite brands which bear no correlation to the first to eight positions.

Table 4.4 refers to descriptive words participants chose to describe themselves when drinking their most favourite and least favourite beer brand.

Table 4.4: Reasons for drinking beer by use of descriptive words

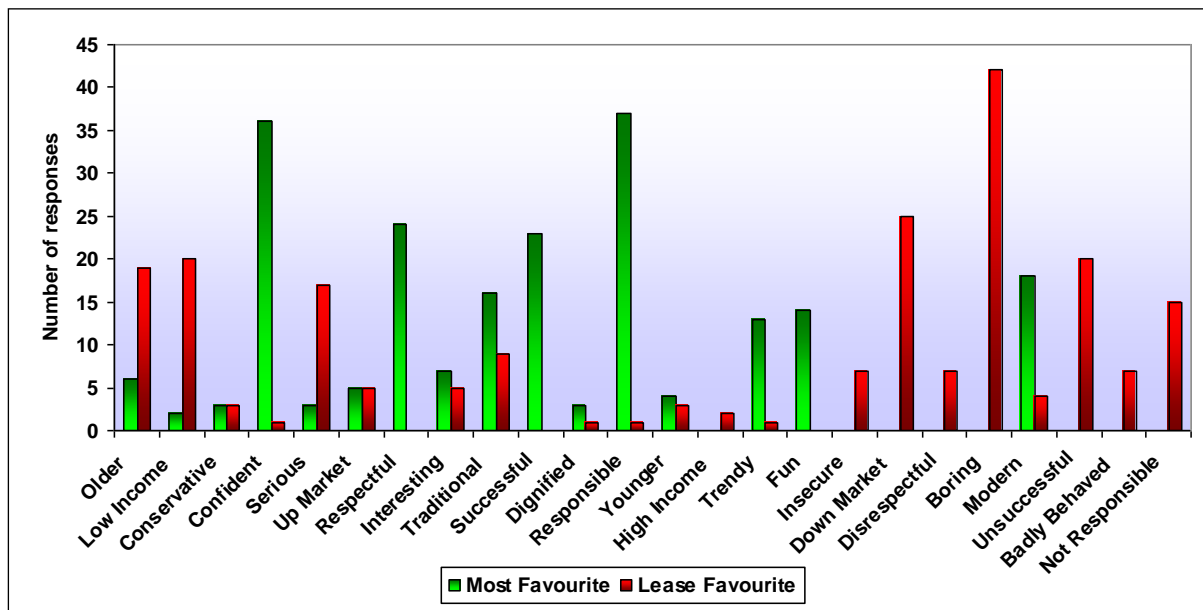
Older	Respectful	Younger	Disrespectful
Low Income	Interesting	High Income	Boring
Conservative	Traditional	Trendy	Modern
Confident	Successful	Insecure	Unsuccessful
Serious	Dignified	Fun	Badly Behaved
Up-market	Responsible	Down-market	Not responsible

(Source: Own compilation)

The same descriptive words was utilised in the questionnaire and participants were asked to describe themselves drinking their most favourite and least favourite beer, the results of which are indicated in Figure 4.10 below.

Figure 4.10 follows on the next page

Figure 4.10: Descriptive words relating to consumption of most favourite and least favourite beer brands



(Source: Own compilation)

The most common descriptive words used by participants to describe themselves when consuming their favourite brand were confident, respectful, successful, responsible and modern. Table 4.5 highlights these top five descriptions in relation to most favourite brands and indicates the brands contributing to this result. What is also important for producers of beer to note are the descriptions participants would rather not to be associated with when consuming their favourite beers. These descriptions are those scoring below one percent and can be summarised as low income, insecure, down market, disrespectful, boring, unsuccessful, badly behaved and not responsible.

Table 4.5 follows on the next page

Table 4.5: Top five descriptions for most favourite beer brands

Brand / Description	Amstel	Carling	Castle Lager	Castle Lite	Hansa Pilsner	Heineken	Peroni	Windhoek Lager	Other	Total
Older	7.1%	0.0%	0.0%	3.4%	6.3%	0.0%	0.0%	0.0%	7.7%	2.8%
Low Income	0.0%	4.8%	0.0%	0.0%	6.3%	0.0%	0.0%	0.0%	0.0%	0.9%
Conservative	0.0%	0.0%	5.3%	1.1%	0.0%	5.3%	0.0%	0.0%	0.0%	1.4%
Confident	28.6%	38.1%	10.5%	14.6%	25.0%	5.3%	11.1%	7.1%	15.4%	16.8%
Serious	0.0%	4.8%	0.0%	0.0%	6.3%	5.3%	0.0%	0.0%	0.0%	1.4%
Up Market	0.0%	0.0%	0.0%	3.4%	0.0%	10.5%	0.0%	0.0%	0.0%	2.3%
Respectful	0.0%	9.5%	15.8%	11.2%	25.0%	0.0%	0.0%	21.4%	15.4%	11.2%
Interesting	0.0%	4.8%	0.0%	2.2%	6.3%	0.0%	0.0%	7.1%	15.4%	3.3%
Traditional	14.3%	19.0%	26.3%	0.0%	6.3%	5.3%	0.0%	21.4%	0.0%	7.5%
Successful	21.4%	0.0%	15.8%	13.5%	12.5%	0.0%	0.0%	14.3%	7.7%	10.7%
Dignified	0.0%	0.0%	0.0%	0.0%	6.3%	5.3%	0.0%	0.0%	7.7%	1.4%
Responsible	14.3%	0.0%	10.5%	30.3%	0.0%	15.8%	0.0%	14.3%	7.7%	17.3%
Younger	0.0%	9.5%	0.0%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%
High Income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Trendy	14.3%	0.0%	0.0%	4.5%	0.0%	15.8%	44.4%	0.0%	0.0%	6.1%
Fun	0.0%	9.5%	10.5%	3.4%	0.0%	10.5%	0.0%	14.3%	23.1%	6.5%
Insecure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Down Market	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Disrespectful	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Boring	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Modern	0.0%	0.0%	5.3%	10.1%	0.0%	21.1%	44.4%	0.0%	0.0%	8.4%
Unsuccessful	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Badly Behaved	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Not Responsible	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

(Source: Own compilation)

In turn, the most common descriptive words used by participants to describe themselves when consuming their least favourite beer brands, were boring, down-market, unsuccessful, low income and older. Table 4.6 highlights these top five descriptions for the least favourite beer brands and indicates the brands contributing to this result. What is also important for producers of beer to note are the descriptions participants would rather be associated with when consuming their least favourite beers. These descriptions are those scoring below one percent and can be summarised as confident, respectful, successful, dignified, responsible, high income, trendy and fun.

Table 4.6: Top five descriptions for least favourite beer brands

Brand / Description	Amstel	Carling	Castle Lager	Castle Lite	Hansa Pilsner	Heineken	Peroni	Windhoek Lager	Other	Total
Older	14.3%	5.7%	13.6%	20.0%	0.0%	0.0%	0.0%	10.6%	18.2%	8.9%
Low Income	5.7%	28.3%	13.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.3%
Conservative	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.3%	0.0%	1.4%
Confident	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	0.5%
Serious	11.4%	1.9%	9.1%	0.0%	0.0%	0.0%	21.4%	12.8%	9.1%	7.9%
Up Market	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	28.6%	0.0%	0.0%	2.3%
Respectful	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Interesting	5.7%	0.0%	0.0%	0.0%	0.0%	0.0%	7.1%	4.3%	0.0%	2.3%
Traditional	0.0%	0.0%	18.2%	40.0%	0.0%	0.0%	0.0%	4.3%	9.1%	4.2%
Successful	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dignified	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	0.5%
Responsible	0.0%	0.0%	0.0%	0.0%	7.7%	0.0%	0.0%	0.0%	0.0%	0.5%
Younger	0.0%	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%	0.0%	1.4%
High Income	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	7.1%	0.0%	0.0%	0.9%
Trendy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	7.1%	0.0%	0.0%	0.5%
Fun	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Insecure	2.9%	0.0%	0.0%	0.0%	15.4%	7.1%	7.1%	2.1%	9.1%	3.3%
Down Market	0.0%	24.5%	13.6%	20.0%	30.8%	0.0%	0.0%	6.4%	9.1%	11.7%
Disrespectful	0.0%	3.8%	4.5%	0.0%	0.0%	14.3%	0.0%	4.3%	0.0%	3.3%
Boring	22.9%	1.9%	22.7%	20.0%	23.1%	28.6%	7.1%	34.0%	27.3%	19.6%
Modern	0.0%	0.0%	0.0%	0.0%	7.7%	0.0%	7.1%	0.0%	18.2%	1.9%
Unsuccessful	14.3%	11.3%	0.0%	0.0%	15.4%	7.1%	7.1%	10.6%	0.0%	9.3%
Badly Behaved	5.7%	9.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%
Not Responsible	8.6%	9.4%	4.5%	0.0%	0.0%	42.9%	0.0%	0.0%	0.0%	7.0%

(Source: Own compilation)

There is a direct correlation between Table 4.5 and Table 4.6 on how participants want to be perceived. By comparing the results of what participants selected in the one table and what they also did not select in the other table, it is clear that the most important descriptions participants want to be perceived as are, confident, respectful, successful and responsible. The descriptions that correlate with what participants do not want to be perceived as are, low income, down market, boring and unsuccessful.

4.6 IMAGERY STATEMENTS DESCRIBING A CONSUMER'S IDENTIFICATION WITH A PARTICULAR PRODUCT

Imagery can best be defined as descriptive language. Take this definition one step further and apply it to the five human senses then the definition simply becomes imagery as a descriptive language that has the ability of appealing to the five human senses. (Examples of Imagery) That does not necessarily mean that imagery applies to all five human senses collectively. It merely means that imagery is the use of descriptive language that can be appealing to one or more of the five human senses.

In Section D respondents had to select what imagery statement best describe a beer brand. Table 4.7 illustrates the results for each brand, and the highest score for each imagery statement per brand has been highlighted in yellow.

Table 4.7: Imagery statements in respect of brands

Brand / Imagery Statement	Amstel Lager	Carling Black Label	Castle Lager	Castle Lite	Hansa Pilsner	Heineken	Peroni	Windhoek Lager
For people with status	80	16	26	94	28	172	212	54
Drunk by fashionable people	58	20	22	110	32	128	238	34
Has bad after-effects	60	188	80	26	20	30	32	48
Allows you to stay in control	22	26	26	202	22	10	20	34
Is a strong beer	46	276	52	6	14	14	10	26
Made from pure and natural ingredients	80	88	174	94	102	66	70	166
Brewed to the highest quality standards	122	114	136	116	104	114	110	132
Has attractive packaging	58	28	50	192	54	122	120	36
Too expensive	14	2	2	6	6	176	166	12
For people who are getting ahead in life	50	16	20	160	38	114	122	40
Is a brand that you admire	40	40	52	186	24	84	70	44
Good value for money	38	126	90	144	74	20	14	70
Has an image which appeals to you	48	40	42	182	44	104	90	80

(Source: Own compilation)

These imagery statements in Table 4.8 were selected specifically as descriptive language relating to the three perceptions being tested in the study. These imagery statements are compared against the relevant perceptions in Table 4.8 that are used for the purpose of the study.

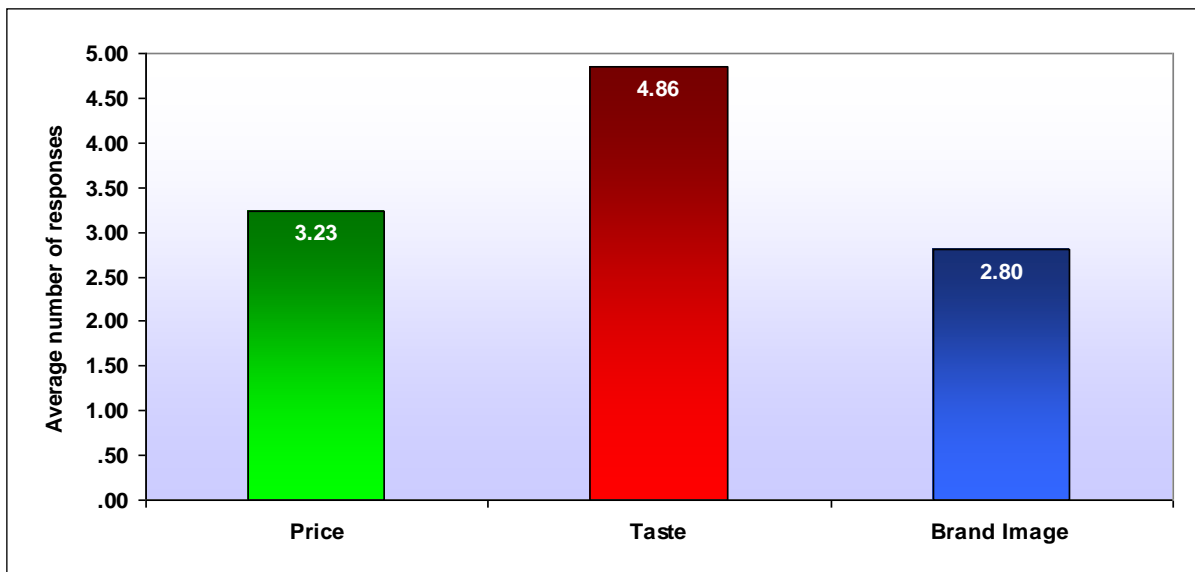
Table 4.8: Perceptions compared to imagery statement by respondents

Perception	Imagery Statement	Highest Ranked Brand
Price	Too expensive	Heineken
	Good value for money	Carling Black Label
Taste	Has bad after-effects	Carling Black Label
	Is a strong beer	Carling Black Label
	Made from pure and natural ingredients	Castle Lager
	Brewed to the highest quality standards	Castle Lager
Brand	For people who are getting ahead in life	Castle Lite
	Is a brand that you admire	Castle Lite
	Has an image which appeals to you	Castle Lite
	Has attractive packaging	Castle Lite
	For people with status	Peroni
	Allows you to stay in control	Castle Lite
	Drunk by fashionable people	Peroni

(Source: Own compilation)

To conclude the survey and for purposes of cross tabulation, participant had to rate each of the three objectives; price, taste and brand image from, one being not at all important to five being very important when they make a decision what brand to buy. Figure 4.11 indicates the result of the three perceptions compared with each other.

Figure 4.11: Average number of responses for importance of each perception compared

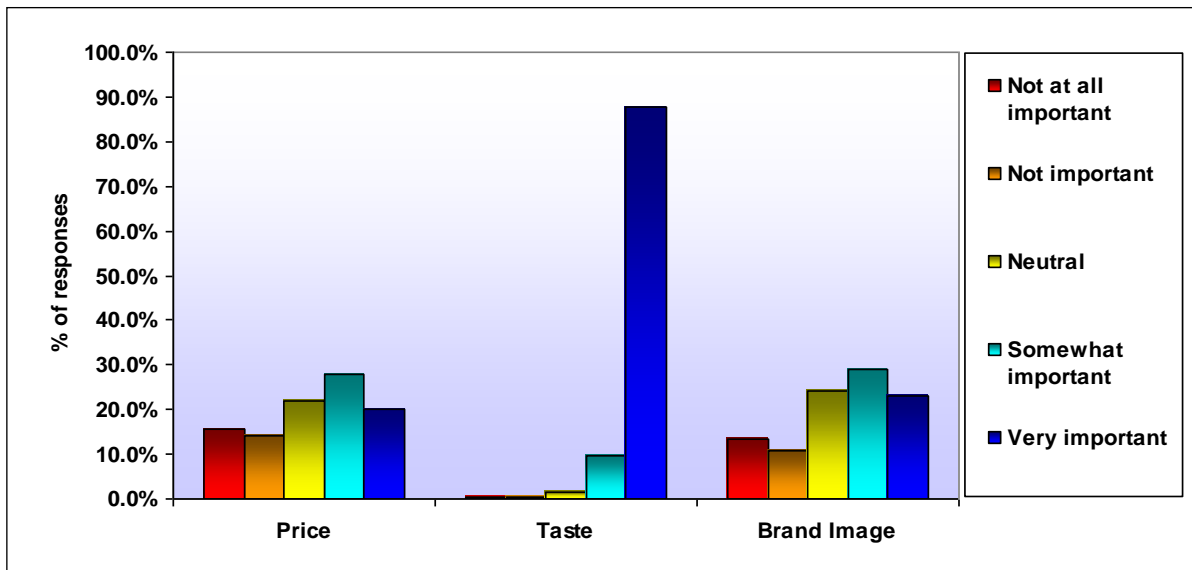


(Source: Own compilation)

From Figure 4.11 it is evident from the above that the beer drinking participants feel that taste is more important than price or brand image. A further breakdown for each rating per perception is illustrated in Figure 4.12.

Figure 4.12 follows on the next page

Figure 4.12: Perceptions on a rating scale



(Source: Own compilation)

By reviewing the outcome of results in Figure 4.12, it is clear that participants believe that the perception of taste carries the greatest weight when purchasing beer products. Following the outcome of this study, the researcher conducted a further blind beer taste test to determine whether participants were able to identify various brands according to their taste.

4.7 BLIND TASTE TESTING

Beer taste experiments have been conducted in the past to establish whether beer drinkers can differentiate their alleged favourite beer from other brands. Tests prove that while most beer drinkers are unable to identify “their brand” when not exposed to brand packaging as a reference and actually preferred other tastes, such consumers remain loyal to “their brand” due to a pre-conceived perception the consumer possibly has of that brand.

These type of market experiments refer to an important aspect of the present study, which is an enquiry into what specific observations form brand loyalty and to address the issue of whether brand loyalty can actually be influenced and changed through advertising campaigns or marketing strategies; or whether such tactics are futile and without tangible credibility to effect positive change in consumer buying behaviour.

Following from an analysis of the results in Figure 4.11 and Figure 4.12 above, it became apparent that an investigation had to be conducted of the possible centrality of taste in brand identification. This proved to be enlightening.

The blind taste test was primarily designed to test the hypothesis that most consumers cannot distinguish between unlabelled brands. It was also intended to test the assumption that beer consumers believe that they choose their favourite brand based on taste alone.

Three separate tests were conducted with three different groups of individuals:

- Group one consisted of twenty Black pool players, all beer-drinking consumers earning between R10 000 – R12 000 per month.
- Group 2 consisted of twelve amateur golf players, comprising four Black and eight White beer consumers, from various professions, earning between R15 000 – R30 000 per month.
- Group three tested the perceptions of ten White game hunters, all of whom are beer-drinking consumers, from various professions earning between R20 000 – R40 000 per month.

All three groups represented typical sports and pastimes, where the consumption of beer is likely to occur at a relatively high level and where different beer brands are likely to have a strong following. In total forty-two beer consumers took part in the three different taste tests. All were male, with twenty-four being Black and eighteen White.

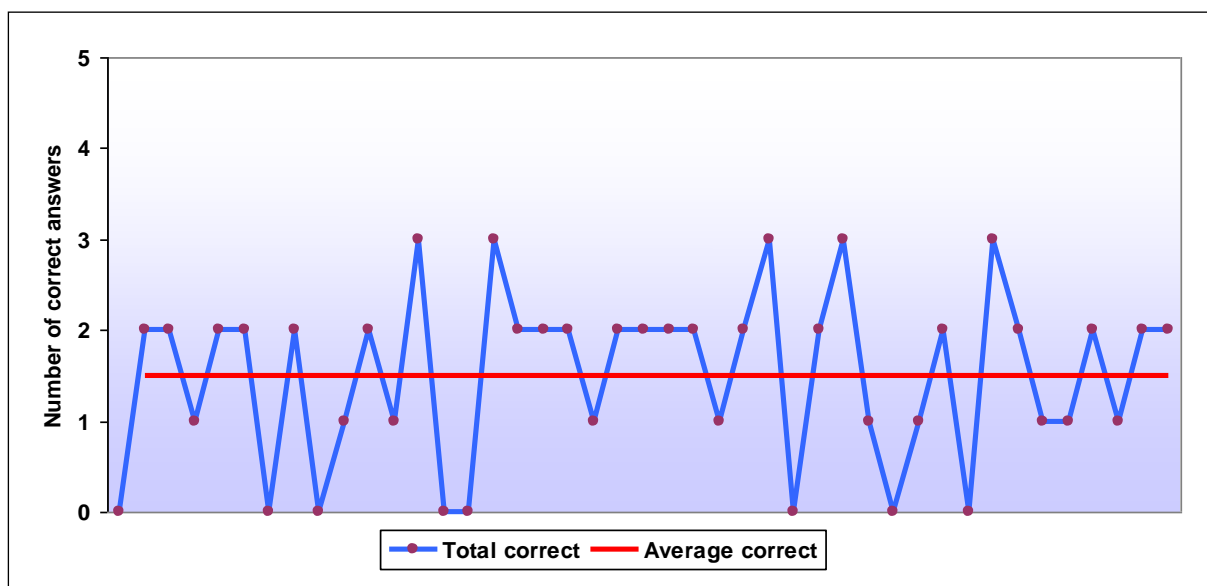
In each taste test the sample group was given five different beer brands to taste without any branding to identify them. The five different beer brands were placed on

display for the consumers to remember what they were drinking and what brand to choose. These brands were Castle Lager, Carling Black Label, Windhoek Lager, Castle Lite and Amstel. These are five of the most well known brands in South Africa.

The process that was followed was that the participants received five glasses filled with beer, which were only labelled with the numbers one to five. No branded glassware, coasters, labels or any form of brand identification was used to ensure that the only way the participant could identify each beer brand was through recognition of taste. All the beer provided for taste testing was chilled to the exact same temperature.

Two sections were completed for the five different beers that were tasted. In Section A the participant had to write down the name of beer brand he thought matched the number on the glass. In Figure 4.13 the total number of correctly identified beer brands for each participant was compared to obtain the overall result and average score.

Figure 4.13: Number of correct answers by participant

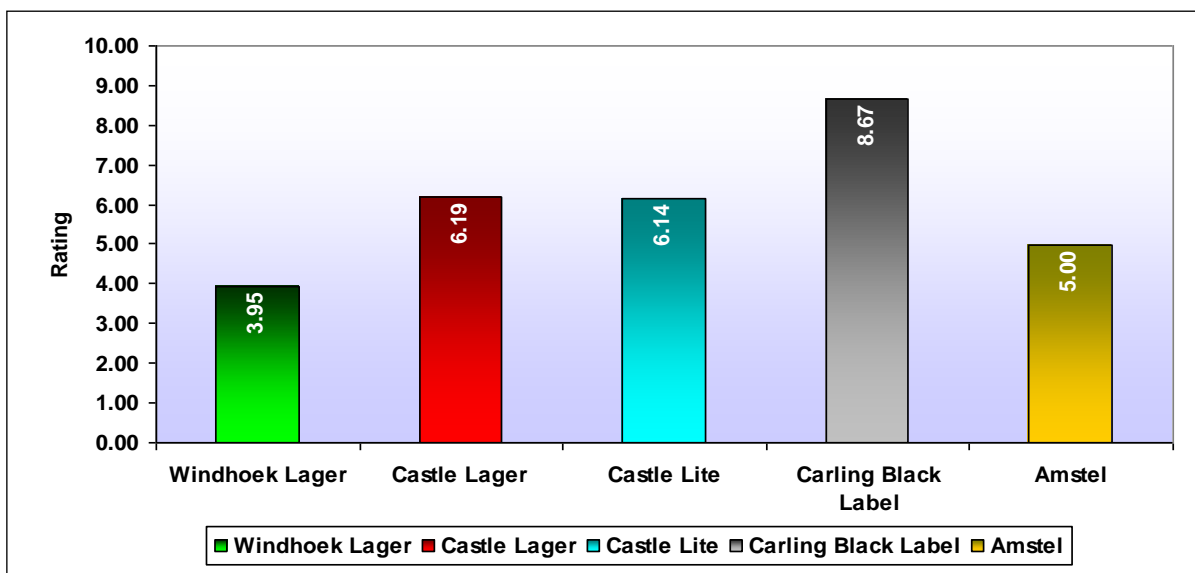


(Source: Own compilation)

Only five of the 42 participants could identify three of the five beer brands correctly. An average of 1.5 out of a possible five was the overall score for the three different taste tests.

In Section B the participants had to rank the five different beers tasted from 10 being the best to 1 being the worst tasting beer. In Figure 4.14 all the ratings per brand for all three tests were combined to obtain an overall result.

Figure 4.14: Best tasting beer ratings out of a possible 10

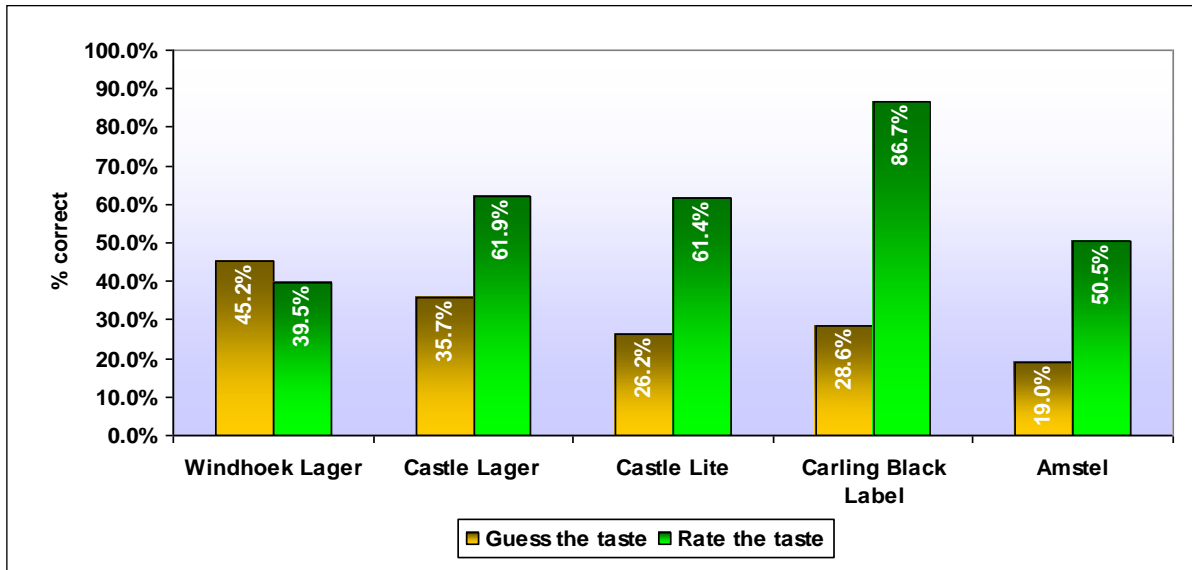


(Source: Own compilation)

Carling Black Label was rated the best beer in the taste test with a result of 8.67 and Windhoek Lager scored the lowest as the worst tasting beer with a result of 3.95.

To put the blind taste test into perspective a comparison of the two sections needs to be shown. Figure 4.15 illustrates the overall percentage score compared to the criteria from the two sections.

Figure 4.15: Guess the taste vs. Rate the taste



(Source: Own compilation)

Windhoek Lager was the highest correctly answered brand tasted at 45.2 percent but also rated the least preferred beer based on taste. One has to assume this is why most of the participants identified Windhoek Lager as the beer with the least impressive flavour by comparison. In terms of rating the other four brands there is no clear indication that the participants could identify the respective brands based on taste alone and what they preferred.

4.8 SUMMARY

In general, what is evident for these results is that there is a great deal of variation in terms of the factors that determine the consumers' perception of the product. These factors include the following aspects that formed part of this survey via the questionnaire.

The biographical data of the beer consumer was researched in terms of gender; age; ethnic group; marital status; salary; education levels and employment experience. The age distribution of participants was also taken into account. Representation in terms of race as well as salary earnings per month and educational level were also included as aspects that could influence the understanding and assessment of the central variables of price, taste and brand image.

These aspects were related to an examination of consumer behaviour in terms of variables such as packaging and the way that these factors were interrelated in relation to particular choices and consumer behaviour patterns. Packaging was, for instance, related to a particular rationale or reasoning from making different brand choices.

This led to an empirical analysis of consumption in relation to the variety of purchasing outlets and a comparison of data in this regard. This in turn was linked to an analysis of price and budget in relation to purchasing behaviour and perceptions. For example, the environment in which beer is most often consumed was found to be strongly correlated with social and sporting events.

An important part of the survey was the participant perceptions of brand image. This was a central area of focus in the survey, which included the participant assessment of eight of South Africa's best known beer brands. The participants were required to answer questions regarding the price, taste and brand image of these brands. There was an indication of strong brand awareness among the participants.

Self perception as well as social perceptions of different brands also formed an important part of the questionnaire. In this regard participants chose descriptive words to describe themselves when drinking their most favourite and least favourite beer brand. It was found that the most common descriptive words used by participants to describe themselves when consuming their favourite brand were confident, respectful, successful, responsible and modern. Conversely, scores below one percent were linked to descriptive words such low income, insecure, down market, disrespectful, boring, unsuccessful, badly behaved and not responsible.

Imagery statements were also explored as an indication of brand identification. From these questions the results indicated that the participants felt that taste is more important than price or brand image. This perception was tested by means of a blind beer taste test. This was designed to establish whether beer drinkers can differentiate their alleged favourite beer from other brands. The blind test indicated that most beer drinkers are unable to identify according to taste. This leads to the assertion that brand image and loyalty play a large part in positive consumer perceptions.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

“I am turned into a sort of machine for observing fact and grinding out conclusions”

- Charles Darwin -

5.1 INTRODUCTION

This chapter outlines the findings of this study in chapter four and their relationship to the relevant theory.

Conclusions and recommendations will be provided based on the analysis of the quantitative research conducted. From the previous chapter certain factors were highlighted and conclusions were drawn from these central results.

Drawing on the results obtained from the study, a discussion of the theoretical and practical implications is presented.

5.2 MAIN FINDINGS OF THE STUDY

The main objective of the study was to determine the perceptions of consumers when they purchase beer brands and how these perceptions influence the choices that the consumer makes when purchasing beer. For the study three perceptions were identified as central drivers in perception relating to beer products. These are price, taste and brand image. These three perceptions were researched in chapter two and three and analysed from data obtained through quantitative empirical

research by virtue of questionnaires and blind taste test as investigated in chapter four.

For the purpose of the main findings and in terms of the overall objectives of this study, certain information from the empirical research was assessed to determine whether support can be found for the central objective of this study: which is to determine whether perception of a product can be limited to restricted to one central variable or whether these variables very often interconnect and influence one another.

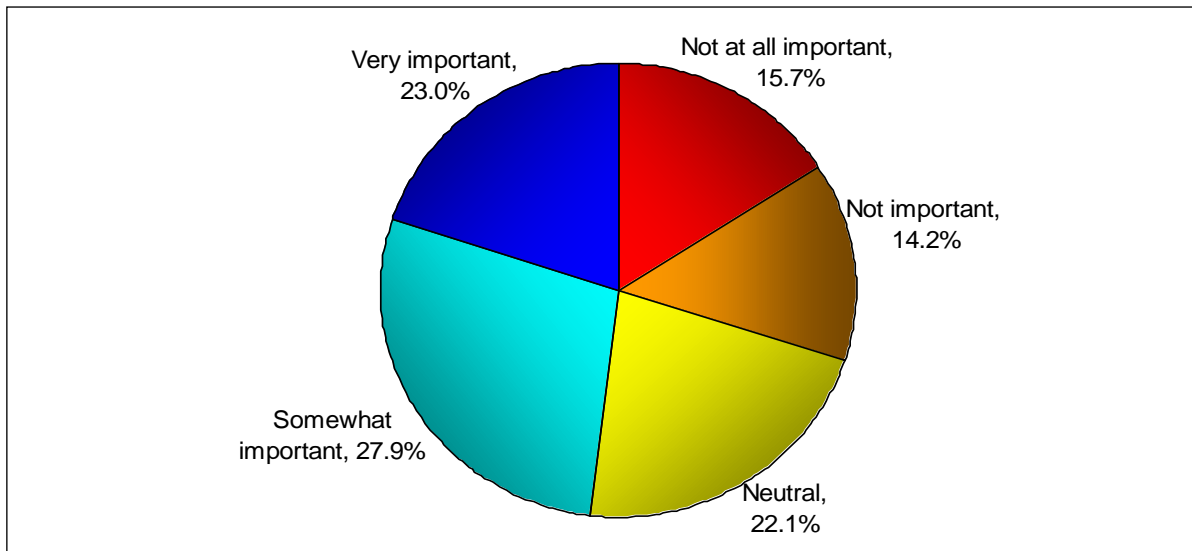
To bring more perspective to the findings, specific results and comparisons were made from the information obtained in chapter four from the most and least favourite beer brands as identified by the participants in the questionnaire.

Figure 4.9 indicated that the beer drinking participants chose Castle Lite as the most favourite and Carling Black Label as the least favourite beer brand. The three perceptual variables will be discussed individually in order to reach an assessment and conclusion in relation to these two brands, as it relates to the main objective of this study.

5.2.1 Findings in terms of the perception price

- From the three different perceptions tested in chapter four, price was the more constant factor in terms of importance. This aspect is illustrated in Figure 5.1. Beer prices vary from cheaper brands to more expensive brands, but generally speaking, there is a brand available for consumers of all levels of financial capability.

Figure 5.1: The importance of price rated by beer drinking participants



(Source: Own compilation)

- Following the outcome of the above, an ANOVA analysis for each perception has been undertaken. Simply stated, ANOVA refers to the variation which is found in a test or a theory of a hypothesis. This measure is intended to determine that the variation in a sample or a selection of a certain variable is not greater than would be the case, taking into account normal variations in individual characteristics or attributes. This analysis was based on the biographical data of the participants to indicate if there were any significant effects present when considering gender; age; ethnic group; marital status; salary; education levels and employment experience. Only salary proved to be significant with a p value less than 0.05. Figure 5.2 indicates this graphically and Table 5.1 indicates the actual results.

Figure 5.2: ANOVA Figure – Salary compared to price, taste and brand image

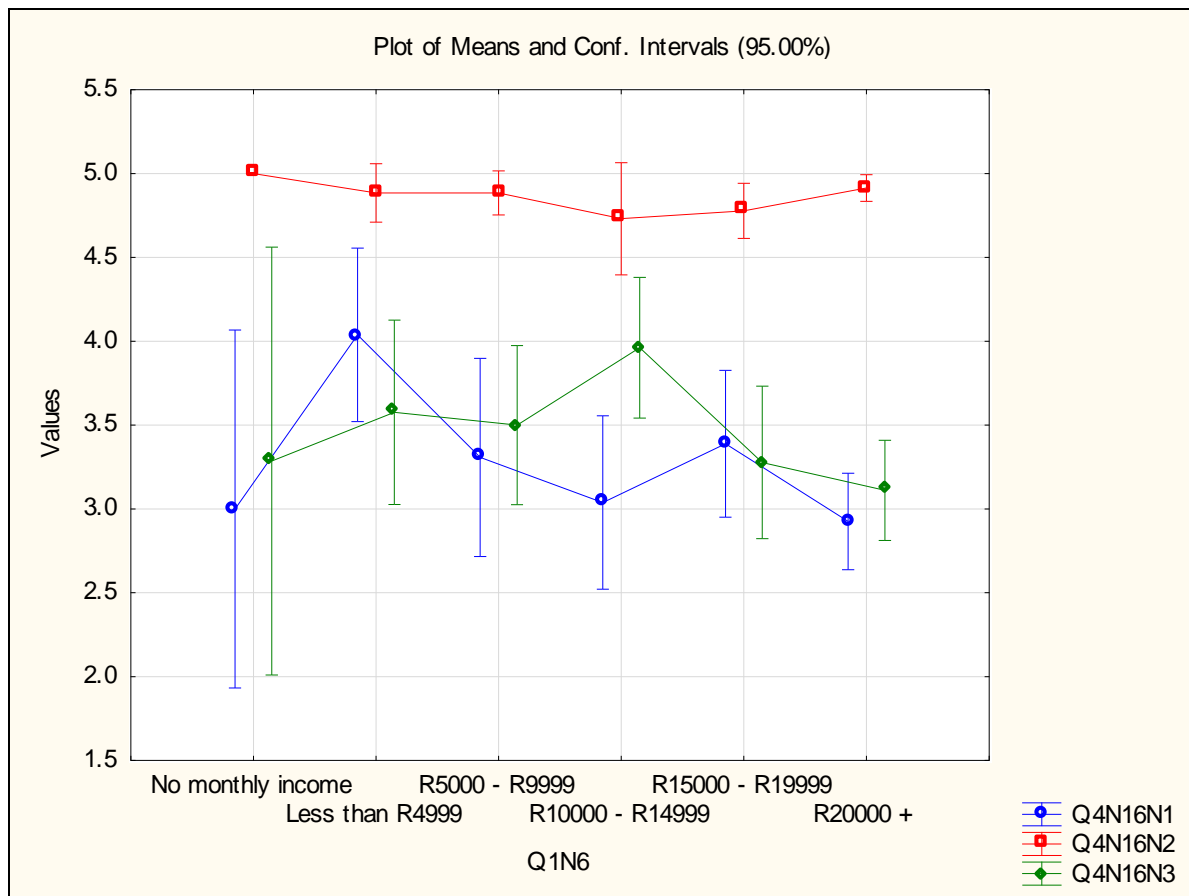


Table 5.1: ANOVA Table – Salary compared to price, taste and brand image

Analysis of Variance (Beer Data 2)								
Marked effects are significant at $p < .05000$								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	26.8431	5	5.36863	337.572	196	1.72230	3.11711	0.00990
Q4N16N2	1.0784	5	0.21569	43.040	196	0.21959	0.98222	0.42975
Q4N16N3	16.4326	5	3.28652	328.458	196	1.67580	1.96115	0.08606

- In Table 5.1 the following findings are presented:
 - Q4N16N1 Blue line (salary to price): $p = 0.009900$
 - Q4N16N2 Red line (salary to taste) $p = 0.429759$
 - Q4N16N3 Green line (salary to brand image) $p = 0.086068$
- In terms of Q4N16N1 (salary to price) the p value is less than 0.05, and this indicates significance in terms of the ANOVA test.

- In Figure 5.2 it is clear that as the participant's salary earnings increase, the importance of price as a factor in purchasing beer decreases. The participants who earn no monthly income have not been considered in this analysis, as only 7 of the 214 participants indicated that they had no monthly income as they were retired or currently unemployed (see Figure 4.2).
- In chapter four participants who chose the 330ml containers as their preferred choice of container indicated the reason for this choice that the 330ml cans were cheaper than 340ml non-returnable bottles (see Table 4.2). However, this perception of the participants is incorrect if the actual selling price of the 330ml can and the 340ml non-returnable bottle is compared. In this regard refer to Appendix B, being an extract of the selling prices of the various container sizes which clearly indicates that the selling price of the 330ml can and the 340ml non-returnable bottle is exactly the same.
- The 25.97 percent of participants who chose the 660ml or 750ml returnable bottle as their favourite packaging size did, however, make the correct assumptions about the monetary benefit of this packaging size; in that it was stated that this size is great value for money if compared to the price of the quantity per unit and that the bottle was returnable for a deposit value (see Table 4.2). The CDP Model and more specifically the issues relating to consumer information processing (see Figure 2.3) in the forming of perceptions discussed in chapter two is of relevance in this regard and indicates that one of the steps in consumer information processing was incorrectly applied by the participants who indicated this as their answers.
- In Figure 4.6 one hundred and eighty seven participants indicate that they purchase beer from a bottle store compared to the twenty six participants buying from cheaper warehouse liquor stores.
- These findings should also be linked to the EBM decision making model noted in chapter two. In relation to this model, one should also take into account that price is a variable that should be considered in relation to other influences and factors that determine the final decision or purchasing choice. This refers to

other aspects such as belief, attitudes and intention. This implies that variables such as taste and brand image should be seen in context with the issue of price.

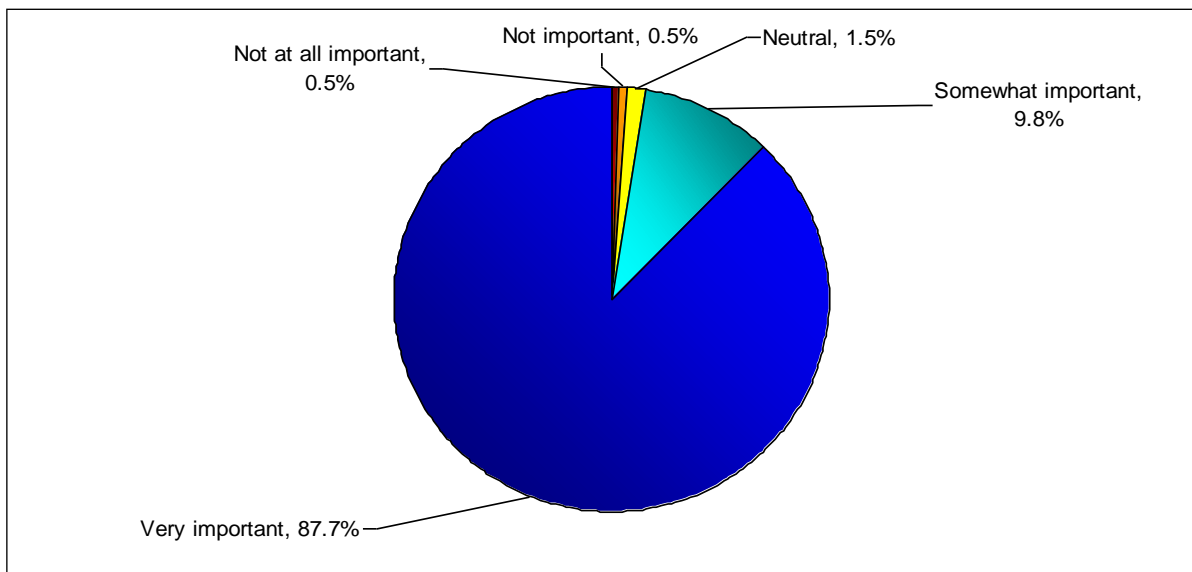
- As noted in chapter two, price is an issue that is best understood in relation to the effects of the economy on consumer behaviour. Price strategies of buying behaviour in terms of price are continually changing in relation to factors such as the economy (Consumer buying habits changing, price sensitivity increasing, analysts say, 2010). However, the results from this empirical study did not show any significant changes or movement in this regard.

5.2.2 Findings in terms of the perception taste

- The perception of taste was one of the stronger tested perceptions throughout the study. Figure 5.3 indicates that 87.7 percent of all participants indicated that taste was very important to them when purchasing a beer product. This result led to the conducting of a blind taste test to assess whether this statement was correct by indicating whether participants, all being regular beer consumers, could identify the taste of certain brands without knowing what brand they tasted. If the answer is affirmative, it would be supportive of the view that taste is very important to consumers. On the contrary, however, the importance of taste would be severely jeopardised if consumers were unable to identify different beer brands in a blind taste test.

Figure 5.3 follows on the next page

Figure 5.3: The importance of taste rated by beer drinking participants



(Source: Own compilation)

- The participants to the blind taste test were shocked with the results (see Figure 4.14) as Carling Black Label was rated the least favourite beer (see Figure 4.9) in the questionnaire by these consumers, and the participants indicated that Carling Black Label is not their choice of beer, yet maintained that their biggest motivation when purchasing beer products relates to its taste.
- Furthermore, in Section D of the questionnaire participants had to associate certain brands with certain imagery statement (see Table 4.7). The imagery statements associated with taste, received the highest response rate for brands like Castle Lager, which received the most responses for being brewed to the highest quality and standard and made from pure natural ingredients. Carling Black Label received the most responses for having adverse after affects and was noted as a strong beer. Castle Lager was, however, not in the top ratings for the most favourite brand (see Figure 4.9), on the contrary, Castle Lager did not stand out from the other brands albeit consumers associate it with quality brewing.

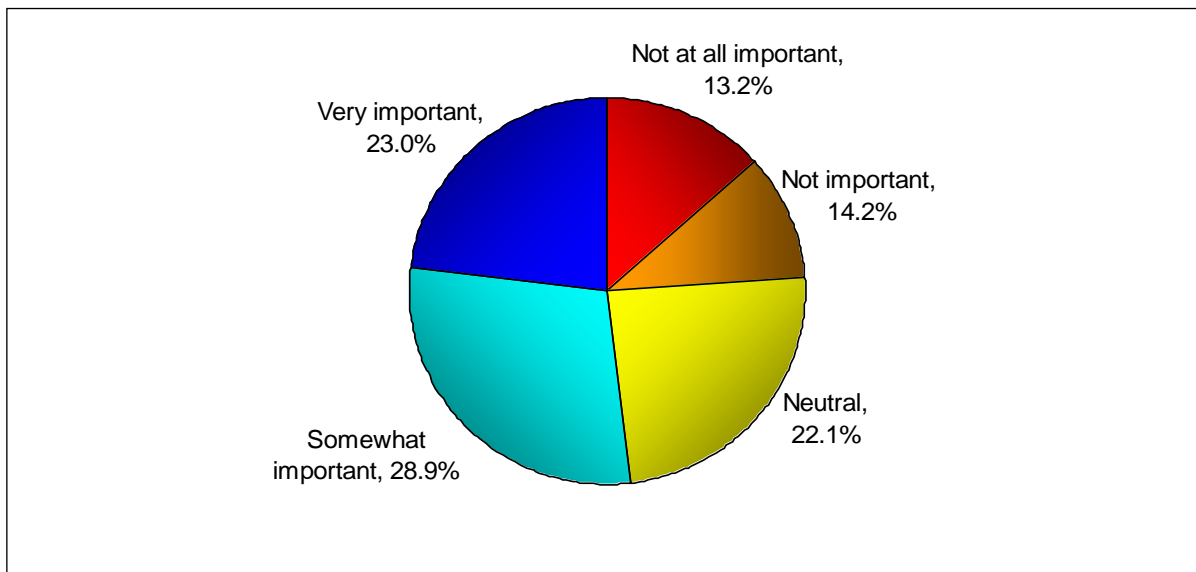
- These findings tend to support the theory on this subject in that it is indicative of the fact that taste alone is not an adequate measure of perception which influences buying behaviour. As noted in chapter three, studies have found that participants in consumer taste studies were not in general able to distinguish between the different brands in terms of taste alone (Allison & Uhl, 1994: 39).
- These results, in line with the theoretical interpretation of the importance of the perception of taste, also suggest that there are other factors, such as brand image, that play an important and decisive role in influencing consumers' buyer behaviour.

5.2.3 Findings in terms of the perception brand image

It is commonly known and applied in marketing strategies that brands are associated with certain characteristics which normally appeals to the target market. This results in the consumers identifying and associating with the brand, thereby purchasing the product. This is supported by the consumer information processing steps forming part of the CDP Model discussed in chapter two. Figure 5.4 indicates how the participants to the study rate the importance of the brand image.

Figure 5.4 follows on the next page

Figure 5.4: The importance of brand image rated by beer drinking participants



(Source: Own compilation)

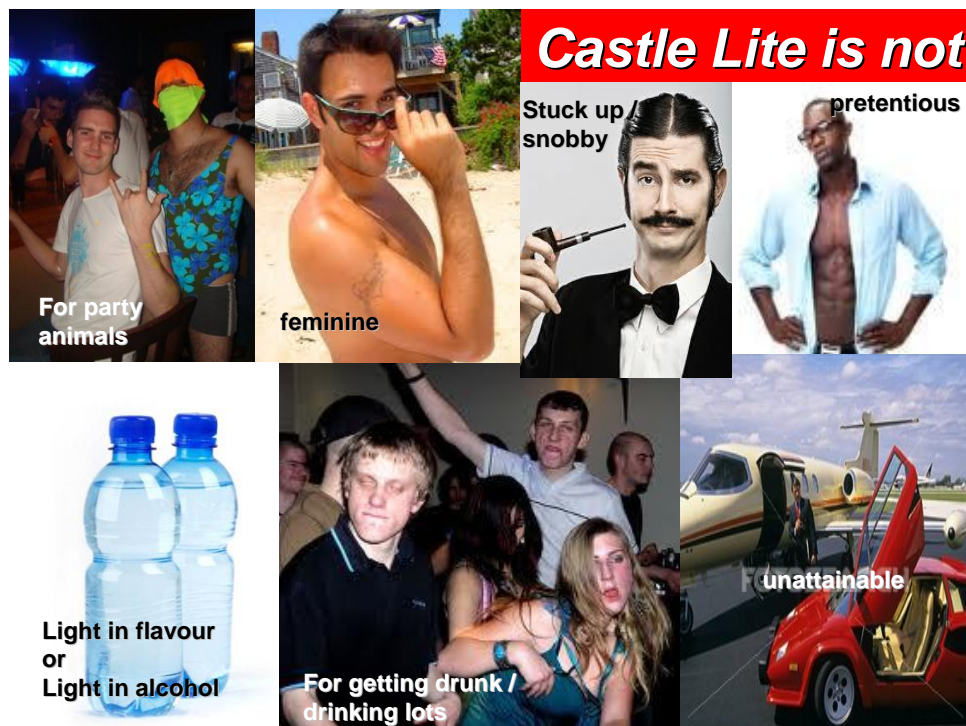
- Brand image compared to taste was less important to the participants (see Figure 4.11) and according to participants brand image is not the main driver when purchasing a specific brand. However, the research of brands and the image they would like to portray indicate differently. This refers to the finding in the literature which suggests the view that perception is often unconsciously motivated and determined by brand image and advertising.
- The issue of brand image is illustrated by the following example. Castle Lite was rated the most favourite brand by participants (see Figure 4.9) and was the brand with the highest rating in the following imagery statements:
 - for people who are getting ahead in life
 - is a brand that you admire
 - has an image that appeals to you
 - has attractive packaging

- Figure 5.5 and 5.6 indicates Castle Lite's brand strategy and the association it would want consumers to make to the product.

Figure 5.5: Castle Lite brand strategy identification card – “what it is”

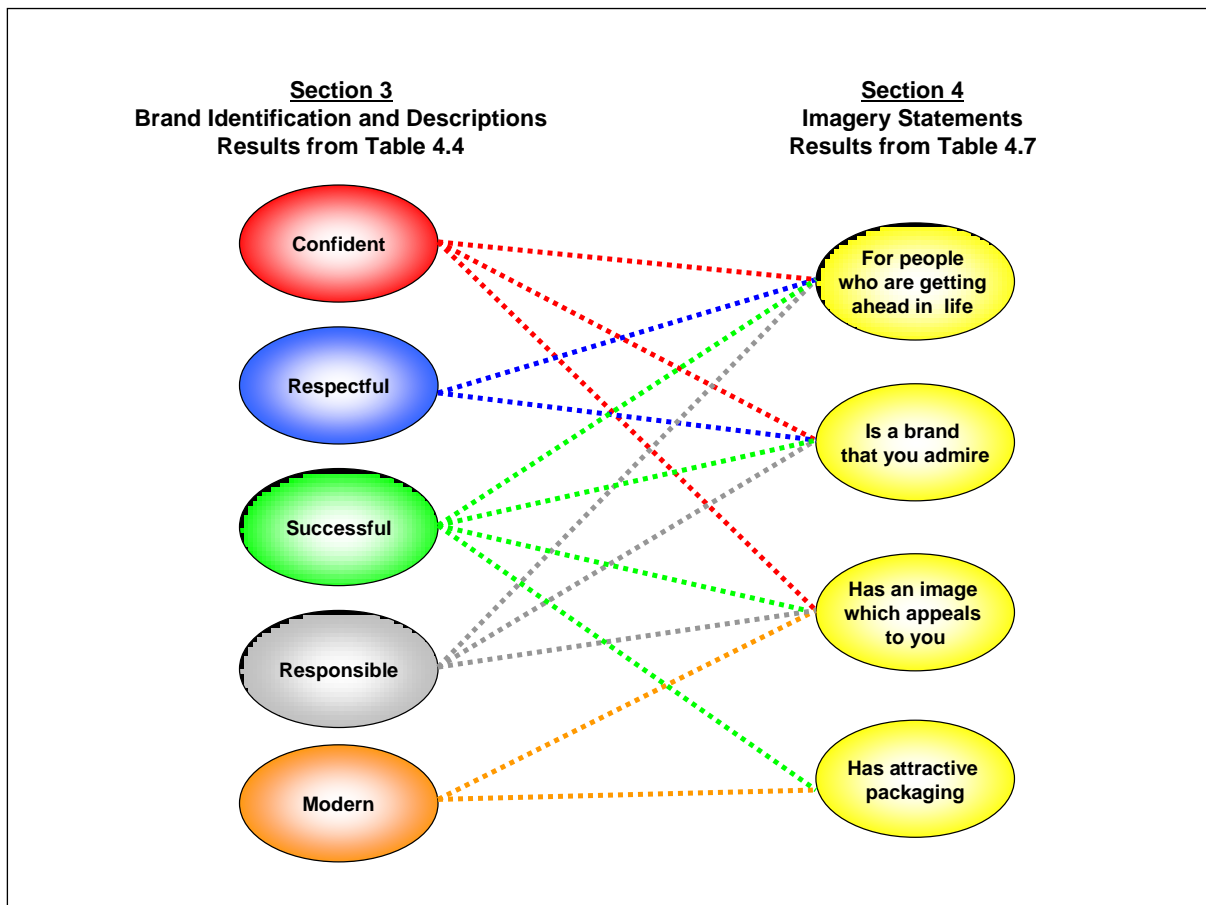


Figure 5.6: Castle Lite brand strategy identification card – “what it is not”



- According to the Figure 5.7, it is clear that from Table 4.5, where participants identified themselves as confident, respectful, successful, responsible and modern when drinking Castle Lite, the results from Table 4.8 are directly aligned with these results.
- Furthermore, as discussed in chapter two in relation to a consumer's knowledge of a product, the statement was made that although the 'Lite' in Castle Lite refers to calorie consumption and not to alcohol levels, the brand successfully drove consumers to associate Castle Lite as a "responsible" drink.
- By looking at the typical results from Section C and Section D of the questionnaire that lead to brand image and taking into account Castle Lite's high responses as identified in Table 4.5 and Table 4.8, a correlation between brand identification and imagery statements could be made. Figure 5.5 indicates this correlation

Figure 5.7: Brand identification and descriptions compared and aligned with imagery statements for Castle Lite



(Source: Own compilation)

- The cross correlations for Figure 5.5 were based on the answers to the questionnaires for the 78 participants that chose Castle Lite as their favourite brand (see Figure 4.9). It can therefore safely be deduced that the right brand message which appeals to consumers will ensure brand loyalty, a finding that is also supported by the literature discussed in chapter two.

A theoretical view that was referred to in the previous chapters can be applied in drawing certain conclusions. This refers to the concept of exposure which leads to consumer attention and to the process of brand image creation. Duncan (2005:117) states that exposure primarily stems from four major sources of brand contact.

These are planned brand contact, product-related brand contact, service brand contact and unplanned brand contact. All of these theoretical perspectives stress the importance of exposure in understanding information processing by the consumer. This theoretical view would also be applicable in an analysis of the above results.

5.3 DISCUSSION OF FINDINGS AND SYNTHESIS

In terms of theory, Alderian perspectives on subjectivity tend to coincide with an analysis of the above results. This refers to the Alderian emphasis on the importance of subjective interpretations of perception. As noted in chapter two, this also refers to the "schema of apperception" and includes aspects such as individual worldview, culture, environment and self-perception in the process of perception. This theory also emphasizes the individual or consumer as an active and creative agent in the construction of his or her reality (Watts & Critelli, 1997:147). This in turn relates to the interaction between the individual and his or her environment, which has important implications for understanding how perception functions.

The above finding can be placed into this theoretical framework in order to synthesize their meaning in terms of the questions relating to perception. In this light, the issue of price was found not to be an isolated variable in the decision-making process, but rather linked to other aspects such as the state of the economy.

Furthermore, and possibly more importantly, price was found to be linked, in terms of its power to motivate consumer behaviour, to aspects of self-perception. This can be seen, for instance, in the above finding that price was not a central consideration for those in a certain income category and that other factors such as taste and brand image tended to be more dominant within this demographic. More specifically, this refers to the ANOVA analysis discussed above, which indicated that price was seen as a significant variable in participant perception. On the other hand, the significance of price as a factor in purchasing beer decreased with an increase in the participant's salary.

The findings with regard to taste and brand image are perhaps more complex and outwardly ambiguous. A central finding was that while taste was deemed by the participants to be the most important variable in the decisions taken about certain beer brands, this was contradicted by the blind beer taste test, where it was found that the participants could not identify brands by taste alone.

This finding in turn suggests that brand image had profound influences on the individual's perceptions and decision-making and that these decisions were in actual fact determined to a large extent by brand image and the projection and assimilation of certain ideals and ideas that were incorporated in the brand image.

This finding was also clear from correlation between brand identification and descriptions compared with imagery statements, as discussed above. A central conclusion therefore is, to reiterate the finding noted above, that brand loyalty and positive brand perception are achieved by successfully sending out the right brand message and image to consumers, which appeals to them and motivates them at the point of purchase.

In the final analysis a central conclusion that can be derived from this study is that perception is not only a matter of the measurement of specific physical stimuli. It is also and importantly related to a variety of factors and variables, such as economics, environment and images that surround the individual. One could refer in this regard to the various models of decision making and perception that have been discussed; for example, the EBM model, which takes into account the holistic and experiential worldview of the individual in the decision-making process.

5.4 EVALUATION OF THE STUDY

The primary objective in this study was to determine what role consumers' perceptions play in guiding consumers in the decisions-making process. Three central perceptual factors were isolated in this regard – namely, price, taste and brand image. These factors or variables were examined in relation to their

independence and interdependence. It was found that the importance of each of the three variables varied in terms of various other factors, such as economics and social perceptions. The study therefore ascertained that while price and taste were important in terms of the perception of the product, brand image was also a vital factor which often intersected and influenced the other two variables.

This in turn to the second objective, which was to establish whether suppliers can utilise their knowledge of a consumer's perceptions to change and influence such perceptions in their favour. The findings from this study have established that the suppliers can potentially shape the consumer's behaviour patterns by understanding the interrelationships between the different variables, and can use this knowledge to alter or change customer behaviour.

5.5 RECOMMENDATIONS

The following recommendations can be mentioned as a result of the findings of this study.

- Firstly, the findings strongly suggest the complex and interlinked nature of the various factors which influence perception in terms of the main variables of price, taste and brand image. In this regard a central recommendation would be that the marketer should be cognisant and aware of the subjective view or interpretation of reality of the consumer.
- Secondly, from the above discussion it follows that the marketer of the product should become more aware of the holistic way that the individual perceives the product and of the multivalent and the complex factors in the decision-making process.
- Thirdly, that these findings should be translated into practical and effective marketing strategies.

- Fourthly, this study emphasises that the importance of brand image and the way that this image is processed and retained by the consumer is a central factor in any marketing strategy that wishes to influence the perceptions of the consumer.
- Lastly, that further research into the different factors and variables that affect perception should be undertaken, as this is an important area of study and one that needs further exploration in the complex South African social environment.

5.6 CONCLUSION

In terms of the main objectives the findings were interesting and successful. The study was successful in that it clearly demonstrated the influences and interconnections between the different variables. To this extent it showed that understanding perception in terms of consumer decision-making is a complex process which requires a holistic view of customer behaviour.

LIST OF REFERENCES

- AAKER D., KUMAR, V., & DAY G. 2002. Marketing Research. [Web:]
<http://www.duhoc-online.net/modfnet/Librarian/eBooks/Eco/Mic/Marketing/Summary/Summary%20-%20Marketing%20research.pdf>. Date of access: 1 Nov. 2011.
- ADLER A. 1964. Superiority and social interest: A Collection of Later Writings. New York: Basic Books.
- AHMAD S. & JUHDI N. Consumer's perception and purchase intention of organic products. UNITAR. [Web:]
http://www.pbfeam2008.bus.qut.edu.au/papers/documents/SitiNorBayaahAhmad_Final.pdf. Date of access: 1 Nov. 2011.
- AKAKA M. & DANA L. 2010. Alden Global brand positioning and perceptions: international advertising and global consumer culture. *International Journal of Advertising*, 29(1):37-56.
- ALLISON R. & UHL K. 1964. Influence of Beer Brand Identification on Taste Perception. *Journal of Marketing Research*. [Web:]
<http://itu.dk/~petermeldgaard/B12/lektion%206/Influence%20of%20Beer%20Brand%20Identification%20on%20Taste%20Perception.pdf> Date of access: 1 Nov. 2011.
- AMERICAN MARKETING ASSOCIATION DICTIONARY: BRAND. [Web:]
http://www.marketingpower.com/_layouts/Dictionary.aspx?dLetter=B. Date of access: 1 Nov. 2011.
- ANONYMOUS. 2009. Consumer buying habits changing, price sensitivity increasing, analysts say. *Modern Brewery Age*, April 2, 2009. [Web:]
http://findarticles.com/p/articles/mi_m3469/is_13_60/ai_n39295548/. Date of access: 1 Nov. 2011.

ANONYMOUS. 2010. What is consumer buying behaviour? Chapter 6 Class Notes. University of Delaware. [Web:] <http://www.udel.edu/alex/chapt6.html> Date of access: 5 Nov. 2011.

ANTONIDES G & VAN RAAIJ F. 1998. Consumer behaviour. A European perspective. *Journal of Consumer Policy*, 22(3).

ARUVIAN, R. 2011. Analyzing the Beer Industry in South Africa [Web:] http://www.researchandmarkets.com/reports/545813/analyzing_the_beer_industry_in_southafrica. Date of access: 5 Nov. 2011.

ANTONIDES, G. & VAN RAAIJ, W.F. 1998. Consumer behaviour: A European perspective. West Sussex: Wiley. 615p.

BADHAM, J. 2000. Food labelling workshop. (Workshop presented at the 18th biennial congress of the Nutrition Society of SA and the 6th biennial congress of the Association for Dietetics in SA from 15-18 August 2000) Durban. Pp7 (unpublished)

BARNES J. 2010. Stop Cutting Prices! How to Retain Customers with Experiential Value. *Drake Business Review*, 2(3):38-40.

BELL, V. 2008. Values, taste perception and psychological blind spots. [Web:] <http://mindhacks.com/2008/07/21/values-taste-perception-and-psychological-blind-spots/>. Date of access: 1 Nov. 2011.

BELCH, E.G & BELCH, M.A. 2004. Advertising and promotion: an integrated marketing communications perspective. New York: McGraw-Hill.

BINKELY *ET AL*. consumer perception of take-out food: safe handling practices and desired package attributes. [Web:] <http://www.asasa.org.za/ResultDetail.aspx?Ruling=4897>. Date of access: 3 Nov. 2011.

BLACKWELL, R.D., MINIARD, P.W., & ENGEL, J.F. 2001. Consumer behaviour 9th ed. Fort Worth: Harcourt College Publishers.

BLOOM, P., HOFFLER, K., LANE K. & BASURTO MEZA C. (2006). How Social-Cause Marketing Affects Consumer Perceptions. *Mit Sloan Management Review*, 47(2). [Web:]<http://elab.vanderbilt.edu/research/papers/How%20Social-Cause%20Marketing%20Affects%20Consumer%20Perceptions%20%5BBloom,%20Hoeffler,%20Keller,%20Meza%5D.pdf>. Date of access: 3 Nov. 2011.

BRINKLOW M. (2009). Price cutting can damage brand image. [Web:] <http://www.marketingweek.co.uk/price-cutting-can-damage-brand-image/3006884.article>. Date of access: 3 Nov. 2011.

BURNETT, J.2008.CoreConcepts of Marketing. [Web:] <http://globaltext.terry.uga.edu/userfiles/pdf/Core%20Concepts%20of%20Marketing.pdf>. Date of access: 1 Nov. 2011.

CENSUS 2001 AT A GLANCE. [Web:] <http://www.statssa.gov.za/census01/html/default.asp>. Date of access: 3 Nov. 2011.

CHAUDHURI, A. 2006. Emotion and Reason in Consumer Behaviour. Boston: Elsevier Butterworth Heinemann. Available: Questia Database. Date of access: 1 Nov. 2011.

CHAN-OLMSTED S. & YUNGWOOK, K. 2001.Perceptions of Branding among Television Station Managers: An Exploratory Analysis. *Journal of Broadcasting & Electronic Media*, 45(1):75. Available: Questia Database. Date of access: 1 Nov. 2011.

CONSUMER BEHAVIOUR MODELS: A THEORETICAL AND PRACTICAL APPROACH. (2011). [Web:] <http://everydaygoodguide.com/guide/consumer-behaviour-models-a-theoretical-and-practical-approach/>. Date of access: 5 Nov. 2011.

COPLEY, P. 2004. Marketing communications management: concepts & theories, cases & practices. Oxford: Elsevier. 54p.

COX, A, GRANBOIS, DH & SUMMERS, J. 1983. Planning, search, certainty and satisfaction among durables buyers: a longitudinal study. *Advances in Consumer Research X*: 394-399. Thirteenth Annual Conference. San Francisco. Association for Consumer Research.

DUNCAN, T. 2005. Advertising & IMC. New York: McGraw-Hill. 117p.

DUCATTE, K. 2009. Primary Factors in Consumer Purchase Decisions of Women's Footwear. Old Dominion University. (Dissertation - M.Sc.) [Web:] <http://www.google.co.za/search?q=Manifest+motivational+factors+are+those+that+are+known+by+the+consumer%2C+while+latent+motives+are+those+which+are+unknown+to+unconscious.&ie=utf-8&oe=utf-8&aq=t&rls=org.mozilla:en-US:official&client=firefox-a>. Date of access: 1 Nov. 2011.

DUNN, A. 1971. An Introduction to Adlerian Psychology for the School Counsellor. *Annual Convention of the Canadian Guidance and Counselling Association*. Toronto, Canada.

ENSLIN, C. 2003. The role of alternative brand contact planning in the South African marketing and communication industry. (Thesis). Pretoria: University of Pretoria

ERASMUS, A. BOSHOFF, E. & ROUSSEAU, G. 2001. Consumer decision-making models within the discipline of consumer science: a critical approach. *Journal of Family Ecology and Consumer Sciences* (29), pp.82- 89. [Web:] <http://www.ajol.info/index.php/jfecscs/article/viewFile/52799/41403>. Date of access: 1 Nov. 2011.

ERASMUS, A., BOSHOFF E., & ROUSSEAU G.G. 2002. The potential of using script theory in consumer behaviour research. [Web:] <http://www.up.ac.za/saafecs/vol30/erasmus.pdf>, Date of access: 3 Nov. 2011.

EXAMPLES OF IMAGERY. [Web:] <http://examples.yourdictionary.com/examples-of-imagery.html>. Date of access: 3 Nov. 2011.

FOXALL, GR. & GOLDSMITH, G.R, R.E 1994. Consumer Psychology for Marketing. London and New York: Routledge

FOXALL, GR., GOLDSMITH, G.R., & BROWN, S. 2002. Consumer psychology for Marketing. 2nd ed. Australia: Thomson. 286p.

GITLIN M. 2007. Food and the brain: how perceptions affect taste. [Web:] <http://arstechnica.com/science/news/2007/08/food-and-the-brain-how-perceptions-affect-taste.ars>. Date of access: 1 Nov. 2011.

GOUWS, L.A., LOUW, D.A., MEYER, W.F., & PLUG, C. 1984. Psychological Dictionary. Johannesburg: McGraw-Hill.

HAWKINS, D.I., BEST, R.J. & CONEY, K.A. 2001. Consumer Behaviour. Building Marketing Strategy 8th ed. New York: McGraw-Hill.

HOEGG J. AND ALABA J. 2006. Taste Perception: More than meets the Tongue. [Web:] <http://www.slideshare.net/guest0b700f/taste-perception-more-than-meets-the-tongue>. Date of access: 1 Nov. 2011.

HOMER, P.M. 2004. The situational impact of brand image beliefs. *Journal of Consumer Psychology*, 14(3):318-330.

HUPP, O, & POWAGA K. 2004. Using Consumer Attitudes to Value Brands: Evaluation of the Financial Value of Brands. *Journal of Advertising Research*, 44(3):225+. Available: Questia Database. Date of access: 1 Nov. 2011.

JACOBS, B. & DE KLERK, M. 2007. Understanding female consumers' risks perception for apparel purchasing on the Internet. *Journal of Family Ecology and Consumer Sciences*, 35.

KAMALADEVI, B. (2010). Customer experience management in retailing. *Business Intelligence Journal*, 3(1):38.

KOTLER, P. & ARMSTRONG, G. Principles of Marketing. Thirteenth Edition. London: Pearsons.

KOTLER, P. & KELLER, K. 2006. Marketing Management. New Jersey: Prentice Hall.

KRON, F. TAHAJODY, M. & SJOSTRAND M. 2000. From Positioning to Practice – Brand Positioning in an Over-Communicated Society. [Web:] http://www.fek.lu.se/supp/supp_download.asp?EB_iid=%7BCBFFB5F5-EF15-462A-9358-8AD845DBD559%7D&id=4465&filename=FEK-00014189.pdf. Date of access: 1 Nov. 2011.

LAMB, C., HAIR, J. MCDANIEL C. BOSHOFF C AND TERBLANCHE N. 2000. *Marketing*. London: London: Oxford. 437p.

LARSEN J. & BUSS D. (2009) *Personality Psychology: Domains of Knowledge about Human Nature*. London: McGraw-Hill Higher Education

LEE, A.L. 2003. The influence of self-regulatory goal on information processing, affective responses and counterfactual thinking. [Web:] <http://www.search.global.epnet.com>. Date of access: 21 Nov. 2011

LIAO S. Study of the relationship between brand awareness, brand association, perceived quality, and brand loyalty. [Web:] academic-papers.org/ocs2/session/Papers/G4/500-1703-1-DR.doc. Date of access: 1 Nov. 2011.

MANOJ T. & MENON G. 2007. When Internal Reference Prices and Price Expectations Diverge: The Role of Confidence. *Journal of Marketing Research*, XLIV(3). [Web:] <http://www.marketingpower.com/AboutAMA/Pages/AMA%20Publications/AMA%20Journals/Journal%20of%20Marketing%20Research/TOCs/summary%20aug%2007/WhenInternaljmraug07.aspx>. Date of access: 1 Nov. 2011.

MARREIROS, C. & NESS, M. 2009. A Conceptual Framework of Consumer Food Choice Behaviour. CEFAGE-UE Working Paper. [Web:] [http://www.google.co.za/url?sa=t&rct=j&q=engel-blackwell-miniard%20\(ebm&source=web&cd=2&ved=0CCIQFjAB&url=http%3A%2F%2Fwww.cefage.uevora.pt%2Fen%2Fcontent%2Fdownload%2F1715%2F22411%2Fversion%2F1%2Ffile%2F2009_06.pdf&ei=D1OITsHaOYSXhQe07q3vBA&usg=AFQjCNH5pcf4dFBbgqp9H_IXkwGeC3VDCA&sig2=GVH0Ki-5XY2sF5LhbwryUQ&cad=rja](http://www.google.co.za/url?sa=t&rct=j&q=engel-blackwell-miniard%20(ebm&source=web&cd=2&ved=0CCIQFjAB&url=http%3A%2F%2Fwww.cefage.uevora.pt%2Fen%2Fcontent%2Fdownload%2F1715%2F22411%2Fversion%2F1%2Ffile%2F2009_06.pdf&ei=D1OITsHaOYSXhQe07q3vBA&usg=AFQjCNH5pcf4dFBbgqp9H_IXkwGeC3VDCA&sig2=GVH0Ki-5XY2sF5LhbwryUQ&cad=rja). Date of access: 1 Nov. 2011.

MAUSER G. A. 1979. Allison and Uhl revisited: the effects of taste and brand name on perceptions and preferences. *Advances in Consumer Research*, 6:161-165.

MOSTERT, P.G. 2002. Buying behaviour of South African internet users. (Thesis). Pretoria: University of Pretoria.

MID-YEAR POPULATION ESTIMATES. 2011. [Web:] <http://www.statssa.gov.za/publications/P0302/P03022011.pdf>. Date of access: 12 Nov. 2011.

MOTIVATION. [Web:] http://www.sykronix.com/tsoc/courses/cb/cb_mot.htm. Date of access: 1 Nov. 2011.

NANDAN, S. 2005. An exploration of the brand identity-brand-image linkage: a communication perspective. *Journal of Marketing Management*, 15:157-179.

NAUMANN, E. 2005. Industry Study: The South African Liquor Industry. [Web:] <http://www.restaurant.org.za/downloads/SALiquorIndustryJune05.pdf>. Date of access: 20 Nov. 2011.

NOREEN, H. & KLEIN, J. 1987. Cognitive reference points in consumer decision making. *Advances in Consumer Research*, 4:183-187.

OPPONG G. 2009. The role of strategic supply chain management in liquor retail. Port Elizabeth: Nelson Mandela Metropolitan University. (Dissertation M. B. A.) 244 p. [Web:] <http://www.nmmu.ac.za/documents/theses/GEORGE%20OPPONG.pdf>
Date of access: 1 Nov. 2011.

PERNER L. 2010. Consumer Behaviours: the Psychology of Marketing. [Web:] <http://www.consumerpsychologist.com> Date of access: 1 Nov. 2011.

RIES, A & RIES, L. 2000. The 22 immutable laws of branding. London: Pearson Educational Limited.

RATNESHWAR, S. MICK, D. & REITINGER G. 1990. Selective attention in consumer information processing: the role of chronically accessible attributes. *Advances in Consumer Research*, 17, pp. 547-553. [Web:] <http://www.acrwebsite.org/volumes/display.asp?id=7064>. Date of access: 1 Nov. 2011.

ROSETTI, A. 2005. SABMILLER Branding. Sales Academy presentation, Johannesburg, 21 May.

ROUSSEAU, D. 2001. The decision making process. (*In Du Plessis, P.J. & Rousseau, G.G., eds. Buyer behaviour: A multi cultural approach. 3rd ed. Cape Town: Oxford. 109-134p.*)

SÁNCHEZ-FERNÁNDEZ, R., AND ÁNGELES INIESTA-BONILLO M. 2006. Consumer Perception of Value: Literature Review and a New Conceptual Framework. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behaviour*. 19:40-44.

SCHMIDT, K. & LUDLOW C. 2002. Inclusive branding: the why and how of a holistic approach to brands. London: Macmillan.

SCIFFMAN, L.G., KANUK, L.L. 2000. Consumer behaviour. 7th ed. London: Prentice Hall.

SHELL, R. L. 2003. Management of Professionals. New York: Marcel Dekker.

SOLOMON, M. R. 2004. Consumer behaviour: Buying, having and being. 6th ed. Upper Saddle River, N.J.: Pearson Prentice Hall. 621p.

SIJTSEMA, S., LINNEMAN, A., VAN GAASBEEK, T., DAGEVOS, H., & JONGEN W. 2002. Variables influencing food perception reviewed for consumer-oriented product development. *Critical reviews in food science and nutrition* 42(6):565-581.

STATION MANAGERS: AN EXPLORATORY ANALYSIS. *Journal of Broadcasting & Electronic Media*, 45 (1): 75. Available: Questia Database. Date of access: 1 Nov. 2011.

SUJAN, M. BETTMAN, J.R. & SUJAN, H. 1986. Effects of Consumer Expectations on Information Processing in Selling Encounters. *Journal of Marketing research*, 23(4)346-353.

SULISTO, Y. 2011. Consumer Behaviour Models: A Theoretical and Practical Approach. [Web:] <http://www.theloststring.com/2011/09/28/consumer-behaviour-models-a-theoretical-and-practical-approach>. Date of access: 1 Nov. 2011.

THOMAS, M. AND MENON, G. 2007. When Internal Reference Prices and Price Expectations Diverge: The Role of Confidence. *Journal of Marketing Research*, XLIV. [Web].
<http://people.stern.nyu.edu/gmenon/Thomas%20Menon%20JMR%202007.pdf>. Date of access: 1 Nov. 2011.

WATTS, R. E., & CRITELLI, J. W. 1997. Roots of Contemporary Cognitive Theories in the Individual Psychology of Alfred Adler. *Journal of Cognitive Psychotherapy*, 11(3):147.

WINDHOEK LAGER / SAB / 14214. 2009.
[Web:] <http://www.asasa.org.za/ResultDetail.aspx?Ruling=4897>. Date of access: 1 Nov. 2011.

WESTON S. 2011. Caroline Archer – adapting to changing market conditions. [Web:] <http://www.foodbev.com/interview/caroline-archer-adapting-to-changing-m>. Date of access: 1 Nov. 2011.

WILKIE, W.L. 1990. *Consumer behaviour*. 2nd ed. New York:John Wiley & Sons.

WRIGHT, C. A. BRUHN, C. M. HEYMANN H. & BAMFORTH C.W. 2008. Beer Consumers' Perceptions of the Health Aspects of Alcoholic Beverages. *Journal of Food Science*, 73(1):8-17.

WRIGHT, P. 1974. Analyzing Media Effects on Advertising Responses. *Public Opinion Quarterly*, 38:192-205.

APPENDIX A: QUESTIONNAIRE

<u>SURVEY ON PURCHASE OF BEER PRODUCTS</u>

Please read each of the following questions carefully and **answer** or make a cross **X** next to the field you want to select or weight you would like allocate to the question. It should take a **maximum of 5 minutes** of your time.

There are no right and wrong answers.

PLEASE NOTE THAT ALL INFORMATION IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. YOUR HONEST OPINIONS ARE IMPERATIVE FOR THIS STUDY.

Section A

1.1 Are you a beer consumer?

1	Yes
2	No

If Yes, please specify a short reason why	
If No, please specify what do you consume	

If your answer was **No** to 1.1, you do not need to proceed with the questionnaire, thank you.

1.2 Gender

1	Male
2	Female

1.3 Age

1	18 – 25
2	26 – 30
3	31 – 40
4	41 – 50
5	51+

1.4 Ethnic Group

1	Black
2	Colored
3	White
4	Asian
5	Other (specify) =

1.5 Marital status

1	Single
2	Married
3	Divorced
4	Other (specify) =

1.6 Salary per month before TAX

1	No monthly income
2	Less than R4,999
3	R5,000. – R9,999
4	R10,000 – R14,999
5	R15,000 – R19,999
6	More than R20,000

1.7 Highest level of education you have

1	No education
2	Below Grade 12
3	Grade 12
4	Diploma
5	Degree
6	Honors
7	Masters
8	Doctors
9	Other (specify) =

1.8 Duration of current employment

1	Unemployed
2	Less than 2 years
3	2 – 5 years
4	5 – 10 years
5	More than 10 years

Section B

2.1 What kind of packaging size do you prefer to purchase?

1	330ml Can
2	440ml Can
3	340ml Non returnable bottle
4	660 / 750ml returnable bottle
5	Other (specify) =

2.2 Provide the main reason why you choose this packaging size

--

2.3 How many units of the packaging size in 2.1 do you consume on a weekly basis?

1	Only per occasion
2	Less than 6 units
3	6 to 12 units
4	12 – 18 units
5	More than 18 units

2.4 Do you prefer to drink your beer from a...

1	Bottle
2	Can
3	Glass

2.5 Where do you purchase your beer from? (you can select more than 1 if applicable)

1	Bottle Store
2	Warehouse Liquor
3	Restaurant
4	Pub/Club
5	Tavern
6	Other (specify) =

2.6 How often do you go to purchase beer?

1	Daily
2	Weekly
3	Twice per month
4	Monthly
5	Yearly

2.7 Where do you most often drink beer? (you can select more than 1 if applicable)

1	Home
2	Eating out
3	Socializing
4	Sport
5	Other (Specify) =

Section C

Here is a list of different brands of beer. Please complete the list of questions in each column. You can select **ONE** additional beer brand of your own if you want to.

Code	STATEMENTS	Amstel Lager	Carling Black Label	Castle Lager	Castle Lite	Hansa Pilsener	Heineken	Peroni	Windhoek Lager	Other
1	3.1 Select which of these brands you know, or have heard of. List 1 other.									
2	3.2 Which of these brands of beer have you tried within the last year?									
3	3.3 Which ONE brand do you drink more often than any other at present?									
4	3.4 Which OTHER brand or brands do you drink regularly?									
5	3.5 Now which ONE brand of beer would you never consider drinking?									

3.6 You mentioned above that _____ (insert brand mentioned at 3.3) is the brand you drink more often than other brands.

If someone saw you drinking this brand what do you think it will tell them about you? Please **CIRCLE** the **ONE** that best describes your opinion?

1	Older	7	Respectful	13	Younger	19	Disrespectful
2	Low Income	8	Interesting	14	High Income	20	Boring
3	Conservative	9	Traditional	15	Trendy	21	Modern
4	Confident	10	Successful	16	Insecure	22	Unsuccessful
5	Serious	11	Dignified	17	Fun	23	Badly Behaved
6	Up-market	12	Responsible	18	Down-market	24	Not responsible

3.7 You mentioned earlier that _____ (insert brand mentioned at 3.5) is the brand you would never consider drinking in the future.

If someone saw you drinking this brand what do you think it will tell them about you? Please **CIRCLE** the **ONE** that best describes your opinion?

1	Older	7	Respectful	13	Younger	19	Disrespectful
2	Low Income	8	Interesting	14	High Income	20	Boring
3	Conservative	9	Traditional	15	Trendy	21	Modern
4	Confident	10	Successful	16	Insecure	22	Unsuccessful
5	Serious	11	Dignified	17	Fun	23	Badly Behaved
6	Up-market	12	Responsible	18	Down-market	24	Not responsible

Section D

Select the brands below you feel fit that particular statement. This may be based on your own experience or on what you have heard from other people. In each case, you may name one of the brands, more than one or none, just as you wish.

Code	STATEMENTS	Amstel Lager	Carling Black Label	Castle Lager	Castle Lite	Hansa Pilsener	Heineken	Peroni	Windhoek Lager	Other
1	4.1 Would you recommend this brand to your friends									
2	4.2 For people with status									
3	4.3 Drunk by fashionable people									
4	4.4 Has bad after-effects									
5	4.5 Allows you to stay in control									
6	4.6 Is a strong beer									
7	4.7 Is the one you like best									
8	4.8 Made from pure and natural ingredients									
9	4.9 Brewed to the highest quality standards									
10	4.10 Has attractive packaging									
11	4.11 Too expensive									
12	4.12 For people who are getting ahead in life									
13	4.13 Is a brand that you admire									
14	4.14 Good value for money									
15	4.15 Has an image which appeals to you									

4.16 Lastly please rate how much these factors will influence you on making a decision on what brand to buy.

Code	Factors	Not at all important	Not important	Neutral	Somewhat important	Very important
		1	2	3	4	5
1	Price					
2	Taste					
3	Brand image					

Thank you for taking the time in completing this survey.

The Researcher

APPENDIX B: BEER TASTING TEST

Blind Beer Tasting

Name: _____

Section A: Write down the name of beer that you think you are drinking

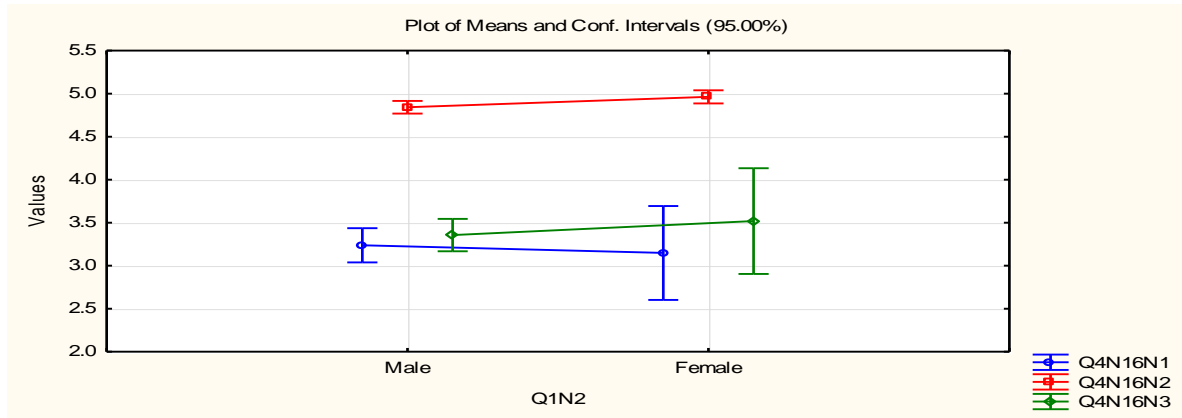
Beer 1	
Beer 2	
Beer 3	
Beer 4	
Beer 5	

Section B: Rate the beer that you are drinking 1 = horrible to 10 = excellent

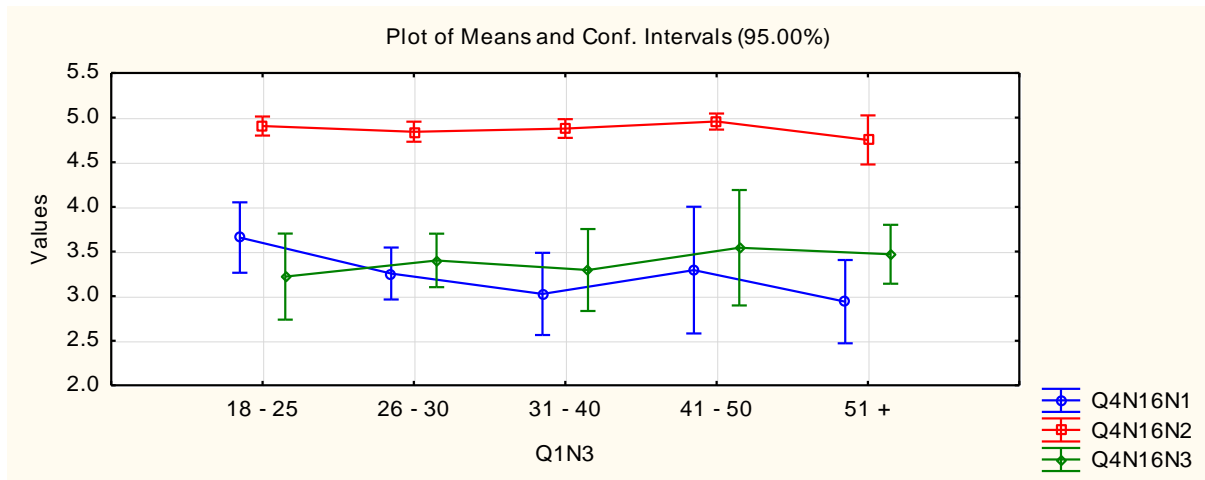
#	1	2	3	4	5	6	7	8	9	10
Beer 1										
Beer 2										
Beer 3										
Beer 4										
Beer 5										

Thank you

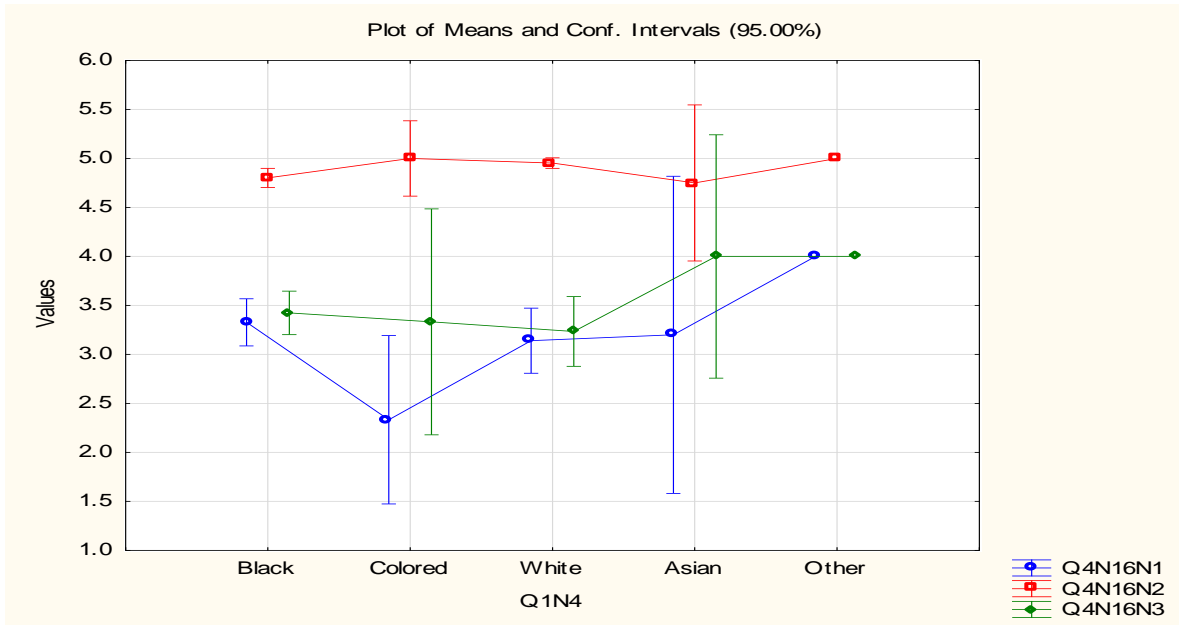
APPENDIX C: ALL ANOVA RESULTS



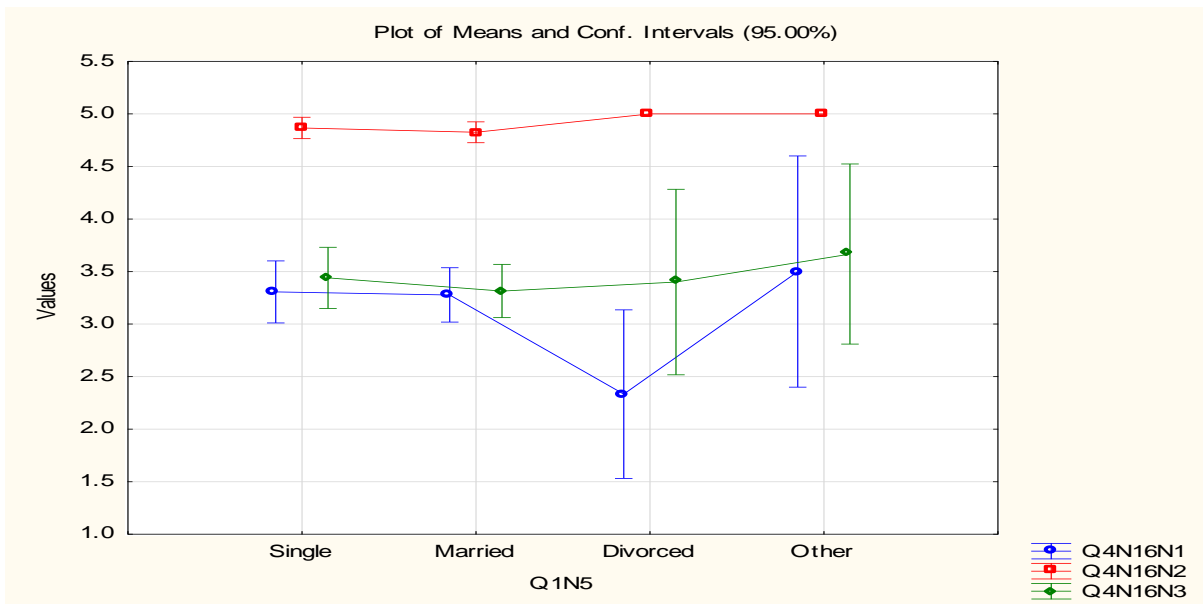
Analysis of Variance (Beer Data 2)								
Marked effects are significant at $p < .05000$								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	0.18614	1	0.18614	367.441	202	1.81901	0.10233	0.74937
Q4N16N2	0.34386	1	0.34386	44.533	202	0.22046	1.55974	0.21314
Q4N16N3	0.61926	1	0.61926	347.317	202	1.71939	0.36016	0.54908



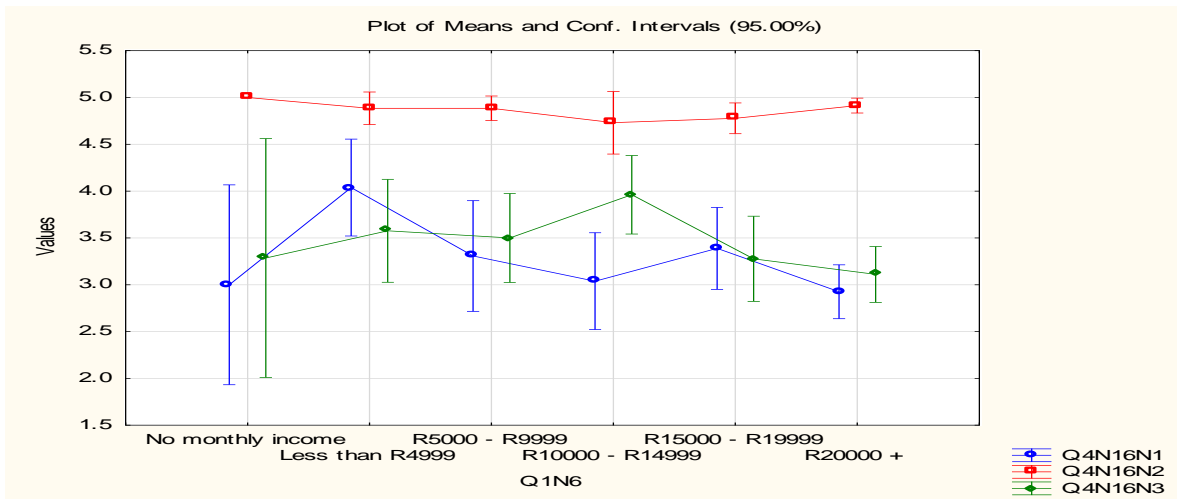
Analysis of Variance (Beer Data 2)								
Marked effects are significant at $p < .05000$								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	10.4130	4	2.60327	357.214	199	1.79504	1.45025	0.21888
Q4N16N2	0.7066	4	0.17666	44.170	199	0.22196	0.79593	0.52908
Q4N16N3	2.0526	4	0.51315	345.883	199	1.73810	0.29524	0.88082



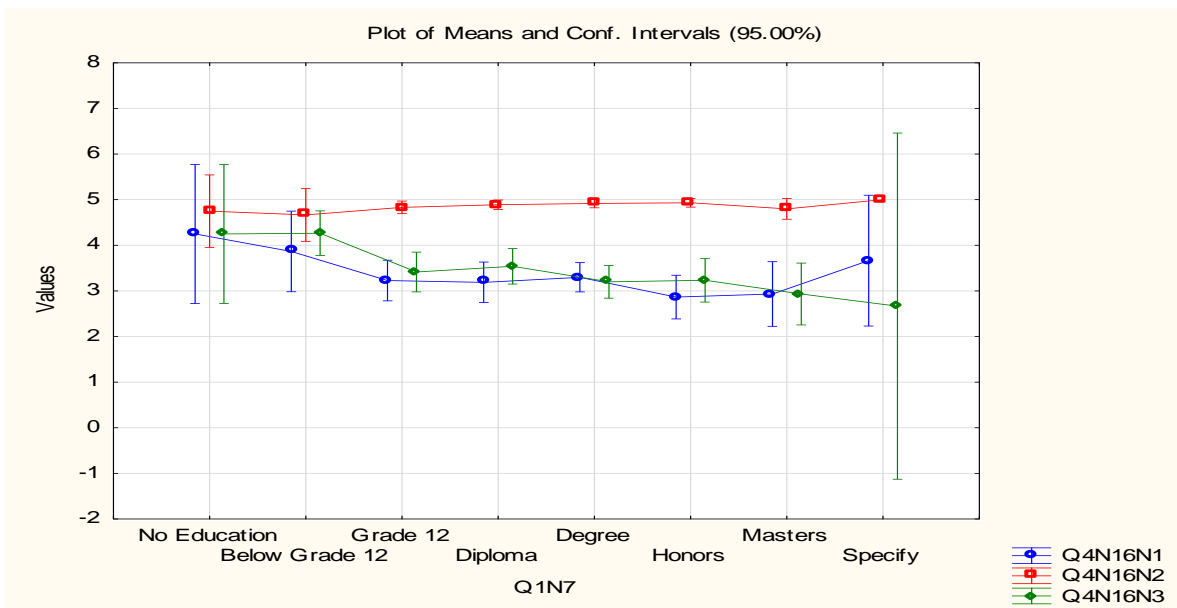
Analysis of Variance (Beer Data 2)								
Marked effects are significant at p < .05000								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	9.54107	4	2.38526	358.086	199	1.79942	1.32557	0.26173
Q4N16N2	1.22839	4	0.30709	43.649	199	0.21934	1.40008	0.23531
Q4N16N3	3.92390	4	0.98097	344.012	199	1.72870	0.56746	0.68654



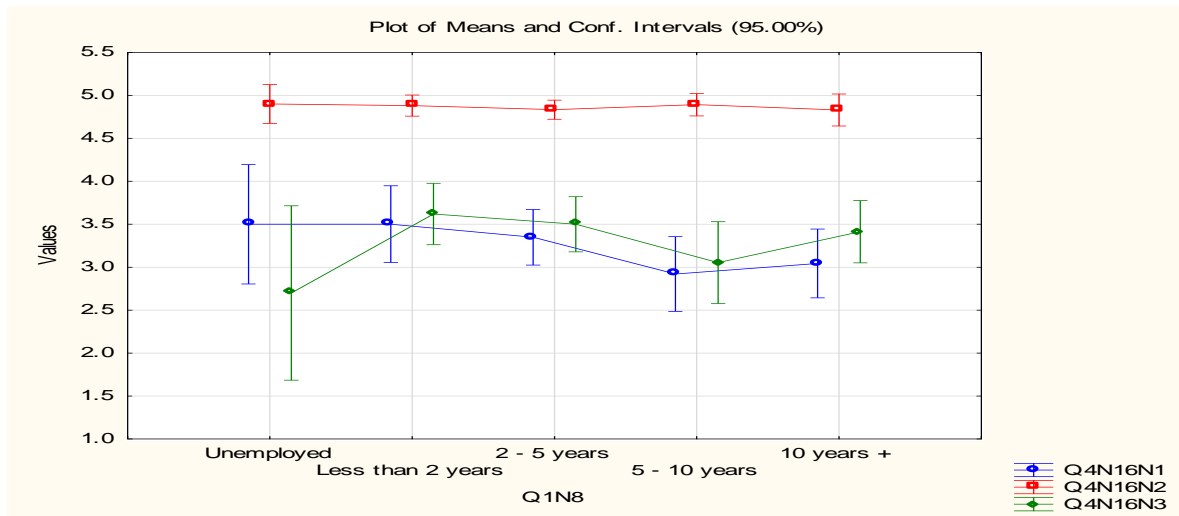
Analysis of Variance (Beer Data 2)								
Marked effects are significant at p < .05000								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	13.1807	3	4.39359	354.446	200	1.77223	2.47912	0.06235
Q4N16N2	0.5227	3	0.17423	44.354	200	0.22177	0.78565	0.50319
Q4N16N3	1.2266	3	0.40888	346.709	200	1.73354	0.23586	0.87129



Analysis of Variance (Beer Data 2)								
Marked effects are significant at $p < .05000$								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	26.8431	5	5.36863	337.572	196	1.72230	3.11711	0.00990
Q4N16N2	1.0784	5	0.21569	43.040	196	0.21959	0.98222	0.42975
Q4N16N3	16.4326	5	3.28652	328.458	196	1.67580	1.96115	0.08606



Analysis of Variance (Beer Data 2)								
Marked effects are significant at $p < .05000$								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	16.3892	7	2.34131	346.204	194	1.78456	1.31198	0.24640
Q4N16N2	1.1268	7	0.16097	40.264	194	0.20754	0.77562	0.60844
Q4N16N3	22.5981	7	3.22830	319.505	194	1.64693	1.96018	0.06236



Analysis of Variance (Beer Data 2)								
Marked effects are significant at $p < .05000$								
Variable	SS Effect	df Effect	MS Effect	SS Error	df Error	MS Error	F	p
Q4N16N1	9.9330	4	2.48325	352.661	197	1.79015	1.38717	0.23976
Q4N16N2	0.1593	4	0.03983	44.677	197	0.22678	0.17564	0.95072
Q4N16N3	12.0968	4	3.02421	327.551	197	1.66269	1.81885	0.12665

APPENDIX D: PRICE LIST

Product		Case Price			Deposits (Excluding VAT)			
		Excl. VAT	Incl. VAT	VAT	Crates	Bottles (Each)	Total	
Castle Lager	Returnable Bottles	750 RB	R 84.30	R 96.10	R 11.80	R 9.65	R 0.79	R 19.12
		330 RB	R 97.01	R 110.59	R 13.58	R 9.65	R 0.79	R 28.60
	Returnable Draught Kegs	30L DR	R 409.80	R 467.17	R 57.37			R 315.79
		50L DR	R 672.14	R 766.24	R 94.10			R 315.79
	Bottles	340 NRB	R 103.31	R 117.77	R 14.46			
		330 CAN	R 103.31	R 117.77	R 14.46			
Non Returnable Cans	440 CAN	R 131.85	R 150.31	R 18.46				
Castle Draught In A Bottle	Bottles	340 NRB	R 110.58	R 126.06	R 15.48			
Hansa Pilsener	Returnable Bottles	750 RB	R 84.30	R 96.10	R 11.80	R 9.65	R 0.79	R 19.12
		330 RB	R 97.01	R 110.59	R 13.58	R 9.65	R 0.79	R 28.60
	Returnable Draught Kegs	50L DR	R 672.14	R 766.24	R 94.10			R 315.79
		30L DR	R 409.80	R 467.17	R 57.37			R 315.79
	Bottles	340 NRB	R 103.31	R 117.77	R 14.46			
		330 CAN	R 103.31	R 117.77	R 14.46			
Non Returnable Cans	440 CAN	R 131.85	R 150.31	R 18.46				
Hansa Marzen Gold	Returnable Bottles	750 RB	R 96.04	R 109.49	R 13.45	R 9.65	R 0.88	R 20.18
	Bottles	340 NRB	R 107.35	R 122.38	R 15.03			
	Returnable Draught Kegs	30L DR	R 446.36	R 508.85	R 62.49			R 315.79
Carling Black Label	Returnable Bottles	750 RB	R 84.30	R 96.10	R 11.80	R 9.65	R 0.79	R 19.12
		330 RB	R 97.01	R 110.59	R 13.58	R 9.65	R 0.79	R 28.60
	Bottles	340 NRB	R 103.31	R 117.77	R 14.46			
		330 CAN	R 103.31	R 117.77	R 14.46			
	Non Returnable Cans	440 CAN	R 131.85	R 150.31	R 18.46			
		30L DR	R 409.80	R 467.17	R 57.37			R 315.79
50L DR	R 672.14	R 766.24	R 94.10			R 315.79		
Castle Milk Stout	Returnable Bottles	750 RB	R 90.78	R 103.49	R 12.71	R 9.65	R 0.79	R 19.12
	Bottles	340 NRB	R 111.16	R 126.72	R 15.56			
	Non Returnable Cans	330 CAN	R 111.16	R 126.72	R 15.56			
		440 CAN	R 140.39	R 160.04	R 19.65			
Castle Lite	Returnable Bottles	660 RB	R 88.63	R 101.04	R 12.41	R 9.65	R 0.88	R 20.18
	Bottles	340 NRB	R 109.76	R 125.13	R 15.37			
	Non Returnable Cans	330 CAN	R 109.76	R 125.13	R 15.37			
		30L DR	R 447.60	R 510.26	R 62.66			R 315.79
Miller Genuine Draft	Returnable Bottles	660 RB	R 101.37	R 115.56	R 14.19	R 9.65	R 0.88	R 20.18
	Bottles	330 NRB	R 121.63	R 138.66	R 17.03			
Peroni Nastro Azzurro	Returnable Draught Kegs	30L DR	R 493.76	R 562.89	R 69.13			R 315.79
	Bottles	330 NRB	R 132.93	R 151.54	R 18.61			
	Returnable Bottles	660 RB	R 104.54	R 119.18	R 14.64	R 9.65	R 0.88	R 20.18
Pilsner Urquell	Returnable Draught Kegs	30L DR	R 517.99	R 590.51	R 72.52			R 315.79
	Bottles	330 NRB	R 158.53	R 180.72	R 22.19			
Redd's Cold/Dry	Returnable Bottles	660 RB	R 88.87	R 101.31	R 12.44	R 9.65	R 0.88	R 20.18
	Bottles	330 NRB	R 115.05	R 131.16	R 16.11			
		340 NRB	R 115.05	R 131.16	R 16.11			
Blakes & Doyle Apple Ale	Bottles	340 NRB	R 129.95	R 148.14	R 18.19			
Brutal Fruit	Returnable Bottles	660 RB	R 112.77	R 128.56	R 15.79	R 9.65	R 0.88	R 20.18
	Bottles	275 NRB	R 123.58	R 140.88	R 17.30			
Sarita	Bottles	330 NRB	R 144.21	R 164.40	R 20.19			
Skelters	Bottles	330 NRB	R 120.79	R 137.70	R 16.91			
Grolsch	Bottles	330 NRB	R 144.91	R 165.20	R 20.29			
		450 NRB	R 259.31	R 295.61	R 36.30			
	Returnable Draught Kegs	30L DR	R 519.69	R 592.45	R 72.76			R 315.79
Dreher	Bottles	350 NRB	R 117.71	R 134.19	R 16.48			
SAB Pallets							R 131.58	
Note: Payment terms as per signed agreement with customers. Please contact your SAB Ltd representative for more details.								

APPENDIX E: EDITOR'S DECLARATION

Monday, November 21. 2011.



21 November 2011
14 William Cock Road Port Alfred EC 6170

To whom it may concern

This serves to confirm that the document, *Consumer perceptions of beer products at the point of purchase* by Stian Veldman, student number 21424667 has been edited and checked for language errors and language usage. The sources and referencing technique applied was checked to comply with the specific Harvard technique as per North-West University prescriptions.

A handwritten signature in black ink, appearing to read "gsmith", is positioned above the contact information.

Gary Smith M.A. English
Co-editor: South African Writers' Network (SAWN) www.sawn.co.za
gary@imagnet.co.za
Tel: 046 624 2793.