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## EXPLORING THE PERCEPTIONS OF GROCERY RETAIL MANAGERS ON PRIVATE LABEL BRANDS IN SOUTH AFRICA

## **Abstract:**

The phenomenon of private label brands has been widely studied in various contexts, with South Africa as no exception. The pervading economic climate across the globe and in South Africa, as a consequence of the Covid 19 pandemic, has brought the study of private label brands to the fore. Private label brands (PLBs) are considered a cheaper alternative with comparable levels of quality to manufacturer products which create a value proposition for consumers. Notwithstanding the plethora of research in this field, these studies are pointed towards customer perceptions and purchase behaviours for private label brand products rather than the perceptions of grocery store retailers. In contrast, these retailers are in a prime position to contribute to the study of this marketing construct. This paper explored the perceptions of grocery retail managers concerning private label brands (PLBs) by delving into the views of these managers concerning the reasoning behind consumer purchase behaviour when it comes to these private label products. The study's main finding was that grocery retail managers believe that customers primarily purchase private label brands due to the trust that they display towards a grocery retailer rather than the emphasis placed on the pricing or quality of these products. Moreover, the confidence exhibited by customers extends towards repeat purchases of private label brands as the products match or exceed expectations which further encourages the faith they have in these brands. These findings indicate that grocery retailers opine that customers' view private label brands positively. The authors recommend that grocery retailers invest more in the awareness of private label brands (PLBs), thereby creating more knowledge of private label products. As customers are more educated in this respect and can draw better conclusions between the cost/quality dichotomy that has always plagued the adoption rate of these products in a South African and African context as opposed to the adoption rate of PLBs in Europe.

## **Keywords:**

Private label brands; Grocery retail managers; Customers

**JEL Classification:** M31, L81